US$6,000,000,000
Medium Term Notes Program

Banco de Crédito e Inversiones, acting directly or through its Miami Branch

US$6,000,000,000
Medium Term Notes Program

Under this US$6,000,000,000 Medium Term Notes Program (the "**Program**"), Banco de Crédito e Inversiones (the "**Issuer**," the "**Bank**" or "**Bci**") may from time to time issue medium term notes ("**Notes**") which may be issued on a subordinated or unsubordinated basis. The Notes will be offered (i) inside the United States of America (the "**United States**") in reliance on an exemption from registration under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") only to qualified institutional buyers ("**QIBs**"), within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act, and/or (ii) outside the United States to non-U.S. persons (as such term is defined in Rule 904 under the Securities Act (a "**non-U.S. person**")) pursuant to Regulation S ("**Regulation S**") under the Securities Act. The Notes will be denominated in any currency agreed upon between the Issuer and the relevant Dealer (as defined below). The final terms of each Note will be specified in the Final Terms (as defined below). For more information, see "Description of the Notes."

Each initial and subsequent purchaser of the Notes offered hereby in making its purchase will be deemed to have made certain acknowledgements, representations and agreements intended to restrict the resale or other transfer of such Notes and may in certain circumstances be required to provide confirmation of compliance with such resale or other transfer restrictions below and as set forth in "Important Notices" and "Transfer and Selling Restrictions."

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms contemplated herein which are applicable to a particular issuance of Notes will be set out in the relevant Final Terms relating to such Notes.

See "Risk Factors" beginning on page 4 of this Prospectus for a discussion of certain significant risks you should consider in connection with an investment in the Notes.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**") or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Prospective investors are referred to the section headed "Important Notices" on page iv of this Base Prospectus (the "**Prospectus**").

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

Application may be made to the Luxembourg Stock Exchange for Notes issued under the Program (other than Indexed Notes (as defined below)) to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of MiFID II. Notes issued under the Program (other than Indexed Notes) may also be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange (an MTF for the purposes of MiFID II), any other or further stock exchange(s) or may not be admitted to trading or listed. Indexed Notes will not be admitted to trading on the Luxembourg Stock Exchange's regulated market and are not in the scope of the approval by the *Commission de Surveillance du Secteur Financier* under this Prospectus.

This document comprises a Base Prospectus for the purpose of Article 8 of Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**"). This Prospectus may be used only for the purposes for which it has been prepared. This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), as competent authority under the Prospectus Regulation. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. By approving this Prospectus in accordance with Article 20 of the Prospectus Regulation, the CSSF does not engage in respect of the economic or financial opportunity of the operation or the quality and solvency of the Issuer. Such approval should not be considered as an endorsement of the issuer that is the subject of this Prospectus. You should make your own assessment as to the suitability of investing in the Notes.

Arrangers

BofA Securities **Standard Chartered Bank**

Dealers

BofA Securities, Inc. **BNP PARIBAS** **Citigroup** **Daiwa Capital Markets** **Goldman Sachs & Co. LLC** **HSBC** **J.P. Morgan** **Mizuho Securities** **Morgan Stanley** **MUFG** **Standard Chartered Bank**

July 19, 2024

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Responsibility Statement

The Issuer with its registered office in Santiago, Chile is solely responsible for the information given in this Prospectus and in any Final Terms for each Series or Tranche of Notes issued under the Program. The Issuer hereby declares that to the best of its knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus and in any Final Terms for each Series or Tranche of Notes issued under the Program is in accordance with the facts and contains no omission likely to affect its import.

IMPORTANT NOTICES

Copies of Final Terms will be available from the registered office of the Issuer and the specified office set out below of each of the paying agents (save that a Final Terms relating to a Note which is neither admitted to trading on a regulated market in the EEA or in the UK nor offered in the EEA or in the UK in circumstances where a prospectus is required to be published under the Prospectus Regulation, including as it forms part of UK domestic law by virtue of the EUWA, will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the relevant Issuer and the relevant Paying Agent as to its holding of Notes and identity).

This Prospectus should be read and understood in conjunction with any supplement hereto. Full information on the Issuer and any Notes issued under the Program is only available on the basis of the combination of this Prospectus (including any supplement) and the relevant Final Terms.

No person is or has been authorized to give any information or to make any representations, other than those contained in this Prospectus, in connection with the Program or the issue and sale of the Notes and, if given or made, such information or representations must not be relied upon as having been authorized by Bci. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that the information herein is correct as of any time subsequent to the date hereof.

Neither this Prospectus nor any other information supplied in connection with the Program or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer or any of the Dealers that any recipient of this Prospectus or any recipient of any other information supplied in connection with the Program or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the Program or the issue of any Notes constitutes an offer or invitation by or on behalf of either Issuer or any of the Dealers to subscribe for or to purchase any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction.

This Prospectus is valid for twelve months upon its date of approval. This Prospectus has been approved on July 19, 2024 and will expire on July 19, 2025. This Prospectus and any supplement thereto as well as any Final Terms reflect the status as of their respective dates of issue. Neither the delivery of this Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained in the related documents is accurate and complete subsequent to the date hereof or that there has been no adverse change in the financial condition of the Issuer since such date or that any other information supplied in connection with the Program is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

For so long as any Notes remain outstanding, the Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Prospectus that is capable of affecting the assessment of any Notes, prepare a supplement to this Prospectus or publish a new prospectus for use in connection with any subsequent issue of Notes. The obligation to supplement this Prospectus in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Prospectus shall expire when this Prospectus is no longer valid.

Notes issued under the Program may not be a suitable investment for all investors. Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should: (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in such Notes and the information contained in this Prospectus or any applicable supplement; (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such Notes will have on its overall investment portfolio; (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including Notes with principal or interest payable in one or more Specified Currencies, or where the Specified Currency for principal or interest payments is different from the potential investor's usual currency for holding investments; (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behavior of any relevant indices and financial markets; and (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment in the relevant Notes and its ability to bear the applicable risks.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by United States

Treasury Regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and the regulations promulgated thereunder.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer and the Dealers do not represent that this Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Dealers which would permit an offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States, the EEA (and, in particular, without limitation, in Luxembourg, France, Italy and the Netherlands), the UK, Australia, Brazil, Chile, Dubai, Hong Kong, Japan, Peru, Singapore and Switzerland (see "Transfer and Selling Restrictions"). In making an investment decision, investors must rely on their own examination of the Issuer and the terms of the Notes being offered, including the merits and risks involved. The Notes have not been approved or disapproved by the United States Securities and Exchange Commission (the "**SEC**") or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Prospectus or confirmed the accuracy or the adequacy of the information contained in this Prospectus. Any representation to the contrary is unlawful.

In particular, Notes have not been and will not be registered under the Securities Act, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons unless the Notes are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. See "Description of the Notes—Forms of Notes" for a description of the manner in which Notes will be issued. Registered Notes are subject to certain restrictions on transfer (see "Transfer and Selling Restrictions"). Registered Notes may be offered or sold within the United States only to QIBs in transactions exempt from registration under the Securities Act (see "U.S. Information" below).

Neither this Prospectus nor any Final Terms may be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

Neither this Prospectus nor any Final Terms should be considered as a recommendation or a statement of an opinion (or a report of either of those things) by Bci, the Dealers or any of them that any recipient of this Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Prospectus or any Final Terms shall be taken to have made its own appraisal of the condition (financial or otherwise) of the Issuer.

None of the Dealers or the Issuer makes any representation to any purchaser of the Notes regarding the legality of its investment under any applicable laws. Any purchaser of the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

The Dealers have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Dealers as to the accuracy or completeness of the information contained in this Prospectus or any other information provided by the Issuer. The Dealers do not accept any liability in relation to the information contained in this Prospectus or any other information provided by the Issuer in connection with the Program.

U.S. Information

This Prospectus is being submitted on a confidential basis in the United States to a limited number of QIBs for informational use solely in connection with the consideration of the purchase of the Notes being offered hereby. Its use for any other purpose in the United States is not authorized. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

Registered Notes may be offered or sold within the United States only to QIBs in transactions exempt from registration under the Securities Act. Each U.S. purchaser of Registered Notes is hereby notified that the offer and sale of any Registered Notes to it may be made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A.

Each purchaser or Noteholder represented by a Rule 144A Global Note (as defined under "Registered Notes" below) or any Notes issued in registered form in exchange or substitution therefor (together "**Legended Notes**") will be deemed, by its acceptance or purchase of any such Legended Notes, to have made certain representations and agreements intended to restrict the resale or other transfer of such Notes as set out in "Transfer and Selling Restrictions." Unless otherwise stated, terms used in this paragraph have the meanings given to them in "Description of the Notes—Forms of Notes."

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the "**BMR**"). If any such reference rate does constitute such a benchmark, the relevant Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 (*Register of administrators and benchmarks*) of the BMR. Transitional provisions in the BMR may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the relevant Final Terms. The registration status of any administrator under the BMR is a matter of public record and, save where required by applicable law, the Issuer does not intend to update the relevant Final Terms to reflect any change in the registration status of the administrator.

Amounts payable under the Notes may be calculated by reference to the reference rates described in this Prospectus. As of the date of this Prospectus, the European Money Markets Institute (as administrator of EURIBOR (as defined below)) appears on the register of administrators and benchmarks established and maintained by the ESMA pursuant to article 36 of the BMR, and none of the other benchmarks referred to in section 5(ii) of Part A of the Form of Final of Terms is provided by an administrator included in such register.

As far as the Bank is aware, the transitional provisions in Article 51 of the BMR apply, such that ICE Benchmark Administration Limited is not currently required to obtain authorization or registration (or, if located outside the European Union, recognition, endorsement or equivalence).

Any websites hyperlinks included in this Prospectus are for information purposes only and do not form part of this Prospectus.

NOTICE TO PROSPECTIVE INVESTORS IN CHILE

The Notes will not be registered in the Securities Registry (*Registro de Valores*) or in the Foreign Securities Registry (*Registro de Valores Extranjeros*) of the Chilean Financial Markets Authority (*Comisión para el Mercado Financiero*) ("**CMF**"), and, therefore, the Notes are not subject to the supervision of the CMF as unregistered securities, we are not required to disclose public information about the Notes in Chile. Accordingly, the Notes cannot and will not be publicly offered to persons in Chile. The Notes may only be offered in Chile in circumstances that do not constitute a "Public Offering" (as defined under Law No. 18,045 on securities market ("**Chilean securities market law**"), and in compliance with General Rule (*Norma de Carácter General*) No. 336, dated June 27, 2012, issued by the CMF, as amended ("Rule 336")). The Notes may be privately offered in Chile to certain Chilean "Qualified Investors" which in turn are further described in General Rule (*Norma de Carácter General*) No. 216, dated June 12, 2008, of the CMF) ("Rule 216") (such as banks, pension funds and insurance companies), which are required to comply with specific restrictions relating to the purchase of the Notes.

NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE

Unless otherwise stated in the Final Terms, in connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined the classification of the Notes as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

PROHIBITION OF SALES TO RETAIL INVESTORS IN THE UNITED KINGDOM

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

ADDITIONAL NOTICE TO INVESTORS IN THE UNITED KINGDOM

This Prospectus is only being distributed to, and is only directed at, persons in the UK that are "qualified investors" within the meaning of the Prospectus Regulation, as it forms part of domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**") and that also (i) are "investment professionals" as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "**Order**"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order, or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the issue or sale of any Notes may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**relevant persons**"). In the UK, this Prospectus is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Prospectus relates is available in the UK only to relevant persons and will be engaged in only with relevant persons.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II or (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.

UK MIFIR PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MIFIR Product Governance Rules.

RATINGS

As of the date of this Prospectus, Moody's Investors Service, Inc. ("**Moody's**") has assigned an A2 senior unsecured debt rating to the Bank and Standard & Poor's International LLC ("**Standard & Poor's**") has assigned an A- long-term foreign issuer credit rating to the Bank.

Moody's and Standard & Poor's are not incorporated in the European Union or currently registered in accordance with the Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, amended by Regulation (EC) No. 513/2011, Directive 2011/61/EU and Regulation (EU) No. 462/2013 (the "**CRA Regulation**"), nor have the ratings given by these agencies been endorsed by a credit rating agency established in the European Union and registered under the CRA Regulation. The European Securities and Markets Authority publishes on its website (www.esma.europa.eu) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 of the CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

The rating of a certain Series or Tranche of Notes to be issued under the Program may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to a relevant Series or Tranche of Notes will be issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed clearly and prominently in the Final Terms.

A rating is not a recommendation to buy, sell or hold Notes issued under the Program and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. A suspension, reduction or withdrawal of the rating assigned to the Bank may adversely affect the market price of the Notes issued under the Program.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with any resales or other transfers of Notes that are "**restricted securities**" within the meaning of the Securities Act, the Issuer has undertaken in the Dealer Agreement dated July 25, 2016 (as amended, the "**Dealer Agreement**") to furnish, upon the request of a holder of such Notes or any beneficial interest therein, to such holder or to a prospective purchaser designated by him, the information required to be delivered under Rule 144A(d)(4) under the Securities Act if, at the time of the request, the Issuer is neither a reporting company under Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**") nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

Certain Terms and Conventions

General

Unless otherwise indicated or the context otherwise requires, all references in this Prospectus to the "Bank," "we," "our," "ours," "us" or similar terms refer to Banco de Crédito e Inversiones together with its Miami branch and its consolidated subsidiaries. We conduct our Chilean commercial banking activities through Bci and various non-banking activities through subsidiaries. See "Business." All references in this Prospectus to "City National Bank of Florida" or "CNB" refer to our subsidiary City National Bank of Florida and its subsidiaries, unless the context otherwise requires.

Currency Presentation

In this Prospectus, references to "US$," "U.S. dollars" and "dollars" are to United States dollars, references to "Chilean pesos", "pesos" or "Ch$" are to Chilean pesos, references to "CHF" are to Swiss francs and references to "JPY" are to the Japanese Yen.

References to "UF" are to *Unidades de Fomento*. The UF is an inflation-indexed Chilean monetary unit with a value in Chilean pesos that is adjusted daily to reflect changes in the official consumer price index of the *Instituto Nacional de Estadísticas* (the "**Chilean National Institute of Statistics**"). The UF is revalued in monthly cycles. Each day in the period beginning on the tenth day of the current month through the ninth day of the succeeding month, the nominal peso value of the UF is indexed up (or down in the event of deflation) in order to reflect a proportionate amount of the change in the Chilean consumer price index during the prior calendar month. As of December 31, 2021, 2022 and 2023, the value of the UF was Ch$30,991.74, Ch$35,110.98 and Ch$36,789.36, respectively.

This Prospectus contains translations of certain Chilean peso amounts into U.S. dollars at specified rates solely for the convenience of the reader. These translations should not be construed as representations that the Chilean peso amounts actually represent such U.S. dollar amounts or could be converted into U.S. dollars at the rates indicated, at any particular rate or at all.

Unless otherwise indicated, the exchange rate used in converting Chilean pesos into U.S. dollars for amounts presented as of and for the years ended December 31, 2021, 2022 and 2023, as the case may be, were based on the observed exchange rate (*dólar observado*) reported by the Central Bank of Chile (*Banco Central de Chile*) for December 31, 2021, which was Ch$844.69 per US$1.00, for December 31, 2022, which was Ch$855.86 per US$1.00 and for December 31, 2023, which was Ch$877.12 per US$1.00, respectively.

The rates reported by the Central Bank of Chile for December 31, 2021, 2022 and 2023 are based upon the observed exchange rate which it publishes on the first business day following the respective date. The Federal Reserve Bank of New York (the "**FRBNY**") does not report a noon buying rate for pesos. See "Exchange Rates" for additional information regarding rates of exchange.

ENFORCEMENT OF CIVIL LIABILITIES

We are an open stock corporation (*sociedad anónima abierta*) organized under the laws of Chile and are licensed as a commercial bank by the CMF. Substantially all of our directors and officers and certain experts named herein reside outside the United States (principally in Chile). A substantial portion of our assets and the assets of these persons are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon us or such persons or to enforce against us or them in U.S. courts judgments predicated upon the civil liability provisions of the laws of jurisdictions other than Chile, including any judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

We have been advised by our external Chilean counsel that no treaty exists between the United States and Chile for the reciprocal enforcement of foreign judgments. Chilean courts would enforce judgments rendered by U.S. courts by virtue of the legal principles of reciprocity and comity, subject to review in Chile of any such U.S. judgment in order to ascertain whether certain basic principles of due process and public policy have been respected, without retrial or review of the merits of the subject matter. If a U.S. court grants a final judgment, enforceability of this judgment in Chile will be subject to obtaining the relevant *exequatur* (i.e., recognition and enforcement of the foreign judgment) according to Chilean civil procedure law in force at that time and satisfying certain legal requirements. Currently, the most important of these requirements are:

- the existence of reciprocity, absent which the foreign judgment may not be enforced in Chile;
- the absence of any conflict between the foreign judgment and Chilean law (excluding for this purpose the laws of civil procedure) and public policy;
- the absence of a conflicting judgment by a Chilean court relating to the same parties and arising from the same facts and circumstances;
- the observance of all applicable laws to serve process on the defendant and protect the defendant's right to defense; and
- the absence of any further means for appeal or review of the judgment in the jurisdiction where judgment was rendered.

We have been advised by our external Chilean counsel that there is doubt as to the enforceability, in original actions in Chilean courts, of liabilities predicated solely on the U.S. federal securities laws and as to the enforceability in Chilean courts of judgments of U.S. courts obtained in actions predicated upon the civil liability provisions of the U.S. federal securities laws.

CAUTIONARY DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. These statements appear throughout this Prospectus. Examples of such forward-looking statements include:

- expectations of revenues, net income (expense), capital expenditures, dividends, capital structure, liquidity, asset portfolios or other financial items or ratios;

- statements of our plans, objectives or goals, including those related to anticipated trends, competition or regulation;

- statements about our future economic performance and that of Chile or other countries in which we operate;

- statements about our exposure to market risks, including interest rate risks, foreign exchange risk and equity price risk; and

- statements of assumptions underlying such statements.

The sections of this Prospectus that contain forward-looking statements include, without limitation, "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." Words such as "believes," "expects," "anticipates," "projects," "intends," "should," "could," "may," "seeks," "aim," "combined," "estimates," "probability," "risk," "target," "goal," "objective," "future" or similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. These statements may relate to (i) our asset growth and financing plans, (ii) trends affecting our financial condition or results of operations, and (iii) the impact of competition and regulations, but are not limited to such topics. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially and adversely from those described in such forward-looking statements included in this Prospectus as a result of various factors (including, without limitation, the actions of competitors, future global economic conditions, market conditions, foreign exchange rates and operating and financial risks), many of which are beyond our control. The occurrence of any such factors not currently expected by us would significantly alter the results set forth in these statements.

You should understand that the following important factors, in addition to those discussed elsewhere in this Prospectus, could affect our future results and could cause those results or other outcomes to differ materially and adversely from those expressed in our forward-looking statements:

- changes in capital market conditions in general that may affect policies or attitudes towards lending to Chile or Chilean companies or securities issued by Chilean companies;

- our ability to service our debt, fund our working capital requirements and comply with financial covenants in certain of our debt instruments;

- changes in general economic, legal, business, social, political or other conditions in Chile or elsewhere in Latin America or in the United States;

- the monetary and interest rate policies of the Central Bank of Chile;

- unanticipated movements or volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, including as a result of the conflicts between Russia and Ukraine, and Israel and Hamas;

- inflation or deflation;

- competition from other financial institutions and changes in pricing environments;

- changes in, or our failure to comply with, Chilean and foreign laws and regulations, including banking regulations and capital requirements;

- the impact of pandemics, epidemics and other health events, including the coronavirus disease 2019 (COVID-

19) and measures taken in response to them, on our resources, net profits and liquidity;

- changes in taxes;
- credit and other lending risks, including an increase in defaults on our loan portfolio;
- acquisitions, and our ability to successfully integrate the operations of the businesses or assets that we acquire;
- our inability to hedge certain risks economically;
- the adequacy of allowances for loan losses;
- extraneous events, such as terrorist attacks, organized crime activities, geopolitical events, war or natural disasters, such as earthquakes, tsunamis and wildfires;
- unemployment;
- public health emergencies;
- changes in technology or failure of or interruptions to our technology systems, including those caused by cyberattacks;
- inability to timely and duly enforce our claims on collateral provided by borrowers;
- changes in consumer spending and saving habits;
- unanticipated increases in financing and other costs or the inability to obtain additional debt or equity financing on attractive terms;
- loss of reputation for our brands or services and maintenance of our relationships with customers;
- any loss of significant customers;
- our ability to retain our key personnel and to hire additional key personnel;
- changes in labor relations, including any increases in labor costs or any labor strikes; and
- the factors described under "Risk Factors" beginning on page 4.

You are cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements contained in this document speak only as of the date of this Prospectus, and we do not undertake to update any forward-looking statement to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

General Description of the Program

General

Under this Program, the Issuer may from time to time issue Notes to one or more of the following Dealers: BofA Securities, Inc., BNP Paribas Securities Corp., Citigroup Global Markets Inc., Citigroup Global Markets Limited, Daiwa Capital Markets America Inc., Goldman Sachs & Co. LLC, HSBC Securities (USA) Inc., J.P. Morgan Securities LLC, Mizuho Securities USA LLC, MUFG Securities Americas Inc., Morgan Stanley & Co. International plc, Standard Chartered Bank, and any other Dealer appointed from time to time in accordance with the Dealer Agreement which appointment may be for a specific issue or on an ongoing basis (each a "**Dealer**" and together the "**Dealers**"). References in this Prospectus to the "**relevant Dealer"** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to purchase such Notes.

Each Series of Notes is issued either in bearer form or in registered form and Notes comprising each such Series will be issued in each case in the nominal amount of the denomination specified (the "**Specified Denomination**") in the applicable final terms (the "**Final Terms**"). The maximum aggregate principal amount of all Notes from time to time outstanding under the Program will not exceed US$6,000,000,000 (or its equivalent in other currencies calculated as described in the Dealer Agreement), subject to increase in accordance with the terms of the Dealer Agreement.

Notes will be issued by the Issuer, indistinctly, through its head office in Santiago, Chile, or its branch office in Miami, Florida, United States, as it will be specified in the applicable Final Terms.

Notes may be distributed by way of public offer (in jurisdictions in which a public offer of the Notes is permitted) or private placement and, in each case, on a syndicated or non-syndicated basis. The method of distribution of each Tranche will be stated in the applicable Final Terms.

Notes will be issued on a continuous basis in tranches (each a "**Tranche**"), each Tranche consisting of Notes which are identical in all respects (including as to admission to trading and listing). One or more Tranches which are (i) expressed to be consolidated and forming a single series and (ii) identical in all respects (except for different issue dates, interest commencement dates, issue prices and dates for first interest payments) may form a series ("**Series**") of Notes. Further Notes may be issued as part of existing Series. The specific terms of each Tranche will be set forth in the applicable Final Terms.

Notes will be issued in such denominations as may be agreed between the Issuer and the relevant Dealer(s) and as indicated in the applicable Final Terms. If the Notes are admitted to trading on a regulated market or other trading platform in the EEA or UK or offered to the public in a Member State of the EEA or in the UK in circumstances which would otherwise require the publication of a prospectus under the Prospectus Regulation or the UK Prospectus Regulation, the minimum Specified Denomination of the Notes will be Euro 100,000 (or, if the Notes are denominated in a currency other than the Euro, the equivalent amount in such currency) or such higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency.

Notes having a maturity of less than 12 months will not be offered to the public or admitted to trading on a regulated market.

Notes may be issued at an issue price which is at par or at a discount to, or premium over par, as specified in the applicable final terms.

The offering of the Notes by the Dealers is subject to receipt and acceptance of orders and subject to the Dealers' right to reject any order in whole or in part.

References in this Prospectus to Notes which are intended to be listed (and all related references) shall mean that an application will be made for such Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange. The regulated market of the Luxembourg Stock Exchange is a regulated market for purposes of MiFID II. The Program provides that the Notes (other than Indexed Notes) may be listed or admitted to trading on other or further stock exchanges including, but not limited to, the Frankfurt Stock Exchange and the SIX Swiss Exchange, as may be agreed between the Issuer and the relevant Dealer(s) in relation to each issue. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market.

Prospective purchasers of Notes should ensure that they understand the nature of the relevant Notes and the extent of their exposure to risks and that they consider the suitability of the relevant Notes as an investment in the light of their own financial situation. Certain issues of Notes involve a high degree of risk and potential investors should be prepared to sustain a loss of all or part of their investment. It is the responsibility of prospective purchasers to ensure that they have sufficient knowledge, experience and professional advice to make their own legal, financial, tax, accounting and other business evaluation of the merits and risks of investing in the Notes and are not relying on the advice of the Issuer or any Dealer in that regard. See "Risk Factors" beginning on page 4.

Bearer Notes will be accepted for clearing through one or more Clearing Systems as specified in the applicable Final Terms. These Clearing Systems will include those operated by Clearstream Banking AG, Frankfurt ("**CBF**"), Clearstream Banking, *société anonyme*, Luxembourg ("**Clearstream, Luxembourg**") and Euroclear Bank S.A./N.V. ("**Euroclear**").

Registered Notes will either (i) be deposited with a custodian for, and registered in the name of a nominee of The Depository Trust Company ("**DTC**"), (ii) be deposited with a common depositary for, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg, or (iii) be deposited with a custodian or depositary for, and registered in the name of, a nominee of any other clearing system specified for a particular Tranche or Series of Notes, in each case, as specified in the applicable Final Terms. No beneficial owner of an interest in a Registered Note will be able to transfer such interest, except in accordance with the applicable procedures of DTC, Euroclear and Clearstream, Luxembourg, in each case to the extent applicable.

Citibank, N.A., London Branch will act as fiscal agent (the "**Fiscal Agent**") and paying agent (the "**Paying Agent**"), unless otherwise stated in the applicable final terms. Citibank, N.A., London Branch will act as transfer agent (the "**Transfer Agent**"), registrar (the "**Registrar**"), and exchange agent ("**Exchange Agent**"). The Fiscal Agent, the Paying Agent, the Transfer Agent, the Registrar and the Exchange Agent are hereinafter referred to as the "**Agents**."

The Issuer reserves the right to vary such appointments and will publish notice of such change of appointment in a newspaper having a general circulation in Luxembourg (which is currently expected to be *LuxemburgerWort*) or on the official website of the Luxembourg Stock Exchange (www.luxse.com).

Banco de Crédito e Inversiones

We are the largest commercial bank in Chile in terms of total net loans, deposits and assets, according to information published and calculated by the CMF. Our market share of total net loans, deposits and total assets, in the Chilean banking system was 19.66%, 21.69% and 19.76% respectively, as of December 31, 2023, in each case according to the CMF and taking into consideration Itaú CorpBanca's investment in Colombia and our acquisition of City National Bank of Florida and the subsequent mergers effected in connection therewith. Our risk index, calculated as allowances for loan losses as a percentage of our total loans (excluding loans and receivables from banks), was 1.69%, as of December 31, 2023, compared to a weighted average of 2.57% for the Chilean banking system as a whole on such date, according to the CMF.

We combine what we believe are a full service banking platform and a solid franchise with a growing international presence, particularly in the U.S., where as part of our international expansion strategy, (i) in October 2015, we acquired 100% of BCI Financial Group, Inc., formerly known as CM Florida Holdings, Inc., a registered U.S. bank holding company that owns 99.9% of City National Bank of Florida, (ii) in June 2018, we acquired TotalBank, and (iii) in October 2020, City National Bank of Florida acquired Executive National Bank. See "–City National Bank of Florida." In addition, we offer international banking services through our branch in Miami, our representative offices in Lima, São Paulo, Mexico City, Bogotá and Shanghai, and a worldwide network of correspondent banks.

In addition to traditional banking products such as lending and deposit taking, our banking services for our approximately 130,591 active commercial checking account customers (not including individual clients in the retail segment) include working capital financing, lines of credit, foreign trade financing, mortgage loans, foreign exchange and non-credit services such as cash management, payroll and payment services, and a wide range of treasury and risk management products.

We provide our approximately 840,686 active retail checking account customers with deposit services such as checking and savings accounts and also offer residential mortgage and consumer loans, lines of credit, credit cards and diversified products such as mutual funds, stock brokerage services, financial advisory services, insurance brokerage, and private and public investment fund management services. We serve our retail customers through a nationwide network of points of contact, which include 186 multiservice branches, cash agencies, point of sale branches, private banking commercial platforms and automated branches, and 547 ATMs. We have made significant investments in alternate distribution channels, including online banking, telephonic banking and other electronic financial services, to facilitate implementation of our market segmentation strategy and strengthen our competitive position in electronic payment transfers.

In December 2018, we acquired Walmart Chile Servicios Financieros, which became our fifth reporting segment. This reporting segment includes the results of operations of four entities forming Walmart Chile Servicios Financieros. These four entities that constituted the financial services division of Walmart Chile provide financing for its customers with the Líder MasterCard and Presto credit cards, along with other products. The Servicios Financieros reporting segment operates as an independent unit under the supervision of our senior management in Chile. Servicios Financieros, the name under which the four entities operate, continues to market the financial products and services offered before by Walmart Chile, which include the issue and operation of Líder Bci MasterCard, along with the origination of cash advances, super cash advances and personal insurance, among others. This business is undertaken as a ten-year commercial cooperation agreement between Bci and Walmart, a leading global company in the retail sector. We believe Servicios Financieros enables Bci to bolster its position among the credit card market leaders, enhance the development of products and services and generate value with the complementary capacities of two partners that are leaders in their respective industries. This acquisition is part of our strategy to continuously seek growth opportunities in Chile and abroad and consistent with our goal of becoming a major player in the credit card industry in Chile. This acquisition helped us grow our credit card market share 1.7 times as of December 2018, compared to the 7.9% as of November, right before the acquisition (both figures exclude City National Bank of Florida and Executive National Bank), as Servicios Financieros allows us to reach approximately 1.5 million credit card customers through digital channels.

We have been present in Peru for 20 years through a representative office. In 2022, we obtained the required authorizations from the SBS to operate our new subsidiary in Peru, BCI Peru. With an initial capital of US$60 million, we expect that this subsidiary will allow us to be a relevant player in the region focusing on corporate clients and large companies for Peruvian and Chilean customers. Our objective through our operations in Peru is to increase our presence in the Peruvian market and continue to strengthen our financial solutions platform in three countries, along with Chile and the United States, which will act as a single bank throughout Latin America and North America. This will allow us to be an increasingly relevant player at the regional level. Along with this new venture, we will continue to focus on our growth in Florida, a gateway for investments to and from Latin America, in addition to continue to analyze new growth opportunities in the region.

On December 31, 2023, shareholders related to the Yarur family held 63.57% of our issued and outstanding shares. Such shareholders are parties to a shareholders' agreement dated October 7, 2015, last amended as of September 29, 2023, pursuant to which they agree to vote their shares as a group. In addition, they reiterated their intention to preserve the principles upon which the management of the institution has been based.

Bci's subsidiary group includes BCI Financial Group Inc., BCI Miami Branch, BCI Peru, BCI Asesoría Financiera S.A., BCI Asset Management Administradora General de Fondos S.A., BCI Corredor de Bolsa S.A., BCI Corredores de Seguros S.A., BCI Factoring S.A., BCI Securitizadora S.A., BCI Securities Inc., BCI Corredores de Bolsa de Productos S.A, Servicio de Normalización y Cobranza Normaliza S.A. and the five entities that comprise Servicios Financieros (as defined in this Prospectus).

We are registered and headquartered in Santiago, Chile and had 11,423 employees worldwide as of December 31, 2023. We are a public company in Chile whose common shares are listed on the Santiago Stock Exchange (*Bolsa de Comercio de Santiago*).

RISK FACTORS

An investment in the Notes is subject to risks and uncertainties. You should carefully consider the risks described below, in addition to the other information contained in this Prospectus, before deciding whether to purchase the Notes. Realization of any of these risks could have a material adverse effect on our business, financial condition, cash flows and results of operations or could materially and adversely affect the value or liquidity of the Notes and result in the loss of all or part of your investment in the Notes. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect us, which could also result in the loss of all or part of your investment in the Notes.

Risks Relating to our Business

Inflation and government measures to curb inflation may adversely affect the Chilean economy and our business and results of operations.

Chile experienced inflation of 3.0%, 3.0%, 7.2%, 12.8% and 3.9% during 2019, 2020, 2021, 2022 and 2023, respectively. The increase in inflation in 2021 and 2022 was due to the measures adopted by the Chilean government to provide additional liquidity to the Chilean markets and households in order to mitigate the negative effects of the COVID-19 pandemic. The measures taken by the Central Bank of Chile to control inflation have included tightening monetary policy with a significant increase of interest rates, thereby restricting the availability of credit and economic growth. From August 2021 to November 2022, the Central Bank of Chile raised the monetary policy interest rate from 0.75% to 11.25%, which is the highest rate since October 1998. The Central Bank kept the market risk premium at 11.25% until July 2023. As of the date of this Prospectus, the Central Bank's monetary policy interest rate is 6.0%. Inflation, measures to control inflation and public speculation about possible additional actions have also contributed materially to economic uncertainty in Chile and to heightened volatility in its securities markets. High and extended levels of inflation and interest rates in Chile could adversely affect the Chilean economy and have an adverse effect on our business, financial condition and results of operations. In particular, increases in inflation and in interest rates could decrease the value of, and extend the life of, fixed rate assets, which could restrict our ability to reinvest in higher yielding alternatives. The possibility of a deflationary environment could also have an adverse effect on our business, financial condition and results of operations.

Our assets and liabilities are denominated in Chilean pesos, UF and foreign currencies. The UF is revalued in monthly cycles. On each day in the period beginning on the tenth day of any given month through the ninth day of the succeeding month, the nominal peso value of the UF is indexed up (or down in the event of deflation) in order to reflect a proportionate amount of the variation in the Chilean consumer price index during the prior calendar month. Inflation could also increase some of our costs and expenses, given that the majority of our supply contracts in Chile are UF-denominated or are indexed to the Chilean consumer price index. There can be no assurance that our business, financial condition and result of operations in the future will not be adversely affected by changing levels of inflation, including from extended periods of inflation that adversely affect economic growth or periods of deflation. In addition, we cannot assure you that, under competitive pressure, we will be able to carry out price increases with an impact in interest expense related to deposits, bonds, among others, which could adversely impact our operating margins and operating income.

Our results of operations are affected by interest rate volatility.

Our results of operations depend to a great extent on our net interest income, which represented 63.1%, 57.8% and 62.0% of our operating income in 2021, 2022 and 2023, respectively. Changes in market interest rates could affect the interest rates earned on our interest-earning assets differently from the interest rates paid on our interest-bearing liabilities, leading to a reduction in our net interest income. In addition, increases in interest rates could increase the debt service obligations of our customers and result in higher levels of impaired loans.

Interest rates are highly sensitive to many factors beyond our control, including the reserve policies of the Central Bank of Chile, inflation, deregulation of the financial sector in Chile, domestic and international economic and political conditions, among other factors.

In response to the deterioration of the global macroeconomic conditions as a result of the COVID-19 pandemic, central banks adopted significant monetary stimulus in order to provide liquidity and improve the functioning of credit markets. On March 16, 2020, the Central Bank of Chile announced a reduction of 75 basis points in the monetary policy interest rate bringing it down to 1%, and on March 31, 2020, the Central Bank of Chile announced a further reduction in the monetary policy interest rate to 0.5%. In 2021, as economic activity resumed and inflation increased due to the Chilean

Government's financial aid, from August 2021 to November 2022, the Central Bank of Chile raised the monetary policy interest rate from 0.75% to 11.25%, which is the highest rate since October 1998.

Any changes in interest rates could adversely affect our business, our future financial performance and the price of our securities. The following table shows the monetary policy interest rate as reported by the Central Bank of Chile at the dates indicated.

Date	**Average Monetary Policy Interest Rate (%)**
December 31, 2014	3.7
December 31, 2015	3.1
December 31, 2016	3.5
December 31, 2017	2.7
December 31, 2018	2.6
December 31, 2019	2.4
December 31, 2020	0.8
December 31, 2021	1.2
December 31, 2022	8.5
December 31, 2023	10.5

Source: Central Bank of Chile.

Increased competition and industry consolidation may adversely affect our results of operations.

The Chilean market for financial services is highly competitive. We compete with other private sector Chilean and non-Chilean banks, with Banco del Estado de Chile (the only public sector bank) and with department stores and larger supermarket chains that make consumer loans and sell other financial products to a large portion of the Chilean population. The lower middle- to middle-income segments of the Chilean population and the small- and medium-sized corporate segments have become the target markets of numerous other banks, and competition in these segments is likely to increase. As a result, net interest margins in these segments are likely to decline generally, and we cannot assure you that our net interest margins will be maintained at their current levels. In addition, there has been a trend towards consolidation in the Chilean banking industry in recent years, which has created larger and stronger banks with which we must now compete. There can be no assurance that this increased competition will not adversely affect our growth prospects and operations by decreasing the net interest margins we are able to generate.

We also face competition from non-banks (such as leasing, factoring and automobile finance companies, as well as savings associations), non-finance competitors (principally department stores and large supermarket chains), and insurance companies with respect to some of our credit products, such as credit cards, consumer loans and insurance brokerage, mutual funds, pension funds and savings products.

Non-traditional providers of banking services, such as internet based e-commerce providers, mobile telephone companies and internet search engines may offer and/or increase their offerings of financial products and services directly to customers. These non-traditional providers of banking services currently have an advantage over traditional providers because they are not subject to banking regulation. Several of these competitors may have long operating histories, large customer bases, strong brand recognition and significant financial, marketing and other resources. They may adopt more aggressive pricing and rates and devote more resources to technology, infrastructure and marketing.

The persistence or acceleration of this shift in demand towards internet and mobile banking may necessitate changes to our retail distribution strategy, which may include closing and/or selling certain branches and restructuring our remaining branches and work force. These actions could lead to losses on these assets and may lead to increased expenditures to renovate, reconfigure or close a number of our remaining branches or to otherwise reform our retail distribution channel. Furthermore, our failure to swiftly and effectively implement such changes to our distribution strategy could have an adverse effect on our business, financial condition and results of operations.

Our ability to maintain our competitive position depends, in part, on the success of new products and services we offer our clients and our ability to continue offering products and services from third parties, and we may not be able to manage

the various risks we face as we expand our range of products and services, which could have a material adverse effect on us.

The success of our operations and our profitability depends, in part, on the success of new products and services we offer our clients. However, we cannot guarantee that our new products and services will be responsive to client demands, or that they will be successful.

In addition, our clients' needs or desires may change over time, and such changes may render our products and services obsolete, outdated or unattractive and we may not be able to develop new products that meet our clients' changing needs. Our success is also dependent on our ability to anticipate and leverage new and existing technologies that may have an impact on products and services in the banking industry and our failure to effectively anticipate or adapt to emerging technologies or changes in customer behavior, including among younger customers, could delay or prevent our access to new digital-based markets, which would in turn have an adverse effect on our business, financial position and results of operations. Technological changes, including cryptocurrencies and payment systems, may further intensify and complicate the competitive landscape and influence client behavior and could require substantial expenditures to modify or adapt our existing products and services as we continue to grow our internet and mobile banking capabilities. Our customers may choose to conduct business or offer products in areas that may be considered speculative or risky. Such new technologies could negatively impact our investments in bank, premises, equipment and personnel for our branch network. If we cannot respond in a timely fashion to the changing needs of our clients or our competitors are better able to anticipate market trends, we may lose clients and market share, which could in turn materially and adversely affect us.

We are vulnerable to disruptions and volatility in the global financial markets.

A contraction of the global financial system or a rapid reversal of favorable financial conditions could adversely affect our ability to access capital and liquidity on financial terms acceptable to us. If capital market financing ceases to become available, or becomes excessively expensive, we may be forced to raise the rates we pay on deposits to attract customers. Any such increase in capital market funding costs or in deposit rates could have a material adverse effect on our interest margins.

In Chile, the global economic recession of 2008 caused an increase in unemployment, a decline in consumption, housing market and economic activity in general. However, helped by a significant increase in investment in mining, the economy was able to grow about 5.5% between 2010 and 2013. Thereafter, as the mining investing boom started to come to an end and international financial conditions started to normalize, the rate of growth decreased towards levels that are closer to Chile's current potential growth. Chilean GDP grew 1.4% in 2017, 4.0% in 2018, and 0.6% in 2019. Although Chilean GDP contracted 6.1% in 2020, mainly due to the negative effects of the COVID-19 pandemic on the Chilean economy, Chilean GDP grew 11.3% in 2021, mainly due to an increase in fiscal transfers to households approved by the Chilean Congress in 2020 and 2021. In 2022, Chilean GDP grew 2.1%, mainly due to the growth in the Chilean service sectors. In 2023, Chilean GDP grew 0.2%, mainly due to the impact of high interest rates and political uncertainty on the Chilean economy.

A slowdown in the world economy could have a materially negative impact on the Chilean economy. Global markets could experience volatility and disruption following an escalation of geopolitical tensions such as the ongoing conflicts between Russia and Ukraine and Israel and Hamas, the Houthi movement's attacks on marine vessels in the Red Sea, and the potential expansion of such conflicts in surrounding areas. In addition, social and political circumstances in Chile and around the world (including wars and other forms of conflict) may also contribute to increased market volatility, especially stocks and exchange rates, and economic uncertainties or deterioration in Chile and worldwide. Any consequent disruptions in the Chilean economy, as a consequence of global disruptions, may lead to tightening financial conditions, a decrease in demand for individual and corporate borrowing, a decrease in demand for financial services, a decrease in credit card spending and an increase in past due or delinquent loans which may in turn materially and adversely affect our financial condition and results of operation.

We are currently operating in a period of economic uncertainty and capital markets disruption, which has been significantly impacted by geopolitical instability due to the ongoing conflicts between Russia and Ukraine, and Israel and Hamas, among other events.

Our business, financial condition and results of operations may be materially adversely affected by any negative impact on the global economy and capital markets resulting from the conflicts in Ukraine, Gaza or any other geopolitical tensions.

On February 24, 2022, a full-scale military invasion of Ukraine by Russian troops was reported. This invasion had an immediate impact on the global economy resulting in higher energy prices and higher prices for certain commodities, such as oil and natural gas, and goods and services which in turn is contributing to higher inflation in countries across the globe with significant disruption to financial markets and supply and distribution chains for certain raw materials and goods and services on an unprecedented social unrest. The Russian invasion of Ukraine has continued to escalate without any resolution of the invasion foreseeable in the near future with the short and long-term impact on financial and business conditions remaining highly uncertain.

Following a terrorist attack by Hamas in the Gaza strip on October 7, 2023, Israel declared war on Hamas and other terrorist organizations in Gaza. On October 7, 2023, Hamas terrorists infiltrated Israel's southern border from the Gaza strip and conducted a series of attacks on civilian and military targets. Hamas also launched extensive rocket attacks on the Israeli population and industrial centers located along Israel's border with the Gaza strip and in other areas within Israel. Following the attack, Israel's security cabinet declared war against Hamas and the Israeli military began to call up reservists for active duty. At the same time, the conflict between Israel and Hezbollah in Lebanon escalated and the Houthi movement initiated attacks on marine vessels in the Red Sea. There is a possibility that it will turn into a greater regional conflict in the future.

Although the length and impact of these ongoing conflicts is highly unpredictable, these conflicts could lead to market disruptions, including significant volatility in commodity prices (in particular oil and gas), credit and capital markets, increase in our energy and other input costs, and supply chain interruptions for some of our and our customers' equipment and vehicles' components, including as a result of uncertainties with regard to Russia's production and export of oil and gas, aluminum and other materials. Any escalation of these conflicts could have a significantly adverse impact on commodities prices and increase volatility in the financial market. We continue to monitor the situation in Ukraine, the Middle East and globally and assessing its potential impact on our business.

Additionally, Russia's prior annexation of Crimea, recent recognition of two separatist republics in the Donetsk and Luhansk regions of Ukraine and subsequent military interventions in Ukraine have led to sanctions and other penalties being levied by the United States, European Union and other countries against Russia, Belarus, the Crimea Region of Ukraine, the so-called Donetsk People's Republic, and the so-called Luhansk People's Republic, including agreement to remove certain Russian financial institutions from the Society for Worldwide Interbank Financial Telecommunication payment system.

Russian military actions, the Israel-Hamas conflict, the Houthi movement's attacks on marine vessels in the Red Sea and the subsequent disruptions to traditional trade routes, the potential expansion of such conflicts in surrounding areas, and the potential sanctions from these conflicts could adversely affect the global economy and financial markets and lead to instability and lack of liquidity in capital markets, potentially making it more difficult for us to obtain additional funds. Specifically, these ongoing conflicts, the sanctions and restrictive actions resulting from these conflicts, and the resulting market volatility, could adversely affect the Chilean economy and could lead to a decrease in demand for individual and corporate borrowing, a decrease in demand for financial services, and an increase in past due or delinquent loans, which may in turn materially and adversely affect our business, financial condition and results of operation.

Any of the abovementioned factors could affect our business, prospects, financial condition, and operating results. The extent and duration of the military action, sanctions and resulting market disruptions are impossible to predict, but could be substantial. Any such disruptions may also magnify the impact of other risks described in this Prospectus.

The lending business involves the risk of credit losses and our allowances for loan losses may not be adequate to cover the future actual losses on our loan portfolio.

During 2021, 2022 and 2023, we increased the amount of our voluntary loan loss provisions due to the downturn in existing and projected macroeconomic conditions, including the performance of Chile's economy. As of December 31, 2023, our total provisions to cover loan losses was Ch$1,222,606 million, which consists of our portfolio-specific allowance for loan losses (contra-asset account) plus an additional voluntary provision recorded in provisions which, in turn, are recorded in liabilities. The ratio of this total amount to our total loan portfolio as of December 31, 2023 was 2.52%. The amount of provisions is based on our current assessment of, and expectations relating to, various factors affecting the quality and the expected losses of our loan portfolio. These factors are beyond our control and include, among others, our borrowers' current and projected financial condition, repayment ability and repayment intentions, the realizable value of any collateral and changes thereto, the prospects for support from guarantors, and the impact of Chile's economic situation, government macroeconomic policies, changes in interest rates, foreign exchange rates, and in commodity prices in general, and changes to the legal and regulatory environment.

In addition, as these factors evolve, we may from time to time change our level of provisions for loan losses which can lead to increased provision expense. If our assessment of, and expectations relating to, the above mentioned factors differ from actual developments, or if the quality of our loan portfolio deteriorates or if our assessment of future losses exceed our previous estimates, our allowances for loan losses may not be adequate to cover actual losses and we may need to make additional provisions which may materially adversely affect our business, results of operations and financial condition.

Our exposure to individuals and small businesses could lead to higher levels of past due loans and provisions for credit loss.

A substantial number of our corporate customers consists of small- and mid-sized companies (those with annual sales revenues primarily in the range of UF1,000 to UF100,000) and individual customers in the low to middle income range of the Chilean population (those with monthly incomes between Ch$550,000 and Ch$3,000,000). As of December 31, 2023, loans to individuals and to small and medium-sized enterprises ("**SME**") represented together 33.4% of our loan portfolio. These loans consisted primarily of mortgage loans and consumer loans granted to low and medium-income individuals, and commercial loans to SMEs.

In addition, important features of our growth strategy include growing our loan portfolio in the retail segments and providing a wider variety of banking services to SMEs and individuals. We expect that this growth will be driven by existing customers and new customers. The quality of our loan portfolio to individuals and SMEs depends significantly on economic conditions prevailing from time to time in Chile. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview—Impact of Economic Conditions in Chile." Low and middle-income individuals as well as SMEs are likely to be more severely affected by adverse developments in the Chilean economy than large corporations and high-income individuals. As a result, lending to these segments represents a relatively higher degree of risk, which could result in higher levels of past due amounts, larger provisions and larger credit losses.

The growth of our loan portfolio may expose us to increased loan losses.

During the period from December 31, 2022 to December 31, 2023, our consumer loan portfolio decreased 10.15% to Ch$3,177,794 million, and our aggregate commercial loan portfolio increased 8.98% from Ch$29,747,185 million as of December 31, 2022 to Ch$32,417,376 million as of December 31, 2023. The further expansion of our loan portfolio (particularly in the consumer, small- and medium-sized companies and real estate segments) can be expected to expose us to a higher level of loan losses and require us to establish higher levels of provision for loan losses, particularly if our loans to borrowers in certain riskier industries do not perform as we expect.

Our loan portfolio may not continue to grow at the same or similar rates as it has grown in the past.

Our acquisitions of TotalBank in June 2018, the four entities forming part of Walmart Chile Servicios Financieros (Servicios Financieros y Administración de Créditos Comerciales S.A., Administradora de Tarjetas Servicios Financieros Limitada, SSFF Corredores de Seguros y Gestión Financiera LTDA, and Servicios y Cobranzas SEYCO LTDA, which we refer to collectively as "Servicios Financieros") in December 2018, and the acquisition of Executive National Bank by City National Bank of Florida in October 2020 led to growth of our loan portfolio.

Past performance of our loan portfolio may not be indicative of future performance. Our loan portfolio may not continue to grow at the same or similar rates as the growth rate that we historically experienced. Additionally, changes in the Chilean economy, a slowdown in the growth of customer demand, an increase in market competition or changes in governmental regulations could also adversely affect the rate of growth of our loan portfolio and our risk index.

The value of the collateral securing our loans may not be sufficient or may be less than initially estimated, and we may be unable to realize the full value of the collateral securing our loan portfolio.

The value of the collateral securing our loan portfolio may significantly fluctuate or decline due to factors beyond our control, including macroeconomic factors affecting Chile's economy. For instance, the real estate market is particularly vulnerable in the context of negative economic conditions. Decreased real estate prices may adversely affect us because real estate represents a significant portion of the collateral securing our residential mortgages loan portfolio. We may also not have sufficient information on the value of collateral, which may result in an inaccurate assessment for impairment losses of our loans secured by this collateral. If this were to occur, we may need to make additional provisions to cover actual losses of our loans, which may materially and adversely affect our results of operations and financial condition.

In addition, there are certain provisions under Chilean Law No. 19,335 that may limit our ability to foreclose upon and dispose of mortgaged residential property if the real estate in question has been declared "family property" by a court. There can also be no assurance that the assumptions relied on to assess the value of such collateral are accurate measures and thus the value of such collateral may be evaluated inaccurately. Consequently, the price at which we are able to sell any collateral in the event of an attachment or foreclosure may be lower than the valuation of such collateral. All of this may have an adverse effect on our results of operations and financial condition.

A sudden shortage of deposits could cause an increase in costs of funding and an adverse effect on our revenues.

Deposits (current accounts and demand deposits plus term deposits and saving accounts as shown in our consolidated financial statements) are our primary source of funding, representing 57.7% of our total liabilities as of December 31, 2023. As of the same date, 76.0% of our deposits had remaining maturities of one year or less or were payable on demand. A significant portion of our assets have longer maturities, resulting in a mismatch between the maturities of liabilities and the maturities of assets. If a substantial number of our depositors withdraw their demand deposits or do not roll over their deposits upon maturity, our liquidity position, results of operations and financial condition may be materially and adversely affected. For example, large-denominations in deposits from institutional investors may be a less stable source of funding than savings and bonds under some circumstances, such as during periods of significant changes in market interest rates for these types of deposits and any resulting increased competition for these funds. In the event of a sudden or unexpected shortage of funds in the banking system, the money markets in which we operate may not be able to maintain the levels of funding and we may not have access to funding without incurring higher costs or the liquidation of certain assets. If this were to happen, our results of operations and financial condition may be materially and adversely affected.

Liquidity risk may impair our ability to fund our operations and adversely affect our financial condition.

Ready access to funds is essential to any banking business, including ours. We rely on access to financial markets for short- and long-term financing. An inability on our part to access funds or to access the markets from which we raise funds may put our positions in assets at risk and lead us to be unable to finance our operations adequately. These and other factors also could lead creditors to form a negative view of our liquidity, which could result in less favorable credit ratings, higher borrowing costs and less accessible funds. We may be unable to secure additional funding in the capital markets if conditions in these markets or our credit ratings were to deteriorate. As an integral part of our liquidity management strategy involves accessing capital markets in order to ensure that a significant portion of our funding matures at a predictable rate, an inability to secure funding at favorable rates in the capital markets could affect the soundness of our liquidity position and have a material adverse effect on our business, financial condition and results of operations.

In addition, our ability to raise or access funds may be impaired by factors that are not specific to our operations, such as general market conditions, severe disruption of the financial markets or negative views about the prospects of the industries to which we provide a large proportion of our loans. Strains on our liquidity caused by any of these factors or otherwise could adversely affect our business, financial condition and results of operations.

We have exposure to certain clients and groups of related companies.

We have loan exposure to certain groups of companies that are related to each other and/or under common control. As of December 31, 2021, 2022 and 2023, our loans to borrowers in each of the related companies with respect to which we had our highest levels of loan exposure accounted for 5.9%, 4.8% and 4.6%, respectively, of our total loan portfolio. The percentage of these loans to borrowers as of December 31, 2023 considers clients with loans of more than Ch$5,000 million. The deterioration of the financial condition of one or more of these related companies and/or their principal shareholders could materially and adversely affect the group of related companies which in turn could adversely affect our asset quality, results of operations and financial condition.

Adverse developments affecting the financial services industry, such as actual events or concerns involving liquidity, defaults or non-performance by financial institutions or transactional counterparties, could adversely affect our current and projected business operations and its financial condition and results of operations.

Financial services institutions are interrelated as a result of trading, clearing, counterparty, or other relationships. We have exposure to many different industries and counterparties, and routinely execute transactions with counterparties in the financial services industry, including commercial banks, brokers and dealers, investment banks, and other institutional clients. Many of these transactions expose us to credit risk in the event of a default by a counterparty or client. In addition, our credit risk may be exacerbated when the collateral held by us cannot be readily realized or liquidated at prices which allow us to recover the full amount of the credit or derivative exposure due to us. Any such losses could have a material adverse effect on our financial condition and results of operations. In addition, the capital and credit markets have recently experienced extreme volatility and economic disruption. Inflation and rapid increases in interest rates have also led to a decline in the trading value of previously issued government securities with interest rates below current market interest rates, which may result in additional liquidity concerns for us and/or in the broader financial services industry.

On March 10, 2023, Silicon Valley Bank ("SVB") was closed by the California Department of Financial Protection and Innovation and the U.S. Federal Deposit Insurance Corporation ("FDIC") was appointed as receiver. On March 12, 2023, Signature Bank ("Signature Bank") was closed by the New York State Department of Financial Services and the FDIC was appointed as receiver. Also on March 12, 2023, U.S. Secretary of the Treasury Janet L. Yellen, Federal Reserve Board Chair Jerome H. Powell, and FDIC Chairman Martin J. Gruenberg released a joint statement to the effect that depositors at SVB and Signature Bank will be made whole, and that any losses to the FDIC's Deposit Insurance Fund used to support depositors above the FDIC-insured limit will be recovered by a special assessment on banks. To ensure availability of liquidity following these developments, the Federal Reserve announced on March 12, 2023, the creation of a Bank Term Funding Program offering loans of up to one year to eligible depository institutions. Later in March, the FDIC entered into a purchase and assumption agreement with Flagstar Bank, National Association, for substantially all deposits and certain loan portfolios formerly held by Signature Bank. The FDIC also entered into a purchase and assumption agreement with First-Citizens Bank & Trust Company for all deposits and loans formerly held by SVB, subject to a loss-share agreement. On March 19, 2023, UBS Group AG announced that it had agreed to acquire Credit Suisse Group AG, with support from the government of Switzerland, following deterioration of the financial condition of Credit Suisse. On May 1, 2023, JPMorgan Chase announced that it acquired the substantial majority of assets and assumed the deposits and certain other liabilities of First Republic Bank from the FDIC.

The impact of these developments, including any subsequent policy responses, represents a significant source of uncertainty for the economy, particularly for banking institutions and, more broadly, the financial markets. Our business, our business partners, or the broader financial services industry as a whole may be adversely impacted by such developments, including resulting from overall declines in confidence in the global banking system, in ways that we cannot predict at this time. Even without additional bank closures, uncertainty caused by recent bank failures – and general concern regarding the financial health and outlook for other financial institutions – could have an overall negative effect on banking systems and financial markets generally, both in the U.S. and internationally.

These type of developments may also have other implications for broader economic and monetary policy, including interest rate policy, and may impact the financial condition of banks and other financial institutions outside of the United States. There is no guarantee that the U.S. or other international governmental authorities will provide access to uninsured funds or other governmental support in the future in the event of the failure or financial distress of other banks or financial institutions, or that they would do so in a timely fashion.

Our FDIC deposit insurance premiums and assessments may increase, which would reduce our profitability.

The deposits of CNB are insured by the FDIC up to legal limits and, accordingly, subject to the payment of FDIC deposit insurance assessments. CNB's regular assessments are determined by its risk classification, which is based on a number of factors, including regulatory capital levels, asset growth and asset quality. On March 12, 2023, the Department of the Treasury, the Federal Reserve and the FDIC issued a joint statement relating to the resolution of SVB, Santa Clara, California, and Signature Bank, which stated that losses to support uninsured deposits of those banks would be recovered via a special assessment on banks. During 2023, CNB's credit risk provision expense remained stable, but there was a higher operating expenditure of Ch$17,526 million, mainly due to a one-time effect of a FDIC fee (US$19.8 million). In addition, other changes to the assessment regime, including as a result of additional bank failures and any potential increase in the statutory deposit insurance limits or rates are likely to result in increased deposit insurance costs to CNB. The announced special assessment, as well as any future special assessments, increases in assessment rates or required prepayments in FDIC insurance premiums could reduce our profitability or limit our ability to pursue certain business opportunities, which could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to maintain the quality of our loan portfolio, our financial condition and results of operations may be materially and adversely affected.

As of December 31, 2021, 2022 and 2023, our impaired loans were Ch$1,502,866 million, Ch$1,562,680 million and Ch$1,796,958 million, respectively, and the ratio of our impaired loans to total loans was 3.7%, 3.4% and 3.6%, respectively. Although we seek to continue to improve our credit risk management policies, procedures and systems, they may have deficiencies. Failure of credit risk management policies is likely to result in an increase in the level of impaired loans and adversely affect the quality of our loan portfolio. The quality of our loan portfolio may also deteriorate due to various other reasons, including factors beyond our control, such as the macroeconomic factors affecting Chile's economy. Any such impairment could materially and adversely affect our business, financial condition and results of operations.

The effectiveness of our credit risk management is affected by the quality and scope of information available in Chile.

In assessing customers' creditworthiness, we rely largely on the credit information available from our own internal databases, on consolidated information from borrowers provided by the CMF, Dicom (a Chilean nationwide credit bureau) and other sources. Some of this information is provided with some time lag and does not consolidate all financial indebtedness of our borrowers. Additionally, the accuracy of financial information provided by our borrowers depends on the level of financial education and data management and information sophistication each borrower has, which may be lower in the retail segments. Due to these limitations in the availability of information, timing, quality and accuracy, our assessment of the credit risks associated with our customers may not be based on complete, accurate or reliable information. In addition, our credit scoring systems may not be able to collect complete or accurate information reflecting the actual behavior of customers and customers' credit risk may be assessed incorrectly. Additionally, information from the past and present is not necessarily the best indicator of future financial condition, particularly in changing environment and in a particularly exceptional scenario where we face economic slowdowns, periods of recession, high inflation levels or increased interest rates, and a certain level of uncertainty in the political and regulatory environments. As a result, our ability to effectively manage our credit risk may be materially and adversely affected.

We may generate less income from fee- and other commission-based transactions.

Market downturns as well as below-market performance of the assets we manage usually result in a decrease in the number of transactions carried out by us on behalf of our clients and, consequently, a decrease in our fee income. Furthermore, as the portfolio management fees charged by us to our clients are often based on the value or performance of these portfolios, below-market performance which reduces the value of our client portfolios or which increases the number of fund withdrawals may reduce our income derived from portfolio management, private banking and securities deposits. Below-market performance of our investment funds may also cause client investments to be withdrawn or reduced, thereby reducing our asset management income.

The legal restrictions on the exposure of Chilean pension funds may affect our access to funding.

Chilean regulations impose restrictions on the share of assets that a Chilean pension fund management company (*Administradora de Fondos de Pensión*, or "**AFPs**," and each, an "**AFP**") may allocate to a single issuer, which is currently 7.0% per fund managed by an AFP (including any securities issued by the issuer and any bank deposits with the issuer of the securities). If the exposure of an AFP to a single issuer exceeds the 7.0% limit, the AFP is required to reduce its exposure below the limit within three years. If the exposure of any AFP to us exceeds the regulatory limit or the regulatory limit is reduced, we would need to seek alternative sources of funding, which could be more expensive and, as a consequence, may have a material adverse effect on our financial condition and results of operations. As of December 31, 2023, no AFP that had term deposits with us had exceeded the regulatory limit.

Pension funds must also comply with other investment limits. As of December 31, 2023, the limit on investments abroad was within a range of 9.8% to 83.4%, depending on the nature of the fund. If the AFPs significantly change the composition of their portfolios and withdraw a considerable part of their term deposits with us, we may not be able to substitute these institutional funds with retail deposits, which would have a material adverse impact on our business, financial condition and results of operations.

In January 2020, the Chilean government introduced a new bill to the Chilean Congress to reform the country's pension system. The potential adverse effect of the proposed law on our financial condition and results of operations cannot yet be ascertained. For more information, see "—Chile's banking regulatory and capital markets environment is continually evolving, and new regulation of the financial services industry in Chile could increase our costs and result in lower profits."

In February 2022, the Chilean Congress approved the Law. No. 21,419 in order to make supplemental payments to individuals with low pension contributions. Such supplemental payments will be financed with the reallocation of public sources and new taxes. As of December 31, 2022, pension fund withdrawals totalized US$48.3 billion, which is equivalent to approximately 20% of Chile's GDP. As of December 31, 2023, there were no pension fund withdrawals.

We may be unable to meet requirements relating to capital adequacy.

Chilean banks are required by the Chilean General Banking Law (*Ley General de Bancos*) to maintain regulatory capital of at least 8% of consolidated risk-weighted assets, net of required loan loss allowance and deductions, and paid-in capital and reserves ("basic capital") of at least 4.5% of their risk-weighted assets and 3.0% of their total consolidated assets, both net of required loan loss allowances. As of December 31, 2023, the ratio of our regulatory capital to consolidated risk-weighted assets, net of loan loss allowance and deductions, was 14.42%. As of the same date, we had a basic capital to consolidated risk-weighted assets ratio of 11.08%. Certain developments could affect our ability to continue to satisfy the current capital adequacy requirements applicable to us, including:

- the increase of risk-weighted assets as a result of the expansion of our business;
- the failure to increase our capital correspondingly;
- losses resulting from a deterioration in our asset quality;
- declines in the value of our investment instrument portfolio;
- changes in accounting rules;
- changes in the guidelines regarding the calculation of the capital adequacy ratios of banks in Chile; and
- changes in the guidelines regarding required additional allowances for loan losses.

In January 2019, the Chilean government passed Law No. 21,130 that amends, among others, the General Banking Law (the "**Amendment to the General Banking Law**") and establishes new capital regulations for banks in Chile in line with Basel III standards. Pursuant to the Amendment to the General Banking Law, the CMF assumed the authority of the Superintendency of Banks and Financial Institutions's ("**SBIF**"), the former Chilean regulator for banks and financial institutions, as of June 1, 2019, and the CMF (or other regulators, as applicable) must enact all applicable regulations implementing the changes provided for in the Amendment to the General Banking Law. The implementation of the Basel III standards has been scheduled for December 31, 2025.

Further, pursuant to articles 66 bis and ter of the General Banking Law, we will also be required to maintain a conservation buffer corresponding to a fixed amount equal to 2.5% of our risk-weighted assets, over the effective equity required in accordance with article 66 of the General Banking Law, using basic capital. Additionally, in May 2023 the Central Bank of Chile activated the countercyclical buffer, which incresed the basic capital requirement to 0.5% of the risk-weighted assets effective as of May 2024. In order for us to maintain our solvency classification at level A (the highest level), we must fully satisfy the aforementioned capital buffers. If we have a deficit in compliance with the capital buffers, distribution of profits for the year will be limited, and our shares will be restricted from being acquired by its controlling shareholders, unless we have prior authorization from the CMF.

See "Regulation and Supervision—The Banking System—Capital Adequacy Requirements."

We may be required to raise additional capital in the future in order to maintain our capital adequacy ratios above the minimum required levels. Our ability to raise additional capital may be limited by numerous factors, including: our future financial condition, results of operations and cash flows; any necessary government regulatory approvals; our credit ratings; general market conditions for capital raising activities by commercial banks and other financial institutions; and domestic and international economic, political and other conditions.

If we require additional capital in the future, we may not be able to obtain such capital on favorable terms, in a timely manner or at all. Furthermore, the CMF may increase the minimum capital adequacy requirements applicable to us and we may face difficulties in meeting these requirements in the future. If we fail to meet the capital adequacy requirements, we may be required to take corrective actions. These measures could materially and adversely affect our business reputation, financial condition and results of operations. In addition, if we are unable to raise sufficient capital in a timely manner, the growth of our loan portfolio and other risk-weighted assets may be restricted, and we may face significant challenges in implementing our business strategy. As a result, our financial condition and results of operations could be materially and adversely affected.

The Pillar II banking supervision process will be carried out annually by the CMF, and may impose additional equity requirements on those banks that have risks not sufficiently covered with the requirements set forth in Pillar II. Such requirements may be satisfied through additional basic capital, or with AT1 (perpetual bonds and preferred shares) and/or T2 instruments (subordinated bonds and voluntary provisions). The equity requirement imposed on the Bank may not exceed 4% of its risk-weighted assets. In April 2021, banks in Chile delivered their first Effective Equity Self-Assessment Report, which describes the process to identify, measure and add risks, and determine the effective equity necessary to cover them in the short and medium-term horizon (at least three years). On January 17, 2024, as result of the evaluation by the CMF of the business models of the Chilean banks, the CMF by Resolution No. 779, started to apply capital requirements to nine Chilean banks in accordance with Pillar II. These Chilean banks must comply with such equity requirements no later than June 30, 2024. The regulatory requirements for us under Pillar II is 0%.

Our trading activities expose us to volatility in market prices, declines in market liquidity, large losses, or fluctuations in foreign currency exchange rates, which may result in losses that could have a material adverse effect on our business, financial condition and results of operations.

As part of our treasury operations, we trade various financial instruments and other assets, including debt, fixed income, currency and related derivatives both as agent and as principal, and we derive a portion of our non-interest income from trading revenues. Our Assets and Liabilities Committee sets position limits for Chilean pesos, UF and foreign currency-denominated securities in accordance with our overall risk management policy as well as the requirements of the CMF. In addition, a major part of our trading activity is related to customer transactions and we may still be exposed to a number of risks related to the variation of market prices in the underlying instruments, including the risk of unfavorable market price movements relative to our long or short positions, a decline in the market liquidity of the related instruments, volatility in market prices, interest rates or foreign currency exchange rates relating to these positions and the risk that the instruments that we use to hedge certain positions do not provide an effective hedge to the risk of those positions. If we incur any losses from these exposures, it would reduce our trading activity revenues or cause us to suffer losses from trading activities, either of which could have a material adverse effect on our business, financial condition and results of operations.

We have committed substantial amounts of capital to our businesses such as arbitrage, market-making, underwriting, lending and other trading and principal activities and may continue to do so in the future. These types of businesses often require us to take large positions in the securities of a particular issuer or issuers in a particular industry, country or region. Moreover, the trend in all major capital markets is towards larger and more frequent commitments of capital in many of these activities. Holding large and concentrated positions in any particular issuer may expose us to large losses that could adversely affect us.

Our business is highly dependent on proper functioning and improvement of information technology systems.

Our business is highly dependent on the ability of our information technology systems to accurately process a large number of transactions across numerous and diverse markets and products in a timely manner. The proper functioning of our financial control, risk management, accounting, customer service and other data processing systems is critical to our business and our ability to compete effectively. A partial or a complete failure of any of these primary systems could materially and adversely affect our decision-making process, our risk management and internal control systems as well as our ability to respond on a timely basis to changing market conditions. In addition, we may experience difficulties in upgrading, developing and expanding our information technology systems quickly enough to accommodate our growing customer base.

We have an architecture that operates based on cloud-based and on-premise data centers which cover our critical and non-critical systems, and multichannel services that are used on an ongoing basis 24-hours a day, seven days per week, which allows us to run the business and also covers the event of a catastrophe or a failure of our primary systems in a distributed model. However, we do not operate all of our back-up systems on a real-time basis and our business activities may be materially disrupted if there were a partial or complete failure of any of these primary information technology systems or communication networks. System failures may occur as a result of a variety of causes including software bugs, computer virus or other cyberattacks or conversion errors due to system upgrading. The corporate cybersecurity strategy is based on the Federal Financial Institutions Examination Council (“**FFIEC**”) and the risks mentioned before are permanently monitored by three defense lines (Cybersecurity, Information Security and Risk Compliance). In addition, any security breach caused by unauthorized access to information or systems, or intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment could have a material adverse effect on our business. If we cannot maintain an effective data collection and management system or if there is any substantial failure to improve or upgrade our information technology systems effectively or on a timely basis to meet the changing circumstances of our business, our business, our ability to compete, our financial condition and our results of operations could be materially and adversely affected.

We continue to improve our security controls in order to mitigate the risks of cyberattacks, including through remote connections and service providers. Cybersecurity training was focused on remote work issues and we were able to maintain the existing pre-pandemic controls, which include disaster recovery plan testing, vendor reviews, ethical hacking and cyber defense combat. As a result, we did not experience any material cybersecurity incidents during 2021, 2022 and 2023.

Failure to protect personal information could materially and adversely affect our business, financial condition and results of operations.

The secure transmission of confidential information over the internet is essential to maintain our clients' confidence in our online services. We manage and hold confidential personal information of customers in the conduct of our banking operations, and offer various internet-based services to our clients, including online banking services. We are responsible for protecting customers' proprietary information as well as their accounts with us. As a result, we could be liable for breaches of security in our online banking services, including cybersecurity breaches.

We have a cybersecurity strategy based on the FFIEC, and have security measures and processes in place to defend against these cybersecurity risks. However, these cyber-attacks (including computer viruses, malicious code, phishing or other information security threats) are rapidly evolving, and we may not be able to anticipate or prevent all such attacks, which could result in the unauthorized release, gathering, monitoring, misuse, loss or destruction of our or our customers' confidential, proprietary and other information. In 2018, we and several other Chilean banks were subject to attempted cyberattacks. In 2020, other Chilean banks, customers and suppliers, were subject to malware threats, DDOS attacks and attacks directed at cybersecurity companies. Due to our security measures and processes, our systems were not breached. During 2021, 2022 and 2023, we did not experience any material cybersecurity incidents. However, failure to protect against or mitigate breaches of security or other unauthorized disclosures could constitute a breach of privacy or other laws, subject us to legal actions and administrative sanctions as well as damages, adversely affect our ability to offer and grow our online services, result in the loss of customer relationships, negatively impact our reputation, and have an adverse effect on our business, results of operations and financial condition.

Operational problems or errors can have a material adverse impact on our business, financial condition and results of operations.

Like all large financial institutions, we are exposed to many types of operational risks, including the risk of fraud by employees and outsiders, failure to obtain proper internal authorizations, failure to properly document transactions, equipment failures and errors by employees. Fraud or other misconduct by our employees or third parties may be difficult to detect and prevent and subject us to financial losses and sanctions imposed by governmental authorities. Furthermore, potential or actual fraud or other misconduct by our employees may seriously harm our reputation. Although we maintain a system of operational controls, operational problems or errors may occur and their occurrence may have a materially adverse impact on our business, financial condition and results of operations.

Changes in accounting standards could impact reported earnings.

The accounting standard setters and other regulatory bodies periodically change the financial accounting and reporting standards that govern the preparation of our consolidated financial statements. During 2021, the CMF issued Circular No. 2,295 pursuant to which it amended the Compendium of Accounting Standards (*Compendio de Normas Contables*) (the "**New Compendium**"). Chapter E of the New Compendium amends the accounting regulations that remained in force until December 31, 2021. The first application date of the New Compendium is January 1, 2022, with a transition date from January 1, 2021 for the purposes of comparative financial statements reports. The New Compendium incorporates a greater convergence to IFRS, as well as certain amendments to the disclosure of financial information. The main changes introduced by the New Compendium are: (i) new presentation formats for the statement of other comprehensive income and the statement of changes in equity, as well as new guidelines for investing and financing activities in the statement of cash flows and changes in the presentation format for the statements of financial position and statements of income; (ii) modifications to the accounting system of standardized financial statements and the disaggregation of certain complementary information included in the New Compendium; and (iii) changes in the classification, measurement and presentation of financial instruments in the statements of financial position and statements of income upon adoption of International Financial Reporting Standards ("**IFRS**") 9 – Financial Instruments ("**IFRS 9**") superseding IAS 39 (except for Chapter 5.5 with respect to impairment). These amendments are expected to facilitate the implementation of Basel III. For more information, see notes 1 and 4 to our consolidated financial statements as of December 31, 2023 and 2022.

Our insurance coverage may not adequately cover losses resulting from the risks for which we are insured.

We maintain insurance policies for our operations, including insurance for property, our money transport and directors' and officers' liability, as well as insurance against computer crimes and for employee dishonesty and mistakes, theft and fraudulent use of credit cards, central processing and automatic teller errors and our vehicles. Due to the nature of our operations and the nature of the risks that we face, there can be no assurance that the coverage that we maintain is adequate to cover the losses for which we believe we are insured.

Banking regulations may restrict our operations and thereby adversely affect our financial condition and results of operations.

We are subject to regulation by the CMF. In addition, we are subject to regulation by the Central Bank of Chile with regard to certain matters, including reserve requirements, interest rates, foreign exchange mismatches and market risks. New regulations could require us to inject further capital into our business as well as in businesses we acquire, restrict the type or volume of transactions we enter into, or set limits on or require the modification of rates or fees that we charge on certain loans or other products, any of which could lower the return on our investments, assets and equity and, as a result, materially affect our financial condition and results of operations in the future.

Pursuant to the General Banking Law, all Chilean banks may, subject to the approval of the CMF, engage in certain businesses in addition to commercial banking depending on the risk associated with such business and their financial strength. Such additional businesses include securities brokerage, mutual fund management, retirement fund plans, securitization, insurance brokerage, leasing and factoring. There can be no assurance that regulators will not in the future impose more restrictive limitations on the activities of banks, including us. The General Banking Law also applies to the Chilean banking system a modified version of the capital adequacy guidelines issued by the Basel Committee on Banking Regulation and Supervisory Practices and limits the discretion of the CMF to deny new banking licenses.

In Chile, higher capital requirements, heightened disclosure standards and restrictions on certain types of transaction structures have been imposed in the recent past. For example, on May 29, 2020, Law No. 21,234, which amended Law No. 20,009, established that transactions that customers of payment services, including those made by electronic means, do not recognize must be returned to the holder of the credit or debit card that was used in the transaction. This law does not allow payment service providers, such as banks, to offer fraud insurance for the use of credit or debit cards and holds payment service providers liable for damages caused as a result of security and protection deficiencies in their technological systems through which payment services are provided.

On May 23, 2023, the Central Bank of Chile agreed to activate the Countercyclical Capital Requirement at a level of 0.5% of risk-weighted assets, due within one year. The Countercyclical Capital Requirement is a macroprudential requirement aimed at increasing the economy's resilience to severe stress scenarios resulting from systemic risks.

Furthermore, the CMF regulations may also impose restrictions that may adversely affect our business. For instance, Circular No. 3,573 passed by the former SBIF, dated December 30, 2014, amended the Compendium of Accounting Standards (*Compendio de Normas Contables*) (the "**Old Compendium**") to establish a standard method to calculate allowances for residential loans applicable from 2016, and to incorporate new instructions on provisions and allowances on impaired portfolio.

In 2021, the CMF issued Circular No. 2,295, which updated the compendium of accounting standards for banks and made changes to the accounting regulations that remained in force until December 31, 2021 according to the Chapter E of the New Compendium. See "—Changes in accounting standards could impact reported earnings." The first application date of this updated version is January 1, 2022, with a transition date from January 1, 2021 for the purposes of comparative financial statements reports to be published as of the first quarterly interim period of 2022.

With regard to our business in the United States, comprehensive financial regulatory reform legislation was enacted on July 21, 2010. Known as the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), the law has significantly changed the regulation of financial institutions and the U.S. financial services industry in general. The Dodd-Frank Act includes provisions affecting large and small financial institutions alike, including provisions that affect the lending, deposit, investment, trading and operating activities of banks and their holding companies.

The Dodd-Frank Act, as well as future related legislation, may have an adverse effect on the financial services industry, generally, and/or on Bci's U.S. operations, specifically. The current regulatory environment in the United States may be impacted by future legislative developments, such as amendments to key provisions of the Dodd-Frank Act. For example, on May 24, 2018, the Economic Growth, Regulatory Relief and Consumer Protection Act (the "Reform Act") was signed into law. Among other regulatory changes, the Reform Act amends various sections of the Dodd-Frank Act, including by, in some ways, reducing the regulatory burden on smaller financial institutions. In October 2019, the Federal Reserve Board issued a final rule to implement the Reform Act's changes to the application of enhanced prudential standards with respect to U.S. bank holding companies and the U.S. operations of non-U.S. banking organizations, including capital, liquidity, and risk management requirements. The ultimate consequences of the Reform Act and other legislative and regulatory developments on Bci and our activities (particularly of our U.S. banking operations) remain uncertain. There can be no assurance that regulators will not in the future impose more restrictive limitations on the activities of banks, including us, or that we will not in the future be subject to further enhanced governmental scrutiny and/or increased regulation, including resulting from changes in U.S. executive administration or Congressional leadership. Any such change could have a material adverse effect on our financial condition or results of operations.

For more information about the current U.S. and Chilean banking legal framework, see "Regulation and Supervision."

We are subject to regulatory inspections and examinations.

We are subject to various inspections, examinations, inquiries, audits and other regulatory requirements by Chilean regulatory authorities. With respect to our U.S. operations, we are subject to supervision, regulation and examination by the Board of Governors of the Federal Reserve System (the "**Federal Reserve**") as a result of our ownership and control of CNB, a U.S. national bank subsidiary that is subject to regulatory oversight by the Office of the Comptroller of the Currency (the "**OCC**"). In addition, our Miami branch is subject to examinations by the Federal Reserve and the Florida Office of Financial Regulation. CNB is subject to examination by the OCC. We may not be able to meet all of the applicable regulatory requirements and guidelines, and we may be subject to sanctions, fines and restrictions on our business or other penalties in the future as a result of our noncompliance. If sanctions, fines, restrictions on our business or other penalties are imposed on us for failure to comply with applicable requirements, guidelines or regulations, our financial condition and results of operations, and our reputation and ability to engage in business, may be materially and adversely affected.

Our loan and investment portfolios are subject to risk of prepayment, which may result in reinvestment of assets on less profitable terms.

Our loan and investment portfolios are subject to prepayment risk, which results from the ability of a borrower or issuer to pay a debt obligation prior to maturity. Generally, in a declining interest rate environment, prepayment activity increases, which reduces the weighted average lives of our earning assets and adversely affects our operating results. Prepayment risk also has an adverse impact on our residential mortgage portfolio, since prepayments could shorten the weighted average life of this portfolio, which may result in a mismatch in funding or in reinvestment at lower yields. Prepayment risk is inherent to our commercial activity and an increase in prepayments could have a material adverse effect on our business, financial condition and results of operations.

Political uncertainty and monetary policy normalization in the United States may adversely affect the results of operations of City National Bank of Florida.

City National Bank of Florida's business and financial performance are impacted by market interest rates and movements in those rates. Since a high percentage of City National Bank of Florida's assets and liabilities are interest bearing or otherwise sensitive in value to changes in interest rates, such changes in rates, in the shape of the yield curve or in spreads between different types of rates can have a material impact on its results of operations and the values of its assets and liabilities.

Interest rates are highly sensitive to many factors over which City National Bank of Florida has no control and which we may not be able to anticipate adequately, including general economic conditions and the monetary and tax policies of various governmental bodies, particularly the Federal Reserve. In response to the recession in 2008 and the following uneven recovery, the Federal Reserve implemented a series of domestic monetary initiatives. Several of these have emphasized so-called quantitative easing strategies, which ended during 2014. Between 2015 and 2019, the Federal Reserve raised rates nine times and decreased rates three times, in each case by a modest 25 basis points. However, in 2019 the Federal Reserve reversed course, lowering rates in a sign that growth was beginning to slow. On March 15, 2020, in response to the escalating outbreak of the COVID-19 pandemic, the Federal Reserve reduced short-term rates to a range between 0% and 0.25%, which have been maintained since then. A policy change was announced in August 2020 to the way the Federal Reserve sets interest rates that will likely keep interest rates in the U.S. relatively low until it is confident that the economy is on track to achieve its maximum employment and price stability goals, and launched a new round of quantitative easing to purchase US$700 billion worth of asset purchases including U.S. Treasury securities and mortgage-backed securities. On June 10, 2020, the Federal Reserve extended its quantitative easing program, committing to buy at least US$80 billion of Treasury Securities and US$40 billion in mortgage-backed securities. Since then, the economic recovery has accelerated and GDP increased by 5.7% in 2021. Inflation, however, increased to 7.2% in 2021. In response, the Federal Reserve announced the end of the quantitative easing program by March 2022 and raised the federal funds rate several times during 2022 in order to curb inflationary pressures. As of December 31, 2022, the federal funds rate reached 4.50%, and in February, March, May and July 2023 the rate was increased to 4.75%, 5.0%, 5.25% and 5.50%, respectively. As of December 31, 2023, the federal funds rate remained at 5.50%. In addition, in December 2022, the Federal Reserve raised the interest rate paid on reserve balances to 4.4%, and in February, May, and July 2023, the Federal Reserve further raised the interest rate paid on reserve balances to 4.65%, 5.15% and 5.4%, respectively. As of December 31, 2023, the interest rate paid on reserve balances remained at 5.4%.

City National Bank of Florida's earnings and cash flows depend upon the level of its net interest income. Low levels of market interest rates may limit our ability to add higher yielding assets to the balance sheet and may exacerbate downward pressure on City National Bank of Florida's interest margin and have a negative impact on its net interest income in the future. A flattening or inversion of the yield curve or a negative interest rate environment in the United States could create downward pressure on City National Bank of Florida's interest margin.

See also "—Banking regulations may restrict our operations and thereby adversely affect our financial condition and results of operations."

The geographic concentration of City National Bank of Florida's markets in Florida makes its business highly susceptible to local economic conditions.

Unlike some larger financial institutions that are more geographically diversified, City National Bank of Florida's operations are concentrated in Florida. Additionally, a significant portion of City National Bank of Florida's loans secured by real estate are secured by commercial and residential properties in this geographic region. Accordingly, the ability of borrowers to repay their loans, and the value of the collateral securing such loans, may be significantly affected by economic conditions in this region or by changes in the local real estate markets.

The business and earnings of City National Bank of Florida are directly affected by general conditions in the U.S. economy and, in particular, economic conditions in Florida. These conditions include legislative and regulatory changes, inflation, and changes in government and monetary and fiscal policies, increases in unemployment rates, and declines in real estate values, all of which are beyond our control. Florida has historically experienced deeper recessions and more dramatic slowdowns in economic activity than other states. The Florida economy and City National Bank of Florida's sub-markets in particular have been affected by downturns in commercial and residential property values, and the decline in real estate values in Florida during such downturns was higher than the national average. Additionally, the Florida economy relies heavily on tourism and seasonal residents. Disruption or deterioration in economic conditions in the Florida markets we serve, including declines in home prices and the volume of home sales in Florida, could result in one or more of the following:

- an increase in loan delinquencies;
- an increase in problem assets and foreclosures;
- a decrease in the demand for our products and services; or
- a decrease in the value of collateral for loans, especially real estate, in turn reducing customers' borrowing power, the value of assets associated with problem loans and collateral coverage.

In addition, declines in home prices coupled with high or increased unemployment levels and increased interest rates can cause losses which adversely affect our earnings and financial condition, including our capital and liquidity. Because of City National Bank of Florida's concentration in Florida, it is less able to respond or diversify credit risk among multiple markets. These factors could result in an increase in the provision for loan losses, thus reducing net income.

Exposure to government debt could have an adverse effect on our business, financial condition and results of operations.

We invest in debt securities issued by the Chilean government, and other government debt securities that, for the most part, are short-term and highly liquid instruments. If these governments default on the timely payment of such securities, our business, financial condition and results of operations may be adversely affected.

Our anti-money laundering and anti-terrorist financing measures may not prevent third parties from using us as a conduit for those activities, which could damage our reputation and expose us to fines, sanctions or legal enforcement, which, in turn, could have a material adverse effect on our business, financial condition and results of operation.

We believe that we are in compliance with applicable anti-money laundering and anti-terrorist financing laws and regulations and we have adopted various policies and procedures, including internal controls and "know-your customer" procedures, aimed at preventing money laundering and terrorist financing. We believe that our anti-money laundering policies and procedures are based upon, and are in material compliance with, the applicable provisions of Chilean law and, as applicable, with the provisions of laws of the other countries in which we operate, including applicable U.S. law in connection with our U.S. operations. In addition, because we also rely on our correspondent banks having their own appropriate anti-money laundering and anti-terrorist financing procedures, we use what we believe are commercially reasonable procedures for monitoring our correspondent banks. Despite these measures, procedures and compliance, third parties may use us (and our correspondent banks) as a conduit for money laundering (including illegal cash operations) or terrorist financing without our (and our correspondent banks') knowledge. If we were to be associated with money laundering (including illegal cash operations) or terrorist financing, our reputation could be harmed and we could become subject to fines, sanctions or legal enforcement (including being added to any "blacklists" that would prohibit certain parties from engaging in transactions with us), which could have a material adverse effect on our business, financial condition and results of operation.

Any loss of key personnel may materially and adversely affect our business.

Our success depends, in large measure, on the skills, experience and efforts of our senior management team and other key personnel. While we believe that we have depth throughout our management team and in all key skill levels of our employees, the loss of the services of key members of our senior management or of employees with critical skills could have a negative effect on our business, financial condition and results of operations. If we are not able to attract or retain highly skilled, talented and committed senior managers or other key personnel, our ability to fully implement our business objectives may be materially and adversely affected.

A worsening of labor relations in Chile could impact our business.

As of December 31, 2023, 648 of our 11,423 employees in Chile were unionized. We have traditionally enjoyed good relations with our employees and their unions. We have entered into three collective bargaining agreements with the Chilean Union of Workers Banco de Crédito y Inversiones, which expires in September 2025, the Union No. 1 of Workers of Banco de Credito e Inversiones, which expires in May 2025, and the Union of Financial Services Corporation Bci (Santiago), which expires in November 2025. We cannot assure you that our employees will initiate strikes or work stoppages in the future. Any strike or work stoppage by our unionized or other employees could materially and adversely affect our business, financial condition or results of operations.

We engage in transactions with related parties that could result in conflicts of interest.

Certain parties related to us have been involved, directly or indirectly, in credit transactions with us. In accordance with the General Banking Law, related parties include directors, certain principal executive officers and holders that own, directly or indirectly, more than 5% of our shares, and companies controlled (for purposes of the General Banking Law) by any of them. The CMF regulates related-party transactions and establishes a limit on aggregate related-party transactions equivalent to 5.0% of a bank's regulatory capital (and up to 25.0% of our regulatory capital if any loan granted in excess of the 5.0% is secured by collateral) (on an unconsolidated basis, which includes subsidiaries as related parties). Our loans to related parties (excluding loans receivables from Banks), on a consolidated basis, represented 4.9%, 3.7% and 4.2% of our regulatory capital as of December 31, 2021, 2022 and 2023, respectively.

As of December 31, 2023, our outstanding loans to related parties were Ch$313,848 million in the aggregate, representing 0.64% of our total loan portfolio.

We believe we are in compliance with all related-party transaction requirements imposed by the General Banking Law and the CMF. Although we intend to enter into transactions with related parties only on terms similar to those that would be offered by or to an unaffiliated third party, such transactions create the potential for, or could result in, conflicts of interest. See "Related Party Transactions."

Our principal shareholders have substantial influence over our management, and the interests of our principal shareholders may differ from those of the holders of the Notes.

As of the date of this Prospectus, 63.57% of our outstanding common shares were beneficially owned, directly or indirectly, by members of the Yarur family. Common shares are our only class of capital stock and the holders are entitled to elect our board of directors. As our controlling shareholder group, the Yarur family controls our business through its power to elect a majority of our board of directors and to determine the outcome of almost all actions that require shareholder approval. See "Principal Shareholders" and "Related Party Transactions." In circumstances involving a conflict of interest between the controlling shareholders and other shareholders or the holders of the Notes, the controlling shareholders may exercise their ability to control us in a manner that would benefit the controlling shareholders to the detriment of other shareholders or the holders of the Notes. If members of our controlling shareholder group purchase Notes of any Series, there is no restriction on their ability to vote the notes in the event of a modification, amendment or acceleration of the Notes of such Series.

Damage to our reputation connected to various proceedings could cause harm to our business prospects.

We are exposed to risk of loss from legal and regulatory proceedings, including tax proceedings, which could subject us to monetary judgments, regulatory enforcement actions, fines and penalties. The current regulatory environment in which we operate, which reflects an increased supervisory focus on enforcement, may lead to material operational and compliance costs. The impact of any or multiple unfavorable outcomes related to the aforementioned proceedings could cause reputational damage which may harm our business prospects.

Inadequate customer service that negatively affects the customer experience, could have a material adverse effect on our business, results of operations, financial condition and reputation.

A negative customer experience in any of our services, products, news or positioning, due to a certain event or perception can affect the continuation of their relationship with us, in addition to influencing other clients to terminate the relationship, or impact the beginning of a relationship with us, adversely affecting our business and the ability to meet strategic objectives in the medium and long term. Technological and digital developments, the increasingly competitive market and the ease of disseminating information and opinions on social networks, among other reasons, considerably increased the relevance and scalability of the customer's opinion about companies and their power to choose products and services. We cannot guarantee that internal or external events will not result in a negative experience for the client, nor that the mitigation and contingency actions will be effective to reduce any negative effects, which could have a material adverse effect on our business, results of operations, financial condition and reputation.

The occurrence of fraud against our clients may occur outside the reach of our operations, such as the use of our name inappropriately by fraudsters (in physical or virtual actions over the Internet) to perform false transactions or send false payment slips. This type of fraud can also generate litigation against us which could negatively affect our results of operations and reputation, and increase our operating costs.

Climate change can create transition risks, physical risks, and other risks that could adversely affect us.

There is increasing concern over the risks of climate change and related environmental sustainability matters. Climate change may imply three primary drivers of financial risk that could adversely affect us:

- transition risks associated with the move to a low-carbon economy, both at idiosyncratic and systemic levels, such as through policy, regulatory and technological changes, which could increase its exposures and impact its strategies;

- physical risks related to discrete events, such as flooding and wildfires, and extreme weather impacts and longer term shifts in climate patterns, such as extreme heat, rising sea level and more frequent and prolonged drought, which could result in financial losses that could impair asset values and the creditworthiness of the our customers. Such events could disrupt our operations or those of its customers or third parties on which it relies and does business with, including through direct damage to assets and indirect impacts from supply chain disruption and market volatility; and

- liability risks derived from parties who may suffer losses from the effects of climate change and may seek compensation from those they hold responsible such as state entities, regulators, investors and lenders.

These primary drivers could result, among others, in the following financial risks:

- credit risks: physical climate change could lead to increased credit exposure and companies with business models not aligned with the transition to a low-carbon economy may face a higher risk of reduced corporate earnings and business disruption due to new regulations or market shifts;

- market risks: market changes in the most carbon-intensive sectors could affect energy and commodity prices, corporate bonds, equities and certain derivatives contracts. Increasing frequency of severe weather events could affect macroeconomic conditions, weakening fundamental factors such as economic growth, employment and inflation;

- operational risks: severe weather events could directly impact our business continuity and operations; and

- reputational risk: our reputation and client relationships may be damaged as a result of its practices and decisions related to climate change and the environment, or to the practices or involvement of its clients, in certain industries or projects associated with causing or exacerbating climate change.

As climate risk is interconnected with all key risk types, we have developed and continue to enhance processes to embed climate risk considerations into its risk management strategies; however, because the timing and severity of climate change may not be predictable, its risk management strategies may not be effective in mitigating climate risk exposure.

Any of the conditions described above could have a material adverse effect on our business, financial condition and results of operations.

Risks Relating to Chile

Our growth and profitability depend on the level of economic activity in Chile and elsewhere.

A substantial amount of our loans are to borrowers doing business in Chile. Accordingly, the recoverability of these loans in particular, our ability to increase the amount of loans outstanding and our results of operations and financial condition in general, are dependent to a significant extent on the level of economic activity in Chile. The Chilean economy has been influenced, to varying degrees, by economic conditions in other countries, especially the United States and China. Historically, lower economic growth has adversely affected the overall asset quality of the Chilean financial system and our loan portfolio. Changes in Chilean economic growth in the future or developments affecting the Chilean economy, including consequences from a monetary policy normalization in the United States or a deceleration of economic growth in China or other developed nations to which Chile exports a majority of its goods, could materially and adversely affect our business, financial condition or results of operations. Our results of operations and financial condition could also be affected by changes in economic or other policies of the Chilean Government, which has exercised and continues to exercise a substantial influence over many aspects of the private sector, or other political or economic developments in Chile.

Although economic conditions are different in each country, investors' reactions to economic and political developments in one country may affect the prices of the securities of issuers in other countries, including Chile. For example, the 1994 devaluation of the Mexican peso, the 1997 crisis in the Asian markets, the 1998 crisis in Russia, the 1999 devaluation of the Brazilian real had a significant impact on the Chilean stock market. The 2008 housing crisis in the United States and the concerns over the sovereign debt obligations of several European countries (including Greece, Portugal, Spain, Ireland, and to a lesser extent, Italy) in the second half of 2011 and 2012 caused a slowdown in world economic growth and a significant fall in copper prices which, together with significant tax and social reforms, diminished both investment and consumption in Chile.

Chilean GDP grew 0.6% in 2019. Although Chilean GDP contracted 6.1% in 2020, mainly due to the negative effects of the COVID-19 pandemic on the Chilean economy, similar to other emerging countries, Chilean GDP increased to 11.3% in 2021. In 2022, Chilean GDP grew 2.1% in comparison to 2021. In 2023, Chilean GDP grew 0.2%, mainly due to the impact of high interest rates and political uncertainty on the Chilean economy. Historically, lower economic growth has adversely affected the overall asset quality of the Chilean banking system and our loan portfolio. The table below shows the risk index of the banks comprising the Chilean financial system according to information published by the CMF:

Year Ended	Risk Index[(1)]
December 31, 2019	2.6%
December 31, 2020	2.7%
December 31, 2021	2.4%
December 31, 2022	2.5%
December 31, 2023	2.6%

(1) Provisions divided by total loans.

The continuing trade war between the United States and China as well as the evolution of the Chinese economy and the impact that a slowdown would have on the price of copper may have an adverse effect on international trade. Persistent declines in the price of copper would impact negatively the Chilean economy and would adversely affect investment in the Chilean mining sector, which has been a major source of growth in recent years. A second external risk is related to a faster-than-expected increase in international interest rates and the subsequent adjustment of investment portfolios and capital flows, which would adversely affect the Chilean economy. This situation would negatively affect the Chilean economy because of the reduced availability of external funds and the effects that a large depreciation of the Chilean peso would have on inflation, a phenomenon that would hamper the work of the Chilean Central Bank.

Additionally, volatility in the global financial markets in recent periods has also resulted in volatility in the credit, equity and fixed income markets. In particular, war and armed conflicts have resulted in major disruptions in the global financial markets, including in Europe and the United States. See "–We are currently operating in a period of economic uncertainty and capital markets disruption, which has been significantly impacted by geopolitical instability due to the ongoing conflicts between Russia and Ukraine, and Israel and Hamas, among other events."

A deterioration in global business and economic conditions, which may erode consumer and investor confidence levels or increased volatility of global financial markets, also could adversely affect financial results for our fee-based businesses, including our financial planning products and services.

In addition, we also have material loan exposure to borrowers doing business in certain foreign countries. As a result, adverse political or economic developments in one or more of such countries where we have material credit exposure could have a material adverse effect on the quality of our loan portfolio. Furthermore, crisis and political uncertainty in other Latin American countries may have an adverse effect on Chile's economic activity, the price of our securities or our business.

Currency exchange rate fluctuations could adversely affect our financial condition and results of operations and the value of our securities.

Our business is exposed to fluctuations in currency exchange rates. Any future changes in the value of the Chilean peso against the U.S. dollar will affect the U.S. dollar value of our securities. The Chilean peso has been subject to large depreciations and appreciations in the past and could be subject to significant fluctuations in the future. The main drivers of exchange rate volatility in past years were the significant fluctuations of commodity prices, general uncertainty and trade imbalances in the global markets, the impact of the COVID-19 pandemic, and political uncertainty surrounding Chile's new constitution and tax and pensions reforms.

Following the widespread protests and social unrest that began in Chile in October 2019, the value of the Chilean peso experienced increased volatility. As a result, the Central Bank of Chile launched a US$20 billion foreign exchange intervention program to mitigate exchange rate volatility until January 2021, through spot and forward operations. In January 2021, the Central Bank of Chile unveiled a new program to reboost international reserves and as of December 2021, international reserves reached 16% of total GDP. In July 2022, the Central Bank of Chile launched a US$35 billion foreign exchange intervention program to mitigate exchange rate volatility until the end of September 2022, through spot, forward and exchange rate swap operations. In June 2023, the Central Bank of Chile launched a US$10 billion foreign exchange intervention program to reinforce is international reserves over the next twelve months.

Our results of operations may be affected by fluctuations in the exchange rates between the peso and the dollar despite our policy and Chilean regulations relating to the general avoidance of material exchange rate exposure. In order to avoid material exchange rate exposure, we enter into forward currency exchange transactions. The following table shows the value of the Chilean peso relative to the U.S. dollar, as reported by the Central Bank of Chile as of the last day of the years indicated and the appreciation/depreciation of the Chilean peso relative to the U.S. dollar during years periods.

Year Ended	Exchange rate (Ch$) Year-end	Appreciation (Depreciation) (%)
December 31, 2019	744.62	(6.6)
December 31, 2020	711.24	4.5
December 31, 2021	850.25	(16.6)
December 31, 2022	859.51	(1.09)
December 31, 2023	884.59	(2.92)

Source: Central Bank of Chile.

We may decide to change our policy regarding exchange rate exposure. Regulations that limit such exposures may also be amended or eliminated. Greater exchange rate risk may increase our exposure to the devaluation of the peso, and any such devaluation may impair our capacity to service foreign currency obligations and may, therefore, materially and adversely affect our financial condition and results of operations. Notwithstanding the existence of general policies and regulations that limit material exchange rate exposures, the economic policies of the Chilean government and any future fluctuations of the peso against the dollar could affect our financial condition and results of operations.

Our business may be affected by political, legal and economic uncertainty, as well as political developments.

Beginning on October 18, 2019, widespread protests took place in Chile. These protests began over the government's announcement of an increase in subway fares in Santiago and quickly grew into broader unrest over economic inequality, including claims about transportation costs, funding for education, health care costs and pension amounts, among others. Demonstrations spread across the country and resulted in violent, and sometimes deadly acts, causing significant damage to subway stations in Santiago, shops, houses and other public and private property. The government imposed a state of emergency and nighttime curfews in Santiago and other cities; however, protests and violence continued.

In response, the Chilean government announced a reshuffling of the cabinet and a series of social and economic reforms to tackle issues at the heart of the unrest, including cancellation of the increased subway fares, increases in government-subsidized pension, a guaranteed minimum monthly income, affordable medical insurance, lowering the price of medicine and a cancellation of energy price hikes.

The Chilean Congress also reached an agreement to reform the Chilean Constitution and convened a nationwide referendum to vote for a new Chilean Constitution. On September 4, 2022, a referendum on the approval or rejection of the draft constitution proposed by the Constitutional Convention took place, with 61.86% of the votes rejecting it and 38.14% of the votes approving it. On December 17, 2023, a second referendum took place, with 55.76% of the votes rejecting it and 44.24% of the votes approving it. Given that the second proposed draft was rejected, the current Chilean Constitution remains in force. Following these results, the President of the Republic, Mr. Gabriel Boric, announced that during his electoral term (due to expire in 2026) there will be no more referendums to approve a new Chilean Constitution. We cannot assure you whether additional referendums to amend the Chilean Constitution will be held and, if so, what will be the outcome of these referendums.

In addition, Chile's general elections to elect the president of the country and congressional members were held on November 21, 2021. Mr. Gabriel Boric Font was elected as the new President of Chile and took office on March 11, 2022. As a result, the Congress members are expected to remain politically split, mainly in the Chilean Senate.

We cannot predict the extent to which the Chilean economy will be affected by the constitutional and political processes currently underway. These processes may result in further social unrest and changes in laws and policies that could result in a less favorable environment for private businesses. We cannot assure you that measures taken by the government impacting private investment, such as higher taxation, will not be implemented, and we cannot assure you whether the newly-elected Chilean government will continue to pursue business-friendly and open-market economic policies that stimulate economic growth and stability. Further, there can be no assurance that future developments in or affecting the Chilean political landscape, including economic, social or political instability in Chile, will not materially and adversely affect our business, financial condition and results of operation.

Chile's banking regulatory and capital markets environment is continually evolving, and new regulation of the financial services industry in Chile could increase our costs and result in lower profits.

Changes in banking regulations may materially and adversely affect our business, financial condition and results of operations. Chilean laws, regulations, policies and interpretations of laws relating to the banking sector and financial institutions are continually evolving and changing.

On January 19, 2019, the Chilean government passed a law that amends, among others, the Amendment to the General Banking Law and establishes new capital regulation for banks in Chile in line with Basel III standards. See "Regulation and Supervision—Banking Legislation." In the event of an equity deficit, the banks must propose mitigation actions to overcome this deficit, with measures such as (i) a reduction in loan targets, (ii) adjustments to dividend policy, and/or (iii) carrying out level 1 or 2 capital increases. In the latter case, the issuance of capital instruments (AT1, T2) may be limited by numerous factors, such as complying with the general conditions for access to the capital market by banks; and national and international economic, political and other conditions. If the market conditions are not given, it will be more difficult, in the short term, to raise enough additional capital to comply with the demands of the regulator, while the creation of available credit to grant loans could be affected, as well as limit dividend distributions.

In February 2020, the Chilean government enacted Law No. 21,210 containing the Tax Modernization Project. Among its changes, this law provides for (i) the elimination of the "attributed system", (ii) a 27% rate of corporate income tax for large companies, (iii) a simplified tax regime for small and medium-sized companies with yearly gross income below UF75,000 and that comply with certain requirements regarding their activities, (iv) a new 40% rate bracket of personal income tax for those earning more than approximately Ch$15 million a month and a new surtax to properties worth more than approximately Ch$440 million, (v) application of the 19% value-added tax to digital services provided by persons, not domiciled or resident in Chile, and modification to the exemption of value-added tax to imports of certain capital goods, and (vi) reforms to tax proceedings, among others. In May 2020, Law No. 21,234, which amended Law No. 20,009, established that transactions that customers of payment services, including those made by electronic means, do not recognize must be returned to the holder of the credit or debit card that was used in the transaction. See "—Banking regulations may restrict our operations and thereby adversely affect our financial condition and results of operations."

In September 2020, Law No. 21,256 was enacted by the Chilean government, which established new tax measures and modifies some existing ones, as part of the emergency plan for the reactivation of the economy and employment due to the COVID-19 pandemic. Among its changes, this law provides for (i) the reduction to 10% of the rate of the corporate income tax for small and medium-sized companies; (ii) the possibility of claiming reimbursement of remaining VAT tax credit for small and medium-sized companies under certain circumstances for the months of July, August or September 2020; (iii) the release under certain circumstances of payment of the contribution for regional development, established by means of Law No. 21,210; (iv) a transitory immediate depreciation and amortization of 100% of investments in fixed assets and certain intangible assets until December 31, 2022; and (v) the temporary extension of the VAT deferral period from 2 to 3 months, until December 31, 2022.

In April 2021 and August 2021, respectively, the Chilean government enacted amendments to Laws No. 19,946 on consumer rights and to Law No. 19,986 on service agreements, respectively. These amendments had been under discussion since 2019 and adopt measures that seek to protect the rights of consumers. The amendments provide that consumers have a right to obtain a copy of credit checks performed by financial institutions prior to credit operations, prohibits institutions of higher education from offering financial services, seeks to better regulate the right of withdrawal in online purchases and pre-formulated standard contracts, and expands the rights of financial consumers, among others. It is unclear whether these new regulations will have an adverse impact on our financial condition and results of operations.

On August 5, 2022, the CMF issued General Rule No. 484, which establishes the requisites for charges associated with lending transactions governed by Law No. 18,010 to be considered as commissions, as opposed to be deemed interest, in which case such charges would be subject to maximum interest caps according to the laws on credit transactions. Such requisites are: (i) the amount charged to the debtor must be calculated on the basis of the cost of providing the service, (ii) the service must be real, effectively rendered to the debtor and different from those "inherent" to the money credit transaction, (iii) the concept to which the charge corresponds, as well as the total amount charged to the debtor, must have been expressly informed to and accepted by the debtor prior to its collection and the rendering of the service, regardless of whether the collection of the charge is made prior to rendering the service, and (iv) the information of charges in connection with credit transactions must be made publicly available through the same channels used by the creditor to make offers of such transactions. It is unclear whether these new regulations will have an adverse impact on our financial condition and results of operations.

On February 3, 2023 a law that promotes competition and financial inclusion through innovation and technology in the provision of financial services (the "Fintech Law") became effective. The Fintech Law establishes a general regulatory framework for the provision of certain technology-based financial services ("Fintech"), subject to the supervision of the CMF. Such services include (i) crowdfunding platforms, (ii) alternative transaction systems, (iii) credit and investment advice, (iv) custody of financial instruments, and (v) order routing and intermediation of financial instruments. To provide Fintech services, providers need to register with the Registry of Financial Service Providers at the CMF. The Fintech Law also creates a legal framework to regulate and implement an open banking system, establishing the basic rules and principles to allow the exchange of financial information between different service providers through remote and automated access interfaces ("APIs") that will allow interconnection and direct communication between the participating institutions to permit aggregation as well as payment initiation services (the "Open Finance System"). Entities under the supervision of the CMF ("Information Providers"), including banks and payment cards issuers, are obliged to develop and maintain APIs, and to respond to the requests of information made through the Open Finance System at no charge to third party providers nor the clients. In addition, the Fintech Law establishes that certain financial sector industries must implement policies and controls to avoid offering products that are not in line with customers' expectations, needs and willingness to take risks. Also, banks will have to establish public, objective and non-discriminatory conditions for the refusal to open, suspend or close current accounts of Fintech providers.

On January 12, 2024, and in compliance with the Fintech Law, the CMF published General Rule No. 502, with the purpose of regulating the registration, authorization, and obligations of financial service providers under the Fintech Law. The general rule entered into force on February 3, 2024, and requires financial service providers to request their registration in the Registry of Financial Service Providers and the CMF's authorization to operate in Chile by February 3, 2025.

On July 3, 2024, and in compliance with the Fintech Law, the CMF published General Rule No. 514, the supplementary regulations governing the Open Finance System. These regulations, aimed at implementing the Open Finance System, will apply to a range of entities, including Information Provider Institutions, Account Provider Institutions, Information-based Service Providers, and Payment Initiation Service Providers, as provided by the Fintech Law. The implementation of the Open Finance System will be phased, on the basis of the specific roles assumed by each participant within the Open Finance System, with first stage of implementation scheduled to be completed within 24 months from the date of issuance of the regulations, with the second stage of implementation to follow 36 months after the completion of the first stage.

While the Fintech Law is still subject to further implementation by the CMF (through the ancillary regulations), an increase in the market share of FinTech companies and their role in the financial system could increase competition with our services and thus affect our results of operations. While the outcome of the Fintech Law is uncertain at this time, we cannot assure you that we would not be negatively impacted by the FinTech Law.

On July 3, 2024, Law No. 21.680, which creates a Consolidated Debt Registry, was published in the Official Gazette. This law aims to centralize information on financial debts, thereby improving the credit evaluation of individuals and providing more data to the CMF for its regulatory functions. Financial institutions and other entities under CMF supervision will have access to the registry to assess commercial and credit risks. However, information on debts overdue for more than five years or that have prescribed will not be available without the explicit consent of the client, which must be properly recorded in writing, verbally, or electronically.

The outbreak and spread of a pandemic and other large-scale public health events could have a material adverse effect on our business, financial condition and results of operations.

Economic conditions in Chile may be adversely affected by an outbreak of a contagious disease, such as COVID-19, which develops into a regional or global pandemic and other large scale public health events. The measures taken by governments, regulators and businesses to respond to any such pandemic or event may lead to slower or negative economic growth, supply disruptions, inflationary pressures and significant increases in public debt, and may also adversely affect our counterparties (including borrowers), which may lead to increased loan losses. Such measures could also impact the business and operations of third parties that provide critical services to us.

During the outbreak of COVID-19, we experienced a decline in activity, including as a result of branch closures and remote working requirements, and was affected by a number of regulatory measures, such as variations in reference interest rates, the temporary suspension of dividend payments and the introduction of payment deferral and public guarantee schemes.

If there were an outbreak of a new pandemic or another large-scale public health event occurs in the future, we may experience an adverse impact, which may be material, on our business, financial condition and results of operations, including as a result of the exacerbation of any of the other risks described in this section.

Changes in Chilean tax laws may increase our tax burden and adversely affect our profitability.

The statutory corporate tax ("**First Category Income Tax**") rate in Chile was 20% on income from 2011 to 2013. Under Law No. 20,780, published in the Official Gazette of Chile (*Diario Oficial*) on September 29, 2014, as amended by Law No. 20,899, with the purpose of generating additional financial resources to improve the quality of Chilean education, the First Category Income Tax rate was gradually increased to 25% or 27%, depending on the system chosen by the taxpayer. In February 2020, the Chilean government enacted Law No. 21,210 that modernizes the tax legislation. The current regulations provide for (i) the elimination of the "attributed system", (ii) a 27% rate of corporate income tax for large companies, (iii) a simplified tax regime for small and medium-sized companies with yearly gross income below UF75,000 and that comply with certain requirements regarding their activities, (iv) a new 40% rate bracket of personal income tax for those earning more than approximately Ch$15 million a month and a new additional surtax to properties worth more than approximately Ch$440 million, (v) application of the 19% value-added tax (VAT) to digital services provided by persons, not domiciled or resident in Chile, and modification to the exemption of value-added tax to imports of certain capital goods, and (vi) reforms to tax proceedings, among others.

In addition, on February 4, 2022, Law No. 21,420 was published in order to eliminate or reduce certain tax exemptions previously established by the Chilean tax regulations, including: (i) capital gains tax for shares with stock market presence; (ii) tax benefits for the third and subsequent homes; and (iii) inheritance tax for life insurance. In addition, Law No. 21,420 imposed a new tax on the purchase of luxury goods.

Under current regulations we are also subject to a 27% corporate income tax rate and only 65% of the First Category Income Tax paid will be allowed to be a credit against final taxes, unless there is an enforceable tax treaty to avoid double taxation between the final taxpayer's country of residence and Chile or, until 2026, a signed tax treaty even if it has not yet entered into force, in which case the final taxpayer will be allowed to use 100% of the First Category Income Tax paid as a credit against final taxes.

In the past, the International Monetary Fund and the OECD made recommendations to the Chilean government to analyze the Chilean tax system with the aim of reducing inequality in Chile. Consequently, the Chilean tax system may be modified in the upcoming years.

On July 7, 2022, the government submitted to Congress the Tax Reform Bill through Presidential Message No. 064-370 (the "Tax Reform Bill"), which proposes several substantial changes to the Chilean tax system. Some of the relevant changes proposed by the Tax Reform Bill include amendments to the following: general anti-avoidance rules; special rules for the delivery of information; strengthening of the tax authority's audit powers; new "semi-dual" general taxation regime for large companies, which includes a disintegration of the tax system by modifying both the first category tax rate and the applicable taxes to shareholders; limitation on the deductibility of expenses; establishment of a new bracket and increase of personal income tax and second category tax rates; modifications to the pro SME regime and new VAT benefits; modifications of international taxation rules (e.g., transfer pricing, controlled foreign corporations, thin cap rules and limitation on tax credits for taxes paid abroad); taxation of capital gains and income from leases on certain real estate assets; modification of VAT exemption applicable to exports; modification of inheritance tax rules in connection with the valuation of assets; modification of taxation of mutual funds and public and private investment funds; and a wealth tax. On July 11, 2022, the government submitted to the Congress amendments to the Mining Royalty Bill, the purpose of which is to create a new tax that applies to all mining operators who sell mining products. On March 8, 2023, the Chamber of Deputies rejected the Tax Reform Bill, which prevents the government from approving the original text of the Tax Reform Bill until March 8, 2024. Nevertheless, the government has maintained contacts with various political parties in order to agree on guidelines for the preparation of the new Tax Reform Bill. On January 29, 2024, the government submitted to the Chilean Congress a new "Fulfillment of Tax Obligations" tax reform bill, which aims to increase tax collection. This bill is structured around the following key areas: (i) modernization of the tax administration and the Tax and Customs Courts; (ii) formalization of economic growth; (iii) strengthening of sanctions for tax offenses; (iv) fight against tax evasion and avoidance, including modifications to the General Anti-Avoidance Rules; (v) modifications of audit procedures by the tax authority; and (vi) modifications of the appraisal faculty of the tax authority.

These and further changes, as well as interpretations by the Chilean tax authorities thereto, may result in an increase in tax liabilities, which could adversely affect industry profitability, increase costs, restrict our ability to do business and cause negative effects to our financial results. We cannot assure you that we will be able to maintain our projected cash flow and profitability following any increases in Chilean taxes applicable to us and our operations.

Future natural phenomena such as earthquakes, tsunamis, wildfires, the climactic phenomenon El Niño or floods may adversely affect lending volume and the quality of our loan portfolio.

Chile lies on the Nazca tectonic plate, making it one of the world's most seismically active regions. Chile has been adversely affected by powerful earthquakes in the past, including an 8.8 magnitude earthquake that struck central Chile in 2010, an 8.0 magnitude earthquake that struck Santiago in 1985, and a 9.5 magnitude earthquake in the Lakes District on Southern Chile in 1960 which was the strongest earthquake ever recorded. The damage to Chile's infrastructures, including roads and ports, as a result of an earthquake may have an adverse impact on the Chilean economy, which could adversely affect our business, financial condition and results of operations.

During the past decade Chile has been experiencing hot and dry weathers, called by the World Meteorological Organization a "mega drought." The heat wave caused black forest fires in 2017 and has caused wildfires, destruction of small villages, hectares burned and mortality in south-central Chile during January and February of 2023.

El Niño is an oceanic and atmospheric phenomenon that causes a warming of temperatures in the Pacific Ocean, resulting in heavy rains off the coast of Chile, Peru and Ecuador and various other effects in other parts of the world. The effects of El Niño, which typically occurs every two to seven years, include (among other things) flooding and the negative effects on fish populations and agriculture, and accordingly, it can have a negative effect on Chile's economy. In the past, El Niño has negatively affected our agricultural and fishing loan portfolio.

If these and other natural phenomena occur in the future, we may suffer damage to, or destruction of, properties and equipment, which may negatively affect our business, particularly if those problems affect our computer-based data processing, transmission, storage and retrieval systems and destroy valuable data. In addition, if a significant number of our local employees and managers were unavailable in the event of a disaster, our ability to effectively conduct business could be severely compromised. A natural disaster could damage some of our branches, force us to close damaged facilities or locations, increase recovery costs as well as cause economic damage to our clients. Furthermore, these events may affect customers and industries to which we have exposure through our loan portfolio, which in turn may have a material adverse effect on our business.

With regard to our business in the United States, our market areas in Florida are susceptible to hurricanes, tropical storms and related flooding and wind damage. Such weather events can disrupt operations, result in damage to properties and negatively affect the local economies in the markets where we operate. Our business and results of operations may be adversely affected by these and other negative effects of future hurricanes, tropical storms, related flooding and wind damage and other similar weather events. As a result of the risks associated to these weather events, many of our customers have incurred significantly higher property and casualty insurance premiums on their properties located in our markets, which may adversely affect real estate sales and values in our markets.

The perception of higher risk in other countries, especially in Latin American or other emerging economies, may adversely affect the Chilean economy, our business and the market price of Chilean securities issued by Chilean issuers, including the Notes.

Emerging markets like Chile are subject to greater risks than more developed markets, and financial turmoil in any emerging market could disrupt business in Chile and adversely affect the price of the Notes. Moreover, financial turmoil in any important emerging market country may adversely affect prices in stock markets and prices for debt securities of issuers in other emerging market countries as investors move their money to more stable, developed markets. An increase in the perceived risks associated with investing in Latin American or other emerging markets could dampen capital flows to Chile and adversely affect the Chilean economy in general, and the interest of investors in securities issued by Chilean issuers. We cannot assure you that the value of the notes will not be negatively affected by events in Latin American or other emerging markets or the global economy in general.

Any downgrading of Chile's debt credit rating for domestic and international debt by international credit rating agencies may also affect our ratings, our business, our future financial performance, stockholders' equity and the value of our securities, and any downgrading of our credit ratings could increase our cost of funding and adversely affect our interest margins and results of operations.

In December 2023 Fitch Ratings ("**Fitch**") affirmed the credit rating of Chile's long-term foreign currency as A-, with stable outlook. In October 2023, S&P Global Ratings affirmed its A-1 long-term foreign currency and its A/A-1 long-term local currency sovereign credit ratings on Chile, and changed the outlook from stable to negative due to weaker political consensus on the key parameters of Chile's political and economic agenda. In September 2022, Moody's downgraded the Government of Chile's long-term local and foreign-currency issuer and senior unsecured ratings to A2 from A1, and the senior unsecured foreign-currency long-term shelf rating to (P)A2 from (P)A1, and changed the outlook from negative to stable.

Any additional adverse revisions to Chile's credit ratings for domestic and international debt by international rating agencies may adversely affect our ratings, our business, future financial performance, stockholders' equity and the value of our securities.

In addition, credit ratings affect the cost and other terms upon which we are able to obtain funding. Rating agencies regularly evaluate us and their ratings of our debt are based on a number of factors, including our financial strength and conditions affecting the financial services industry generally. There can be no assurance that the rating agencies will maintain the current ratings or outlooks, and any downgrading in our debt credit ratings would likely increase our borrowing costs and could limit our access to capital markets and adversely affect our operating results and financial condition.

Chile has different corporate disclosure and accounting standards than those you may be familiar within the United States.

Accounting, financial reporting and securities disclosure requirements in Chile differ in certain significant respects from those required in the United States. Accordingly, the information about us available to you will not be the same as the information available to holders of notes issued by a U.S. financial institution. See a description of certain significant differences between Chilean GAAP and IFRS (equivalent to the differences between Chilean GAAP and IFRS as adopted pursuant to the procedure of Article 3 of Regulation (EC) No. 1606/2002) as applied to us in "Annex A—Significant Differences Between Chilean GAAP and IFRS."

As a regulated financial institution, we are required to submit unaudited stand-alone balance sheets and income statements prepared in accordance with Chilean GAAP to the CMF on a monthly basis and audited consolidated and stand-alone balance sheets and income statements prepared in accordance with Chilean GAAP on an annual basis. We are required to publish our income statements for the periods ended March 31, June 30 and September 30 of each calendar year in a newspaper of national circulation. Such publication must be made no later than the last day of the month following the date of the income statement. Such unaudited financial information is prepared in summary form, is not sent directly to our security holders and differs in other significant respects from information generally available in the United States with respect to U.S. financial institutions.

The CMF also has discretionary power to require a bank to publish its income statements for periods in addition to those specified above.

The Chilean Securities Market Law which governs open or publicly listed companies, such as us, impose disclosure requirements that are more limited than those in the United States in certain important respects. In addition, although Chilean law imposes restrictions on insider trading and price manipulation, applicable Chilean laws are different from those in the United States, and the Chilean securities markets are not as highly regulated and supervised as the U.S. securities markets.

We cannot assure you of the accuracy or comparability of facts, forecasts and statistics contained in this Prospectus with respect to Chile, its economy and banking industry.

Facts, forecasts and statistics in this document relating to Chile, Chile's economy and the Chilean banking industry, including market share information, are derived from various official and other publicly available sources that we generally believe to be reliable. However, we cannot vouch for the quality and reliability of such official and other sources of materials. In addition, these facts, forecasts and statistics have not been independently verified by us and, therefore, we make no representation as to the accuracy of such facts, forecasts and statistics, which may not be consistent with other information compiled within or outside of Chile and may not be complete or up to date. We have taken reasonable care in reproducing or extracting the information from such sources. However, because of possibly flawed or ineffective methodologies underlying the published information or discrepancies between the published information and market practice and other problems, these facts, forecasts or statistics may be inaccurate and may not be comparable from period to period or to facts, forecasts or statistics produced for other economies, and you should not unduly rely upon them.

A change in the law governing the judicial recovery of overdue loans or in the organization of our courts could adversely affect our overall rate of recovery of overdue loans.

The Chilean judicial system is constantly evolving to suit the needs of the population and is gradually incorporating the use of new technological tools as these facilitate the intervention of the court. On October 10, 2014, the Chilean Congress enacted Law No. 20,720, which amends the procedural and substantive regulation of the judicial reorganization or settlement for individuals and businesses declared insolvent or bankrupt. The main purposes of the aforementioned law are: (a) to facilitate the negotiation and approval of the debtor's reorganization agreements; (b) to improve the repayments of creditors in insolvency proceedings, creating a more effective and efficient process; and (c) to regulate the effects of cross-border insolvency proceedings. Although changes in this area could increase the rate of legal recovery of overdue loans and improve our operating results, it could also adversely affect them.

Changes in labor laws may adversely affect our profitability.

On July 9, 2014, Law No. 20,760 was enacted, setting forth a new kind of legal entity concept, preventing companies from hiding their identity by using multiple taxpayer numbers. This law deems as the same employer for labor and social security purposes, two or more companies that have a common labor management and comply with some conditions like having a common controller among them, or having similar or supplementary products or services.

On September 8, 2016, Law No. 20,940 was published in the Official Gazette of Chile and became effective on April 1, 2017. The purpose of this law is to promote and empower the collective negotiation procedure between employers and employees, providing that the labor unions shall be the most favored party in such negotiations as well as the "owner" of the rights achieved through them. Consequently, the employers may not extend those rights to non-unionized employees, which was previously allowed (provided that the non-unionized employees paid the 75% of the labor union fee). Some of the main measures are the following: (i) to forbid the replacement of employees when work stoppages or strikes are ongoing, regardless if they are replaced through external or internal personnel; (ii) to give employees access to the financial and tax information of their employers, as well as to their investment plans, and to payroll information regarding both unionized an non-unionized employees; (iii) recognize the benefits achieved in the past collective negotiation as a minimum for the upcoming negotiation; (iv) possibility for inter-company unions to engage in collective bargaining procedures, which will be binding to the employer subject to the fulfillment of certain legal requirements; and (v) extension of the right to collective bargaining to employees formerly not entitled to do so, and also in respect of matters that were not previously subject to collective bargaining. In May 2019, a group of congresswomen from opposing parties proposed a bill of law aimed to reduce the weekly working schedule from 45 to a 40 hours per week. This bill was approved in April 2023 and started to be gradually enforced since May 1, 2023. Any assessment regarding the impacts of these legislative changes on the bank's operations is subject to the final outcome of the legislative process. These potential changes in labor laws may increase our labor costs or prevent us from increasing operational efficiency which in turn could also significantly affect our results of operations and ability to pay the Notes.

On April 1, 2020, and in connection with the COVID-19 related crisis, Law No. 21,220 was enacted, introducing certain amendments to the Labor Code in order to regulate remote working. This new law establishes a series of special regulations for employees who provide services remotely and creates a number of obligations for the employer when agreeing on working remotely, a matter that until then was almost entirely unregulated. The main elements of this law are: (i) the employee's right to disconnect from work; (ii) additional minimum content in employment contracts for remote working services; (iii) requirement on certain tools, elements and costs associated to the performance of services by the employee are assumed by the employer; (iv) a prohibition for employers to force their employees to use their own tools or to incur in non-reimbursable expenses to render services out of the regular work place; and (v) specific regulation of working schedules. This law may generate new labor costs that shall be assumed by the employer, especially in companies where remote work exists as a permanent practice.

In 2021, a large list of new labor laws was enacted by the Chilean Congress, including Law 21,237 regarding modernization of the Chilean Labor Bureau, Law 21,342 regarding health and safety protocols for returning to work in the context of the COVID-19 pandemic, Law 21,360 establishing a new minimum monthly wage, Law 21,351 regarding a temporary extension of some benefits regulated in Law 21,247, Law 21,325, Law 21,275 establishing the obligation of companies with more than one hundred employees to hire employees who have knowledge about labor inclusion of people with disabilities, Law 21,389 that creates a National Registry of Alimony Debtors, and Law 21,419 that creates the universal guaranteed pension.

In 2023, new labor laws were enacted by the Chilean Congress, including Law 21,218 establishing a gradual increase of the minimum wage in Chile from Ch$440,000 pesos (US$502) as of May 1, 2023 to Ch$500,000 pesos (US$570) as of July 1, 2024, and Law 21,645, seeking to improve work-life balance, by enhancing the rights of parents who take care of children and teenagers, especially those who need special care due to disabilities.

Effective on April 26, 2024, Chile's Law No. 21,561 will reduce the statutory working week from 45 to 40 hours. This regulatory change is expected to increase operational costs for companies operating within Chile by necessitating adjustments to workforce management and potentially increasing labor expenses. In general terms, this law will be applied gradually reducing the working hours to 44 during the first year, 42 during the third year and 40 during the fifth year. Further, this reduction cannot result in the reduction of the employees' remuneration. Additionally, this law introduces the following changes: (i) flexibility in the distribution of workdays: the total 40 hours may be distributed on a weekly basis or on a weekly average basis in periods of up to four weeks, and, the working schedule can be distributed in four, five or six days; (iii) limitation of the cases in which an employee can be excluded from the workday limits; (iii) parents and caretakers of children up to 12 years of age will have the right to a time band of two hours total, meaning they will be eligible to anticipate or delay in up to one hour the time in which they begin and end their workday; (iv) exchange of overtime for additional rest days prior agreement of the parties, with a maximum of five additional rest days per year; and (v) electronic attendance records formally introduced amongst the options for control of the working schedule.

These changes in legislation could have an adverse effect on our business, results of operation or financial condition in the future.

Changes in social security legislation may adversely affect our profitability.

In January 2020, the Chilean government introduced a new bill to the Chilean Congress to reform the country's pension system. The potential adverse effect of the proposed law on our financial condition and results of operations cannot yet be ascertained. For more information, see "—Chile's banking regulatory and capital markets environment is continually evolving, and new regulation of the financial services industry in Chile could increase our costs and result in lower profits."

In November 2022, the Chilean government sent a new bill to the Chilean Congress to reform the Chilean pension system. Amongst other measures, the bill included a gradual increase of up to 6% in employer contributions to employee pension schemes and the end of AFPs. On January 24, 2024, the lower house of the Chilean Congress provisionally approved the bill. As of the date of this Prospectus, this bill is still under discussion by the Labor Commission of the Chilean Congress.

Considering that this is currently being discussed in the Chilean Senate, we are unable to predict the final content of these laws. The potential adverse effect of the proposed law on our financial condition and results of operations cannot yet be ascertained. As a result, potential impacts over the Chilean economy in the short and long run are not yet determinable.

Changes in insurance supervision may adversely affect our profitability.

Two of our related companies, Bci Seguros de Vida S.A. and Bci Seguros Generales S.A., are insurance companies subject to the supervision of the CMF. A bill of law being discussed by the Chilean Congress contemplates the implementation of a risk-based supervision model in the Chilean insurance market which would eventually establish supervisory capital requirements. These requirements are risk based, and as the risk levels within the insurer increases, the capital level must increase as well.

Risks Relating to the Notes Generally

Set out below is a brief description of certain risks relating to the Notes generally:

There is no trading market for the Notes; you may be unable to sell your Notes if a trading market for the Notes does not develop or is not developed and maintained.

Each Series of Notes will constitute a new issue of securities with no established trading market. Application may be made to the Luxembourg Stock Exchange for Notes (other than Indexed Notes) issued under the Program to be listed on the Official List of the Luxembourg Stock Exchange and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange. In addition, Notes (other than Indexed Notes) may be listed or admitted to trading on other or further stock exchanges including, but not limited to, the Frankfurt Stock Exchange and the SIX Swiss Exchange, as may be agreed between the Issuer and the relevant Dealer(s) in relation to each issue. The Issuer cannot assure you, however, that the application will be accepted or an active trading market for the Notes will develop or, if developed, be maintained. If a trading market does not develop or is not maintained, holders of the Notes may experience difficulty in reselling the Notes or may be unable to sell them at all. Even if a market develops, the liquidity of any market for the Notes will depend on many factors, including the number of holders of the Notes, the interest of securities dealers in making a market in the Notes and other factors. The price of each Series of Notes will depend on many factors, including prevailing interest rates, general economic conditions, our operating results and the market for similar securities. Accordingly, there can be no assurance as to the development or liquidity of any market for the Notes, the ability of holders to sell the Notes or the prices at which the Notes could be sold. Because the market for any Series of Notes may not be liquid, you may have to bear the economic risk of an investment in the Notes for an indefinite period of time. If an active trading market does not develop, the market price and liquidity of the Notes may be adversely affected. If the Notes (other than Indexed Notes) are traded, they may trade at a discount from their initial offering price depending upon prevailing interest rates, the market for similar securities, general economic conditions, the Issuer's performance and business prospects and other factors.

Market price risk.

The market price of each Series of Notes depends on various factors, including government actions taken to control the spread of the virus, changes of interest rate levels, the policy of central banks, overall economic developments, inflation rates or the supply and demand for the relevant type of Note. The market price of each Series of Notes may also be negatively affected by an increase in the Issuer's credit spreads (*i.e.,* the difference between yields on the Issuer's debt and the yield of government bonds or swap rates of similar maturity). The Issuer's credit spreads are mainly based on its perceived creditworthiness but also influenced by other factors such as general market trends as well as supply and demand for such Series of Notes.

Exchange rate risk and exchange controls.

An investment in Notes that are denominated in, or the payment of which is to be or may be made in or related to the value of, a currency or composite currency other than the currency of the country in which the purchaser is a resident or the currency in which the purchaser conducts its business or activities (the "home currency") entails significant risks that are not associated with a similar investment in a security denominated in the home currency. Such risks include the possibility of significant changes in rates of exchange between the home currency and the various foreign currencies (or composite currencies) after the issuance of such Note and the possibility of the imposition or modification of foreign exchange controls by either the U.S. or foreign governments. Such risks generally depend on economic and political events over which each Issuer has no control. In recent years, rates of exchange between certain currencies have been highly volatile and such volatility may be expected to continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations in such rate that may occur during the term of any Note. Depreciation of the currency in which a Note is denominated against the relevant home currency would result in a decrease in the effective yield of such Note below its coupon rate and, in certain circumstances, could result in a loss to the investor on a home currency basis. In addition, depending on the specific terms of a currency linked Indexed Note, changes in exchange rates relating to any of the currencies involved may result in a decrease in the effective yield of such currency linked Indexed Note and, in certain circumstances, could result in a loss of all or a substantial portion of the principal of a currency linked Indexed Note to the investor.

Foreign exchange rates can either be fixed by sovereign governments or float. Exchange rates of most economically developed nations are permitted to fluctuate in value relative to the U.S. Dollar. National governments, however, rarely voluntarily allow their currencies to float freely in response to economic forces. Governments in fact use a variety of techniques, such as intervention by a country's central bank or imposition of regulatory controls or taxes, to affect the exchange rate of their currencies. Governments may also issue a new currency to replace an existing currency, or alter the exchange rate or relative exchange characteristics by devaluation or revaluation of a currency. Thus, a special risk in purchasing non-home currency denominated Notes or currency linked Indexed Notes is that their home currency-equivalent yields could be affected by governmental actions, which could change or interfere with theretofore freely determined currency valuation, fluctuations in response to other market forces, and the movement of currencies across borders. There will be no adjustment or change in the terms of such Notes in the event that exchange rates should become fixed, or in the event of any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes, or in the event of other developments affecting the U.S. Dollar or any applicable Specified Currency.

Governments have imposed from time to time, and may in the future impose, exchange controls which could affect exchange rates as well as the availability of a specified foreign currency at the time of payment of principal and of premium, if any, or interest, if any, on a Note. Even if there are no actual exchange controls, it is possible that the Specified Currency for any particular Note not denominated in U.S. Dollars would not be available at such Note's maturity. In that event, the Issuer would make required payments in U.S. Dollars on the basis of the market exchange rate on the date of such payment, or if such rate of exchange is not then available, on the basis of the market exchange rate as of the most recent practicable date. See "Special Provisions Relating to Foreign Currency Notes—Payments on Foreign Currency Notes."

Payments claimed in Chile on the Notes, pursuant to a judgment or otherwise, may be in Chilean pesos.

In the event that proceedings are brought against us in Chile, either to enforce a judgment or as a result of an original action brought in Chile, we may be required to discharge those obligations in Chilean pesos. In this case, such obligation would be satisfied in Chilean pesos and there can be no assurance that we or any other entity will be able to purchase U.S. dollars at the time or in the amounts required to make any payment due pursuant to the notes in accordance with the exchange rate in effect on the date on which payments are made. As a result, holders of the Notes may suffer a U.S. dollar shortfall if a judgment in Chile is obtained.

The Issuer may not effectively manage risks associated with the replacement of benchmark indices.

Interest rate, equity, foreign exchange rate and other types of indices which are deemed to be "benchmarks," including those in widespread and long-standing use, have been the subject of ongoing international, national and other regulatory scrutiny and initiatives and proposals for reform. Some of these reforms are already effective while others are still to be implemented or are under consideration. These reforms may cause benchmarks to perform differently than in the past, or to disappear entirely, or have other consequences, which cannot be fully anticipated.

Any of the benchmark reforms which have been proposed or implemented, or the general increased regulatory scrutiny of benchmarks, could also increase the costs and risks of administering or otherwise participating in the setting of benchmarks and complying with regulations or requirements relating to benchmarks. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain benchmarks, trigger changes in the rules or methodologies used in certain benchmarks or lead to the elimination, discontinuance or obsolescence of certain "benchmarks," or result in other consequences that cannot be predicted. Even prior to the implementation of any changes, uncertainty as to the nature of potential alternative reference rates and as to the nature and effect of potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, as well as the value of, the return on and/or trading market for Notes linked to such benchmark. See "Risk Factors—Risks Relating to the Notes Generally—Changes or uncertainty about the future of EURIBOR and the potential discontinuance of EURIBOR could adversely affect the market value of any EURIBOR Notes, limit your ability to resell them and/or the payment of interest under such EURIBOR Notes."

Any of these developments, and any future initiatives to regulate, reform or change the administration of benchmarks, could result in material adverse consequences to the return on, value of and market for loans, mortgages, securities, derivatives and other financial instruments whose returns are linked to any such benchmark, including those issued, funded or held by the Issuer.

The benchmark reform could have a material impact on Notes linked to such benchmark, including the discontinuance in use of a benchmark if its administrator does not obtain the requisite authorization or satisfy other applicable requirements. In such event, depending on the particular benchmark and the applicable terms of the Notes, the Notes could be de-listed, adjusted, redeemed prior to maturity or otherwise impacted. Furthermore, the benchmark reform could also result in a change in the methodology or terms of the benchmark in order to comply with the requirements of the benchmark reform and such changes could have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level, and could lead to adjustments to the terms of the Notes, including, in certain circumstances, the selection of a substitute or successor reference rate.

Various regulators, industry bodies and other market participants in the U.S. and other countries are engaged in initiatives to develop, introduce and encourage the use of alternative rates to replace certain benchmarks. There is no assurance that these new rates will be accepted or widely used by market participants, or that the characteristics of any of these new rates will be similar to, or produce the economic equivalent of, the benchmarks that they seek to replace. If a particular benchmark were to be discontinued and an alternative rate has not been successfully introduced to replace that benchmark, this could result in widespread dislocation in the financial markets, engender volatility in the pricing of securities, derivatives and other instruments, and suppress capital markets activities, all of which could have adverse effects on the Issuer's results of operations. In addition, the transition of a particular benchmark to a replacement rate could affect hedge accounting relationships between financial instruments linked to that benchmark and any related derivatives, which could adversely affect the Issuer's results.

Changes or uncertainty about the future of EURIBOR and the potential discontinuance of EURIBOR could adversely affect the market value of any EURIBOR Notes, limit your ability to resell them and/or the payment of interest under such EURIBOR Notes.

Various interest rate benchmarks (including Euro Interbank Offered Rate (EURIBOR)) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective, including the Benchmark Regulation, while others are still to be implemented.

Under the Benchmark Regulation, which applies from January 1, 2018, new requirements apply with respect to the provision of a wide range of benchmarks (including EURIBOR), the contribution of input data to a benchmark and the use of a benchmark within the European Union. In particular, the Benchmark Regulation, among other things, (i) requires benchmark administrators to be authorized or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognized or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevents certain uses by EU-supervised entities of benchmarks of administrators that are not authorized or registered (or, if non-EU-based, deemed equivalent or recognized or endorsed). It is not possible to predict the effect of these changes, other reforms, or the establishment of alternative reference rates in the European Union or elsewhere. The resulting uncertainty could adversely affect the market value of any EURIBOR Notes and/or limit your ability to resell them.

If EURIBOR rate is not published, the rate of interest on the Notes limited to EURIBOR will be determined using alternative methods. See "Description of the Notes—Interest and Interest Rates—EURIBOR Notes." These alternative methods may result in lower interest payments than would have been made if EURIBOR were published in its current form. The alternative methods may also be subject to factors that make the EURIBOR impossible or impracticable to determine. If a published EURIBOR is unavailable and banks are unwilling to provide quotations, the rate of interest on EURIBOR Notes for an interest period will be the same as the immediately preceding interest period, and could remain the rate of interest for the remaining life of such EURIBOR Notes.

SOFR differs fundamentally from U.S. dollar LIBOR and there is no guarantee that SOFR is a comparable substitute, successor or replacement for U.S. dollar LIBOR.

SOFR is a broad treasury repo financing rate that represents overnight secured funding transactions and differs fundamentally from the London interbank offered rate for U.S. dollar obligation ("**U.S. dollar LIBOR**"). SOFR was developed for use in certain U.S. dollar derivatives and other financial contracts as an alternative to U.S. dollar LIBOR in part because it is considered to be a good representation of general funding conditions in the overnight U.S. Treasury repurchase agreement market. However, as a rate based on transactions secured by U.S. Treasury securities, it does not measure bank-specific credit risk and, as a result, is less likely to correlate with the unsecured short-term funding costs of banks. While SOFR is a secured overnight rate, U.S. dollar LIBOR is an unsecured rate that represents interbank funding over different maturities. In addition, because SOFR is a transaction-based rate, it is backward-looking, whereas U.S. dollar LIBOR is forward-looking. Because of these and other differences, there can be no assurance that SOFR will perform the same way as U.S. dollar LIBOR, including, without limitation, as a result of changes in interest and yield rates in the market, bank credit risk, market volatility or global or regional economic, financial, political, regulatory, judicial or other events. As a result, there is no guarantee that SOFR is a comparable substitute, successor or replacement for U.S. dollar LIBOR.

The secondary trading market for floating rate securities with rates based on SOFR may be limited or unpredictable.

If SOFR does not prove to be widely used as a benchmark in securities that are similar or comparable to Floating Rate Notes based on SOFR, the trading price of such Floating Rate Notes may be lower than those of debt securities with interest rates that are based on rates that are more widely used. Similarly, market terms for debt securities with rates that are based on SOFR, including, but not limited to, the spread over the reference rate reflected in the interest rate provisions or manner of compounding the reference rate (if applicable), may evolve over time, and as a result, trading prices of any Floating Rate Notes based on SOFR may be lower than those of later-issued debt securities that are based on SOFR. Investors in any such Floating Rate Notes may not be able to sell such Notes at all or may not be able to sell them at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

The manner of adoption or application of reference rates based on SOFR in the bond market may differ materially compared with the application and adoption of SOFR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any potential inconsistencies between the adoption of reference rates based on SOFR across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of such Floating Rates Notes.

Investors should not rely on indicative or historical data concerning the SOFR.

The FRBNY started publishing the SOFR in April 2018. FRBNY has also published historical indicative secured overnight financing rates dating back to 2014, although such historical indicative data inherently involves assumptions, estimates and approximations. SOFR over time may bear little or no relation to the historical actual or historical indicative data and investors should not rely on such historical indicative data or on any historical changes or trends in the SOFR as an indicator of the future performance of the SOFR. Prior observed patterns, if any, in the behavior of market variables and their relation to SOFR, such as correlations, may change in the future. Therefore, no future performance of SOFR may be inferred from any of the historical actual or historical indicative SOFR data. Hypothetical or historical performance data are not indicative of, and have no bearing on, the potential performance of SOFR.

The interest rate on the Floating Rate Notes may be based on a Compounded SOFR rate and the SOFR Index, which are relatively new in the marketplace.

For each Determination Period, the interest rate on the Floating Rate Notes may be based on Compounded SOFR or SOFR Index (in each case, as defined below), as specified in the Final Terms. The FRBNY only began publishing the SOFR Index on March 2, 2020. Accordingly, the use of the SOFR Index or the Compounded SOFR rate used in the Floating Rate Notes may not be widely adopted by other market participants. If the market adopts a different calculation method, that would likely adversely affect the market value of the Notes.

SOFR may be more volatile than other benchmark or market rates.

Since the initial publication, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmark or market rates, such as U.S. dollar LIBOR, during corresponding periods. In addition, although changes in Compounded SOFR and weighted average daily SOFR generally are not expected to be as volatile as changes in SOFR on a daily basis, the return on, value of and market for the SOFR notes may fluctuate more than floating-rate debt securities with rates of interest based on less volatile rates. The Federal Reserve Bank of New York has at times conducted operations in the overnight U.S. Treasury repo market in order to help maintain the federal funds rate within a target range. There can be no assurance that the Federal Reserve Bank of New York will continue to conduct such operations in the future, and the duration and extent of any such operations is inherently uncertain. The effect of any such operations, or of the cessation of such operations to the extent they are commenced, is uncertain and could be materially adverse to investors in the floating rate notes.

Compounded SOFR with respect to a particular interest period will only be capable of being determined near the end of the relevant interest period.

The level of Compounded SOFR applicable to a particular interest period and, therefore, the amount of interest payable with respect to such interest period, will be determined on the Interest Determination Date (as determined in the Final Terms) for such interest period. Because each such date is near the end of such interest period, you will not know the amount of interest payable with respect to a particular interest period until shortly prior to the related Interest Payment Date (as defined below) and it may be difficult for you to reliably estimate the amount of interest that will be payable on each such Interest Payment Date. In addition, some investors may be unwilling or unable to trade the floating rate notes without changes to their information technology systems, both of which could adversely impact the liquidity and trading price of the floating rate notes.

SOFR may be modified or discontinued, and changes in the SOFR could adversely affect holders of Floating Rate Notes.

Because the SOFR is published by FRBNY based on data received from other sources, we have no control over its determination, calculation or publication. The FRBNY, or any successor thereof, as the administrator of the SOFR, may make methodological or other changes that could change the value of SOFR, including changes related to the method by which SOFR is calculated, eligibility criteria applicable to the transactions used to calculate SOFR, or timing related to the publication of SOFR. If the manner in which SOFR is calculated is changed, that change may result in a reduction of the amount of interest payable on Floating Rate Notes based on SOFR, which may adversely affect the trading prices of such Floating Rate Notes. FRBNYM, or any successor thereof, may withdraw, modify, amend, suspend or discontinue the calculation or dissemination of SOFR in its sole discretion and without notice and has no obligation to consider the interests of holders of such Floating Rate Notes in calculating, withdrawing, modifying, amending, suspending or discontinuing SOFR.

There can be no assurance that the SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of holders of such Floating Rate Notes. For purposes of the formula used to calculate the rate of interest during the Interest Reset Period, SOFR in respect of a particular date will not be adjusted for any modifications or amendments to SOFR data that the administrator of SOFR may publish after the rate of interest for that day has been determined in accordance with the terms and provisions set forth in this Base Prospectus and any SOFR Replacement Conforming Changes (as defined below). Further, if the interest rate on such Floating Rate Notes during the applicable floating rate period on any day or for any interest period declines to zero or becomes negative, it will have a negative effect on the rate for the period, although the rate for that period may still be positive and interest may still accrue for that day.

The selection of a SOFR Replacement could adversely affect the return on, value of or market for Floating Rate Notes based on SOFR during the Interest Reset Period.

If the Issuer, in its sole discretion, its designee (which may be an affiliate of the Issuer), after consultation with the Issuer, or the Calculation Agent (as defined below), after consultation with the Issuer, determines that a SOFR Transition Event (as defined below) and related SOFR Replacement Date (as defined below) have occurred with respect to a Series of SOFR Notes, the applicable SOFR Replacement (as defined below) will replace the then-current SOFR Benchmark for all purposes relating to such SOFR Notes. If a particular SOFR Replacement or SOFR Replacement Adjustment (as defined below) cannot be determined, then the next-available SOFR Replacement or SOFR Replacement Adjustment will apply. See "Description of the Notes—Types of Floating Rate Notes—SOFR Notes."

The application of a SOFR Replacement and SOFR Replacement Adjustment, and any implementation of SOFR Replacement Conforming Changes, could result in adverse consequences to the amount of interest payable on any Notes linked to SOFR Benchmark, which could adversely affect the return on, value of and market for such Floating Rate Notes.

Further, (i) the composition and characteristics of any SOFR Replacement will not be the same as those of the then-current SOFR Benchmark (ii) the SOFR Replacement will not be the economic equivalent of the then-current SOFR Benchmark (iii) there can be no assurance that the SOFR Replacement will perform in the same way as the then-current SOFR Benchmark would have at any time, (iv) there is no guarantee that the SOFR Replacement will be a comparable substitute for the then-current SOFR Benchmark (which means that a SOFR Transition Event could adversely affect the return on, value of and market for the applicable Floating Rate Notes), (v) any failure of the SOFR Replacement to gain market acceptance could adversely affect such Floating Rate Notes, (vi) the SOFR Replacement may have a very limited history and the future performance of the SOFR Replacement may not be able to be predicted based on historical performance, (vii) the secondary trading market for debt securities linked to the SOFR Replacement may be limited and (viii) the administrator of the SOFR Replacement may make changes that could change the value of the SOFR Replacement or discontinue the SOFR Replacement and would not have any obligation to consider the interests of holders of any Floating Rate Notes in doing so.

Credit ratings may not reflect all risks, and the Issuer cannot assure you that such ratings will not be lowered, suspended or withdrawn by the rating agencies.

One or more independent credit rating agencies may assign credit ratings to the Notes. Where a Series of Notes is rated, such rating will not necessarily be the same as the rating assigned to the Notes to be issued under the Program. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. The credit ratings of the Notes may change after issuance. Such ratings are limited in scope, and do not address all material risks relating to an investment in the Notes, but rather reflect only the views of the rating agencies at the time the ratings are issued. An explanation of the significance of such ratings may be obtained from the rating agencies. The Issuer cannot assure you that such credit ratings will remain in effect for any given period of time or that such ratings will not be lowered, suspended or withdrawn entirely by the rating agencies, if, in the judgment of such rating agencies, circumstances so warrant. Any lowering, suspension or withdrawal of such ratings may have an adverse effect on the market price and marketability of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. Any ratings assigned to Notes as at the date of this Prospectus are not indicative of future performance of the Issuer's business or its future creditworthiness.

Changes in tax laws could lead to the Issuer redeeming the Notes.

Payments of interest in respect of the Notes made by the Issuer to foreign holders will be subject to Chilean interest withholding tax currently assessed at a rate of 4.0%. Subject to certain exemptions, the Issuer will pay Additional Amounts (as defined in "Description of the Notes—Payment of Additional Amounts") so that the amount received by the holder after Chilean withholding tax will equal the amount that would have been received if no such taxes had been applicable. The

Notes can be redeemable at the Issuer's option, subject to applicable Chilean law, in whole but not in part, at any time, at the principal amount thereof plus accrued and unpaid interest and any Additional Amounts due thereon if, as a result of changes in the laws or regulations affecting taxation in a Relevant Taxing Jurisdiction (as defined in "Description of the Notes—Payment of Additional Amounts"), the Issuer becomes obligated to pay Additional Amounts on the Notes based on a rate of withholding or deduction in excess of 4.0%. The Issuer cannot assure you that an increase in withholding tax rate will not be presented to or enacted by the Chilean Congress; however, if such an increase were enacted, the Notes would be redeemable at the option of the Issuer. See "Description of the Notes—Redemption Prior to Maturity Solely for Taxation Reasons" and "Taxation—Chilean Taxation."

The Notes are subject to certain transfer restrictions.

The Notes have not been registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Therefore, the Notes may be transferred or resold only in a transaction registered under or exempt from the registration requirements of the Securities Act and in compliance with any other applicable securities law. Rule 144A Notes may only be sold to QIBs in reliance on the exemption from registration provided by Rule 144A. Regulation S Notes may only be sold outside the United States to non-U.S. persons pursuant to Regulation S. See "Transfer and Selling Restrictions." Such transfer restrictions may limit the liquidity of the Notes. Consequently, a holder of Notes and an owner of beneficial interests in those Notes must be able to bear the economic risk of their investment for the term of the Notes.

Holders of Notes may find it difficult to enforce civil liabilities against the Issuer or its directors, executive officers and controlling persons.

The Issuer is organized under the laws of Chile and its principal place of business (*domicilio social*) is in Santiago, Chile. None of its directors are residents of the United States, and most of its executive officers and controlling persons reside outside of the United States.

In addition, a substantial portion of the assets of the Issuer and its directors, executive officers and controlling persons are located outside of the United States. As a result, it may be difficult for holders of Notes to effect service of process within the United States on such persons or to enforce judgments against them, including in any action based on civil liabilities under the U.S. federal securities laws. Based on the opinion of the Issuer's Chilean counsel, there is doubt as to the enforceability against such persons in Chile, whether in original actions or in actions to enforce judgments of U.S. courts, of liabilities based solely on the U.S. federal securities laws. See "Service of Process and Enforcement of Civil Liabilities."

The Issuer's obligations under the Notes will be subordinated to certain statutory liabilities and the liabilities of our subsidiaries.

Under Chilean bankruptcy law, the Issuer's obligations under the Notes are subordinated to certain statutory preferences. In the event of the Issuer's liquidation, such statutory preferences, including among others, claims for salaries, wages, secured obligations, social security, taxes and court fees and expenses related thereto, will have preference over any other claims, including claims by any investor in respect of the Notes. The aforementioned statutory preferences have not been included in a legal order. In addition, the liabilities of our subsidiaries are structurally senior to the Notes.

In addition, the Issuer's creditors may hold negotiable instruments or other instruments governed by local law that grant rights to attach the assets of the Issuer at the inception of judicial proceedings in the relevant jurisdiction, which attachment is likely to result in priorities benefitting those creditors when compared to the rights of holders of the Notes.

The Notes contain provisions which may permit their modification without the consent of all investors.

The Notes contain provisions for calling meetings of holders of Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders of the Notes of a Series, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.

We may commit to allocate the net proceeds from the sale of the Notes to the financing or refinancing of eligible green and/or social projects and, in such event, the market price of the Notes may be adversely affected by any failure to allocate an amount equal to the net proceeds from the sale of the Notes for projects with such specific characteristics or to satisfy related reporting requirements and other undertakings.

We may commit to allocate the net proceeds from the sale of the Notes to the financing or refinancing of new and existing projects and activities that promote environmental purposes (the "**Eligible Green Projects**") and/or social purposes (the "**Eligible Social Projects**" and, together with the Eligible Green Projects, the "**Eligible Projects**"). Prospective investors should refer to the information set out in the relevant Final Terms regarding such use of proceeds and must determine for themselves the relevance of such information for the purpose of any investment in such Notes together with any other investigation such investor deems necessary.

In this event, the market price of the Notes may be impacted by any failure (which may be as a result of factors outside of our control) to allocate the net proceeds from the sale of the Notes to such Eligible Projects, or to meet or continue to meet, whether in whole or in part, the investment expectations, guidelines, criteria or requirements of certain environmentally or socially focused investors with respect to the Notes. These impacts on the market price of the Notes may have consequences for certain investors with portfolio mandates to invest in "social," "green" or "sustainable" assets. We cannot give any assurance that the Eligible Projects to which the net proceeds from the Notes may be allocated will be completed within any specified time period or at all, or that any Eligible Projects will deliver any environmental or social benefits, that adverse environmental, social or other impacts will not occur during the design, construction, commissioning and operation of any Eligible Projects or that the Eligible Projects will be capable of being implemented in accordance with any timing schedule. Any failure of Eligible Projects to achieve the results or outcome originally expected or anticipated by us, or the withdrawal of any Second Party Opinion (as defined below) or any attestation that we are not complying in whole or in part with any matters subject to such opinion or certification may have a material adverse effect on the value of the Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose. Furthermore, neither any such failure (which may be as a result of factors outside of our control) to apply the net proceeds from the sale of the Notes to any Eligible Projects, any such failure of Eligible Projects of Eligible Projects to achieve the results or outcome originally expected or anticipated by us, nor any such withdrawal of any Second Party Opinion or attestation, will constitute a covenant breach or an event of default under the Notes.

Furthermore, any opinion or certification of any third party (the "**Second Party Opinion**") with respect to the Eligible Projects and the sale of the Notes may not reflect the potential impact of all risks related to the Eligible Projects and other factors that may affect the value of the Notes. Such Second Party Opinion will be expected to provide an opinion on certain environmental, social or related considerations and is not intended to address any credit, market or other aspects of an investment in Notes including without limitation market price, marketability, investor preference or suitability of any security. No assurance can be provided as to the suitability of any Second Party Opinion, in particular as it regards the ability of an Eligible Project to fulfill any social, sustainability or other criteria, and, if there were to be one, it is not nor it should be deemed to be, a recommendation by us or any other person to purchase, sell or hold Notes. Any such Second Party Opinion would only be current as of the date that opinion was initially issued and may be updated, suspended or withdrawn by the relevant provider(s) at any time. For the avoidance of doubt, any Second Party Opinion is not, nor shall be deemed to be, incorporated in and/or form part of this Prospectus or the Final Terms.

There can be no assurance that the use of net proceeds from the sale of the Notes to finance or refinance Eligible Projects will be suitable for the investment criteria of any investor.

There is currently no market consensus on what precise attributes are required for a particular project to be defined or classified as "green," "social," "sustainable" or an equivalently-labelled project. In addition, it is an area which has been, and continues to be, the subject of many and wide-ranging voluntary and regulatory initiatives to develop rules, guidelines, standards, taxonomies and objectives. Therefore, no assurance can be provided to investors that the Eligible Projects will meet, whether in whole or in part, all investor expectations with regard to environmental impact and sustainability performance. The types of Eligible Green Projects and Eligible Social Projects referred to in our Sustainability Financing Framework (as defined below) are for illustrative purposes only and no assurance can be provided that disbursements for projects with these specific characteristics will be made by the Issuer in an amount equal to the net proceeds from the sale of the Notes.

Furthermore, we have significant flexibility in allocating the net proceeds from the Notes, including reallocating the net proceeds in the event we determine in our discretion that projects receiving allocation no longer meet the criteria for Eligible Projects. In such event, there can be no assurance that the use of the proceeds for any Eligible Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements, taxonomies or standards or other investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own bylaws or other governing rules or investment portfolio mandates, ratings criteria, taxonomies or standards or other independent expectations, in particular with regard to any direct or indirect environmental, sustainability or social impact of any Eligible Projects. Accordingly, each prospective purchaser of the Notes should seek advice from their independent financial advisor or other professional advisor and consider the factors described herein to determine for itself the relevance of the information contained in the Base Prospectus, any Second Party Opinion and the applicable Final Terms regarding the use of proceeds and its purchase of any Notes, based upon such investigation as it deems necessary.

In the event that any Notes are listed or admitted to trading on any dedicated "green," "environmental," "social," "sustainable" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements with respect to investment criteria or guidelines with which any investor or its investments are required to comply under any governing rules or investment portfolio mandates. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer or any other person that any such listing or admission to trading will be obtained in respect of any Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

Interests in global Bearer Notes and Specified Denominations – investors who purchase interests in global Bearer Notes in denominations that are not an integral multiple of the Specified Denomination may be adversely affected if definitive Bearer Notes are subsequently required to be issued.

In relation to any issue of Notes in global bearer form which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that interests in such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system at the relevant time may not receive a definitive Note in bearer form in respect of such holding (should definitive Notes replace the applicable global Bearer Notes) and would need to purchase or sell a principal amount of Notes such that its holding amounts to a Specified Denomination.

If definitive Notes in bearer form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Reliance on DTC, Euroclear and Clearstream, Luxembourg procedures.

Unless issued in definitive form, Notes issued under the Program will be represented on issue by one or more global Notes that may be deposited with or registered in the name of a nominee for a common depositary or a common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg or may be deposited with or registered in the name of a nominee for DTC. Except in the circumstances described in the applicable global Note, investors in a global Note will not be entitled to receive Notes in definitive form. Each of DTC, Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in each global Note held through it. While the Notes are represented by a global Note, investors will be able to trade their beneficial interests only through the relevant clearing systems and their respective participants.

Except in the case of a Registered Global Note denominated in a specified currency other than U.S. Dollars and registered in the name of DTC or its nominee and in respect of which a participant in DTC has elected to receive any part of such payment in that specified currency, for so long as the Notes are represented by Registered Global Notes, the Issuer will discharge its payment obligation under the Notes by making payments through the relevant clearing systems. A holder of a beneficial interest in a global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any global Note.

Holders of beneficial interests in a global Note will not have a direct right to vote in respect of the Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

Risks Relating to the Structure of a Particular Issue of Notes

A wide range of Notes may be issued under the Program. Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the relevant Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact such investment will have on the potential investor's overall investment portfolio. Certain Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

Notes subject to optional redemption by the Issuer.

Notes with an optional redemption are likely to have a limited market value. During any period when the Issuer may elect to redeem Notes, the market value of such Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Subordinated notes.

Subordinated Notes present investors with certain risks that are not applicable to investments in senior obligations issued by the Issuer, including greater risks relating to non-payment of the Notes. The Issuer's obligations under subordinated Notes will rank subordinate in right of payment to the payment of all senior obligations issued by the Issuer and, in case of liquidation of the Issuer, no amount will be paid under the subordinated Notes until all the senior obligations issued by the Issuer have been satisfied. Unless the Issuer has assets remaining after making all such payments in such circumstances, no payments will be made on the subordinated Notes. Consequently, although subordinated Notes might provide for higher interest rates than indebtedness of the Issuer that is not subordinated, there is a real risk that, in a liquidation scenario, an investor in subordinated Notes might lose some or even all of its investment.

Variable rate notes with a multiplier or other leverage factor.

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse floating rate notes.

Inverse floating rate notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate. The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse floating rate notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed Rate Notes.

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Fixed/Floating rate notes.

Fixed/Floating rate notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating rate notes may be less favorable than then prevailing spreads on comparable floating rate notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Indexed notes.

An investment in Indexed notes entails significant risks that are not associated with similar investments in a conventional fixed-rate debt security. If the interest rate of a Note is indexed, it may result in an interest rate that is less than that payable on a conventional fixed-rate debt security issued by the Issuer at the same time, including the possibility that no interest will be paid, and, if the principal amount of a Note is indexed, the principal amount payable at maturity may be less than the original purchase price of such indexed note, including the possibility that no principal will be paid (but in no event shall the amount of interest and principal paid with respect to an indexed note be less than zero). The secondary market for indexed notes will be affected by a number of factors, independent of the creditworthiness of the Issuer and the value of the applicable currency, commodity, interest rate or other index, including, but not limited to, the volatility of the applicable currency, commodity, interest rate or other index, the time remaining to the maturity of such indexed notes, the amount outstanding of such indexed notes and market interest rates. The value of the applicable currency, commodity, interest rate or other index depends on a number of interrelated factors, including economic, financial and political events, over which the Issuer has no control.

Additionally, if the formula used to determine the principal amount or interest payable with respect to such indexed notes contains a multiple or leverage factor, the effect of any change in the applicable currency, commodity, interest rate or other index may be increased. The historical experience of the relevant currencies, commodities, interest rate or other indices should not be taken as an indication of future performance of such currencies, commodities, interest rate or other indices during the term of any indexed note. Accordingly, prospective investors should consult their own financial and legal advisors as to the risks entailed by an investment in indexed notes and the suitability of indexed notes in light of their particular circumstances.

Notes issued at a substantial discount.

The market values of securities issued at a substantial discount from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the Notes, the greater the price volatility as compared to conventional interest-bearing Notes with comparable maturities.

Particular tax consequences of holding Bearer Notes.

Any potential investor should consult its own independent tax adviser for more information about the tax consequences of acquiring, owning and disposing of Bearer Notes in its particular circumstances. Bearer Notes generally may not be offered or sold in the United States or to United States persons. Unless an exemption applies, a United States person holding a Bearer Note or coupon will not be entitled to deduct any loss on the Bearer Note or coupon and must treat as ordinary income any gain realized on the sale or other taxable disposition of the Bearer Note or coupon.

Risks Relating to Renminbi-Denominated Notes

Set forth below is a brief description of certain risks related to the Notes by reason of being denominated in Chinese Yuan Renminbi ("**Renminbi**", "**RMB**", "**CNY**"). The Notes will be denominated and settled in Renminbi deliverable in the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), which represents a different market from that of Renminbi deliverable in the People's Republic of China (excluding Hong Kong, Macau and Taiwan, the "**PRC**").

Renminbi is not a freely convertible currency; and there are significant restrictions on remittance of Renminbi into and outside the PRC which may affect the liquidity of the Notes.

Renminbi is not a freely convertible currency at present. The government of the PRC continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong Dollar. However, there has been significant reduction in control by the PRC government in recent years, particularly over the trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

On the other hand, remittance of Renminbi by foreign investors into and out of the PRC for the purposes of capital account items, such as capital contributions, debt financing and securities investment, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into and out of the PRC for settlement of capital account items are developing gradually.

Although starting from October 2016 Renminbi has been added to the Special Drawing Rights basket created by the International Monetary Fund , there is no assurance that the PRC Government will continue to liberalize control over cross-border remittance of Renminbi in the future, that the schemes for Renminbi cross-border utilization will not be discontinued or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. Notwithstanding the Renminbi internationalization efforts in recent years to internationalize the currency, there can be no assurance that the PRC Government will not impose interim or long term restrictions on the cross-border remittance of Renminbi. In the event that funds cannot be repatriated out of the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC, which may negatively impact on the liquidity of the Notes and the value of the Notes. In addition, if Renminbi outside the PRC is unavailable, this will impact on the availability of the Issuer to source Renminbi to perform its obligations under Notes denominated in Renminbi.

Investment in the Notes is subject to exchange rate risks.

The value of Renminbi against the New Taiwan dollar, Hong Kong dollar, the U.S. dollar and other currencies fluctuates and is affected by developments in or affecting the PRC, international political and economic conditions and many other factors. All payments of interest on and principal of the Notes will be made in Renminbi, except in the case of inconvertibility, non-transferability or illiquidity, in which case the Issuer shall be entitled to settle any such payments in U.S. dollars at the U.S. Dollar Equivalent. As a result, the value of Renminbi payments may vary with the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against the relevant currency, the value of the investment in relevant currency will have declined.

Investment in the Notes is subject to currency risk.

Investors cannot be assured that payments in respect of the Notes will be made in Renminbi. If the Issuer is not able, or it is impracticable for the Issuer, to satisfy its obligation to pay interest or principal on the Notes as a result of inconvertibility, non-transferability or illiquidity, the Issuer shall be entitled to settle any such payment in U.S. dollars at the U.S. Dollar Equivalent of any such interest or principal, as the case may be.

Investment in the Notes is subject to interest rate risk.

The PRC government has gradually liberalized the regulation of interest rates over the past years. Further liberalization may increase interest rate volatility. The Notes offered hereunder may carry a fixed or floating interest rate. Consequently, the trading price of the Notes will vary with the fluctuations in the Renminbi interest rates. If a holder of the Notes tries to sell the Notes before their maturity, that holder may receive an offer that is less than its original investment.

Payments in respect of the Notes will be made solely by transfer to a Renminbi bank account maintained in Hong Kong, except in limited circumstances.

Except as provided below, so long as the Notes are represented by a global note certificate held with the common depositary for Clearstream, Luxembourg and Euroclear, all payments in respect of the Notes will be made solely by transfer to a Renminbi bank account maintained in Hong Kong by the holder of such global note certificate. Any further credit of such amounts will be made in accordance with prevailing Euroclear and Clearstream, Luxembourg rules and procedures. In the case of inconvertibility, non-transferability or illiquidity, the Issuer may make payments on the Notes in U.S. dollars. If the Notes are issued in definitive form, all payments in respect of any such Note will be made by transfer to a Renminbi bank account maintained by the holder of such the Note in Hong Kong in accordance with prevailing rules and regulations. The Issuer will not be required to make payment by any other means, including, for example, in any other currency or by transfer to a bank account in the PRC.

Gains on the transfer of the Notes may become subject to income taxes under the PRC tax laws.

Under the PRC Enterprise Income Tax Law and its implementation rules which took effect on January 1, 2008, any gain realized on the transfer of Notes by non-resident enterprise holders may be subject to enterprise income tax if such gain is regarded as income derived from sources within the PRC. However, there remains uncertainty as to whether the gain realized from the transfer of Notes denominated in Renminbi would be treated as income derived from sources within the PRC and be subject to PRC tax. This will depend on how the PRC tax authorities interpret, apply or enforce the PRC Enterprise Income Tax Law and its implementation rules. According to the arrangement between the PRC and Hong Kong, residents of Hong Kong, including enterprise holders and individual holders, will not be subject to PRC tax on any capital gains derived from a sale or exchange of the Notes.

If non-resident enterprise holders are required to pay PRC income tax on gains on the transfer of the Notes (such enterprise income tax is currently levied at the rate of 10% of the gross proceeds, unless there is an applicable tax treaty between PRC and the jurisdiction in which such non-resident enterprise holders of the Notes reside that reduces or exempts the relevant tax), the value of their investment in the Notes may be materially and adversely affected.

Remittance of Renminbi into and outside the People's Republic of China.

In the event that the Issuer decides to remit some or all of the proceeds of the offering into the PRC in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from, and registration with, the relevant PRC government authorities. However, the Issuer cannot assure you that the necessary approvals from and registration with the relevant PRC government authorities will be obtained at all or, if obtained, they will not be revoked or amended in the future.

The Issuer cannot assure you that the PRC government will continue to gradually liberalize the control over cross-border Renminbi remittances in the future, that the pilot scheme introduced in July 2009 will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that the Issuer does remit some or all of the proceeds of the offering into the PRC in Renminbi and the Issuer subsequently is not able to repatriate funds outside the PRC in Renminbi, the Issuer would need to source Renminbi outside the PRC to finance its obligations under the Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

ROC taxation.

The following overview of certain taxation provisions under Republic of China ("**ROC**") law is based on current law and practice and that the Notes will be issued, offered, sold and re-sold only to professional institutional investors as defined under Paragraph 2, Article 19-7 of the Regulations Governing Securities Firms of the ROC. It does not purport to be comprehensive and does not constitute legal or tax advice. Investors (particularly those subject to special tax rules, such as banks, dealers, insurance companies and tax-exempt entities) should consult with their own tax advisers regarding the tax consequences of an investment in the Notes.

Interest on the Notes.

Bci is not a ROC statutory tax withholder, and consequently, there is no ROC withholding tax on the interest paid on the Notes.

ROC corporate holders must include the interest receivable under the Notes as part of their taxable income and pay income tax at a flat rate of 17% (unless the total taxable income for a fiscal year is under NT$120,000), as they are subject to income tax on their worldwide income on an accrual basis. The alternative minimum tax ("**AMT**") is not applicable.

Sale of the Notes.

In general, the sale of corporate bonds or financial bonds is subject to a 0.1% securities transaction tax ("**STT**") on the transaction price. Any sale of the Notes will be subject to STT at 0.1% of the transaction price, unless otherwise provided by the tax laws that may be in effect at that time.

Capital gains generated from the sale of bonds are exempt from income tax. Accordingly, ROC corporate holders are not subject to income tax on any capital gains generated from the sale of the Notes. However, ROC corporate holders should include the capital gains in calculating their basic income for the purpose of calculating their AMT. If the amount of the AMT exceeds the annual income tax calculated pursuant to the Income Tax Act of the ROC, the excess becomes the ROC corporate holders' AMT payable. Capital losses, if any, incurred by such holders could be carried over five years to offset capital gains of the same category of income for the purposes of calculating their AMT.

Non-ROC corporate holders with a fixed place of business (e.g., a branch) or a business agent in the ROC are not subject to income tax on any capital gains generated from the sale of the Notes. However, their fixed place of business or business agent should include any such capital gains in calculating their basic income for the purpose of calculating AMT.

As to non-ROC corporate holders without a fixed place of business or a business agent in the ROC, they are not subject to income tax or AMT on any capital gains generated from the sale of the Notes.

ROC settlement and trading.

Bci has not entered into any settlement agreement with Taiwan Depository & Clearing Corporation ("**TDCC**") and have no intention to do so.

In the future, if Bci enters into a settlement agreement with TDCC, an investor, if it has a securities book-entry account with a Taiwan securities broker and a foreign currency deposit account with a Taiwanese bank, may settle the Notes through the account of TDCC with Euroclear or Clearstream if it applies to TDCC (by filing in a prescribed form) to transfer the Notes in its own account with Euroclear or Clearstream to such TDCC account with Euroclear or Clearstream for trading in the domestic market or vice versa for trading in overseas markets. For settlement through TDCC, TDCC will allocate the respective Notes position to the securities book-entry account designated by such investor in the ROC. The Notes will be traded and settled pursuant to the applicable rules and operating procedures of TDCC and the GTSM as domestic bonds. For such investors who hold their interest in the Notes through an account opened and held by TDCC with Euroclear or Clearstream, distributions of principal and/or interest for the Notes to such holders may be made by payment services banks whose systems are connected to TDCC to the foreign currency deposit accounts of the holders. Such payment is expected to be made on the second Taiwanese business day following TDCC's receipt of such payment (due to time difference, the payment is expected to be received by TDCC one Taiwanese business day after the distribution date). However, when the holders actually receive such distributions may vary depending upon the daily operations of the Taiwanese banks with which the holder has the foreign currency deposit account.

USE OF PROCEEDS

We intend to use the net proceeds from the sale of each issue of our Notes for general corporate purposes or as otherwise set forth in the Final Terms applicable to a particular issue of the Notes, which may include funding, in whole or in part, the financing or refinancing of Eligible Projects (which will be described in the relevant Final Terms for any such issue).

The use and allocation of the net proceeds is influenced by a number of factors outside of our control, including market conditions, and is based on our analysis, estimates and current views on future events and trends. Changes to these and other factors may require us to revise, at our discretion, our intended use of the net proceeds of the offering. See "Risk Factors—Risks Relating to our Business" and "—Risks Relating to Chile."

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Financial Statements

This Prospectus includes (i) our audited consolidated financial statements as of and for the years ended December 31, 2021 and 2022, and as of and for the years ended December 31, 2022 and 2023 (together, "audited consolidated financial statements"), and (ii) our unaudited interim consolidated financial statements at March 31, 2024 and for the three months ended March 31, 2023 and 2024, in each case together with the notes thereto, prepared in accordance with Chilean GAAP. Our audited consolidated financial statements have been audited by KPMG Auditores Consultores Ltda., independent auditors ("**KPMG**"). The audit opinion of KPMG on the audited consolidated financial statements is included herein. The above-mentioned audits were performed under auditing standards generally accepted in Chile. See "Independent Auditors." Our unaudited interim consolidated financial statements at March 31, 2024 and for the three months ended March 31, 2023 and 2024 have not been audited or reviewed by any independent auditors.

Chilean GAAP

We are a Chilean bank, and we maintain our financial books and records in Chilean pesos. We prepare our audited consolidated financial statements and our unaudited interim consolidated financial statements in accordance with the Compendium of Accounting Standards issued by the CMF, which came into effect on January 1, 2009 and was updated by the New Compendium with an effective date of January 1, 2022 and an initial application date of January 1, 2021. See "–Accounting Changes" and Notes 1 and 4 to our audited consolidated financial statements. The New Compendium differs in certain significant aspects from IFRS. See "Annex A—Significant Differences Between Chilean GAAP and IFRS." We refer to accounting standards, as issued by the CMF (and, formerly, by the SBIF) as "Chilean GAAP."

Chilean GAAS

KPMG Auditores Consultores Ltda. conducted its audits under generally accepted auditing standards in Chile (Chilean GAAS), which differ in certain significant aspects from International Standards on Auditing. See "Annex B—Significant Departures from International Standards on Auditing."

Loans

Unless otherwise specified, all references herein to loans are to loans and receivables to customers before deductions for loan loss allowances.

Our past due ("past due") loans include only the portion of principal and interest that is overdue (as defined below) for 90 or more days and do not include the installments of such loans that are not overdue or that are overdue for less than 90 days, unless (i) any portion of the loan is overdue for 180 days or more, in which case the entire loan is considered past due, or (ii) legal proceedings have been commenced for the entire outstanding balance according to the terms of the loan, in which case the entire loan is considered past due within 90 days after initiation of such proceedings. This practice differs from the practice normally followed in the United States, under which the amount classified as past due would include the entire amount of principal and interest on any and all loans that have any portion overdue. Overdue portfolio ("overdue") includes only the portion of principal and interest that is overdue for one day or more. Once an overdue loan becomes overdue for 90 days or more, it does not continue to be considered "overdue" but is part of the "past due" portfolio. Our impaired loans include the entire amount of principal and interest on any and all loans that have any portion overdue. Restructured loans for which no payments are overdue are not ordinarily classified as past due loans or impaired loans.

We present information on "impaired" loans in accordance with guidelines for classifying and provisioning loan portfolios that were issued by the former SBIF and became mandatory as of January 1, 2011. Impaired loans are loans with respect to which we have evidence indicating that the borrower will not perform its payment obligations in accordance with the terms and conditions of the loan. For purposes of assessing our loan portfolio, we assess certain loans on an "individual" basis and other loans on a "collective" basis. We perform individual assessments of loans that we consider significant relative to our loan portfolio, based on the amount of the loan and its size, complexity and the credit profile of the borrower. Generally, we perform individual assessments of loans equal to or greater than UF 18,000 and collective assessments of loans of less than UF 18,000. We assess on a collective basis all of our loans that we do not assess individually, grouping them according to certain common characteristics such as the amount of the loan and the borrower's credit profile.

Under the guidelines issued by the CMF (former SBIF), our individually assessed loans are considered impaired when they are classified as B3, B4, C1, C2, C3, C4, C5 or C6. Our collectively assessed loans are considered non-performing when (i) they are 90 days or more in default or (ii) they are restructured past due loans until we re-classify them as performing loans based on our periodic reassessment of such loans. See "Regulation and Supervision—Classification of Loan Portfolio—2010 Guidelines of the Former SBIF."

Effect of Rounding

Certain figures included in this Prospectus have been rounded for ease of presentation. Percentage figures included in this Prospectus have not in all cases been calculated on the basis of such rounded figures but on the basis of such amounts prior to rounding. For this reason, certain percentage amounts in this Prospectus may vary from those obtained by performing the same calculations using the figures in our consolidated financial statements. Certain other amounts that appear in this Prospectus may not sum due to rounding.

Economic and Market Data

In this Prospectus, unless otherwise indicated, macroeconomic data related to the Chilean economy is based on information published by the Central Bank of Chile, and all market share and other data related to the Chilean financial system is based on information published by the CMF.

Information Published by the CMF

In this Prospectus, we present certain financial information as published and calculated by the CMF. Certain information published and calculated by the CMF differs from such information as presented in our financial statements. As published and calculated by the CMF (but not in our consolidated financial statements), our total assets include gross tax receivables and our total loans include inter-bank loans. For this reason, certain financial information in this Prospectus may vary from information presented in our consolidated financial statements. In addition, certain information published by the CMF is not always published on a quarterly basis.

Accounting Changes

On December 20, 2019, pursuant to circular letter No. 2,243, and as a result of various changes introduced by the International Accounting Standard Board (the "**IASB**") to the IFRS during recent years, particularly through the new pronouncements IFRS 9, 15, 16 and the subsequent revision of the limitations in their application by national Chilean banks, the CMF decided to update the instructions of the Old Compendium. Our consolidated financial information as of and for the years ended December 31, 2021, 2022 and 2023 is presented in this Prospectus giving effect to the New Compendium.

On April 20, 2020, the CMF amended Chapter E "Transitional Provisions" of the Old Compendium and postponed the first effective application date of the New Compendium to January 1, 2022, with an initial application date of January 1, 2021 for the comparative financial statements to be published as of the first quarterly interim period of 2022. In accordance with the current legal framework, banks must use the accounting criteria provided by the CMF and in all matters not addressed by the CMF or that do not contradict its instructions, they must adhere to the IFRS as issued by the IASB.

As a result, we established a plan for the transition to the new accounting standards that includes, among other aspects, the analysis of the differences in accounting criteria, the selection of the accounting criteria to be applied in cases where alternative treatments are allowed and the assessment of changes in procedures and information systems. In accordance with this transition plan, the standards of the New Compendium have been retroactively applied as of January 1, 2021, with the exception of the change of criteria for the suspension of the recognition of interest income and adjustments on an accrual basis, which was adopted prospectively as of January 1, 2022, as provided in Chapter B-2 of the New Compendium. In addition, an opening Consolidated Statement of Financial Position has been prepared as of January 1, 2021 under the requirements of the New Compendium.

CAPITALIZATION

The following table sets forth our capitalization defined as our financial obligations on an accrued basis determined in accordance with Chilean GAAP and which represent our main sources of funding as of December 31, 2023. There has been no material change in our capitalization since December 31, 2023. For additional information, see our consolidated financial statements included in this Prospectus.

	As of December 31, 2023	
	Historical	**Historical**(1)
	(in millions of Ch$)	**(in millions of US$)**
Liabilities		
Borrowings from customers(2)	42,252,569	48,316
Liabilities for repurchase agreements	706,623	808
Bank borrowings	7,125,985	8,149
Debt issued:		
Mortgage finance bonds	695	1
Subordinated bonds	1,551,291	1,774
Other bonds	8,111,815	9,276
Other financial liabilities	1,739,812	1,989
Derivative financial instruments(3)	8,161,322	9,333
Subtotal	**69,650,112**	**79,646**
Equity		
Shareholders' equity and other funds:		
Share capital and reserves	5,383,715	6,156
Other equity accounts(4)	-388	-
Profit for the year	682,468	780
Total equity attributable to owners of the bank	**6,065,795**	**6,936**
Total capitalization(5)	**75,715,907**	**86,582**

(1) Amounts in the table stated in pesos have been translated into U.S. dollars at the Observed Exchange Rate as published by the Central Bank of Chile on the first business day following the respective period. The exchange rate used for purposes of this conversion were Ch$877.12 per US$1.00 as of December 31, 2023.
(2) Borrowings from customers correspond to the sum of deposits and other on-demand liabilities, and deposits and other term loans.
(3) Derivative financial instruments correspond to the sum of financial liabilities held for trading at fair value through profit or loss, and financial derivative contracts for accounting hedge.
(4) Other equity accounts correspond to accumulated other comprehensive income less provisions for dividends, interest payments and revaluation of regulatory capital financial instruments issued.
(5) Excludes non-controlling interest of Ch$1,581 million.

EXCHANGE RATES

Chile has a floating exchange rate system in which the Central Bank of Chile has the authority to intervene, if necessary. Chile has two currency markets, the Formal Exchange Market (*Mercado Cambiario Formal*) and the Informal Exchange Market (*Mercado Cambiario Informal*). The Formal Exchange Market is comprised of banks and other entities authorized by the Central Bank of Chile. The Informal Exchange Market is comprised of entities that are not expressly authorized to operate in the Formal Exchange Market, such as certain foreign exchange houses and travel agencies, among others, but that can trade under current laws and regulations. The Central Bank of Chile is empowered to require that certain purchases and sales of foreign currencies be carried out on or through the Formal Exchange Market. The main difference between both markets is that regulation requires the participants in the formal market to inform the Central Bank of Chile about the transactions they carry out. In case that the Central Bank of Chile decides to intervene, it does so by buying or selling foreign currency on the Formal Exchange Market.

The *dólar observado* (the "**Observed Exchange Rate**"), which is reported by the Central Bank of Chile and published daily in the Official Gazette of Chile, is the weighted average exchange rate of the U.S. dollar of the previous business day's transactions in the Formal Exchange Market. On September 2, 1999, the Central Bank of Chile eliminated the band within which the Observed Exchange Rate could fluctuate, in order to provide greater flexibility to the exchange market. Even though the Central Bank of Chile is authorized to carry out its transactions at the Observed Exchange Rate, it generally uses spot rates for its transactions. Other banks generally carry out authorized transactions at spot rates as well.

The Informal Exchange Market reflects transactions carried out at an informal exchange rate (the "Informal Exchange Rate"). There are no limits imposed on the extent to which the rate of exchange in the Informal Exchange Market can fluctuate above or below the Observed Exchange Rate. In recent years, the variation between the Observed Exchange Rate and the Informal Exchange Rate has not been significant.

The following table sets forth the annual low, high, average and period-end Observed Exchange Rate for U.S. dollars in Chilean pesos for the years indicated, as reported by the Central Bank of Chile.

Year	Low(1)	High(1)	Average(2)	Period End(3)
2019	649.22	828.25	702.63	744.62
2020	710.26	867.83	792.22	711.24
2021	693.74	868.76	759.27	850.25
2022	777.10	1,042.97	872.33	859.51
2023	781.49	945.61	839.07	884.59

Source: Central Bank of Chile.
(1) Exchange rates are the actual low and high, on a daily basis for each period.
(2) The yearly or monthly average rate is calculated as the average of the exchange rates on the first business day of each month during the period.
(3) Each year period ends on December 31, and the respective period-end exchange rate corresponds to the exchange rate that is published by the Central Bank of Chile on the last business day of the respective year.

We make no representation that the Chilean peso or the U.S. dollar amounts referred to herein actually represent, could have been or could be converted in U.S. dollars or Chilean pesos, as the case may be, at the rates indicated, at any particular rate or at all. The Federal Reserve Bank of New York does not report a noon buying rate for pesos.

EXCHANGE CONTROLS

The Central Bank of Chile is the entity responsible for monetary policies and exchange controls in Chile. Chilean issuers are authorized to offer securities internationally provided they comply with, among other things, the provisions of Chapter XIII of the Compendium of Foreign Exchange Regulations of the Central Bank of Chile (the "**Central Bank Compendium**").

Pursuant to the provisions of Chapter XIII of the Central Bank Compendium, it is not necessary to seek the Central Bank of Chile's prior approval in order to purchase and pay the Notes. The Central Bank of Chile only requires that (i) the remittance of funds obtained from the purchase of the Notes into Chile be made through the Formal Exchange Market and disclosed to the Central Bank of Chile as described below; and (ii) all remittances of funds to make the payment of principal and of premium, if any, or interest, if any, on a Note made from Chile be made through the Formal Exchange Market and disclosed to the Central Bank of Chile as described below.

The proceeds of the sale of the Notes may be brought into Chile or held abroad. If we remit the funds obtained from the sale of the Notes into Chile, such remittance must be made through the Formal Exchange Market and we must deliver to the Central Bank of Chile directly or through an entity of the Formal Exchange Market a report, through a form contained in Chapter XIV of the Central Bank Compendium, providing information about the transaction, together with a letter instructing such entity to deliver us the foreign currency or the peso equivalent thereof. If we do not remit the funds obtained from the sale of the Notes into Chile, we have to provide the same information to the Central Bank of Chile directly or through an entity of the Formal Exchange Market within the first 10 days of the month following the date on which we received the funds. The regulations require that the information provided describe the financial terms and conditions of the securities offered, related guarantees and the schedule of payments.

All payments in connection with the Notes made from Chile must be made through the Formal Exchange Market. Pursuant to Chapter XIII of the Central Bank Compendium, no prior authorization from the Central Bank of Chile is required for such payments in U.S. dollars. The participant of the Formal Exchange Market involved in the transfer must provide certain information to the Central Bank of Chile on the banking business day following the day of payment. In the event payments are made outside Chile using foreign currency held abroad, we must provide the relevant information to the Central Bank of Chile directly or through an entity of the Formal Exchange Market within the first 10 days of the month following the date on which the payment was made.

Under Chapter XIII of the Central Bank Compendium, payments and remittances of funds from Chile are governed by the rules in effect at the time the payment or remittance is made. Therefore, any change made to Chilean laws and regulations after the date hereof will affect foreign investors who have acquired the Notes. We cannot assure you that further Central Bank of Chile regulations or legislative changes to the current foreign exchange control regime in Chile will not restrict or prevent us from acquiring U.S. dollars or that further restrictions applicable to us will not affect our ability to remit U.S. dollars for payment of interest or principal on the Notes.

The above is an overview of the Central Bank of Chile's regulations with respect to the issuance of debt securities, including the Notes, as in force and effect as of the date of this Prospectus. We cannot assure you that restrictions will not be imposed in the future, nor can there be any assessment of the duration or impact of such restrictions if imposed. This overview does not purport to be complete and is qualified in its entirety by reference to the provisions of Chapter XIII and XIV of the Central Bank Compendium, a copy of which is available from us upon request.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Introduction

The following discussion should be read in conjunction with our audited consolidated financial statements, included elsewhere in this Prospectus and the section entitled "Presentation of Financial and Other Information" included in this Prospectus. Certain amounts (including percentage amounts) that appear herein have been rounded for ease of presentation. Percentage figures included herein have not in all cases been calculated on the basis of such rounded figures but on the basis of such amounts prior to rounding. For this reason, certain percentage amounts may vary from those obtained by performing the same calculations using the figures in our audited consolidated financial statements. Certain other amounts may not sum due to rounding.

The financial data presented herein as of and for the years ended December 31, 2021, 2022 and 2023 is stated in nominal Chilean pesos.

Impact of Economic Conditions in Chile

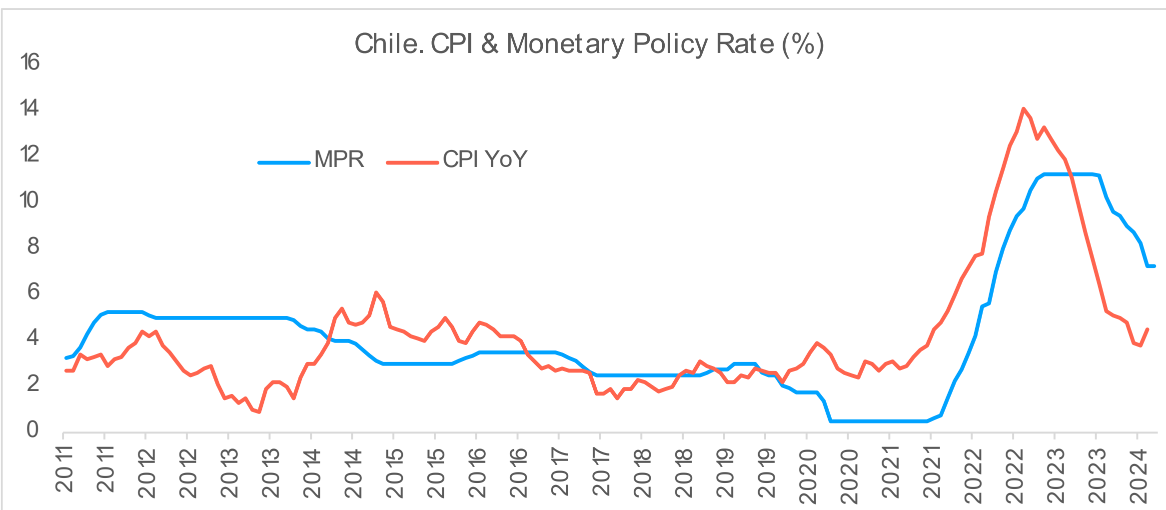
Substantially all of our operations and our customers (other than those of CNB) are located in Chile. Accordingly, our financial condition and results of operations are substantially dependent upon economic conditions prevailing in Chile.

Chile experienced profound economic reforms during the second half of the 1980s and the second half of the 1990s that led to economic growth rates averaging more than 7% per annum from 1985 until the onset of the Asian economic crisis in 1997. Afterwards, the average rate of growth from 1998 to 2007 slowed to 4.4% per annum. The Chilean economy suffered the effects of the international financial crisis in 2008 that originated in the U.S. real estate sector, and in 2009 economic activity in Chile decreased 1.6%. In December 2009, the Organization for Economic Co-operation and Development ("**OECD**") invited Chile to become a full member, after a two year period of compliance with organizational mandates, and in May 2010 Chile signed the OECD Convention, becoming the first South American country to join the OECD. Beginning in 2010, the Chilean economy experienced a boom in investment, which was particularly associated with mining activities during the commodities super cycle between 2010 and 2013, and boosted economic activity led to an average Chilean GDP growth of 5.4% during that four-year period. Between 2014 and 2018 the average Chilean GDP was 2.2%. In 2019, the Chilean GDP only grew 0.6%, as a result of social unrest in the last part of 2019. In October 2019, widespread protests began in Chile over the government's announcement of an increase in subway fares in Santiago and quickly grew into broader unrest over economic inequality, including claims about transportation costs, funding for education, healthcare costs and pension amounts, among others. Following an agreement among Chilean political parties, the Chilean Congress convened a nationwide referendum to vote for a new Chilean Constitution. Between 2020 and 2023, Chile had two constitutional processes with their respective proposals of constitutional reforms and both were rejected by the Chilean voters.

In 2020, a global pandemic crisis emerged with significant worldwide impact over health conditions and economic activity. The COVID-19 pandemic had a significant adverse impact on the world economy. The strategies that restrict social gathering and promote social distancing, such as quarantines and travel restrictions, and other measures implemented by governments around the world to prevent the virus from spreading, had a dramatic adverse consequences for the global economy, including demand, operations, supply chains and financial markets. See "Risk Factors—Risks Relating to our Business— The COVID-19 pandemic resulted in recognition of credit losses in our loan portfolios and increase in our additional provisions for credit losses, and affected our capacity to provide services to our customers" and "Risk Factors—Risks Relating to Chile—The spread of the coronavirus disease, or COVID-19, has disrupted and may continue to disrupt the world economy in a magnitude that is not yet determinable, which could materially affect our operations and results of operations." In 2020, Chilean GDP decreased 6.1% mainly due to the lower activity in the economy related to the pandemic. To face the pandemic crisis, the Chilean government implemented several mobility restrictions, including curfews and quarantines, delivered a plan to protect incomes for formal and informal jobs, deferred tax payments and fiscal backed loans to SMEs, and provided wage subsidies for new jobs. The Central Bank of Chile lowered the monetary policy rate to 0.5%, unveiled a Conditional Financing Facility Fund (FCIC) to ease bank loans to the private sector and purchased bank bonds in order to provide liquidity to financial markets, and the CMF allowed flexibility with respect to the deadlines to implement Basel III standards. In August 2020, the Chilean Congress approved a partial pension fund withdrawal, imposing a one-time liquidity injection to household income, but with a negative long-term effect over private pension fund and macroeconomic balance. A second pension fund withdrawal was approved in November 2020 and a third one in April 2021. The second pension fund withdrawal expired in December 2021 and the third pension fund withdrawal expired in April 2022. In 2021, the Chilean GDP grew 11.3%, mainly due to an increase in fiscal transfers to households and the partial pension funds withdrawals approved by the Chilean Congress in 2020 and 2021. The economic recovery was also supported by a successful vaccination process, with approximately 90% and 60% of the Chilean population having received a second and third dose of the vaccine against the COVID-19, respectively. As of December 31, 2021, pension funds withdrawals amounted approximately to US$50 billion and the Chilean government provided economic support to households in an aggregate amount beyond 20% of the Chilean GDP, mainly as a result of direct fiscal transfers to households in an amount of US$50 billion. Although private consumption had decreased in 2020 by 7.4% compared to 2019, it increased by 21% in 2021 compared to 2020, respectively. The unemployment rate in Chile increased to 13.1% in July 2020, the highest rate level since the beginning of the COVID-19 pandemic. In 2021, the labor market in Chile started to recover, mainly as a result of the employment support measures implemented by the Chilean government, reaching its lowest level at 7.2% in December. In 2022, a new government took office. The political agenda of this government includes approving a tax reform, a pension reform and a healthcare reform, all of which are being discussed in the Congress as of the date of this Prospectus. In 2022 and 2023, the Chilean GDP increased by 2.1% and 0.2%, respectively.

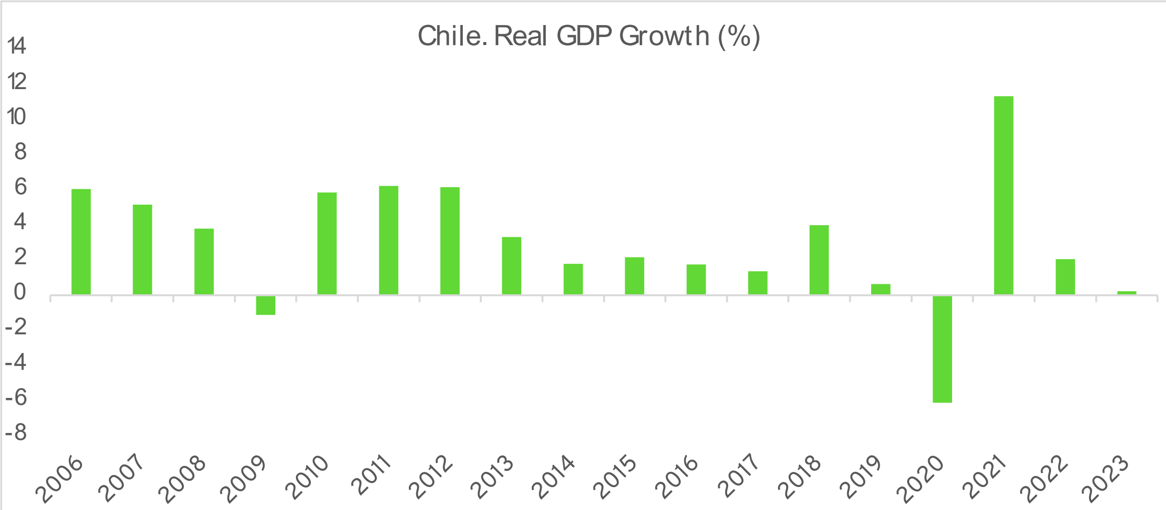
With respect to inflation, the Central Bank of Chile started using a partial inflation targeting framework for its monetary policy in 1990, moving to its full adoption in September 1999, in combination with a flexible foreign exchange regime. Since 1999, the Central Bank has a 3% annual inflation target within a range between 2% and 4%, and the average inflation has been 3.16%, except during the global economic crisis in 2007 and 2008 and the offer-side shock in 2022. In 2020, the inflation lowered in the first half of the year, but ended at 3.0% at the end of the year. During 2021, inflation increased to 7.2% due to an increase in demand for goods, a 17% currency depreciation during 2021, as well as increasing oil prices and global supply chain disruptions. In response, the Central Bank of Chile moved from an extraordinary expansionary monetary policy to contractive monetary policies. The monetary policy rate increased from 0.5% in June 2021 to 4.0% in December 2021. During 2022, inflation increased to 12.8% and reached 14.08% in August, the highest level since September 1992. In October 2022, the Central Bank of Chile increased its monetary policy rate to 11.25%, its maximum level since October 1998. Inflation increased in the second half of 2023. As a result, in July 2023 the Central Bank started an easing cycle.

The following graph shows the inflation rate and the monetary policy rate in Chile from 2011 to 2024:



Source: Central Bank of Chile

The following graph shows GDP increase/decrease from 2006 to 2023:



Source: Central Bank of Chile

With respect to credit rating, Chile's long-term international debt credit rating has been gradually downgraded by the main rating agencies. In December 2023 Fitch affirmed the credit rating of Chile's long-term foreign currency as A-, with stable outlook. In October 2023, S&P Global Ratings affirmed its A-1 long-term foreign currency and its A/A-1 long-term local currency sovereign credit ratings on Chile, and changed the outlook from stable to negative due to weaker political consensus on the key parameters of Chile's political and economic agenda. In September 2022, Moody's downgraded the Government of Chile's long-term local and foreign-currency issuer and senior unsecured ratings to A2 from A1, and the senior unsecured foreign-currency long-term shelf rating to (P)A2 from (P)A1, and changed the outlook from negative to stable. See "Risk Factors—Risks Relating to Chile—Any downgrading of Chile's debt credit rating for domestic and international debt by international credit rating agencies may also affect our ratings, our business, our future financial performance, stockholders' equity and the value of our securities, and any downgrading of our credit ratings could increase our cost of funding and adversely affect our interest margins and results of operations."

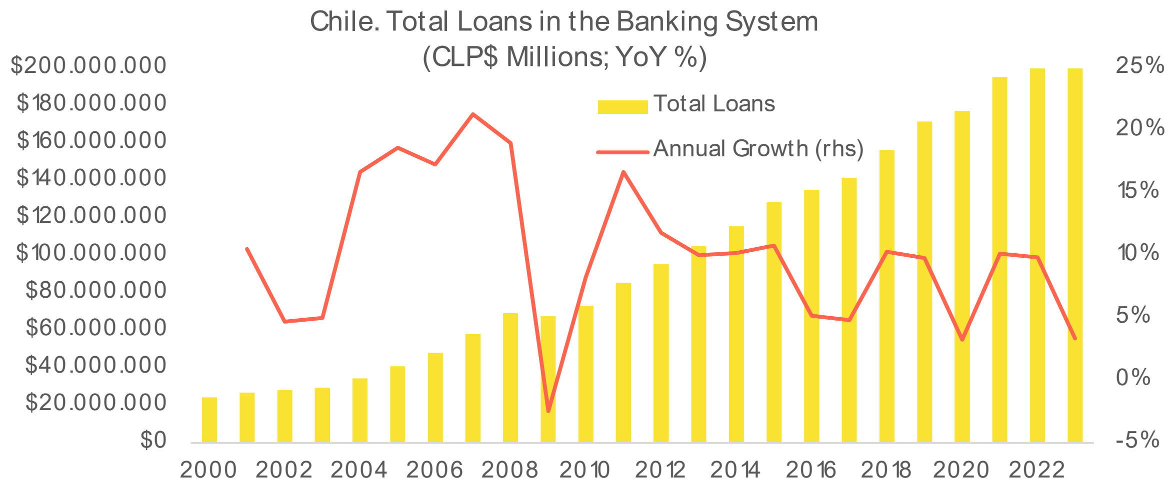
The Chilean Banking Industry

During the last twenty years, the Chilean banking industry experienced increased consolidation and had many new players enter the market. In 1998, 32 financial institutions operated in Chile and the five largest banks had a combined market share of approximately 75%. That year, CorpBanca acquired Financiera Condell and the assets of Corfinsa and Citibank Chile acquired Corporación Financiera Atlas. The market experienced two mergers in 2002: Banco de Chile with Banco Edwards and Banco Santander with Banco Santiago. During that same year, Banco Ripley began operating. In 2003, Banco del Desarrollo merged with Sudameris and in 2004 Banco Penta and Banco Paris commenced operations. Then in 2005, we acquired Financiera Conosur. In 2008, Banco de Chile merged with Citibank and Scotiabank acquired Banco del Desarrollo. Thus, by the end of 2008, only 25 financial institutions were operating in Chile. In December 2013, Ripley consolidated its retail and banking credit cards, with the consolidated results reported under Banco Ripley since January 31, 2014. In January 2015, Banco BTG Pactual started operating in Chile, in May 2015, Scotiabank began operating Banco Paris credit cards and consumer loans and in October 2015, we completed the purchase of City National Bank of Florida. In April 2016, the merger between Itaú and CorpBanca was completed, with the new bank operating under the name of Itaú CorpBanca. In June 2016, China Construction Bank began operating in Chile, in September 2016, Deutsche Bank exited the market and in December 2016, Scotiabank purchased the remaining portion of Banco Paris. The merger between Itaú and CorpBanca in 2016 and our acquisition of CNB in October 2015 affected the comparability of industry data between 2015 and 2016. The Chilean banking system continued to experience changes during 2017. Banco Penta ceased its operations in February 2017, as did Rabobank in April 2017.

In June 2018, we closed the acquisition of TotalBank through our subsidiary, CNB, for which we paid US$528,939 thousand. After closing this acquisition, Bci became the second largest bank in Chile in terms of consolidated total loans. In July 2018, Scotiabank closed the purchase of a majority stake in BBVA Chile. Both banks merged in September 2018, under the name of Scotiabank Chile, consolidating the Canadian bank as one of the largest players in the industry. In addition, Bank of China started its operations in the Chilean financial system. In December 2018, we also closed the acquisition of the five entities that composed Walmart Chile Servicios Financieros, while Banco Falabella incorporated Promotora CMR

Falabella data to its loan portfolio, resulting in a 20.2% year-over-year increase in consumer loans for the whole industry. During October 2020, CNB closed the acquisition of Executive National Bank in Florida (United States), for which we paid US$62 million. As of December 31, 2023, the Chilean banking system is composed of one public-sector bank and 16 private-sector banks (of which 13 were Chilean banks and three were Chilean branches of foreign banks). As of the same date, private-sector Chilean banks and the Chilean branches of foreign banks accounted for 86.21% and 0.12% of all outstanding loans in the Chilean financial system, respectively, according to information published by the CMF.

Between 2004 and 2008, the Chilean banking sector grew at annual nominal rates over 16%. Due to the changes in accounting standards, data for the Chilean banking industry from 2009 to date is not comparable to that for 2008 and prior years. Starting in 2010, the banking industry has experienced a decrease in the loans growth rate. The following graph shows the nominal increase or decrease in loans from 2000 to 2023 for the Chilean banking industry:



Source: CMF

In 2020, commercial loans increased 4.3% mainly due to the Chilean government's support to the commercial loan segment, while consumer loans decreased 13%. In 2021, commercial loans increased 9.8%, mortgages loans increased 13.5% as a result of the recovery of the economic activity in 2021, and consumer loans increased 2.0% due to the high liquidity in aid programs to households and pension fund withdrawals implemented by the Chilean government during the COVID-19 pandemic. In 2022, commercial loans, consumer loans and mortgages loans increased 7%, 11% and 14%, respectively. In 2023, commercial loans, consumer loans and mortgages loans increased 0.8%, 4.0% and 7.3%, respectively, mainly due to the deterioration of economic activity. According to Bank Loan Survey Results, a quarterly publication of the Central Bank of Chile, as of the last quarter of 2023, loans offered to large enterprises displayed more restrictive standards compared to the third quarter of 2023, however, loans offered to SMEs and households did not report significant changes compared to the third quarter of 2023. At the end of 2023, credit granting standards for the consumer and housing portfolio do not present major variations compared to the third quarter of 2023. Meanwhile, at the end of 2023, credit supply conditions for large companies were restricted compared to the third quarter of 2023, which is reflected in the increase of the percentage of banks that reported demanding granting standards to 31%, above the 7% which was reported in the to the third quarter of 2023. For SMEs, no major changes were observed since 91% of the banks did not report changes in their conditions. Regarding the economic sector, credit granting conditions became more restrictive for construction, increasing to 40% the proportion of entities that reported stricter conditions, above the 30% that was reported in the third quarter of 2023. Likewise, the percentage of banks surveyed that indicated more restrictive standards for real estate companies increased from 27% at the end of the third quarter of 2023 to 46% at the end of 2023.

Net interest income increased 15.54% in 2019, mainly due to increased inflation in Chile. In 2020, the net interest income increased 3.23% despite the macroeconomic adversity due to the COVID-19 pandemic. In 2021, net interest income increased 11.92% mainly due to the increase of inflation in Chile. In 2022, net interest income increased 15% mainly due to the increase of inflation in Chile. In 2023, inflation rate started to decrease to its target but the US$/Ch$ exchange rate had a positive impact and the net interest income increased 17.14%.

The risk index for the Chilean banking industry was 2.56% in 2019, explained by the fact that in July 2019 the CMF (former SBIF) started the implementation of new regulatory requirements for standard models (group lending), which led to an increase in industry allowances for loan losses. During 2020 the risk index reached 2.71% due to the deterioration of the employment rates that affected the retail business as well as the effect of the pandemic-related lockdown over companies and businesses. In 2021, the risk index decreased and reached 2.37%, mainly attributable to the larger liquidity of households as a result of an increase in fiscal transfers and pensions funds withdrawals. In 2022, the risk index increased and reached 2.46%, mainly attributable to the larger liquidity of households as a result of an increase in fiscal transfers and pensions funds withdrawals. In 2023, the risk index increased to 2.57% mainly due to the increase in the unemployment rate.

The return on equity in 2019 was 12.10%. In 2020, it reached 5.56% due to lower margins and more allowances for loan losses. In 2021, however, return on equity increased to 16.62%. In 2022, return on equity increased to 19.45%, one of the largest in recent years. In 2023, return on equity decreased to 14.33%. See "The Chilean Banking Industry."

City National Bank of Florida and the Impact of Economic Conditions in the Florida Real Estate Market

According to the Bureau of Economic Analysis, Florida's real GDP decreased 2.9% year-over-year in 2020. In 2021, Florida's GDP grew 8.4% year-over-year, an important recovery after the pandemic impact of 2020. In 2022, Florida's GDP grew 4.0% year-over-year, and represented 5.4% of the total U.S. GDP, representing the third most important U.S. state in terms of GDP. In 2023, Florida's GDP grew 4.6% year-over-year. According to estimates from the United States Census Bureau, in 2023 Florida had a total population of 21.54 million people and in 2022 the median household annual income in Florida was US$69,303. The Florida unemployment rate was 2.5% and 3.1% at December 2022 and 2023, respectively, below the U.S. national unemployment rate of 3.5%. The Case-Shiller home price index for Florida (Miami) reflected a year-over-year increase of 79% at December 2023. Conditions affecting the real estate loan market in Florida have a direct impact on City National Bank of Florida's business and results of operations.

Effects of Inflation

Because we are a bank, substantially all of our assets and liabilities are monetary. Substantially all monetary assets and liabilities in Chile are denominated in (i) UFs, a unit of account developed during the 1960s whose value in pesos is indexed to Chilean inflation, (ii) nominal pesos or (iii) foreign currencies (primarily the U.S. dollar). A significant portion of the loans made by us with a maturity greater than 90 days are denominated in UFs, as are savings accounts and certain term deposits (generally those having maturities in excess of 90 days). The nominal peso value of UF-denominated loans and deposits will increase or decrease in tandem with changes in the Chilean consumer price index. The effect of any changes in the nominal peso value of the UF on UF-denominated assets or liabilities is reflected in our statement of income as an increase or decrease in interest income or expense.

Our net interest income will be positively affected by an inflationary environment to the extent that our average assets denominated in UFs exceed our average liabilities denominated in UFs. Our net interest income will be negatively affected by inflation in any period in which our average liabilities denominated in UFs exceed our average assets denominated in UFs. In addition, we have peso-denominated, non-interest earning assets and non-interest bearing liabilities, the value of which is particularly susceptible to inflation, which decreases their value in real terms.

Interest Rates

Interest rates earned and paid on our assets and liabilities reflect to a certain degree inflation and expectations regarding inflation as well as shifts in short-term rates related to the Central Bank of Chile's monetary policies. The Central Bank of Chile manages short-term interest rates based on its objectives of balancing low inflation and economic growth. Because our liabilities generally re-price to reflect interest rate changes faster than our assets, changes in the rate of inflation or short-term rates in the economy are reflected in the rates of interest we pay on our liabilities before such changes are reflected in the rates of interest we earn on our assets. Accordingly, our net interest margin on assets and liabilities tends to be adversely affected in the short term by increases in inflation or short-term rates and to benefit in the short term from decreases in inflation or short-term rates.

In addition, because our peso-denominated liabilities have relatively short repricing periods, they are generally more responsive to changes in inflation or short-term rates than our UF-denominated liabilities. As a result, during periods when current inflation or expected inflation exceeds the previous month's inflation, customers often switch funds from UF-denominated deposits to more expensive peso-denominated deposits, thereby adversely affecting our net interest margin.

Foreign Exchange Rates

A portion of our assets and liabilities is denominated in foreign currencies, principally the U.S. dollar, and we historically have maintained gaps between the balances of such assets and liabilities. At December 31, 2021, 2022 and 2023 the gaps between our average foreign currency-denominated assets and our average foreign currency-denominated liabilities (where the liabilities exceeded such assets in 2021, 2022 and 2023) were Ch$2,356,059 million, Ch$4,931,242 million and Ch$6,030,048 million, respectively. Because such assets and liabilities, as well as interest earned or paid on such assets and liabilities, and gains (losses) realized upon the sale of such assets, are translated to pesos in preparing our financial statements, our reported income is affected by changes in the value of the peso with respect to foreign currencies. See "Exchange Rates" and "Management's Discussion and Analysis of Results of Operations and Financial Condition—Financial Condition—Asset and Liability Management—Exchange Rate Sensitivity."

We enter into derivative financial instruments to reduce our exposure to exchange rates volatility. See "Quantitative and Qualitative Disclosures about Market Risk—Disclosures Regarding Derivative Financial Instruments."

Critical Accounting Policies

We have identified certain key accounting policies on which our financial position and results of operations are dependent. These key accounting policies generally involve complex quantitative analyses or are based on subjective judgments or decisions which are evaluated on an ongoing basis. Management bases its estimates and assumptions on historical experience and on various other factors that it believes to be reasonable under the circumstances. Actual results in future periods could differ from those estimates and assumptions.

Our most critical accounting policies under the New Compendium are those related to the establishment of allowances for loan losses, fair value of financial assets and liabilities and impairment of investment securities. For a description of our significant accounting policies, see Note 2 to our audited consolidated financial statements included elsewhere in this Prospectus.

(a) Allowance for loan losses

The allowances required to cover expected losses on outstanding loans have been recognized in accordance with the regulations of the CMF (former SBIF). The allowance for loan losses for our loan portfolio is calculated primarily based on the classification and rating of loan portfolios set forth under the regulations issued by the CMF (former SBIF) into prescribed categories. There are two components of a bank's allowance for loan losses: individual and collective. All loans which exceed a certain threshold are individually assessed for impairment. Impairment allowances for portfolios of smaller balance and homogeneous loans that are below the individual assessment thresholds are determined on a collective basis. See "Presentation of Financial and Other Information—Loans."

To calculate our allowance for loan losses, the New Compendium requires that we follow a methodology to classify loans considering the borrower's industry or sector, owners or managers, financial condition, payment ability and payment behavior, among others, in the loan's rating analysis to estimate a probable loss and define the percentage of necessary reserves.

Our allowance for loan losses is presented net from the account of loans and receivable of each customer and all write-offs of uncollectible loans are charged against this account if certain conditions established by the CMF (former SBIF) are met. In addition, Chilean banks are required to inform the CMF (former SBIF) after such write-offs have been recorded. The allowance for loan losses is an estimate and differences between the estimate and the actual loss will be reflected in our financial statements at the time of write-off.

(b) Fair value measurements

Financial assets and liabilities designated at fair value and derivative instruments are recorded at fair value on the balance sheet. Fair values are obtained from quoted market prices and by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially identical, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants. If market information is limited or in some instances not available, we use our own judgment, which adds a degree of subjectivity to such determinations of fair value.

(c)   Impairment of Financial Assets

We assess at each reporting date whether there is objective evidence that a financial asset is impaired. A financial asset is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more loss events that occurred after the initial recognition of the asset and prior to the reporting date and that those loss events that have had an impact over the estimated cash flows of the financial asset or portfolio can be reliably estimated.

The amount of impairment loss is measured as the difference between the carrying value and the present value of the estimated cash flows of the asset.

Management judgment is required in determining whether factors exist that indicate that an impairment loss has been incurred at the balance sheet date. Our assessment of impairment involves risks and uncertainties depending on market conditions.

Segment Reporting

(a)   Overview

In accordance with IFRS 8, we aggregate operating segments with similar economic characteristics based on the aggregation criteria specified in such standard. Thus, a reporting segment comprises clients (within aggregated operating segments) to whom differentiated products are addressed, which are homogeneous and whose performance is measured in a similar way. We present our reporting segments based on a defined business structure, which is focused on optimizing assistance to clients with products and services according to relevant commercial characteristics.

The following are our reporting segments:

- ***Retail.*** This reporting segment serves natural persons, and its business units are personal and premium.

- ***SME.*** This operating segment includes companies with sales of up to UF80,000 per year.

- ***Wholesale Banking Segment.*** This reporting segment mainly includes companies whose annual sales exceed UF80,000. The operating units in this operating segment are: large companies (companies, large business companies and real estate), corporate bank and institutional clients.

- ***Finance Segment.*** This reporting segment includes our investment portfolio and our wealth management unit, which is addressed to high net worth investors with financial needs of high value added financial services, including private banking. The private banking unit was previously under the Wholesale Banking segment.

- ***BCI Financial Group.*** This reporting segment includes the businesses and operations we carry out in the United States through City National Bank of Florida, which operates as an independent unit, under the supervision of our senior management in Chile.

- ***Financial Services.*** This reporting segment includes businesses associated with the five entities forming Servicios Financieros, which we acquired in December 2018, and mainly includes the issuance and operation of Bci Lider Mastercard and Presto credit cards, the origination of advances and brokerage of personal insurance, among others. This business operates as an independent unit, under the supervision of our senior management in Chile.

- ***Others.*** In this category, we include those expenses and/or income, which by their nature are not directly identifiable within the five reportable segments above and therefore are not assigned.

Consistent with our client-focused strategy, each segment includes the income and expenses generated by the subsidiaries under each segment derived from services to our clients in those respective segments.

For more information on our reporting segments, see Note 6 to our consolidated financial statements included in this Prospectus.

(b) Allocation of Expenses

We allocate administrative expenses of our subsidiaries using an "activity based costing" system, an internal methodology that takes into account the business activities of our subsidiaries and assigns these expenses to our different reporting segments regardless of which of our subsidiaries incurred the expense. We assign expenses to our different reporting segments in three ways:

- ***Own expenses***: correspond to the expenses of the commercial units that are divided into direct business expenses (personnel expenses, customer service, extra expenses, materials, and supplies, among others) and intercommercial expenses, which are assigned to the business by survey or ABC (transactions).

- ***Assigned expenses***: expenses of support units (Operations, Risk, Management, etc.) that are assigned based on surreys (according to the services they provide to the business) or ABC (transactions).

- ***Technological expenses***: correspond to technological expenses, whether depreciation, recurring expenses (software, licenses, maintenance, etc.) and expenses for new projects, which are grouped into the different technological applications of the Bank, which have a defined allocation driver for the banks based on their use (ABC model).

(c) Results of Operations by Segment

The following tables set forth certain income statement data for the years indicated:

	Year ended December 31, 2023							
	Retail	Small and Medium Enterprise	Wholesale Banking	Finance	BCI Financial Group	Financial Services	Others(3)	Consolidated
				(in millions of Ch$)				
Net interest and Inflation-indexation income	584,218	199,653	577,771	129,071	395,443	96,279	38,876	2,021,311
Net fee income	142,967	36,250	96,740	4,223	28,054	24,793	7,778	340,805
Other operating income(1)	4,448	11,726	53,459	55,647	42,173	12,968	(38,226)	142,195
Total operating income	731,633	247,629	727,970	188,941	465,670	134,040	8,428	2,504,311
Provisions for credit loss	(235,917)	(20,491)	9,249	424	(35,284)	(116,027)	(1,209)	(399,255)
Net operating income	495,716	227,138	737,219	189,365	**430,386**	18,013	7,219	2,105,056
Total operating expenses	(438,243)	(145,610)	(221,883)	(68,734)	(268,042)	(84,000)	(76,587)	(1,303,099)
Operating income (loss)(2)	57,473	81,528	515,336	120,631	162,344	(65,987)	(69,368)	801,957

(1) Includes trading and investment income, net and foreign exchange loss, net.
(2) The breakdown of consolidated net operating income shown is used for internal reporting, planning and marketing purposes and is based on, among other things, our estimated funding cost and direct and indirect cost allocations. This breakdown may differ in some respects from breakdowns of our net operating income for financial and regulatory purposes. See "Financial Services" for additional information with respect to the operations, assets, liabilities and income of our financial service subsidiaries.
(3) Income and expenses that, due to their nature, are not directly identified with or allocated to one of our specific segments.

	Year ended December 31, 2022							
	Retail	Small and Medium Enterprise	Wholesale Banking	Finance	BCI Financial Group	Financial Services	Others(3)	Consolidated
				(in millions of Ch$)				
Net interest and Inflation-indexation income	636,270	205,406	550,144	206,028	540,863	119,378	51,627	2,309,716
Net fee income	174,296	36,202	85,443	8,696	34,816	30,166	(2,708)	366,911
Other operating income(1)	9,581	12,373	45,204	(86,820)	37,743	19,844	(22,869)	15,056
Total operating income	**820,147**	**253,981**	**680,791**	**127,904**	**613,422**	**169,388**	**26,050**	**2,691,683**
Provisions for credit loss	(157,843)	(59,366)	(87,378)	(3,415)	(26,142)	(133,284)	(27,442)	(494,870)
Net operating income	**662,304**	**194,615**	**593,413**	**124,489**	**587,280**	**36,104**	**(1,392)**	**2,196,813**
Total operating expenses	**(450,193)**	**(143,691)**	**(208,392)**	**(90,457)**	**(261,689)**	**(85,666)**	**(52,226)**	**(1,292,314)**
Operating income (loss)(2)	**212,111**	**50,924**	**385,021**	**34,032**	**325,591**	**(49,562)**	**(53,618)**	**904,499**

(1) Includes trading and investment income, net and foreign exchange loss, net.
(2) The breakdown of consolidated net operating income shown is used for internal reporting, planning and marketing purposes and is based on, among other things, our estimated funding cost and direct and indirect cost allocations. This breakdown may differ in some respects from breakdowns of our net operating income for financial and regulatory purposes. See "Financial Services" for additional information with respect to the operations, assets, liabilities and income of our financial service subsidiaries.
(3) Income and expenses that, due to their nature, are not directly identified with or allocated to one of our specific segments.

	Year ended December 31, 2021							
	Retail	Small and Medium Enterprise	Wholesale Banking	Finance[4]	BCI Financial Group	Financial Services	Others[5]	Consolidated
	(in millions of Ch$)							
Net interest and Inflation-indexation income	516,691	183,456	414,157	114,740	401,504	112,103	(42,247)	1,700,404
Net fee income	172,867	37,887	75,978	12,381	31,576	27,027	(2,086)	355,630
Other operating income[1]	3,237	11,816	51,545	(15,256)	20,821	13,987	12,583	98,733
Total operating income	**692,795**	**233,159**	**541,680**	**111,865**	**453,901**	**153,117**	**(31,750)**	**2,154,767**
Provisions for credit loss[2]	(150,691)	(92,222)	(104,370)	(6,843)	8,078	(48,144)	(6,932)	(401,124)
Net operating income	**542,104**	**140,937**	**437,310**	**105,022**	**461,979**	**104,973**	**(38,682)**	**1,753,643**
Total operating expenses	**(376,188)**	**(108,427)**	**(167,302)**	**(67,754)**	**(196,704)**	**(84,236)**	**(33,292)**	**(1,033,903)**
Operating income (loss)[3]	**165,916**	**32,510**	**270,008**	**37,268**	**265,275**	**20,737**	**(71,974)**	**719,740**

(1) Includes trading and investment income, net and foreign exchange loss, net.
(2) This amount includes Ch$158,470 million of "Additional and other contingency provisions" as permitted by the Chilean regulation, which are related to Retail, Small and Medium Enterprise, Wholesale Banking, and Corporate and Investment Banking Finance Division, but pursuant to Chilean regulations has been grouped and allocated to the other segments.
(3) The breakdown of consolidated net operating income shown is used for internal reporting, planning and marketing purposes and is based on, among other things, our estimated funding cost and direct and indirect cost allocations. This breakdown may differ in some respects from breakdowns of our net operating income for financial and regulatory purposes. See "Financial Services" for additional information with respect to the operations, assets, liabilities and income of our financial service subsidiaries.
(4) Private banking unit was relocated from Wholesale Banking to Finance for the year ended December 31, 2021.
(5) Income and expenses that, due to their nature, are not directly identified with or allocated to one of our specific segments.

Accounting Changes Affecting Comparability of Results of Operations

On December 20, 2019, pursuant to circular letter No. 2,243, and as a result of various changes introduced by the IASB to the IFRS during recent years, particularly to the new IFRS 9, 15, 16 and the subsequent revision of the limitations in their application by national banks, the CMF decided to fully update the instructions of the Old Compendium. On April 20, 2020, the CMF amended Chapter E "Transitional Provisions" of the Old Compendium and postponed the first effective date of the New Compendium to January 1, 2022, with an initial application date of January 1, 2021 for the comparative financial statements to be published as of the first quarterly interim period of 2022. The main impacts of the implementation of the New Compendium, both at the level of the Consolidated Statement of Financial Position and the Consolidated Statement of Income, are explained in this Prospectus under "Presentation of Financial and Other Information–Accounting Changes." Our consolidated financial information as of and for the years ended December 31, 2021, 2022 and 2023 is presented in this Prospectus giving effect to the New Compendium. See "Presentation of Financial and Other Information–Accounting Changes."

Results of Operations for the Years Ended December 31, 2022 and 2023

This section presents consolidated and other financial and operating information for the years ended December 31, 2022 and 2023. This information should be read in conjunction with, and is qualified in its entirety by reference to, our audited consolidated financial statements appearing elsewhere in this Prospectus.

The following table sets forth the principal components of our consolidated profit for the years ended December 31, 2022 and 2023:

	Year ended December 31,		
	2022	2023	2022/2023
	(in millions of nominal Ch$)		% Change
Interest income	2,903,692	4,102,634	41.3%
Interest expense	(1,343,274)	(2,539,336)	89.0%
Net interest income	1,560,418	1,563,298	0.2%
Inflation-indexation income	1,476,901	884,492	(40.1)%
Inflation-indexation expenses	(727,603)	(426,479)	(41.4)%
Net inflation-indexation income	749,298	458,013	(38.9)%
Fee income	508,328	512,405	0.8%
Fee expense	(141,417)	(171,600)	21.3%
Net fee income	366,911	340,805	(7.1)%
Finance income for:			
Financial assets and liabilities held for trading	23,774	247,786	942.3%
Non-trading financial assets mandatorily measured at fair value through profit or loss	(24,090)	(13,750)	(42.9)%
Financial assets and liabilities designated at fair value through profit or loss	-	-	-

	Year ended December 31,		
	2022	2023	2022/2023
	(in millions of nominal Ch$)		% Change
Income arising from derecognition of financial assets and liabilities measured at amortized cost and financial assets measured at fair value through other comprehensive income	8,399	(12,105)	(244.1)%
Foreign currency changes, inflation-indexation and hedge accounting	(56,135)	(141,510)	152.1%
Reclassification of financial assets due to change in business model	-	-	-
Other finance income	-	-	-
Net finance income (expense)	(48,052)	80,421	267.4%
Income from investments in companies	7,404	16,018	116.3%
Income from non-current assets and disposal groups held for sale not admissible as discontinued operations	9,702	10,232	5.5%
Other operating income	53,406	51,542	(3.5)%
Total operating income	**2,699,087**	**2,520,329**	**(6.6)%**
Expenses for employee benefit obligations	(638,989)	(665,866)	4.2%
Administrative expenses	(422,520)	(498,105)	17.9%
Depreciation and amortization	(113,643)	(113,016)	(0.6)%
Impairment of non-financial assets	(21,009)	(2,547)	(87.9)%
Other operating expenses	(96,153)	(23,565)	(75.5)%
Total operating expenses	**(1,292,314)**	**(1,303,099)**	**0.8%**
Operating Income before credit losses	**1,406,773**	**1,217,230**	**(13.5)%**
Credit loss expense for:			
Provisions for credit risk of loans and advances to banks and loans and receivables from customers	(484,580)	(508,542)	4.9%
Special provisions for credit risk	(81,910)	39,126	(147.8)%
Recovery of written-off credits	78,217	77,158	(1.4)%
Impairment due to credit risk of other financial assets at amortized cost and financial assets at fair value through other comprehensive income	(6,597)	(6,997)	6.1%
Credit loss expense	(494,870)	(399,255)	(19.3)%
Operating Profit	**911,903**	**817,975**	**(10.3)%**
Income tax	(90,879)	(135,404)	49.0%
Consolidated Profit for the year ended	**821,024**	**682,571**	**(16.9)%**

Net interest income and net inflation-indexation income

The following table sets forth information with respect to our net interest income and net inflation-indexation income for the years ended December 31, 2022 and 2023.

	Year ended December 31,		
	2022	2023	2022/2023
	(in millions of Ch$)		% Change
Total income from interest and indexation for inflation	4,380,593	4,987,126	13.8%
Total expenses for interest and indexation for inflation	(2,070,877)	(2,965,815)	43.2%
Net interest income and net inflation-indexation income	2,309,716	2,021,311	(12.5)%
Net interest margin(1)	2.7%	2.6%	(3.7)%

(1) Net interest margin is net interest income divided by monthly average interest-earning assets.

The following table sets forth the effects of the changes in monthly average volume of interest-earning assets and interest-bearing liabilities and average nominal interest rates on our net interest income between December 31, 2022 and 2023.

	2022/2023
	(in millions of Ch$)
Due to changes in average volume of interest-earning assets and interest-bearing liabilities	4,968,638
Due to changes in average nominal interest rate	(5,251,794)
Net change	(283,156)

Our net interest income and net inflation-indexation income decreased Ch$288,405 million, or 12.5%, from Ch$2,309,716 million for the year ended December 31, 2022 to Ch$2,021,311 million for the year ended December 31, 2023, primarily as a result of an increase in total expenses for interest.

Ch$145,420 million of our Ch$288,405 million decrease in net interest income and net inflation-indexation income for the year ended December 31, 2023 was attributable to CNB, primarily as a result of an increase in total expenses for interest.

Interest Income and Inflation-Indexation Income

The following table sets forth information regarding our interest income, inflation indexation income and average interest-earning assets for the years ended December 31, 2022 and 2023:

	As of and for the year ended December 31,		
	2022	**2023**	**2022/2023**
	(in millions of Ch$)		% Change
Total income from interest and indexation for inflation	4,380,593	4,987,126	13.8%
Average interest earning assets(1):			
Commercial loans	29,011,169	28,603,047	(1.4)%
Mortgage loans	11,983,516	12,359,867	3.1%
Consumer loans	3,572,290	3,263,301	(8.6)%
Loans and receivables to banks	748,440	656,589	(12.3)%
Total loans	45,315,415	44,882,804	(1.0)%
Investments	12,658,997	14,035,864	10.9%
Other assets	2,203,990	2,134,261	(3.2)%
Total average interest-earning assets	60,178,402	61,052,929	1.5%
Average nominal rates earned(1):			
Loans(2)	9.3%	8.7%	(6.5)%
Investments	5.2%	5.9%	13.5%
Other assets	(20.8)%	12.4%	(159.6)%
Average nominal rates earned	7.3%	8.2%	12.3%
Annual inflation rates	12.8%	3.9%	(69.5)%

(1) Average interest-earning and average nominal rates earned are determined on a monthly average basis for the corresponding year.
(2) Includes loans and receivables to banks, including commercial interbank loans, foreign trade credits Chilean exports, foreign trade credits between third countries, and allowance for loans with foreign banks.

The following table sets forth the effects of the changes in average volume of interest-earning assets and average nominal interest rates on our interest income during the years ended December 31, 2022 and 2023.

	Year Ended December 31, 2022/2023
	(in millions of Ch$)
Due to changes in average volume of interest-earning assets	(447,456)
Due to changes in average nominal interest rate	1,055,294
Net change	**607,838**

Our interest income and inflation-indexation income increased Ch$606,533 million, or 13.8% for the year ended December 31, 2023, from Ch$4,380,593 million for the year ended December 31, 2022 to Ch$4,987,126 million for the year ended December 31, 2023, primarily as a result of an increase of 11.9% in our average nominal rates for 2023 compared to 2022, together with an increase of 1.5% in our average interest earning assets for the year ended December 31, 2023.

Of our Ch$606,533 million increase in interest income for the year ended December 31, 2023 compared to 2022, an increase of Ch$328,851 million was attributable to CNB, whose interest income increased 48.4% in 2023 compared to 2022, from Ch$679,973 million in 2022 to Ch$1,008,824 million in 2023.

Interest Expense and inflation-indexation expense

The following table sets forth certain information concerning our interest expense and inflation-indexation expense and average interest-bearing liabilities for the years ended December 31, 2022 and 2023:

	As of and for the year ended December 31,		
	2022	**2023**	**2022/2023**
	(in millions of Ch$)		% Change
Total expenses for interest and indexation for inflation	(2,070,877)	(2,965,815)	43.2%
Average interest bearing liabilities(1):			
Term deposits	14,253,848	15,302,779	7.4%
Savings accounts	2,468,387	2,336,704	(5.3)%
Liabilities under agreements to repurchase	236,238	320,556	35.7%
Debt issued	7,824,460	9,434,173	20.6%
Other interest-bearing liabilities	6,924,004	6,743,748	(2.6)%
Total average interest bearing liabilities	31,706,937	34,137,960	7.7%
Average nominal rates paid(1):			
Term deposits	5.8%	10.0%	72.4%
Debt issued	12.5%	5.9%	(52.8)%
Other interest bearing liabilities	2.1%	23.2%	1004.8%
Average nominal rates paid(2):	5.7%	8.7%	52.6%
Average real rates paid:	(5.9)%	5.1%	(186.4)%

(1) Average interest-bearing liabilities are determined on a monthly average basis for the corresponding year.
(2) Calculated taking into account average interest-bearing liabilities determined on a monthly average basis.

The following table sets forth the effects of the changes in average volume of interest-bearing liabilities and average nominal interest rates on our interest expense during the years ended December 31, 2022 and 2023:

	Year Ended December 31, 2022/2023
	(in millions of Ch$)
Due to changes in average volume of interest-bearing liabilities	(5,416,094)
Due to changes in average nominal interest rate	6,307,088
Net change	**890,994**

Our interest expense and inflation indexation expense increased 43.2% for the year ended December 31, 2023, from Ch$2,070,877 million for the year ended December 31, 2022 to Ch$2,965,815 million for the year ended December 31, 2023, primarily due to a 52.6% increase in average nominal rates paid on debt issued in 2023, and an increase of 7.7% in total average interest bearing liabilities.

Of our Ch$894,938 million increase in interest expense for the year ended December 31, 2023 compared to 2022, an increase of Ch$474,271 million was attributable to an increase in the interest expense of CNB of 340.9% compared to December 31, 2022, from Ch$139,110 million in 2022 to Ch$613,381 million in 2023.

Net Fee Income

The following table sets forth information with respect to our net fee income for the years ended December 31, 2022 and 2023:

	Year ended December 31,		
	2022	**2023**	**2022/2023**
	(in millions of Ch$)		**% Change**
Fee income	508,328	512,405	0.8%

	Year ended December 31,		
	2022	2023	2022/2023
	(in millions of Ch$)		% Change
Fee expense	(141,417)	(171,600)	21.3%
Net fee income	**366,911**	**340,805**	**(7.1)%**

Our net fee income decreased Ch$26,106 million, or 7.1%, in the year ended December 31, 2023, from Ch$366,911 million in the year ended December 31, 2022 to Ch$340,805 million in the year ended December 31, 2023, primarily as a result of a 21.3% increase in fee expense.

The increase in fee income was primarily attributable to increases in fees for lines of credit and checking account overdrafts. The increase in fee expenses was primarily attributable to increases in fees for card operation and fees for securities trading.

Net fee income represented 13.5% of our total operating income for the year ended December 31, 2023, compared to 13.6% in the year ended December 31, 2022.

Fee Income

The following table sets forth the principal components of our fee income for the years ended December 31, 2022 and 2023:

	Year ended December 31,		
	2022	2023	2022/2023
	(in millions of Ch$)		% Change
Loan prepayment fees	4,508	6,075	34.8%
Fees for lines of credit and checking account overdrafts	35,003	39,556	13.0%
Fees for card services	112,827	104,232	(7.6)%
Account management fees	60,022	64,520	7.5%
Fees for collections and payments	82,067	83,450	1.7%
Fees for securities brokerage and management (Stock Brokers and/or Securities Agency)	7,313	5,800	(20.7)%
Fees for administration of mutual funds, investment funds or other	59,463	58,468	(1.7)%
Fees for brokerage and insurance advisory services	58,652	59,591	1.6%
Fees for factoring services	5,277	5,134	(2.7)%
Fees for securitizations	159	125	(21.4)%
Fees for financial advisory services	11,095	15,369	38.5%
Other fees earned	71,942	70,085	(2.6)%
Total fee income	**508,328**	**512,405**	**0.8%**

Our fee income increased 0.8% for the year ended December 31, 2023, from Ch$508,328 million for 2022 to Ch$512,405 million for 2023, primarily as a result of an increase in fees for financial advisory services and fees for line of credit and checking account overdrafts.

In the year ended December 31, 2023, fee income increased Ch$4,077 million, however, CNB had a decrease of Ch$4,734 million in fee income, which was mainly attributable to a decrease in other fees earned.

Fee Expenses

The following table sets forth the principal components of our fee expenses for the years ended December 31, 2022 and 2023:

	Year ended December 31,		
	2022	2023	2022/2023
	(in millions of Ch$)		% Change
Fee for card operation	(42,709)	(50,545)	18.3%

	Year ended December 31,		
	2022	2023	2022/2023
	(in millions of Ch$)		% Change
License fees for the use of card brands	-	(5,871)	100.0%
Expenses for obligations of loyalty programs and merits for card customers	(27,039)	(33,455)	23.7%
Fees for securities trading	(42,072)	(51,819)	23.2%
Other commissions for services received	(29,597)	(29,910)	1.1%
Total fee expenses	**(141,417)**	**(171,600)**	**21.3%**

Our fee expenses increased 21.3% for the year ended December 31, 2023, from Ch$141,417 million for the year ended December 31, 2022 to Ch$171,600 million for the year ended December 31, 2023, primarily as a result of (i) a 23.2% increase in fees for securities trading from Ch$42,072 million in the year ended December 31, 2022 to Ch$51,819 million in the year ended December 31, 2022, and (ii) a 18.3% increase in fee for card operation, from Ch$42,709 million in the year ended December 31, 2022 to Ch$50,545 million in the year ended December 31, 2023.

In the year ended December 31, 2023, CNB had an increase of Ch$2,028 million in fee expenses, which was mainly attributable to an increase in fees for securities trading and other commissions for services received.

Net Finance Income (Expense)

The following table sets forth information with respect to our net finance income for the years ended December 31, 2022 and 2023:

	Year ended December 31,		
	2022	2023	2022/2023
	(in millions of Ch$)		% Change
Financial assets held for trading at fair value through profit or loss:			
Financial derivative contracts	37,067	152,078	310.3%
Debt financial instruments	64,736	95,453	47.4%
Other financial instruments	3,655	(24,277)	(764.4)%
Equity instruments	(81,421)	25,008	(130.7)%
Loans granted and received by the entity	(296)	(476)	60.8%
Other	33	-	(100.0)%
Subtotal	23,774	247,786	942.3%
Non-trading financial assets mandatorily measured at fair value through profit or loss:			
Other financial instruments	(24,090)	(13,750)	(42.9)%
Subtotal	(24,090)	(13,750)	(42.9)%
Financial income (expense) on derecognition of financial assets and liabilities at amortized cost and financial assets at fair value through other comprehensive income:			
Financial assets at amortized cost	8,399	1,488	(82.3)%
Financial assets at fair value through other comprehensive income	-	(13,593)	(100.0)%
Subtotal	8,399	(12,105)	(244.1)%
Foreign currency changes, inflation-indexation and hedge accounting:			
Gain (loss) from foreign currency translation	43,278	(179,285)	(514.3)%
Financial assets at fair value through other comprehensive income	(5,653)	-	(100.0)%
Other assets	(1,862)	11,636	(724.9)%
Net income (expense) from derivatives in foreign currency risk hedges	(91,898)	26,139	(128.4)%
Subtotal	(56,135)	(141,510)	152.1%
Net Finance Income (Expense)	**(48,052)**	**80,421**	**(267.4)%**

Net finance income increased 267.4% in 2023 compared to 2022, from a Ch$(48,052) million expense in 2022 to Ch$80,421 million income in 2022. This increase was primarily attributable to an increase in Financial assets held for trading at fair value through profit or loss, which is explained mainly by an increase of 310.3% in financial derivative contracts, and an increase in net income from derivatives in foreign currency risk hedges.

Other Operating Income

The following table sets forth the components of our other operating income for the years ended December 31, 2022 and 2023:

	Year ended December 31,		
	2022	2023	2022/2023
	(in millions of nominal Ch$)		% Change
Payments from insurance companies for claims other than operational risk related events	23	-	(100.0)%
Income from card brands issued (Visa, MC, etc)	10,190	5,941	(41.7)%
Income from expense recovery	4,432	4,116	(7.1)%
Other income	38,761	41,485	7.0%
Total	**53,406**	**51,542**	**(3.5)%**

Our other operating income decreased 3.5% in the year ended December 31, 2023, from Ch$53,406 million in the year ended December 31, 2022 to Ch$51,542 million in the year ended December 31, 2023, primarily due to a decrease in income from card brands issued from Ch$10,190 million in 2022 to Ch$5,941 million in 2023.

Credit Loss Expense

Chilean banks are required to maintain allowances to cover possible credit losses in an amount at least equal to their loans to customers multiplied by their risk index. The allowances for loan losses as a percentage of total loans are derived from our classification of our portfolio according to objective criteria relating to the performance of the loans and in accordance with the regulations of the CMF (former SBIF). The amount of provision charged to income in any period consists of adjustments to the loan loss reserve including direct write-offs against income (equal to the portion of loans written off that is not covered by a reserve at the time of write-off).

The following table sets forth information for our allowances for loan losses and their principal components, provision for loan losses and write-offs, for the years ended December 31, 2022 and 2023:

	Year ended December 31,		
	2022	2023	2022/2023
	(in millions of Ch$)		% Change
Credit loss expense:			
Allowances for loan losses at beginning of period	(750,712)	(877,163)	16.8%
Change in measurement without portfolio reclassification during the period	(41,925)	(5,044)	(88.0)%
Change in measurement due to portfolio reclassification from the beginning to the end of the period portfolio from (-) to (+):	(136,061)	(145,436)	6.9%
New loans originated	(157,683)	(106,346)	(32.6)%
New loans for conversion of contingent to loans	(51,225)	(36,206)	(29.3)%
Sale or transfer of loans	3,736	-	(100.0)%
Loan repayment	111,770	150,624	34.8%
Application of provisions for write-offs	134,720	180,838	34.2%
Recovery of written-off credits	(2,034)	(191)	(90.8)%
Translation differences	12,251	(3,825)	(131.2)%
Other changes in provisions (if applicable)	-	(3,957)	100.0%
Allowances for loan losses at end of the period(1)	**(877,163)**	**(846,706)**	**(3.5)%**
Other asset quality data:			
Total loans and receivables from customers	46,176,295	49,406,856	7.0%
Consolidated risk index (%)(2)	1.90%	1.71%	(10.0)%
Additional allowances for loan losses	415,022	375,900	(9.4)%
Allowances for loan losses including contingency allowances	1,292,185	1,222,606	(5.4)%
Allowances for loan losses (including contingency allowances) as a percentage of total loans	2.80%	2.47%	(11.8)%

(1) Allowances for loan losses at end of the period does not include provision for interbank loans.
(2) The risk index of our loan portfolio is calculated as allowances for loan losses as a percentage of total loans.

Our allowances for loan losses including contingency allowances decreased 5.4% as of December 31, 2023, from Ch$1,292,185 million as of the December 31, 2022 to Ch$1,222,606 million as of December 31, 2023, primarily due to a release in additional provisions in commercial loans.

Our additional allowances for loan losses decreased 9.4% as of December 31, 2023, from Ch$415,022 million as of December 31, 2022 to Ch$375,900 million as of December 31, 2023, primarily due to a release of additional provisions in commercial loans.

CNB's allowances for loan losses increased Ch$9,142 million in 2023, mainly due to an increase in additional voluntary provisions. Our CNB additional voluntary provisions increased Ch$26,938 million as of December 31, 2023, from a net release of additional provisions of Ch$15,271 million as of December 31, 2022, to additional provisions of Ch$11,667 million as of December 31, 2023.

As a result, our allowance for loan losses as a percentage of total loans, decreased from 2.80% in 2022 to 1.84% in 2023.

Operating Expenses

The following table sets forth the principal components of our operating expenses for the years ended December 31, 2022 and 2023:

	Year ended December 31,		
	2022	**2023**	**2022/2023**
	(in millions of Ch$)		**Change**
Expenses for employee benefit obligations	(638,989)	(665,866)	4.2%
Administrative expenses	(422,520)	(498,105)	17.9%
Depreciation and amortization	(113,643)	(113,016)	(0.6)%
Impairment of non-financial assets	(21,009)	(2,547)	(87.9)%
Other operating expenses	(96,153)	(23,565)	(75.5)%
Total operating expenses	**(1,292,314)**	**(1,303,099)**	**0.8%**
Efficiency ratio(1)	47.9%	51.7%	7.9%

(1) Operating expenses as a percentage of operating income.

Our total operating expenses increased 0.8% in the year ended December 31, 2023, from Ch$1,292,314 million for the year ended December 31, 2022 to Ch$1,303,099 million for the year ended December 31, 2023, primarily due to higher expenses for employee benefit obligations and administrative expenses, and higher expenses made in banking digitalization and contruction of technological platforms.

Income Tax

Law No. 20,780, enacted and published in the Official Gazette of Chile in September 2014, as amended by Law No. 20,899, introduced certain amendments to Chilean income tax law that impact the calculation of our income tax. Article 14 of the Income Tax Law (Law Decree No. 824), as amended by Law No. 20,780 and Law No. 20,899, established two alternative systems of taxation for taxpayers obliged to declare their actual income determined under full accounting records: the Attributed System and the Partially Integrated System. Law No. 21,210 of 2020 eliminated the Attributed System and established the Partially Integrated System as the general regime for large companies. See "Risk Factors—Risks Relating to Chile—Changes in Chilean tax laws may increase our tax burden and adversely affect our profitability" for a description of such taxation systems. Since Bci is a stock corporation *(sociedad anónima),* we are subject to the general regime for large companies.

The following table sets forth our Profit from continuing operations before tax and effective income tax rate for the years ended December 31, 2022 and 2023:

	Year ended December 31,		
	2022	**2023**	**2022/2023**
	(in millions of Ch$)		**% Change**
Profit from continuing operations before tax	911,903	817,975	(10.3)%
Income tax expense	(90,879)	(135,404)	49.0%
Effective income tax rate(2)	10%	17%	70.0%

(1) Effective income tax rate is equal to income tax expense divided by income before income tax.

The 49.0% or Ch$44,525 million increase in income tax expense, from Ch$90,879 million in 2022 to Ch$135,404 million in 2023, was primarily attributable to an increase in the income tax derived from the monetary correction of the bank tax capital from a rate of 13.3% in 2022 to 4.8% in 2023.

Consolidated Profit for the Year Ended

As a result of the foregoing factors, our consolidated profit for the year ended decreased 16.9% for the year ended December 31, 2023, from Ch$821,024 million for the year ended December 31, 2022 to Ch$682,571 million for the year ended December 31, 2023.

Results of Operations for the Years Ended December 31, 2021 and 2022

This section presents consolidated and other financial and operating information for the years ended December 31, 2021 and 2022. This information should be read in conjunction with, and is qualified in its entirety by reference to, our audited consolidated financial statements appearing elsewhere in this Prospectus.

The following table sets forth the principal components of our consolidated profit for the years ended December 31, 2021 and 2022:

	Year ended December 31,		
	2021	2022	2021/2022
	(in millions of nominal Ch$)		% Change
Interest income	1,709,828	2,903,692	69.8%
Interest expense	(349,599)	(1,343,274)	284.2%
Net interest income	1,360,229	1,560,418	14.7%
Inflation-indexation income	655,232	1,476,901	125.4%
Inflation-indexation expenses	(315,057)	(727,603)	130.9%
Net inflation-indexation income	340,175	749,298	120.3%
Fee income	483,505	508,328	5.1%
Fee expense	(127,875)	(141,417)	10.6%
Net fee income	355,630	366,911	3.2%
Finance income for:			
Financial assets and liabilities held for trading	135,809	23,774	(82.5)%
Non-trading financial assets mandatorily measured at fair value through profit or loss	-	(24,090)	100%
Financial assets and liabilities designated at fair value through profit or loss	-	-	-
Income arising from derecognition of financial assets and liabilities measured at amortized cost and financial assets measured at fair value through other comprehensive income	-	8,399	100%
Foreign currency changes, inflation-indexation and hedge accounting	(85,472)	(56,135)	(34.3)%
Reclassification of financial assets due to change in business model	-	-	-
Other finance income	-	-	-
Net finance income (expense)	50,337	(48,052)	(195.5) %
Income from investments in companies	2,290	7,404	223.3%
Income from non-current assets and disposal groups held for sale not admissible as discontinued operations	11,637	9,702	(16.6)%
Other operating income	36,759	53,406	45.3%
Total operating income	**2,157,057**	**2,699,087**	**25.1%**
Expenses for employee benefit obligations	(540,053)	(638,989)	18.3%
Administrative expenses	(333,896)	(422,520)	26.5%
Depreciation and amortization	(106,931)	(113,643)	6.3%
Impairment of non-financial assets	(23)	(21,009)	n.m.
Other operating expenses	(53,000)	(96,153)	81.4%
Total operating expenses	**(1,033,903)**	**(1,292,314)**	**25.0%**
Operating Income before credit losses	**1,123,154**	**1,406,773**	**25.3%**
Credit loss expense for:			
Provisions for credit risk of loans and advances to banks and loans and receivables from customers	(287,367)	(484,580)	68.6%

	Year ended December 31,		
	2021	2022	2021/2022
	(in millions of nominal Ch$)		% Change
Special provisions for credit risk	(192,403)	(81,910)	(57.4)%
Recovery of written-off credits	78,646	78,217	(0.5)%
Impairment due to credit risk of other financial assets at amortized cost and financial assets at fair value through other comprehensive income	-	(6,597)	(100)%
Credit loss expense	(401,124)	(494,870)	23.4%
Operating Profit	722,030	911,903	26.3%
Income tax	(201,484)	(90,879)	(54.9)%
Consolidated Profit for the year ended	520,546	821,024	57.7%

"n.m." means not meaningful.

Net interest income and net inflation-indexation income

The following table sets forth information with respect to our net interest income and net inflation-indexation income for the years ended December 31, 2021 and 2022.

	Year ended December 31,		
	2021	2022	2021/2022
	(in millions of Ch$)		% Change
Total income from interest and indexation for inflation	2,365,060	4,380,593	85.2%
Total expenses for interest and indexation for inflation	(664,656)	(2,070,877)	211.6%
Net interest income and net inflation-indexation income	1,700,404	2,309,716	35.8%
Net interest margin(1)	2.7%	2.7%	(1.4)%

(1) Net interest margin is net interest income divided by monthly average interest-earning assets.

The following table sets forth the effects of the changes in monthly average volume of interest-earning assets and interest-bearing liabilities and average nominal interest rates on our net interest income between December 31, 2021 and 2022.

	2021/2022
	(in millions of Ch$)
Due to changes in average volume of interest-earning assets and interest-bearing liabilities	272,516
Due to changes in average nominal interest rate	336,796
Net change	609,312

Our net interest income and net inflation-indexation income increased Ch$609,312 million, or 35.8%, from Ch$1,700,404 million for the year ended December 31, 2021 to Ch$2,309,716 million for the year ended December 31, 2022, primarily as a result of a 69.8% increase in our interest income, mainly due to a growth in loans in the context of higher inflation and interest rates.

Ch$139,358 million of our Ch$609,312 million increase in net interest income for the year ended December 31, 2022 was attributable to CNB, primarily as a result of an increase in commercial loans.

Interest Income and Inflation-Indexation Income

The following table sets forth information regarding our interest income and average interest-earning assets for the year ended December 31, 2021 and the year ended December 31, 2022:

	As of and for the year ended December 31,		
	2021	2022	2021/2022
	(in millions of Ch$)		% Change
Interest income	2,365,060	4,380,593	85.2%
Average interest earning assets(1):			

	As of and for the year ended December 31,		
	2021	2022	2021/2022
	(in millions of Ch$)		% Change
Commercial loans	24,462,775	29,011,169	18.6%
Mortgage loans	9,750,345	11,983,516	22.9%
Consumer loans	3,314,207	3,572,290	7.8%
Loans and receivables to banks	427,209	748,440	75.2%
Total loans	37,954,536	45,315,415	19.4%
Investments	10,291,058	12,658,997	23.0%
Other assets	1,509,041	2,203,990	46.1%
Total average interest-earning assets	49,754,635	60,178,402	21.0%
Average nominal rates earned(1):			
Loans(2)	6.5%	9.3%	43.1%
Investments	2.3%	5.2%	126.1%
Other assets	(20.5)%	(20.8)%	1.5%
Average nominal rates earned	4.8%	7.3%	52.1%
Annual inflation rates	7.2%	12.8%	77.8%

(1) Average interest-earning and average nominal rates earned are determined on a monthly average basis for the corresponding year.
(2) Includes loans and receivables to banks, including commercial interbank loans, foreign trade credits Chilean exports, foreign trade credits between third countries, and allowance for loans with foreign banks.

The following table sets forth the effects of the changes in average volume of interest-earning assets and average nominal interest rates on our interest income during the years ended December 31, 2021 and 2022.

	Year Ended December 31,
	2021/2022
	(in millions of Ch$)
Due to changes in average volume of interest-earning assets	725,485
Due to changes in average nominal interest rate	1,290,048
Net change	**2,015,533**

Our interest income and inflation-indexation income increased Ch$2,015,533 million, or 85.2% for the year ended December 31, 2022, from Ch$2,365,060 million for the year ended December 31, 2021 to Ch$4,380,593 million for the year ended December 31, 2022, primarily as a result of an increase of 52.1% in our average nominal rates for 2022 compared to 2021, together with an increase of 21.0% in our average interest earning assets for the year ended December 31, 2022.

The increase in our average interest earning assets was mainly attributable to a 22.9% increase in mortgage loans and an increase of 18.6% in commercial loans in the year ended December 31, 2022 compared to 2021.

Of our Ch$2,015,533 million increase in interest income for the year ended December 31, 2022 compared to 2021, an increase of Ch$245,463 million was attributable to CNB, whose interest income increased 56.5% in the year ended December 31, 2022 compared to 2021, from Ch$434,509 million for the year ended December 31, 2021 to Ch$679,973 million for the year ended December 31, 2022.

Interest Expense and inflation-indexation

The following table sets forth certain information concerning our interest expense and inflation-indexation and average interest-bearing liabilities for the years ended December 31, 2021 and 2022:

	As of and for the year ended December 31,		
	2021	2022	2021/2022
	(in millions of Ch$)		% Change
Interest expense	(664,656)	(2,070,877)	211.6%
Average interest bearing liabilities(1):			

	As of and for the year ended December 31,		
	2021	2022	2021/2022
	(in millions of Ch$)		% Change
Term deposits	10,101,095	14,253,848	41.1%
Savings accounts	1,932,890	2,468,387	27.7%
Liabilities under agreements to repurchase	254,299	236,238	(7.1)%
Debt issued	6,790,078	7,824,460	15.2%
Other interest-bearing liabilities	3,010,643	6,924,004	130.0%
Total average interest bearing liabilities	22,089,005	31,706,937	43.5%
Average nominal rates paid(1):			
Term deposits	0.9%	5.8%	544.4%
Debt issued	8.2%	12.5%	52.4%
Other interest bearing liabilities	(1.5)%	2.1%	n.m.
Average nominal rates paid(2):	2.5%	5.7%	128.0%
Average real rates paid:	0.6%	(5.9)%	n.m.

"n.m." means not meaningful.

(1) Average interest-bearing liabilities are determined on a monthly average basis for the corresponding year.

(2) Calculated taking into account average interest-bearing liabilities determined on a monthly average basis.

The following table sets forth the effects of the changes in average volume of interest-bearing liabilities and average nominal interest rates on our interest expense during the years ended December 31, 2021 and 2022:

	Year Ended December 31, 2021/2022
	(in millions of Ch$)
Due to changes in average volume of interest-bearing liabilities	452,969
Due to changes in average nominal interest rate	953,252
Net change	**1,406,221**

Our interest expense increased 211.6% for the year ended December 31, 2022, from Ch$664,656 million for the year ended December 31, 2021 to Ch$2,070,877 million for the year ended December 31, 2022, primarily due to:

- a 128.0% increase in average nominal rates paid on debt issued in 2022, from 2.5% in the year ended December 31, 2021 to 5.7% in the year ended December 31, 2022. The increase in interest rates paid was mainly attributable to a higher financing cost for local debt in Chile, due to an increase in market rates;

- a 43.5% increase in other interest-bearing liabilities, from Ch$22,089,005 million for the year ended December 31, 2021 to Ch$31,706,937 million for the year ended December 31, 2022; and

- a 41.1% increase in volume of term deposits, from Ch$10,101,095 million for the year ended December 31, 2021 to Ch$14,253,848 million for the year ended December 31, 2022. This increase was primarily driven by our strategy on lengthening the maturities of terms deposits with institutional clients and increasing our deposits from retail customers.

Of our Ch$1,406,221 million increase in interest expense for the year ended December 31, 2022 compared to 2021, an increase of Ch$106,105 million was attributable to an increase in the interest expense of CNB of 321.5% compared to December 31, 2021, from Ch$33,005 million as of the year ended December 31, 2021 to Ch$139,110 million as of the year ended December 31, 2022.

Net Fee Income

The following table sets forth information with respect to our net fee income for the years ended December 31, 2021 and 2022:

	Year ended December 31,		
	2021	2022	2021/2022
	(in millions of Ch$)		% Change
Fee income	483,505	508,328	5.1%
Fee expense	(127,875)	(141,417)	10.6%
Net fee income	**355,630**	**366,911**	**3.2%**

Our net fee income increased Ch$11,281 million, or 3.2%, in the year ended December 31, 2022, from Ch$355,630 million in the year ended December 31, 2021 to Ch$366,911 million in the year ended December 31, 2022, primarily as a result of a 5.1% increase in fee income, partially offset by a 10.6% increase in fee expenses.

The increase in fee income was primarily attributable to increases in commissions for collections and payments, and fees for card services.

The increase in fee expenses was primarily attributable to increases in fees for securities trading, and expenses for obligations of loyalty programs and merits for card customers.

Net fee income represented 13.6% of our total operating income for the year ended December 31, 2022, compared to 16.5% in the year ended December 31, 2021.

Fee Income

The following table sets forth the principal components of our fee income for the years ended December 31, 2021 and 2022:

	Year ended December 31,		
	2021	2022	2021/2022
	(in millions of Ch$)		% Change
Loan prepayment fees	9,108	4,508	(50.5)%
Fees for lines of credit and checking account overdrafts	29,613	35,003	18.2%
Fees for card services	99,309	112,827	13.6%
Account management fees	52,810	60,022	13.7%
Fees for collections and payments	66,245	82,067	23.9%
Fees for securities brokerage and management (Stock Brokers and/or Securities Agency)	8,012	7,313	(8.7)%
Fees for administration of mutual funds, investment funds or other	58,802	59,463	1.1%
Fees for brokerage and insurance advisory services	60,296	58,652	(2.7)%
Fees for factoring services	4,933	5,277	7.0%
Fees for securitizations	99	159	60.6%
Fees for financial advisory services	16,428	11,095	(32.5%)
Other fees earned	77,850	71,942	(7.6)%
Total fee income	**483,505**	**508,328**	**5.1%**

Our fee income increased 5.1% for the year ended December 31, 2022, from Ch$483,505 million for the year ended December 31, 2021 to Ch$508,328 million for the year ended December 31, 2022, primarily as a result of:

- a 23.9% increase in fees for collections and payments from Ch$66,245 million for the year ended December 31, 2021 to Ch$82,067 million for the year ended December 31, 2022; and

- a 13.6% increase in fees for card services from Ch$99,309 million for the year ended December 31, 2021 to Ch$112,827 million for the year ended December 31, 2022, explained mainly due to higher commissions for credit card holders.

In addition, from the Ch$24,823 million total increase in fee income in the year ended December 31, 2022, CNB had an increase of Ch$4,799 million, which was mainly attributable to an increase in account management fees.

Fee Expenses

The following table sets forth the principal components of our fee expenses for the years ended December 31, 2021 and 2022:

	Year ended December 31,		
	2021	2022	2021/2022
	(in millions of Ch$)		% Change
Fee for card operation	(46,184)	(42,709)	(7.5)%
Expenses for obligations of loyalty programs and merits for card customers	(20,744)	(27,039)	30.3%
Fees for securities trading	(33,610)	(42,072)	25.2%
Other commissions for services received	(27,337)	(29,597)	8.3%
Total fee expenses	**(127,875)**	**(141,417)**	**10.6%**

Our fee expenses increased 10.6% for the year ended December 31, 2022, from Ch$127,875 million for the year ended December 31, 2021 to Ch$141,417 million for the year ended December 31, 2022, primarily as a result of:

- a 25.2% increase in fees for securities trading, from Ch$33,610 million in the year ended December 31, 2021 to Ch$42,072 million in the year ended December 31, 2022; and

- a 30.3% increase in expenses for obligations of loyalty programs and merit for card customers, from Ch$20,744 million in the year ended December 31, 2021 to Ch$27,039 million in the year ended December 31, 2022.

In the year ended December 31, 2022, CNB had an increase of Ch$1,559 million in fee expenses, which was mainly attributable to an increase in fee for card operation and fees for securities trading.

Net Finance Income (Expense)

The following table sets forth information with respect to our net finance income for the years ended December 31, 2021 and 2022:

	Year ended December 31,		
	2021	2022	2021/2022
	(in millions of Ch$)		% Change
Financial assets held for trading at fair value through profit or loss:			
Financial derivative contracts	135,118	37,067	(72.6)%
Debt financial instruments	39,741	64,736	62.9%
Other financial instruments	(790)	3,655	n.m.
Equity instruments	(46,922)	(81,421)	(73.5)%
Loans granted and received by the entity	(497)	(296)	40.4%
Other	9,159	33	(99.6)%
Subtotal	135,809	23,774	(82.5)%
Non-trading financial assets mandatorily measured at fair value through profit or loss:			
Other financial instruments	-	(24,090)	(100.0)%
Subtotal	-	(24,090)	(100.0)%
Financial income (expense) on derecognition of financial assets and liabilities at amortized cost and financial assets at fair value through other comprehensive income:			
Financial assets at amortized cost	-	8,399	100.0%
Subtotal	-	8,399	100.0%
Foreign currency changes, inflation-indexation and hedge accounting:			
Gain (loss) from foreign currency translation	(410,930)	43,278	110.5%.
Financial assets at fair value through other comprehensive income	3,967	(5,653)	(242.5)%

	Year ended December 31,		
	2021	2022	2021/2022
	(in millions of Ch$)		% Change
Other assets	25,952	(1,862)	(107.2)%
Net income (expense) from derivatives in foreign currency risk hedges	295,539	(91,898)	(131.1)%
Subtotal	(85,472)	(56,135)	34.3%
Net Finance Income (Expense)	**50,337**	**(48,052)**	**(195.5)%**

"n.m." means not meaningful.

Net finance income decreased 195.5% in 2022 compared to 2021, from Ch$50,337 million in 2021 to Ch$(48,052) million in 2022. This decrease was primarily attributable to a Ch112,035 million decrease in financial assets held for trading at fair value through profit or loss, which is explained mainly by the decrease of 72.6% in financial derivative contracts and a 73.5% decrease in equity instruments.

Other Operating Income

The following table sets forth the components of our other operating income for the years ended December 31, 2021 and 2022:

	Year ended December 31,		
	2021	2022	2021/2022
	(in millions of nominal Ch$)		% Change
Payments from insurance companies for claims other than operational risk related events	-	23	100.0%
Income from card brands issued (Visa, MC, etc)	-	10,190	100.0%
Income from expense recovery	5,773	4,432	(23.2)%
Other income	30,986	38,761	25.1%
Total	**36,759**	**53,406**	**45.3%**

Our other operating income increased 45.3% in the year ended December 31, 2022, from Ch$36,759 million in the year ended December 31, 2021 to Ch$53,406 million in the year ended December 31, 2022, primarily due to:

a 100.0% increase in income from card brands issued, from Ch$0 million in 2021 to Ch$10,190 million in 2022 due to the reclassification of this income from fee income to income from card brands and the increase in our marketing activities for Visa and Mastercard; and

- a 25.1% increase in other income, from Ch$30,986 million in 2021 to Ch$38,761 million in 2022.

Credit Loss Expense

Chilean banks are required to maintain allowances to cover possible credit losses in an amount at least equal to their loans to customers multiplied by their risk index. The allowances for loan losses as a percentage of total loans are derived from our classification of our portfolio according to objective criteria relating to the performance of the loans and in accordance with the regulations of the CMF (former SBIF). The amount of provision charged to income in any period consists of adjustments to the loan loss reserve including direct write-offs against income (equal to the portion of loans written off that is not covered by a reserve at the time of write-off).

The following table sets forth information for our allowances for loan losses and their principal components, provision for loan losses and write-offs, for the years ended December 31, 2021 and 2022:

	Year ended December 31,		
	2021	2022	2021/2022
	(in millions of Ch$)		% Change
Credit loss expense:			
Allowances for loan losses at beginning of period	(788,716)	(750,712)	(4.8)%
Change in measurement without portfolio reclassification during the period	(36,434)	(41,925)	15.1%

	Year ended December 31,		
	2021	2022	2021/2022
	(in millions of Ch$)		% Change
Change in measurement due to portfolio reclassification from the beginning to the end of the period portfolio from (-) to (+):	(4,536)	(136,061)	n.m.
New loans originated	(148,854)	(157,683)	5.9%
New loans for conversion of contingent to loans	(37,695)	(51,225)	35.9%
Sale or transfer of loans	2	3,736	n.m.
Loan repayment	160,501	111,770	(30.4)%
Application of provisions for write-offs	108,085	134,720	24.6%
Recovery of written-off credits	(415)	(2,034)	390.1%
Translation differences	(3,638)	12,251	436.8%
Other changes in provisions (if applicable)	988	-	(100.0)%
Allowances for loan losses at end of the period	**(750,712)**	**(877,163)**	**16.8%**
Other asset quality data:			
Total loans and receivables from customers	41,359,091	46,176,295	11.6%
Consolidated risk index (%)[1]	1.82%	1.90%	4.4%
Additional allowances for loan losses	350,143	415,022	18.5%
Allowances for loan losses including contingency allowances	1,100,855	1,292,185	17.4%
Allowances for loan losses (including contingency allowances) as a percentage of total loans	2.66%	2.80%	5.3%

"n.m." means not meaningful.

(1) The risk index of our loan portfolio is calculated as allowances for loan losses as a percentage of total loans.

Our allowances for loan losses including contingency allowances increased 17.4% as of December 31, 2022, from Ch$1,100,855 million as of the December 31, 2021 to Ch$1,292,185 million as of December 31, 2022, an increase that was relatively high compared to the 11.6% increase in total loans and receivables from customers in 2022 compared to 2021.

Our additional allowances for loan losses increased 18.5% as of December 31, 2022, from Ch$350,143 million as of December 31, 2021 to Ch$415,022 million as of December 31, 2022, primarily due to the deterioration in existing and projected macroeconomic conditions.

CNB's allowances for loan losses increased Ch$34,221 million in 2022, mainly due to the effects of an increase in the commercial portfolio loans. Our CNB additional voluntary provisions increased Ch$8,618 million as of December 31, 2022, from a net release of additional provisions of Ch$23,889 million as of December 31, 2021, to a net release of additional provisions of Ch$15,271 million as of December 31, 2022.

As a result, our allowance for loan losses as a percentage of total loans, increased from 2.66% in 2021 to 2.80% in 2022.

Operating Expenses

The following table sets forth the principal components of our operating expenses for the years ended December 31, 2021 and 2022:

	Year ended December 31,		
	2021	2022	2021/2022
	(in millions of Ch$)		Change
Expenses for employee benefit obligations	(540,053)	(638,989)	18.3%
Administrative expenses	(333,896)	(422,520)	26.5%
Depreciation and amortization	(106,931)	(113,643)	6.3%
Impairment of non-financial assets	(23)	(21,009)	n.m.
Other operating expenses	(53,000)	(96,153)	81.4%
Total operating expenses	**(1,033,903)**	**(1,292,314)**	**25.0%**
Efficiency ratio[1]	47.9%	47.9%	—

"n.m." means not meaningful.

(1) Operating expenses as a percentage of operating income.

Our total operating expenses increased 25.0% in the year ended December 31, 2022, from Ch$1,033,903 million for the year ended December 31, 2021 to Ch$1,292,314 million for the year ended December 31, 2022, primarily as a result of:

- a 18.3% increase in expenses for employee benefit obligations in 2022, mainly due to a Ch$58,313 million increase in remuneration and a Ch$29,909 million increase in incentives (performance bonuses); and

- a 26.5% increase in administrative expenses in 2022, mainly due to a Ch$47,167 million increase in outsourced services and a Ch$29,581 million increase in general administrative expenses.

As of December 31, 2022, our efficiency ratio (operating expenses as a percentage of net operating income) remained at 47.9%, the same level of the previous year.

Income Tax

Law No. 20,780, enacted and published in the Official Gazette of Chile in September 2014, as amended by Law No. 20,899, introduced certain amendments to Chilean income tax law that impact the calculation of our income tax. Article 14 of the Income Tax Law (Law Decree No. 824), as amended by Law No. 20,780 and Law No. 20,899, established two alternative systems of taxation for taxpayers obliged to declare their actual income determined under full accounting records: the Attributed System and the Partially Integrated System. Law No. 21,210 of 2020 eliminated the Attributed System and established the Partially Integrated System as the general regime for large companies. See "Risk Factors—Risks Relating to Chile—Changes in Chilean tax laws may increase our tax burden and adversely affect our profitability" for a description of such taxation systems. Since Bci is a stock corporation *(sociedad anónima),* we are subject to the general regime for large companies.

The following table sets forth our Profit from continuing operations before tax and effective income tax rate for the years ended December 31, 2021 and 2022:

	Year ended December 31,		
	2021	**2022**	**2021/2022**
	(in millions of Ch$)		**% Change**
Profit from continuing operations before tax	722,030	911,903	26.3%
Income tax expense	(201,484)	(90,879)	(54.9)%
Effective income tax rate[2]	27.9%	10%	(64.2)%

(1) Effective income tax rate is equal to income tax expense divided by income before income tax.

The 54.9% or Ch$110,605 million decrease in income tax expense, from Ch$201,484 million in 2021 to Ch$90,879 million in 2022, was primarily attributable to (i) an increase in the income tax derived from the monetary correction of the bank tax capital from a rate of 6.7% in 2021 to 13.3% in 2022, and (ii) a decrease in income tax expense derived from the tax effects generated by the obligation to apply monetary correction to foreign investments (under which tax law the investment in CNB falls).

Consolidated Profit for the Year Ended

As a result of the foregoing factors, our consolidated profit for the year ended increased 57.7% for the year ended December 31, 2022, from Ch$520,546 million for the year ended December 31, 2021 to Ch$821,024 million for the year ended December 31, 2022.

Liquidity and Capital Resources

Sources of Liquidity

Our liquidity depends upon our capital, reserves and financial investments, including investments in government securities. To cover any liquidity shortfalls and to augment our liquidity position, we have established lines of credit with foreign and domestic banks and we also have access to Central Bank of Chile borrowings.

The following table sets forth our financial obligations by time remaining to maturity. On December 31, 2023, the scheduled maturities of our financial obligations on an accrued basis, were as follows:

	As of December 31, 2023			
	Up to 1 year	1 to 5 years	Over 5 years	Total
	(in millions of Ch$)			
Transactions in course of payment	429,959	-	-	**429,959**
Financial liabilities held for trading at fair value through profit or loss	2,751,349	2,012,074	862,058	**5,625,481**
Financial derivative contracts for accounting hedge	668,415	1,095,447	771,979	**2,535,841**
Financial liabilities at amortized cost	52,286,066	4,746,911	2,904,522	**59,937,499**
Lease liabilities	18,004	100,909	10,436	**129,349**
Issued regulatory capital financial instruments	30,368	110,686	1,410,237	**1,551,291**
Total	**56,184,161**	**8,066,027**	**5,959,232**	**70,209,420**

Capital and Reserves

We currently have regulatory capital in excess of the minimum requirement under the current Chilean regulations. In October 2023, we completed a rights offering to subscribe common shares of Bci in reliance upon Rule 801 and Regulation S under the Securities Act, and a private placement of unsubscribed common shares in reliance upon Section 4(a)(2) of the Securities Act and Regulation S under the Securities Act. Approximately 94.70% of the shareholders of Bci exercised their subscription rights in the rights offering and Bci raised approximately Ch$617,457.2 million in the transaction.

According to the General Banking Law, a bank must have regulatory capital of at least 8.0% of its risk-weighted assets, net of required loan loss allowances, and total equity of equity holders of the Bank (the basic capital) of at least 3.0% of its total assets, net of required loan loss allowances. For these purposes, the regulatory capital of a bank is the sum of (1) the bank's basic capital, (2) perpetual bonds and preferred shares referred to in Article 55 bis of the General Banking Law, (3) subordinated bonds issued by the bank valued at their placement price for an amount up to 50% of its basic capital; provided that the value of the bonds shall decrease by 20% for each year that elapses during the period commencing six years prior to their maturity, and (4) its contingency allowances for loan losses, for an amount of up to 1.25% of its risk-weighted assets. When calculating risk-weighted assets, we also include off-balance sheet contingent loans. For purposes of weighing the risk of a bank's assets, the General Banking Law considers five different categories of assets, based on the nature of the issuer, the availability of funds, and the nature of the assets and the existence of collateral securing such assets.

The CMF, following the mandate set forth in Law 21,130 that amended the General Banking Act, has adopted certain recommendations of Basel III, and has issued guidelines to adopt all Basel III recommendations. Since December 2021, the new regulation for the adoption of Basel III began to apply gradually. The implementation of the Basel standards came into effect on December 1, 2020, and is subject to a transition period of 5 years, thus the total implementation of the requirements is expected to be completed in December 2025. For more information, see "Regulation and Supervision—Banking Legislation."

The following table sets forth our regulatory capital at the dates indicated. See Note 48.a to our audited consolidated financial statements appearing elsewhere in this Prospectus for a description of the minimum capital requirements.

	As of December 31,		
	2021	2022	2023
	(in millions of Ch$, except percentages)		
Total assets for regulatory purposes	67,882,311	76,547,366	78,294,555
Risk-weighted assets	43,289,785	48,592,636	52,063,516
Common equity tier 1 capital (CET1)	4,324,894	4,621,567	5,908,735
Additional tier 1 capital	432,898	242,963	-
Capital level 1	4,757,792	4,808,407	5,768,360
Tier 2 capital	1,089,687	1,486,300	1,739,948
Effective equity	5,847,479	6,294,707	7,508,308
Leverage indicator	6.37%	5.96%	7.37%
Common equity tier 1 capital indicator	9.99%	9.40%	11.08%
Level 1 capital indicator	10.99%	9.90%	11.08%

We must calculate the credit risk involved on all derivatives contracted over-the-counter with a net asset position and this is included as a risk-weighted asset. Since April 2009, if we have a net liability in a derivative position and if this derivative, under certain stress and volatility measures, becomes a net asset position, then we must also include this derivative as a risk-weighted asset.

Liquidity Management

Liquidity management seeks to ensure that, even under adverse conditions, we have access to the funds necessary to cover client needs, maturing liabilities and capital requirements. Liquidity risk arises in the general funding for our financing, trading and investment activities. It includes the risk of unexpected increases in the cost of funding the portfolio of assets at appropriate maturities and rates, the risk of being unable to liquidate a position in a timely manner at a reasonable price and the risk that we will be required to repay liabilities earlier than anticipated.

Our general policy is to maintain liquidity adequate to ensure our ability to honor withdrawals of deposits, make repayments of other liabilities at maturity, extend loans and meet our own working capital needs. Our minimum amount of liquidity is determined by the statutory reserve requirements of the Central Bank of Chile. Deposits are subject to a statutory reserve requirement of 9.0% for demand deposits and 3.6% for Chilean peso, UF-denominated and foreign currency-denominated term deposits with a term of less than a year. See "Regulation and Supervision—The Banking System—Reserve Requirements." The Central Bank of Chile has statutory authority to increase these percentages to up to 40.0% for demand deposits and up to 20.0% for term deposits. In addition, a 100% special reserve (*reserva técnica*) applies to demand deposits, deposits in checking accounts, other demand deposits received or obligations payable on sight and incurred in the ordinary course of business, other than deposits unconditionally payable immediately or within a term of less than 30 days and other term deposits payable within 10 days. This special reserve requirement applies to the amount by which the total of such deposits exceeds 2.5 times the amount of a bank's regulatory capital. Loans and receivables to banks are deemed to have a maturity of more than 30 days, even if payable within the following 10 days.

The Central Bank of Chile also requires us to comply with the following liquidity limits:

- Our total liabilities with maturities of less than 30 days cannot exceed our total assets with maturities of less than 30 days by an amount greater than our capital. This limit must be calculated in local currency and foreign currencies together as one measurement.

- Our total liabilities with maturities of less than 90 days cannot exceed our total assets with maturities of less than 90 days by more than twice of our capital. This limit must be calculated in local currency and foreign currencies together as one measurement.

We have set other liquidity limits and ratios that help manage liquidity risk. See "Quantitative and Qualitative Disclosures About Market Risk."

Cash Flow Information

No legal or economic restrictions exist on the ability of subsidiaries to transfer funds to us in the form of loans or cash dividends as long as these subsidiaries abide by the regulations of the Chilean Corporations Law (*Ley de Sociedades Anónimas*) regarding loans to related parties and minimum dividend payments. U.S. federal banking law imposes restrictions on Bci and certain of its affiliates from borrowing from CNB, unless certain requirements are satisfied. U.S. federal banking law also imposes limitations on the payment of dividends by CNB. In addition to dividend restrictions set forth in statutes and regulations, the OCC may prohibit or limit the payment of dividends by CNB if, in the OCC's opinion, payment of a dividend would constitute an unsafe or unsound practice. See the consolidated statements of cash flows in our audited consolidated financial statements for a detailed breakdown of our cash flow.

Year ended December 31, 2022 and 2023

Cash flows generated by operating activities decreased in 2023, from Ch$1,374,876 million in 2022 to (Ch$3,000,257) million in 2023, mainly due to a decrease in deposits and other term deposits.

Cash flows from (used in) investing activities increased from (Ch$426,917) million in 2022 to Ch$788,472 million in 2023, mainly due to a net increase in other assets and liabilities due to changes in other cash guarantees provided and pending operations on the part of the assets and accounts payable to the General Treasury of the Republic and other fiscal organizations.

Cash flows from (used in) financing activities decreased from (Ch$458,542) million in 2022 to (Ch$260,500) million in 2023, mainly due to the increase in paid-in capital for the issuance of common shares for Ch$617,457 million, offset by a decrease in current bond issuance and redemptions for (Ch$312,758) million.

Year ended December 31, 2021 and 2022

Cash flows generated by operating activities increased in 2022, from Ch$1,005,385 million in 2021 to Ch$1,374,876 million in 2022, mainly due to an increase in deposits and other time deposits.

Cash flows from (used in) investing activities decreased from Ch$44,199 million in 2021 to (Ch$426,917) million in 2022, mainly due to a net decrease in other assets and liabilities primarily due to an increase in monthly provisional payments, which correspond to payments on account of the annual tax payable, and an increase in the deferred tax asset.

Cash flows from (used in) financing activities decreased from Ch$355,556 million in 2021 to (Ch$458,542) million in 2022, mainly due to a decrease of Ch$703,355 million in redemptions and interest payments of current bonds.

Deposits and Other Borrowings

The following tables set forth our average monthly balance of deposits upon which we disburse interest for the years indicated, in each case together with the related average nominal interest rates paid thereon.

	Year Ended December 31,					
	2021		2022		2023	
	Average Balance	Average Nominal Rate	Average Balance	Average Nominal Rate	Average Balance	Average Nominal Rate
Time deposits	10,101,095	0.85%	14,253,848	5.76%	15,302,779	9.98%
Savings accounts	1,932,890	1.85%	2,468,387	3.60%	2,336,704	13.05%
Total	**12,033,985**		**16,722,235**		**17,639,483**	

Our most important source of funding is term deposits. Average term deposits represented 22.7% of our average total liabilities and shareholders' equity as of December 31, 2023. Our current funding strategy is to continue to utilize all sources of funding in accordance with their cost, their availability and our general asset and liability management strategy. Special emphasis is being placed on lengthening the maturities of term deposits with institutional clients and increasing our deposits from retail customers. We also intend to continue to broaden our customer deposit base and to emphasize core deposit funding.

Maturity of Deposits

The following tables set forth information regarding the currency and maturity of our deposits at December 31, 2021, 2022 and 2023. UF-denominated deposits are similar to peso-denominated deposits in all respects, except that the principal is readjusted periodically based on variations in the Chilean consumer price index.

	As of December 31, 2023				
	Ch$	UF	Foreign Currency (other than US$)	US$	Total
	(in millions of Ch$, except percentages)				
Current accounts and demand deposits	8,053,859	88,551	-	15,667,888	23,810,298
Savings accounts	-	63,772	-	-	63,772
Term deposits:					
Maturity within 3 months	6,646,630	302,673	157,988	4,383,580	11,490,871
Maturity after 3 but within 6 months	638,081	177,719	24,312	3,083,957	3,924,069
Maturity after 6 but within 12 months	666,375	224,806	26,444	1,409,200	2,326,825

	As of December 31, 2023				
	Ch$	UF	Foreign Currency (other than US$)	US$	Total
	(in millions of Ch$, except percentages)				
Maturity after 12 months	608	2,853	8,194	621,868	633,523
Total term deposits	**7,951,694**	**708,051**	**216,938**	**9,498,605**	**18,375,288**
Total deposits	**16,005,553**	**860,374**	**216,938**	**25,166,493**	**42,249,358**

	As of December 31, 2022				
	Ch$	UF	Foreign Currency (other than US$)	US$	Total
	(in millions of Ch$, except percentages)				
Current accounts and demand deposits	7,750,959	74,858	-	16,296,348	24,122,165
Savings accounts	-	71,647	-	-	71,647
Term deposits:					
Maturity within 3 months	9,807,557	122,873	7,113	4,133,575	14,071,118
Maturity after 3 but within 6 months	984,163	266,930	29	455,139	1,706,261
Maturity after 6 but within 12 months	1,338,077	354,518	20	484,738	2,177,353
Maturity after 12 months	97,392	92,281	-	27,640	217,313
Total term deposits	**12,227,189**	**836,602**	**7,162**	**5,101,092**	**18,172,045**
Total deposits	**19,978,148**	**983,107**	**7,162**	**21,397,440**	**42,365,857**

	As of December 31, 2021				
	Ch$	UF	Foreign Currency (other than US$)	US$	Total
	(in millions of Ch$, except percentages)				
Current accounts and demand deposits	11,640,462	72,576	42,250	15,898,154	27,653,442
Savings accounts	-	66,960	-	-	66,960
Term deposits:					
Maturity within 3 months	5,775,338	62,191	7,422	2,359,444	8,204,395
Maturity after 3 but within 6 months	468,783	3,930	82	493,496	966,291
Maturity after 6 but within 12 months	739,820	34	-	802,225	1,542,079
Maturity after 12 months	370	509	-	84,544	85,423
Total term deposits	**6,984,311**	**66,664**	**7,504**	**3,739,709**	**10,798,188**
Total deposits	**18,624,773**	**206,200**	**49,754**	**19,637,863**	**38,518,590**

The following tables set forth information regarding the maturity of our outstanding term deposits in excess of US$100,000 at December 31, 2021, 2022 and 2023:

	As of December 31, 2023				
	Ch$	UF	Foreign Currency	US$	Total
	(in millions of Ch$, except percentages)				
Time deposits					
Maturity within 3 months	213,437	1,286	2,251,965	8,372,974	**10,839,662**
Maturity after 3 but within 6 months	146,530	-	383,198	1,262,215	**1,791,943**
Maturity after 6 but within 12 months	211,529	-	73,900	1,073,173	**1,358,602**
Maturity after 12 months	1,891	-	16,351	73,621	**91,863**
Total deposits in excess of US$100,000	**573,387**	**1,286**	**2,725,414**	**10,781,983**	**14,082,070**

	As of December 31, 2022				
	Ch$	UF	Foreign Currency	US$	Total
	(in millions of Ch$, except percentages)				
Time deposits					
Maturity within 3 months	4,429,863	70,358	2,246	4,025,144	8,527,611
Maturity after 3 but within 6 months	883,398	203,985	-	451,396	1,538,779
Maturity after 6 but within 12 months	1,307,052	314,596	-	483,600	2,105,248
Maturity after 12 months	100,185	91,828	-	27,470	219,483
Total deposits in excess of US$100,000	**6,720,498**	**680,767**	**2,246**	**4,987,610**	**12,391,121**

	As of December 31, 2021				
	Ch$	UF	Foreign Currency	US$	Total
	(in millions of Ch$, except percentages)				
Time deposits					
Maturity within 3 months	4,586,655	162	2	940,627	5,527,446
Maturity after 3 but within 6 months	36,479	-	-	42,383	78,862
Maturity after 6 but within 12 months	94,700	-	-	112,666	207,366
Maturity after 12 months	-	-	-	1,252	1,252
Total deposits in excess of US$100,000	**4,717,834**	**162**	**2**	**1,096,928**	**5,814,926**

Total borrowings

Our long-term and short-term borrowings are summarized below. Borrowings are generally classified as short-term when they have original maturities of less than one year or are due on demand. All other borrowings are classified as long-term, as long as their remaining maturity is longer than one year; otherwise, they are considered short-term borrowing. The following table sets forth, at the dates indicated, the components of our borrowings.

	As of December 31, 2023		
	Long-term	Short-term	Total
	(in millions of Ch$)		
Other liabilities to Central Bank of Chile	-	4,575,128	4,575,128
Credit loans for renegotiation of loans	-	-	-
Loans received from foreign financial institutions	321,779	1,866,365	2,188,144
Loans received from domestic financial institutions	362,713	-	362,713
Subtotal	**684,492**	**6,441,493**	**7,125,985**
Liabilities under agreements to repurchase	131,356	575,267	706,623
Subtotal	**131,356**	**575,267**	**706,623**
Mortgage finance bonds	209	486	695
Subordinated bonds	1,523,058	28,233	1,551,291
Ordinary bonds	6,638,558	1,473,257	8,111,815
Subtotal	**8,161,825**	**1,501,976**	**9,663,801**
Other financial liabilities	1,540	1,738,272	1,739,812
Subtotal	**1,540**	**1,738,272**	**1,739,812**

	As of December 31, 2022		
	Long-term	Short-term	Total
	(in millions of Ch$)		
Other liabilities to Central Bank of Chile	4,515,654	-	4,515,654
Credit loans for renegotiation of loans	-	-	-
Loans received from foreign financial institutions	703,075	1,033,723	1,736,799
Loans received from domestic financial institutions	408,618	-	408,618
Subtotal	5,627,348	1,033,723	6,661,071
Liabilities under agreements to repurchase	128,477	256,406	384,883

Subtotal	128,477	256,406	384,883
Mortgage finance bonds	864	936	1,800
Subordinated bonds	1,472,190	27,110	1,499,299
Ordinary bonds	7,055,165	1,050,295	8,105,460
Subtotal	8,528,219	1,078,341	9,606,559
Other financial liabilities	1,556	2,237,544	2,239,100
Subtotal	1,556	2,237,544	2,239,100

	As of December 31, 2021		
	Long-term	**Short-term**	**Total**
		(in millions of Ch$)	
Other liabilities to Central Bank of Chile	3,786,458	754,944	4,541,402
Credit loans for renegotiation of loans	-	-	-
Loans received from foreign financial institutions	1,117,271	895,437	2,012,708
Loans received from domestic financial institutions	256,709	160,018	416,727
Subtotal	**5,160,438**	**1,810,399**	**6,970,837**
Liabilities under agreements to repurchase	3,648	137,530	141,178
Subtotal	**3,648**	**137,530**	**141,178**
Mortgage finance bonds	1,971	1,916	3,887
Subordinated bonds	1,315,186	17,750	1,332,936
Ordinary bonds	6,362,989	1,061,319	7,424,309
Subtotal	**7,680,146**	**1,080,985**	**8,761,131**
Other financial liabilities	953,592	74,386	1,027,978
Subtotal	**953,592**	**74,386**	**1,027,978**

Central Bank of Chile borrowings

The maturities of the outstanding amounts due under these Central Bank of Chile borrowings are as follows:

	As of December 31,		
	2021	**2022**	**2023**
		(in millions of Ch$)	
Due within 1 year	754,944	-	4,575,128
Due after 1 year but within 2 years	-	4,515,654	-
Due after 2 years but within 3 years	3,786,458	-	-
Due after 3 years but within 4 years	-	-	-
Due after 4 years but within 5 years	-	-	-
Due after 5 years	-	-	-
Total other liabilities to Central Bank of Chile	**4,541,402**	**4,515,654**	**4,575,128**

Liabilities under agreements to repurchase

The maturities of the outstanding amounts due under these obligations under agreements to repurchase are as follows:

	As of December 31,		
	2021	**2022**	**2023**
		(in millions of Ch$)	
Due within 1 year	141,178	384,883	706,623
Due after 1 year but within 2 years	-	-	-
Due after 2 years but within 3 years	-	-	-
Due after 3 years but within 4 years	-	-	-
Due after 4 years but within 5 years	-	-	-
Due after 5 years	-	-	-
Total liabilities under agreements to repurchase	**141,178**	**384,883**	**706,623**

Mortgage finance bonds

These bonds were used to finance the granting of mortgage loans. The outstanding principal amounts of the bonds are amortized on a quarterly basis. The range of maturities of these bonds is between five and twenty years. The bonds are linked to the UF index and in 2023 bore a real weighted-average annual interest rate of 7.4%. The following table sets forth the remaining maturities of our mortgage finance bonds at the dates indicated.

	As of December 31,		
	2021	2022	2023
		(in millions of Ch$)	
Due within 1 year	1,915	936	486
Due after 1 year but within 2 years	1,143	650	169
Due after 2 years but within 3 years	560	180	33
Due after 3 years but within 4 years	214	25	6
Due after 4 years but within 5 years	49	8	1
Due after 5 years	6	1	-
Total mortgage finance bonds	**3,887**	**1,800**	**695**

Bonds

The following table sets forth, at the dates indicated, our outstanding bonds. The bonds are denominated principally in UF and are principally used to fund our general activities. The UF-denominated bonds bore an annual average interest rate of 1.7%, 1.9% and 2.04% as of the respective dates indicated.

	As of December 31,		
	2021	2022	2023
		(in millions of Ch$)	
Bonds denominated in UF	4,394,364	4,962,979	4,884,999
Bonds denominated in CLP and in foreign currencies	3,029,945	3,142,481	3,226,816

The maturities of these bonds are as follows:

	As of December 31,		
	2021	2022	2023
		(in millions of Ch$)	
Due within 1 year	1,061,319	1,050,295	1,473,257
Due after 1 year but within 2 years	969,307	1,352,892	767,399
Due after 2 years but within 3 years	1,273,004	721,402	852,863
Due after 3 years but within 4 years	490,056	703,773	1,211,567
Due after 4 years but within 5 years	587,261	1,192,348	984,950
Due after 5 years	3,043,361	3,084,750	2,821,779
Total ordinary bonds	**7,424,308**	**8,105,460**	**8,111,815**

The following table sets forth, at the dates indicated, our outstanding subordinated bonds. The bonds are denominated principally in UF and are principally used to fund our general activities and are considered in our regulatory capital. The UF-denominated subordinated bonds bore an annual average interest rate of 4.4%, 4.4% and 4.4% as of December 31, 2021, 2022 and 2023, respectively.

	As of December 31,		
	2021	2022	2023
		(in millions of Ch$)	
Subordinated bonds denominated in UF	1,332,936	1,499,299	1,551,291

The maturities of these bonds are as follows:

	As of December 31,		
	2021	2022	2023
		(in millions of Ch$)	
Due within 1 year	17,750	27,110	28,233

	As of December 31,		
	2021	2022	2023
		(in millions of Ch$)	
Due after 1 year but within 2 years	23,781	26,793	27,216
Due after 2 years but within 3 years	23,503	25,828	27,913
Due after 3 years but within 4 years	22,657	26,490	25,809
Due after 4 years but within 5 years	23,237	24,492	21,966
Due after 5 years	1,222,008	1,368,586	1,420,154
Total subordinated bonds	**1,332,936**	**1,499,299**	**1,551,291**

Borrowings from domestic institutions

The following table sets forth, at the dates indicated, our borrowings from domestic institutions. These borrowings are denominated principally in UF, are all due within one year of the date hereof and are principally used to fund our general activities. The UF-denominated borrowings bore an annual average interest rate of 3.7%, 5.6% and 3.0% at December 31, 2021, 2022 and 2023, respectively. The maturities of these borrowings are as follows.

	As of December 31,		
	2021	2022	2023
		(in millions of Ch$)	
Due within 1 year	416,727	408,618	362,713
Due after 1 year but within 2 years	–	–	–
Due after 2 years but within 3 years	–	–	–
Due after 3 years but within 4 years	–	–	–
Due after 4 years but within 5 years	–	–	–
Due after 5 years	–	–	–
Total loans received from domestic financial institutions	**416,727**	**408,618**	**362,713**

Borrowings from foreign institutions

These are short-term and long-term borrowings from foreign banks used to fund our foreign trade business. The maturities of these borrowings are as follows.

	As of December 31,		
	2021	2022	2023
		(in millions of Ch$)	
Due within 1 year	895,829	1,042,446	1,874,259
Due after 1 year but within 2 years	397,721	694,353	–
Due after 2 years but within 3 years	719,158	–	313,884
Due after 3 years but within 4 years	–	–	–
Due after 4 years but within 5 years	–	–	–
Due after 5 years	–	–	–
Total loans received from foreign financial institutions	**2,012,708**	**1,736,799**	**2,188,144**

The foreign borrowings are denominated principally in U.S. dollars, are principally used to fund our foreign trade loans, and bore an annual average nominal interest rate of 2.6%, 2.7% and 2.7% at December 31, 2021, 2022 and 2023, respectively.

Commercial paper program

On August 3, 2012, we established a U.S. commercial paper program for up to an aggregate maximum amount of US$2,000,000,000. As of December 31, 2023, the outstanding balance of the issued notes under this program was US$1,031,632,000.

International bond offerings

The following are our international bond offerings as of December 31, 2023. Outstanding balances referred to below include principal plus accrued interest.

On September 23, 2016, we issued notes under the Program in an aggregate principal amount of EUR20,000,000. As of December 31, 2023, the outstanding balance of the issued notes was EUR20,020,592.

On October 12, 2017, we issued notes under the Program in an aggregate principal amount of US$500,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$499,278,365.

On November 15, 2017, we issued notes under the Program in an aggregate principal amount of AUD$80,000,000. As of December 31, 2023, the outstanding balance of the issued notes was AUD$80,019,874.

On June 1, 2018, we issued notes under the Program in an aggregate principal amount of JPY5,000,000,000. As of December 31, 2023, the outstanding balance of the issued notes was JPY4,972,098,872.

On July 25, 2018, we issued notes under the Program in an aggregate principal amount of AUD$40,000,000. As of December 31, 2023, the outstanding balance of the issued notes was AUD$40,536,458.

On September 13, 2018, we issued notes under the Program in an aggregate principal amount of US$50,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$50,559,500.

On September 14, 2018, we issued notes under the Program in an aggregate principal amount of AUD$60,000,000. As of December 31, 2023, the outstanding balance of the issued notes was AUD$60,363,164.

On October 4, 2018, we issued notes under the Program in an aggregate principal amount of US$100,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$100,925,950.

On October 19, 2018, we issued notes under the Program in an aggregate principal amount of US$45,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$45,339,121.

On October 24, 2018, we issued notes under the Program in an aggregate principal amount of AUD$40,000,000. As of December 31, 2023, the outstanding balance of the issued notes was AUD$39,796,505.

On April 23, 2019, we issued notes under the Program in an aggregate principal amount of US$10,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$10,118,950.

On May 22, 2019, we issued notes under the Program in an aggregate principal amount of CHF175,000,000. As of December 31, 2023, the outstanding balance of the issued notes was CHF174,903,968.

On June 14, 2019, we issued notes under the Program in an aggregate principal amount of US$50,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$49,810,145.

On July 10, 2019, we issued notes under the Program in an aggregate principal amount of US$50,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$50,488,456.

On August 28, 2019, we issued notes under the Program in an aggregate principal amount of US$10,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$10,048,850.

On September 24, 2019, we issued notes under the Program in an aggregate principal amount of CHF100,000,000. As of December 31, 2023, the outstanding balance of the issued notes was CHF99,496,038.

On October 29, 2019, we issued notes under the Program in an aggregate principal amount of CHF105,000,000. As of December 31, 2023, the outstanding balance of the issued notes was CHF104,662,400.

On December 2, 2019, we issued notes under the Program in an aggregate principal amount of US$20,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$20,036,184.

On December 2, 2019, we issued notes under the Program in an aggregate principal amount of AUD$30,000,000. As of December 31, 2023, the outstanding balance of the issued notes was AUD$29,930,750.

On March 18, 2020, we issued notes under the Program in an aggregate principal amount of CHF125,000,000. As of December 31, 2023, the outstanding balance of the issued notes was CHF124,402,763.

On March 17, 2021, we issued notes under the Program in an aggregate principal amount of US$54,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$53,600,611.

On April 27, 2021, we issued notes under the Program in an aggregate principal amount of US$10,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$10,066,971.

On June 23, 2021, we issued notes under the Program in an aggregate principal amount of US$10,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$9,915,331.

On July 15, 2021, we issued notes under the Program in an aggregate principal amount of CHF100,000,000. As of December 31, 2023, the outstanding balance of the issued notes was CHF99,248,109.

On August 18, 2021, we issued notes under the Program in an aggregate principal amount of US$10,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$9,998,229.

On September 16, 2021, we issued notes under the Program in an aggregate principal amount of US$30,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$29,898,779.

On September 21, 2021, we issued notes under the Program in an aggregate principal amount of US$10,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$9,940,721.

On September 24, 2021, we issued notes under the Program in an aggregate principal amount of US$133,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$132,646,790.

On September 27, 2021, we issued notes under the Program in an aggregate principal amount of US$10,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$9,973,130.

On October 14, 2021, we issued notes under the Program in an aggregate principal amount of US$500,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$490,943,009.

On October 19, 2021, we issued notes under the Program in an aggregate principal amount of US$17,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$17,113,870.

On October 27, 2021, we issued notes under the Program in an aggregate principal amount of US$20,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$20,092,714.

On December 1, 2021, we issued notes under the Program in an aggregate principal amount of US$20,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$19,982,275.

On January 7, 2022, we issued notes under the Program in an aggregate principal amount of JPY5,000,000,000. As of December 31, 2023, the outstanding balance of the issued notes was JPY4,969,225,046.

On January 26, 2022, we issued notes under the Program in an aggregate principal amount of CHF200,000,000. As of December 31, 2023, the outstanding balance of the issued notes was CHF199,244,642.

On March 10, 2022, we issued notes under the Program in an aggregate principal amount of US$10,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$9,945,803.

On March 15, 2022, we issued notes under the Program in an aggregate principal amount of US$25,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$24,905,311.

On March 22, 2023, we issued notes under the Program in an aggregate principal amount of CHF135,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$136,417,941.

On August 18, 2023, we issued notes under the Program in an aggregate principal amount of US$35,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$34,959,041.

On September 28, 2023, we issued notes under the Program in an aggregate principal amount of US$10,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$10,007,455.

On December 22, 2023, we issued notes under the Program in an aggregate principal amount of US$15,000,000. As of December 31, 2023, the outstanding balance of the issued notes was US$15,023,213.

On February 8, 2024, we issued perpetual notes under the Program in an aggregate principal amount of US$500,000,000.

On February 15, 2024, we issued notes under the Program in an aggregate principal amount of US$10,000,000.

On February 16, 2024, we issued notes under the Program in an aggregate principal amount of US$10,000,000.

Outstanding balances referred to above include principal plus accrued interest.

Off-Balance Sheet Arrangements and Commitments

We are party to transactions with off-balance sheet risk in the normal course of our business. These transactions expose us to credit risk in addition to amounts recognized in the consolidated financial statements.

Contingent loans and commitments consist of guarantees granted by us in Chilean pesos, UF and foreign currencies (principally U.S. dollars), as well as open and unused letters of credit, among others. The total amount held off-balance sheet as of December 31, 2021, 2022 and 2023 was Ch$21,488,347 million, Ch$20,843,650 million and Ch$22,564,403 million, respectively. Contingent loans are considered in the calculation of risk-weighted assets and capital requirements as well as for provisions for contingent loan requirements.

Other off-balance sheet arrangements include commitments to extend credit such as overdraft protection and credit card lines of credit. Such commitments are agreements to lend to a customer at a future date, subject to the customer compliance with the contractual terms. The aggregate amount of these commitments was Ch$13,203,790 million as of December 31, 2023, which will be financed with our deposit base. Since a substantial portion of these commitments is expected to expire without being drawn upon, the total amount of commitments does not necessarily represent our actual future cash requirements. We use the same credit policies in making commitments to extend credit as we do for granting loans. In the opinion of our management, our outstanding commitments do not represent an unusual credit risk.

From time to time, we enter into agreements to securitize certain assets by selling those assets to unconsolidated and unaffiliated entities, which then sell debt securities secured by those assets. These sales are non-recourse to us. However, in the past, we have occasionally purchased a subordinated bond issued by one of these unconsolidated entities. At December 31, 2023, we did not hold any of these subordinated bonds in our investment portfolio.

Asset and Liability Management

See “Quantitative and Qualitative Disclosures about Market Risk—Asset and Liability Management” regarding our policies with respect to asset and liability management.

Dividends

Under the current General Banking Law, a Chilean bank may only pay a single dividend per year and interim dividends are not permitted. Our annual dividend is proposed by our board of directors and is approved by our shareholders at the annual ordinary shareholders’ meeting held the year following that in which the dividend is generated. For example, our 2022 dividend was proposed and approved during the first four months of 2023. Following shareholder approval, the proposed dividend is declared and paid. Historically, the dividend for a particular year has been declared and paid no later than two months following the shareholders’ meeting. Dividends are paid to shareholders of record on the fifth day preceding the date set for payment of the dividend.

Under the General Banking Law, a bank must distribute cash dividends in respect of any fiscal year in an amount equal to at least 30% of its net income for that year, provided the dividend may not result in the infringement of minimum capital requirements. The balance of our distributable net income is generally retained for use in our business (including for the maintenance of any required legal reserves). Although our board of directors currently intends to pay regular annual dividends, the amount of dividend payments will depend upon, among other factors, our then-current level of earnings, capital and legal reserve requirements, and market conditions, and there can be no assurance as to the amount or timing of future dividends.

The following table presents dividends declared and paid by us in nominal terms in the years indicated:

Year Paid	Outstanding common shares	Dividend (in millions of Ch$)	Per share Ch$/share	% of Earnings[1]
2019	135,892,980	135,893	1,000	34.3%
2020	141,616,409	141,616	1,000	35.2%
2021	148,767,940	104,138	700	32.8%
2022	155,886,505	157,445	1,010	30.3%
2023	168,837,345	253,256	1,500	30.9%

(1) Calculated by dividing dividend paid in the year by net income for the previous year.

Capital Additions

The following table reflects capital additions in the years indicated:

	Year ended December 31,		
	2021	**2022**	**2023**
Land and buildings	193	650	43
Machinery and equipment	15,093	18,352	20,806
Subtotal	**15,286**	**19,002**	**20,849**
Intangible Assets	135,965	71,957	111,373
Total	**151,251**	**90,959**	**132,222**

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

General

This section describes the market risks to which we are exposed in our business activities. Additionally, an explanation is included of the internal tools and regulatory methods used to control these risks, portfolios over which these tools and methods are applied, and quantitative disclosures that demonstrate the level of exposure to financial risk we have assumed.

The principal types of risk inherent in our business are market, liquidity, operational and credit risk. The effectiveness with which we are able to manage the balance between risk and reward is a significant factor in our ability to generate long-term stable earnings growth. Our senior management places great emphasis on risk management.

Market Risk

Market risk is the risk of losses due to unexpected changes in interest rates, inflation, foreign exchange rates and prices in general, including risk premiums associated with credit, counterparty and liquidity risks inherent in different financial instruments.

Our market risk analysis focuses on managing risk exposure relating to (i) the interest rate risk inherent in our fixed income portfolio (comprised of a "trading" portfolio and "an available-for-sale" portfolio), which contains mainly Chilean government bonds, corporate bonds, mortgage finance bonds issued by third parties and interest rate derivatives and U.S. treasury bonds as part of the CNB portfolio; (ii) the interest rate risk relating to asset and liability positions; (iii) liquidity risk; and (iv) our net foreign currency position, which includes all of our assets and liabilities in foreign currencies (mainly U.S. dollars), including derivatives that hedge certain foreign currency mismatches that arise between investments and the funding thereof.

We are exposed to market risk mainly as a result of the following activities:

- trading in financial instruments, which exposes us to interest rate risk and foreign exchange rate risk;
- engaging in banking activities, which subjects us to interest rate risk, since a change in interest rates affecting gross interest income, gross interest expense and customer behavior;
- engaging in banking activities, which exposes us to inflation rate risk, since a variation in the Chilean consumer price index or expected inflation affects gross interest income, gross interest expense and customer behavior;
- trading in the local equity market, which subjects us to potential losses caused by fluctuations of the stock market; and
- investing in assets or funding with liabilities whose returns or accounts are denominated in currencies other than the peso, which subjects us to foreign exchange risk between the peso and such other currencies.

Interest Rate Sensitivity

A key component of our asset and liability risk management policy is the management of interest rate sensitivity. Interest rate sensitivity is the relationship between market interest rates and net interest revenue due to the maturity or reprice characteristics of interest earning assets and interest bearing liabilities. For any given period, the pricing structure is matched when an equal amount of such assets or liabilities mature or reprice in that period. Any mismatch of interest earning assets and interest bearing liabilities is known as a gap position. A positive gap denotes asset sensitivity and normally means that an increase in interest rates would have a positive effect on net interest revenue, while a decrease in interest rates would have a negative effect on net interest revenue.

Our interest rate sensitivity strategy takes into account not only the rates of return and the underlying degree of risk, but also liquidity requirements, including minimum regulatory cash reserves, mandatory liquidity ratios, withdrawal and maturity of deposits, capital costs and additional demand for funds. We monitor our maturity mismatches and positions and we manage them within established limits.

Exchange Rate Sensitivity

Our operating income is affected from fluctuations in the exchange rate of the Chilean peso with foreign currencies, mainly the U.S. dollar, and with the UF, the local inflation-linked unit. Although we may record foreign currency-related gain or losses, our current policy is to attempt to avoid significant impact on our results from fluctuations in the exchange rates between the Chilean peso and the U.S. dollar or any other foreign currency. Chilean banking regulation limits the maximum net foreign currency exposure that a bank is allowed to hold to 20% of its regulatory capital plus reserves. As of December 31, 2023, our net exposure was Ch$517,303 million (US$590 million), or 6.89% of our regulatory capital plus reserves. See “Asset and Liability Management” and “Exchange Controls.”

The rate of devaluation or revaluation of the peso against the U.S. dollar can be expected to have the following principal effects:

- if we maintain a net asset position in U.S. dollars and a devaluation of the peso against the U.S. dollar occurs, we would record a related gain, and if an appreciation of the peso occurs, we would record a related loss;

- if we maintain a net liability position in U.S. dollars and a devaluation of the peso against the dollar occurs, we would record a related loss, and if an appreciation of the peso occurs, we would record a related gain;

- if the inflation rate for a period exceeded the devaluation of the peso against the U.S. dollar during the same period, we would record a related gain if we had a net asset position in UFs that exceeded a net liability position in U.S. dollars, and we would record a related loss if we had a net liability position in U.S. dollars that exceeded a net asset position in UFs. The same effect would occur if there were an appreciation of the peso against the U.S. dollar; and

- if the inflation rate for a period is lower than the rate of devaluation of the peso against the U.S. dollar during the same period, we would record a related gain if we maintained a net asset position in U.S. that exceeds a net liability position in UFs and would record a related loss if we had a net liability position in U.S. dollars that exceeds a net asset position in UFs. The same effect would occur if there were an appreciation of the peso against the U.S. dollar.

Policies

Our asset and liability management policies are developed by our Assets and Liabilities Committee, following guidelines established by our Board of Directors. The Assets and Liabilities Committee includes the Chief Executive Officer, the Chief Financial Officer, the Chief Risk Officer, the Treasurer, and the Heads of Financial Risk Management, Sales and Trading Desks, Control & Planning and Retail and Commercial Banking Divisions. The role of the Assets and Liabilities Committee is to ensure that our treasury and international divisions’ operations are consistently in compliance with our internal risk policies as well as applicable regulatory supervision and limits. The Assets and Liabilities Committee typically meets on a monthly basis. Senior members of our Risk and Treasury departments meet regularly in a Finance and Risk Committee to address specific topics of these areas such as market risk limits or counterparty exposure.

Our Treasury and International divisions manage the banking book and the trading portfolios following the guidelines set by the Assets and Liabilities Committee and the Market Risk and Credit Risk departments. The Market Risk department’s main activities consist of (i) estimating and controlling the price risk of marked to market positions applying value-at-risk and other statistical techniques (as discussed below); (ii) estimating and controlling the interest rate and foreign currency risks of our portfolio; (iii) setting minimum liquidity limits for the treasury asset and liability operations; and (iv) setting the guidelines for the pricing of derivatives instruments and fixed income instruments when prices are not readily available.

Our policy on asset and liability management is to maximize net interest income and return on assets and equity in light of interest rate, liquidity and foreign exchange risks and within the limits of Chilean banking regulation. See “Regulation and Supervision.”

As of December 31, 2023, maturity and currency analysis of our assets and liabilities were as follows:

	As of December 31, 2023				
Assets	1Y	5Y	10Y	10Y+	Total
Ch$	20,371,796	6,087,395	1,706,116	368,166	28,533,473
UF	6,222,867	9,139,790	5,448,386	3,887,694	24,698,737
Foreign currency	6,289,055	2,019,384	1,360,963	198,472	9,867,873
Total	**32,883,718**	**17,246,568**	**8,515,464**	**4,454,331**	**63,100,082**
Liabilities	1Y	5Y	10Y	10Y+	Total
Ch$	23,176,921	2,371,637	1,891,653	1,481,362	28,921,572
UF	4,243,677	6,643,631	4,739,636	2,148,983	17,775,927
Foreign currency	7,944,123	1,762,009	1,067,929	63,097	10,837,158
Total	**35,364,721**	**10,777,276**	**7,699,218**	**3,693,442**	**57,534,657**
Mismatch	1Y	5Y	10Y	10Y+	Total
Ch$	(2,805,125)	3,715,759	(185,537)	(1,113,196)	(388,100)
UF	1,979,190	2,496,159	708,749	1,738,711	6,922,809
Foreign currency	(1,655,068)	257,375	293,034	135,374	(969,285)
Total	**(2,481,003)**	**6,469,292**	**816,246**	**760,890**	**5,565,425**

Regulatory Method to Control Market Risk

On a stand alone basis, we must divide our balance sheet into two separate categories: (i) a trading portfolio (*Libro de Negociación*) and (ii) a stand alone non-trading, or structural, portfolio (*Libro de Banca*). The trading portfolio, as defined by the CMF (former SBIF), includes all instruments valued at market prices, free of any restrictions for their immediate sale, frequently traded by us and kept with the intention to be sold in the short-term in order to profit from short-term price variations. The non-trading portfolio is defined as all instruments in the balance sheet not considered in the trading portfolio.

We must also report the following absolute risk levels:

Trading Portfolio:

- Exposure to interest rate risk: the interest rate risk is calculated using sensitivity analysis to measure potential losses assuming an increase in nominal rate yield curves, real rates and foreign currency rates of 75 to 350 basis points.

- Exposure to foreign currency risk: the foreign currency risk is calculated using sensitivity factors linked to the credit risk rating of the issuing country.

- Market risk exposure of options: options risk is calculated using sensitivity factors called delta, gamma and vega that basically measure the sensitivity of the value of the options to changes in price of the underlying security and its volatility.

Non-trading Portfolio:

- Exposure to short-term interest rate risk: sensitivity analysis that is calculated for assets and liabilities with maturities of less than one year, assuming a 200 basis point parallel shift of the nominal yield curve, a 400 basis point parallel shift for real rates and a 200 basis point parallel shift for foreign interest rates.

- Exposure to inflation risk: sensitivity analysis that is calculated for our net position in assets and liabilities, comprised of UF-denominated instruments, assuming a 200 basis point adverse impact on the related yield curve.

- Exposure to long-term interest rate risk: sensitivity analysis that is calculated for assets and liabilities with maturities over one year, assuming a 200 basis point parallel shift of the nominal yield curve, a 400 basis point parallel shift for real rates and a 200 basis point parallel shift for foreign interest rates.

The CMF (former SBIF) has defined various limits for these risks:

1. Limit on exposure to market risk of our trading portfolio. Our regulatory capital must be greater or equal to the sum of the exposure to market risk multiplied by the minimum capital adequacy ratio defined in the General Banking Law, as shown in the following formula:

$$RC - ((k * RWA) + EMR) \geq 0$$

Where:

RC: Regulatory capital as defined by the General Banking Law.
k: Minimum capital adequacy ratio. We are required to use a 8.0% minimum capital adequacy ratio.
RWA: Consolidated risk-weighted assets as defined by the General Banking Law.
EMR: Exposure to market risk. Our exposure to market risk is equal to the total market risk of our unconsolidated trading portfolio.

2. Limit on exposure to short-term interest rate and inflation risk of our non-trading portfolio. Our exposure to short term interest rate and inflation risk of the non-trading portfolio cannot exceed 25% of our stand alone net interest income plus fees sensitive to interest rate volatility.

3. Limit on exposure to long-term interest rate risk of our non-trading portfolio. Our exposure to long-term interest rate risk of the stand alone non-trading portfolio cannot exceed 20% of our regulatory capital.

The following is a description of the models adopted by local regulators for measuring each component of market risk.

Interest Rate Risk of Trading Portfolio (1)

The interest rate risk of the trading portfolio as defined by the Central Bank of Chile is equal to the sum of:

- Sensitivity analysis of the trading portfolio;
- Vertical adjustment factor; and
- Horizontal adjustment factor.

The sensitivity factor of the trading portfolio is calculated using the following formula:

$$\sum_{m}^{M} \left| \sum_{i-1}^{14} (a_{mt} \times A_{mt} - a_{mt} \times P_{mt}) \right|$$

Where:
Amt = Trading assets (pesos, inflation-linked and foreign currency)
Pmt = Liabilities funding trading positions (pesos, inflation-linked and foreign currency)
amt = Sensitivity factor to increase in interest rate
M = Highest currency value
m = Currency (pesos, inflation-linked and foreign currency)
t = Time period
∑ = Summation
| | = Absolute value

The vertical adjustment factor is calculated as follows:

$$\sum_{m}^{M} \sum_{i-1}^{14} \beta \times Min(a_{mt} \times A_{mt} - a_{mt} \times P_{mt})$$

Where:
ß = Vertical adjustment factor, equal to 10%

Min = Compensated net position

A horizontal adjustment must be made following the vertical adjustment. To determine the horizontal adjustment the horizontal adjustment factor must be multiplied by the compensated net position for Zone 1, Zone 2, Zone 3; Zones 1 and 2; Zones 2 and 3; and Zones 1 through 3.

Horizontal adjustment = Adjusted net position

Compensated net position Zone 1, 2 or 3:............	Min (adjusted net asset position; absolute value of adjusted net liability position in Zone 1, 2 or 3).
Compensated net position Zones 1 and 2:............	Min (adjusted net asset position in Zones 1 and 2, absolute value of adjusted net liability position in Zones 1 and 2).
Compensated net position Zones 2 and 3:............	Min (adjusted net asset position in Zone 3 and Zone 2 (deducting adjusted net asset position that have been compensated for with net liability positions in Zone 1), absolute value of adjusted net liability position in Zone 3 and Zone 2 (deducting adjusted net liability positions that have been compensated for with net liability positions in Zone 1).
Compensated net position Zones 1- 3:	Min (Adjusted net asset position in Zone 3 and Zone 1 (deducting adjusted net asset position that have been compensated for with net liability positions in Zone 2), absolute value of adjusted net liability position in Zone 3 and Zone 1 (deducting adjusted net liability positions that have been compensated for with net liability positions in Zone 2).

(1) In compliance with current regulations of the Central Bank of Chile and the CMF.

The following table illustrates the value of the different factors used for calculating the interest rate risk of the trading portfolio:

			Change in interest rate (bp)			Sensitivity factor				Horizontal adjustment factor		
Zone		**Period**	**Ch$**	**UF**	**FX**	**Ch$**	**UF**	**FX**	**Vertical adjustment factor**	**Within the zones**	**Between adjacent zones**	**Between zones 1 and 3**
Zone 1.	1	Up to 30 days	125	350	125	0.0005	0.0014	0.0005	ß = 10%	λ1 = 40%	λ 12 = 40%	λ 13 = 100%
	2	31 days to 3 months	125	300	125	0.0019	0.0047	0.0020	ß = 10%	λ1 = 40%	λ 12 = 40%	λ 13 = 100%
	3	3 - 6 months	125	250	125	0.0042	0.0088	0.0044	ß = 10%	λ1 = 40%	λ 12 = 40%	λ 13 = 100%
	4	6 - 9 months	125	200	125	0.0069	0.0116	0.0072	ß = 10%	λ1 = 40%	λ 12 = 40%	λ 13 = 100%
	5	9 months – 1 year	125	175	125	0.0095	0.0140	0.0100	ß = 10%	λ1 = 40%	λ 12 = 40%	λ 13 = 100%
Zone 2.	6	1 - 2 years	100	125	100	0.0124	0.0166	0.0133	ß = 10%	λ2 = 30%	λ 12 = 40%	λ 13 = 100%
	7	2 -3 years	100	100	100	0.0191	0.0211	0.0211	ß = 10%	λ2 = 30%	λ 12 = 40%	λ 13 = 100%
	8	3 - 4 years	100	100	100	0.0248	0.0281	0.0281	ß = 10%	λ2 = 30%	λ 23 = 40%	λ 13 = 100%
Zone 3.	9	4 - 5 years	75	75	75	0.0221	0.0258	0.0258	ß = 10%	λ3 = 30%	λ 23 = 40%	λ 13 = 100%
	10	5 - 7 years	75	75	75	0.0263	0.0320	0.0320	ß = 10%	λ3 = 30%	λ 23 = 40%	λ 13 = 100%
	11	7 - 10 years	75	75	75	0.0307	0.0401	0.0401	ß = 10%	λ3 = 30%	λ 23 = 40%	λ 13 = 100%
	12	10 - 15 years	75	75	75	0.0332	0.0486	0.0486	ß = 10%	λ3 = 30%	λ 23 = 40%	λ 13 = 100%
	13	15-20 years	75	75	75	0.0317	0.0534	0.0534	ß = 10%	λ 3 = 30%	λ 23 = 40%	λ 13 = 100%
	14	> 20 years	75	75	75	0.0278	0.0539	0.0539	ß = 10%	λ 3 = 30%	λ 23 = 40%	λ 13 = 100%

Foreign Currency Risk

The foreign currency risk as defined by the Central Bank of Chile is equal to:

$$Max\left[\left\{\sum_{i} NAP_i \times \sigma_i - \sum_{j} NAP_j \times \sigma_j\right\}\left\{\left|\sum_{i} NLP_i \times \sigma_i - \sum_{j} NLP_j \times \sigma_j\right|\right\}\right] + \left|NP_{gold} \times \sigma_i\right|$$

Where:
NAP = Net asset position.
NLP = Net liabilities position.
NPgold = Net gold position.
i = Foreign currency of countries with AAA sovereign rating.
j = Foreign currency of countries with sovereign rating lower that AAA.
σi = Sensitivity factor for i (8)%.
σj = Sensitivity factor for j (35)%.

∑ = Summation.

| | = Absolute value.

Max = Maximum value.

Interest Rate and Inflation Risk of Non-trading Portfolio

The short-term interest rate risk and inflation risk of non-trading portfolio as defined by the Central Bank of Chile is equal to:

$$\sum_{m}^{M} \left|\sum_{i-1}^{5} (A_m \times P_m) \times U_i\right| + |PN_{UR} \times \tau| + |\Delta\emptyset|$$

The long-term interest rate risk of the non-trading portfolio is calculated according to the following formula:

$$\sum_{m}^{M} \left|\sum_{i-1}^{14} (A_m \times P_m) \times \rho_m\right|$$

Where:
Amt = Non-trading assets (Ch$, inflation linked and foreign currency).
Pmt = Non-trading liabilities (Ch$, inflation linked and foreign currency).
μt = Sensitivity factor associated with interest rate movement.
NPur = Net position in inflation linked instruments, including those subject to price level restatement.
t = Inflation index sensitivity factor. This factor is equal to 2%.
Δϕ = Effect on fees from shifts in interest rate and assumes a 200 basis point movement.
ρ = Sensitive factor to increase in interest rates.
t = Time period.
m = Currency (pesos, inflation linked and foreign currency).
∑ = Summation.
| | = Absolute value.

The following table illustrates the value of the different factors used for calculating the interest rate risk and inflation risk of the non-trading portfolio:

Period		Change in interest rate (bp) Ch$	UF	FX	Sensitivity factor short-term (t)	Sensitivity factor long-term (mt)(1) Ch$	UF	FX
1	Up to 30 days	200	400	200	0.0192	0.0008	0.0016	0.0008
2	31 days to 3 months	200	400	200	0.0167	0.0030	0.0063	0.0031
3	3 - 6 months	200	400	200	0.0125	0.0067	0.0140	0.0070
4	6 - 9 months	200	400	200	0.0075	0.0110	0.0231	0.0116
5	9 months - 1 year.............	200	400	200	0.0025	0.0152	0.0320	0.0160
6	1 - 2 years.........................	200	300	200	–	0.0248	0.0399	0.0266
7	2 - 3 years.........................	200	200	200	–	0.0382	0.0422	0.0422
8	3 – years...........................	200	200	200	–	0.0496	0.0563	0.0563
9	4 - 5 years.........................	200	200	200	–	0.0591	0.0690	0.0690
10	5 - 7 years.........................	200	200	200	–	0.0702	0.0856	0.0856
11	7 -10 years........................	200	200	200	–	0.0823	0.1076	0.1076
12	10 - 15 years.....................	200	200	200	–	0.0894	0.1309	0.1309
13	15 - 20 years.....................	200	200	200	–	0.0860	0.1450	0.1450
14	> 20 years.........................	200	200	200	–	0.0762	0.1480	0.1480

(1) Currency positions over time.

As of December 31, 2023, our interest rate risk gap for short-term assets and liabilities of the non-trading portfolio, measured according to the methodology described above, was 6.95% of our gross margin. Our interest rate risk gap for long-term assets and liabilities was 3.14% of our regulatory capital. In each case, the interest rate risk gaps were in compliance with current Chilean regulations.

Options Risk

The exposure to market risk of options is calculated using sensitivity factors delta, gamma and vega.

Delta

Delta of a derivative financial instrument is the rate of change of its price relative to the price of the underlying asset. It is the first derivation of the curve that relates the price of such derivative to the price of the underlying security. When delta is high, the price of the derivative financial instrument is sensitive to small changes in the price of the underlying security.

Gamma

Gamma of a derivative financial instrument is the rate of change of delta relative to the price of the underlying asset. It is the second derivation of the option price relative to the security price. When gamma is low, the change in delta is low. The gamma impact is calculated using the following formula:

Gamma impact = *Gamma* * (Variation of underlying security)^2 / 2

Vega

Vega is one of the factor sensitivities used to measure sensitivity to the implied volatilities of the underlying security. Vega is the rate of change in the price of a derivative financial instrument relative to the volatility of the underlying security. When vega is high, the derivative financial instrument is sensitive to small changes in volatility. In general, a long option position will benefit from rising implied volatilities and suffer from declining implied volatilities. Short option positions display opposite behavior. As defined by the Central Bank of Chile, the Vega Risk is the sum in absolute value of the vega impacts for each option held by a bank. These impacts will be calculated assuming a change of 25% in the volatility rate.

Assumptions and Limitations of Scenario Simulations / Sensitivity Analysis

Our scenario simulation methodology should be interpreted in light of the limitations of our models, which include:

- The scenario simulation assumes that the volumes remain on balance sheet and that they are always renewed at maturity, omitting the fact that credit risk considerations and prepayments may affect the maturity of certain positions.

- This model assumes set shifts in interest rates (*movimientos paralelos de tasa*) and sensitivity factors for different time periods and does not take into consideration any other scenario for each time period or other sensitivity factors.

- The model does not take into consideration the sensitivity of volumes to these shifts in interest rates.

- The model does not take into consideration our subsidiaries which are subject to market risks.

Quantitative Disclosures about Market Risk

The following table illustrates our market risk exposure as of December 31, 2021, 2022 and 2023, calculated according to the Chilean regulatory method. Our maximum exposure to long-term interest rate fluctuations is set at 20% of regulatory capital and is approved by our board of directors.

	As of December 31,		
	2021	**2022**	**2023**
	(in millions of Ch$, except for percentages)		
Market risk of trading portfolio	344,455	275,988	308,740
8% x risk-weighted assets	3,509,744	2,258,780	2,370,243
Subtotal	3,854,199	2,534,768	2,678,983
Limit = regulatory capital	5,709,951	4,618,371	5,457,009
Available margin	1,855,752	2,083,604	2,778,026
Market risk of short-term non-trading portfolio	146,159	205,171	238,686
Applicable exposure limits	27%	26%	26%
Limit (net interest revenue + net interest income sensitive to interest rates)	363,061	539,287	369,397
Available margin	216,902	334,115	130,711
Market risk of long-term non-trading portfolio	563,796	444,712	517,303
Limit = 20% of regulatory capital	1,141,990	1,240,016	1,501,662
Available margin	578,194	795,304	984,359

Internal Methods to Control Market Risk

Below is a quantitative and qualitative description of our markets risks tools according to our internal guidelines. Our policies establish a set of tools to monitor market risks using both statistical and non-parametric approaches. The main tools are Value-at-Risk (VaR) for the trading portfolios and sensitivity analysis for the loan portfolio. We complement both tools with a series of stress tests using historical, parametric and non-parametric scenarios.

VaR Methodology

General

We use value-at-risk methodology to measure and control the price risk of our trading portfolio. We also use this tool for other securities and portfolios subject to mark to market valuation. Variation in VaR is generally a result of interest rate and foreign exchange rates fluctuations, portfolio rebalancing, or both.

VaR is an estimate of the expected loss in the market value of a portfolio over a 10-day horizon at one-tailed 99% confidence interval. Given our accounting currency, VaR is measured in Chilean pesos. VaR is calculated daily, after the end of the trading session. We perform one day profits and losses forecasts relying on historical simulation of relevant risk factors. We use almost four years of daily data and perform volatility updating to account for volatility clusters. We scale our forecast to a 10-day regulatory window with the square root rule.

VaR Limits

VaR limits are revaluated periodically at the Asset Liability Committee or other senior committee. Although there is not an explicit rule for its calculation, we use 1% of equity as a benchmark.

Assumptions and Limitations of VaR Model

Whereas value-at-risk provides a valuable tool for managing market risk, our management recognizes its limitations. The pros and cons of the different VaR approaches had been widely documented in the risk management literature. But regardless of the methodology chosen, it is dangerous to rely in the VaR as the sole market risk barometer. Amongst the main limitations of our historic simulation model, we can name the following:

- Historic simulation methodology assumes the past is the best forecast for future VaR.
- Risk factors dependencies not realized in history will remain as model risk.
- Fat tails may be only partially captured. Fat tail is a cumulative density distribution in which extreme events are more likely to occur than, for example, a standard normal distribution.
- Our portfolio value-at-risk changes during the trading session are not accounted for.

Stress Tests and Scenario Analysis

Given the limitations of these models, we perform different stress analysis as a complement to VaR calculations:

- Normative (internal) variations in risk factors (i.e. shifts to the IR (interest rates) term structure; foreign exchange shocks).
- Stress Test (Expected Shortfall, Worst Case, Stressed VaR, VaR without volatility scaling).
- Model sensibilities (variations to the historical data window and/or to model parameters).

Other Limits

We have also set position limits for certain portfolios like foreign exchange exposure and options portfolio. Profit and Loss (PnL) limits are also in place to preserve capital from unexpected losses.

We also include descriptive statistics for both, trading and non-trading portfolios during 2022 and 2023. The following chart shows the evolution of our 10-day VaR measure during 2023:

The following table shows descriptive statistics for our trading and non-trading portfolios as of December 31, 2021, 2022 and 2023.

	As of December 31, 2023			
	Average	Maximum	Minimum	Close
	(in millions of Ch$)			
VaR trading portfolio by type of risk				
Fx risk	1,054	8,478	28	1,898
Interest rate risk	4,152	7,612	1,645	2,181
Diversification(1)	285	3,502	26	553
VaR total	4,921	12,589	1,647	3,526
VaR Non-trading portfolio by type of risk				
Fx risk	630	3,577	3	622
Interest rate risk	1,521	7,152	403	1,954
Diversification(1)	465	6,725	67	388
VaR total	1,685	4,003	473	2,188

(1) Diversification is defined as the effect of correlation of Total VaR.

	As of December 31, 2022			
	Average	Maximum	Minimum	Close
	(in millions of Ch$)			
VaR trading portfolio by type of risk				
Fx risk	813	813	813	857
Interest rate risk	6,825	12,964	643	4,997
Diversification(1)	342	3,020	497	253
VaR total	7,296	16,797	958	5,602
VaR Non-trading portfolio by type of risk				
Fx risk	692	4,520	4	180
Interest rate risk	2,133	4,950	627	2,527
Diversification(1)	527	3,309	152	176
VaR total	2,298	4,797	782	2,530

(1) Diversification is defined as the effect of correlation of Total VaR.

	As of December 31, 2021			
	Average	Maximum	Minimum	Close
	(in millions of Ch$)			
VaR trading portfolio by type of risk				
Fx risk	814	3,442	20	390
Interest rate risk	3,546	7,000	601	2,562
Diversification(1)	201	1,832	48	125
VaR total	4,159	8,610	669	2,827
VaR Non-trading portfolio by type of risk				
Fx risk	557	3,696	11	706
Interest rate risk	1,967	4,950	146	2,765
Diversification(1)	379	3,152	100	648
VaR total	2,145	5,494	257	2,823

(1) Diversification is defined as the effect of correlation of Total VaR.

Asset and Liability Management

Sensitivity Analysis

We perform sensitivity analysis by monitoring the changes in the present value of our assets and liabilities associated with changes in the reference yield of 100 basis points. We perform this analysis for the whole banking book through our Market Value Sensitivity (MVS) model, and for the short-term portion of our balance sheet through our Spreads-at-Risk (SaR) Model. As of December 31, 2023 our overall MVS limit was set at 10.0% of our regulatory capital, whereas the overall SaR limit was set at 12% of our net interest income. We perform these analyses for pesos, UF and foreign currency denominated assets and liabilities.

The following chart compares our actual MVS and SaR indicators for the year ended December 31, 2023, against their respective limits.

The table below sets forth our detailed MVS analysis as of December 31, 2023:

	Up to 3 months	3 months – 1 year	1 year to 5 years	5 years to 10 years	Over 10 years	Total
			(in millions of Ch$)			
Cash and due from banks	1,591,902	0	0	0	0	1,591,902
Commercial loans	6,045,145	5,666,374	3,745,748	2,000,156	982,496	18,439,919
Consumer loans	461,911	622,697	1,317,931	110,643	18,835	2,532,017
Mortgages	406,302	1,242,684	4,720,050	3,374,114	2,748,324	12,491,474
Securities purchased under resale agreements	113,144	0	0	0	0	113,144
Investments instruments	2,290,469	1,596,307	2,856,235	1,138,244	504,814	8,386,069
Financial derivative instruments	7,068,907	2,840,347	4,588,291	1,884,054	178,993	16,560,592
Other assets	3,453,559	103,972	18,313	8,254	20,869	3,604,967
Total assets	21,431,339	12,072,381	17,246,568	8,515,465	4,454,331	63,720,082
Total (%)	34%	19%	27%	13%	7%	100%
Deposits and other liabilities payable on demand	6,141,273	438,396	1,321,954	904,449	506,032	9,312,104
Savings account and time deposits	9,378,823	2,203,744	12,283	25	1	11,594,876
Securities sold under repurchase agreements	0	0	0	0	0	0
Liabilities with domestic creditors	648,209	4,471,984	0	0	0	5,120,193
Liabilities with foreign creditors	701,749	834,183	143,869	0	0	1,679,801
Bonds	284,165	1,609,999	4,424,797	3,071,200	1,855,597	11,245,758
Financial derivative instruments	5,482,851	2,063,650	4,873,755	3,715,303	1,312,138	17,447,697
Other liabilities	1,105,653	43	619	8,242	19,673	1,134,230
Total liabilities	23,742,723	11,621,999	10,777,277	7,699,219	3,693,441	57,534,657
Total (%)	41%	20%	19%	13%	6%	100%
Total	(2,311,384)	450,381	6,469,292	816,246	760,890	6,185,425
Total (%)	(37)%	7%	105%	13%	12%	100%

Stress Test and Scenario Analysis

In addition to the sensitivity analysis described above, we perform stress testing of our balance sheet to account for extreme scenarios. We develop historic scenarios for interest rate risk, currency risk and inflation risk of our loan portfolio. The results of the stress tests are presented quarterly to the Asset Liability Committee.

Disclosures Regarding Derivative Financial Instruments

We enter into transactions involving derivative financial instruments, particularly foreign exchange forward contracts and interest rates swaps, as part of our asset and liability management and as part of our dealer activities in response to our clients' needs.

Derivative financial instruments are carried at fair value at market price on the balance sheet and the net unrealized gain (loss) on them is classified as a separate line item on the income statement. Banks operating in Chile generally must mark to market their derivative financial instruments. Derivative financial instruments that are classified as being held for trading purposes must be marked to market and the unrealized gain or loss must then be recognized in the income statement. With respect to our derivative financial instruments held for hedging purposes, changes in book value of hedged items are included in the mark-to-market and trading line items, except to the extent set forth below.

The CMF (former SBIF) recognizes three kinds of hedge accounting: (i) cash flow hedges, (ii) fair value hedges and (iii) hedging of foreign investments:

- When a cash flow hedge exists, the fair value movements on the part of the hedging instrument that is effective are recognized in equity. The loss or gain is transferred to the consolidated statement of income to the extent that the hedged item impacts the income statement because of the hedged risk, offsetting the effect in the same line of the consolidated statement of income. Any ineffective portion of the fair value movement on the hedging instrument is recognized in the income statement.

- When a fair value hedge exists, the fair value movements on the hedging instrument and the corresponding fair value movements on the hedged item are recognized in the income statement. Hedged items in the balance sheet are presented at their market value.

- When a hedge of foreign investment exposure exists (i.e. investment in a foreign branch), the fair value movements on the part of the hedging instrument that is effective are recognized in equity. The accumulated difference is to be transferred to the consolidated statement of income at the date at which the sale on disposal occurs. Any ineffective portion of the fair value movement on the hedging instrument is recognized in the income statement.

Although we classify some of our derivative financial instruments as being held for trading, in accordance with the guidelines set forth by the CMF, only a minor portion of our derivative financial instruments are actually used for speculative purposes or trading.

Foreign exchange forward contracts involve an agreement to exchange payments denominated in a certain currency for payments denominated in another currency at an agreed-upon price and settlement date. These contracts are generally standardized contracts, normally for periods between one and 180 days and are not traded in a secondary market; however, in the normal course of business and with the agreement of the original counterparty, they may be terminated or assigned to other counterparties.

When we enter into a foreign exchange forward contract, we analyze and approve the credit risk (the risk that the counterparty might default on its obligations). Subsequently, on an ongoing basis, we monitor the possible losses involved in each contract. To manage the level of credit risk, we deal with counterparties of good credit standing, enter into master netting agreements whenever possible and, when appropriate, obtain collateral.

The Central Bank of Chile requires that foreign exchange forward contracts be made only in U.S. dollars and other major foreign currencies. Most of our forward contracts are made in U.S. dollars and pesos or UFs. In September 1997, the Central Bank of Chile changed its regulations with respect to foreign currency forward contracts, allowing Chilean companies to enter into foreign currency forward contracts with companies organized and located outside of Chile, including foreign subsidiaries of Chilean companies.

Interest rate swaps allow our treasury to manage our loan portfolio risk adjusting gaps along the interest rate curve by swapping fixed rate for floating rate payments or vice versa. Conversely, cross currency swaps are used when either funding or loans are denominated in a foreign currency.

In addition, our trading desk routinely enters into derivative financial instruments for purposes of both covering sales desk transactions and proprietary trading.

The following table summarizes our derivative financial instruments portfolio as of December 31, 2022 and 2023:

	Fair value amounts as of December 31, 2023		
Type of derivative	Up to 3 months	From 3 to 12 months	More than 12 months
		(in millions of Ch$)	
Foreign currency forwards (includes UF)	127,697	181,982	(219,254)
Cross currency swaps	(146,806)	(44,353)	(172,513)
Interest rate forwards / futures	(0,431)	-	-
Interest rate swaps	(4,179)	34,959	190,553

	Fair value amounts as of December 31, 2022		
Type of derivative	Up to 3 months	From 3 to 12 months	More than 12 months
		(in millions of Ch$)	
Foreign currency forwards (includes UF)	7,756	(1,700)	(25,280)
Cross currency swaps	(66,266)	(30,859)	(375,552)
Interest rate forwards / futures	(0,15)	-	-
Interest rate swaps	(59,053)	33,087	116,464

Liquidity Risk

Liquidity risk arises in connection with the funding of our financing, trading and investment activities. It includes the risk of unexpected increases in the cost of funding the portfolio of assets at appropriate maturities and rates, the risk of being unable to liquidate a position in a timely manner at a reasonable price and the risk that we will be required to repay liabilities earlier than anticipated. Our general policy is to maintain sufficient liquidity to ensure our ability to honor withdrawals of deposits, make repayments of other liabilities at maturity, extend loans and meet our working capital needs.

Since the early stages of the global financial crisis initiated in 2007, our board of directors has resolved to maintain a countercyclical liquidity policy, in line with the amendment proposals to Basel III. We implement this policy by owning a certain amount of liquid assets, like Chilean treasury bonds or short-term commercial paper. As of December 31, 2023, this maintenance of a certain amount of liquid assets which we define as our liquidity buffer is over Ch$985 million.

Regulatory Compliance

Our minimum liquidity position is determined by the reserve requirements set by the Central Bank of Chile. These reserve requirements are currently 9.0% of demand deposits and 3.6% of time deposits. We are currently in compliance with these requirements. In addition, we are subject to a technical requirement applicable to Chilean banks, pursuant to which we must hold certain amount of assets in cash or in highly liquid instruments if the aggregate amount of the following liabilities exceeds 2.5 times the amount of our net capital base:

- deposits in checking accounts;
- other demand deposits or obligations payable on demand and incurred in the ordinary course of business;
- other deposits unconditionally payable immediately or within a term of less than 30 days; and
- term deposits payable within ten days.

Furthermore, under Chilean regulations a bank's gaps between assets and liabilities maturing within 30 days may not exceed the bank's net capital base, and a bank's gaps between assets and liabilities maturing within 90 days may not exceed twice the bank's net capital base.

The following tables set forth an overview of our regulatory liquidity indicators, presented as the ratio of the respective gap between assets and liabilities to our net capital base, as of December 31, 2023 and 2022, all of which comply with a limit of 100%:

	December 31, 2023			
	Average	**Maximum**	**Minimum**	**Month End**
Short-term mismatch Ch$ - UF (% on basic capital)				
Mismatch 30 days	(23.43)%	6.20%	(72.02)%	5.23%
Short-term mismatch Fx (% on basic capital)				
Mismatch 30 days	6.80%	24.73%	(10.41)%	5.04%
Short-term mismatch (% on basic capital)				
Mismatch 30 days	(16.63)%	10.27%	(52.66)%	10.27%
Mismatch 90 days	5.61%	20.09%	(14.73)%	12.70%

	December 31, 2022			
	Average	**Maximum**	**Minimum**	**Month End**
Short-term mismatch Ch$ - UF (% on basic capital)				
Mismatch 30 days	(31.30)%	10.90%	(60.34)%	(57.40)%
Short-term mismatch Fx (% on basic capital)				
Mismatch 30 days	2.53%	19.38%	(18.23)%	9.43%
Short-term mismatch (% on basic capital)				
Mismatch 30 days	(28.78)%	(4.46)%	(50.17)%	(47.97)%
Mismatch 90 days	(10.49)%	(1.53)%	(16.98)%	(10.74)%

THE CHILEAN BANKING INDUSTRY

Overview

As of December 31, 2023, the Chilean banking system was comprised of one public-sector bank and 16 private-sector banks (of which 13 were Chilean banks and 3 were Chilean branches of foreign banks). The seven largest banks (in terms of total net loans outstanding), of which we are the largest with a 19.66% market share, together accounted for 90.99% of all outstanding loans by Chilean financial institutions as of December 31, 2023. As of the same date, Chilean private banks and the Chilean branches of foreign banks accounted for 86.21% and 0.12% of all outstanding loans (including interbank loans) in the Chilean financial system, respectively, according to information published by the CMF. Unless otherwise indicated, we obtained the statistical information included in this section from the CMF. The Chilean financial services market consists of a variety of distinct sectors. The most important, the commercial banking sector, includes private-sector banks and one public-sector bank, Banco del Estado de Chile (which operates within the same legal and regulatory framework as the private-sector banks).

The Chilean banking industry has experienced increased competition in recent years which has led to, among other things, consolidation in the industry, reduction of the net interest margin and some banks leaving the market. Further consolidation may occur, and it is possible that the Chilean regulatory authorities may be more open to allowing new market entrants. In addition, increased competition may result from non-banking industries entry to the credit and debit card market under the recently amended General Banking Law and changes due to new capital requirements. See "Risks Factors—Risks Relating to our Business."

As a major commercial bank, offering a full range of services to all types of businesses and individual customers, we face a variety of competitors as to different aspects of its business, ranging from the other large private-sector commercial banks to more specialized entities like "niche" banks. The principal private-sector commercial banks in Chile, other than us, include Banco Santander Chile, Banco de Chile, Itaú Corpbanca and Scotiabank. Commercial banks also face increasing competition from other financial intermediaries that can provide larger companies with access to the international and domestic capital markets as an alternative to bank loans. To the extent permitted by the General Banking Law, we seek to maintain a competitive position in domestic capital markets through the investment banking activities of our subsidiaries.

In the retail banking business, we compete with other private-sector Chilean banks and Banco del Estado de Chile. As of December 31, 2023, we held 12.66% of the total number of checking accounts in the Chilean banking system. Among private-sector Chilean banks, we believe that our strongest competitors in the consumer retail market are Banco Santander Chile, Banco de Chile, Scotiabank Chile and Itau Corpbanca, as each of these banks has also developed business strategies that focus on the middle to high-middle income segments of the Chilean population and small- and medium-sized corporate segment. Consumer lending in the Chilean banking system increased 7.27% in 2021, increased 12.43% in 2022, and increased 2.4% in 2023, according to information published by the CMF. Our consumer lending increased 1.23% in 2021, increased 3.08% in 2022 and decreased 10.4% in 2023. Commercial banks in Chile compete in the retail market with retail companies such as supermarkets and department stores that offer limited financial services like credit cards and consumer loans. The financial services provided by retail companies are regulated and overseen by the CMF.

The following table sets forth certain statistics on the Chilean commercial banking system as of December 31, 2023:

	As of December 31, 2023							
	Assets		Net Loans[1]		Deposits[2]		Shareholders' Equity	
	Amount	Share	Amount	Share	Amount	Share	Amount	Share
	(in millions of Ch$, except percentages)							
Domestic private-sector bank	341,503,547	85.09%	219,874,532	86.21%	161,200,916	82.75%	27,850,420	87.37%
Foreign-owned banks	1,546,506	0.39%	298,419	0.12%	498,288	0.26%	670,304	2.10%
Private-sector total	343,050,053	85.48%	220,172,951	86.33%	161,699,204	83.01%	28,520,724	89.47%
Banco del Estado	58,305,301	14.53%	34,863,100	13.67%	33,110,295	17.00%	3,354,812	10.52%
Chilean banking system	401,355,353	100%	255,036,051	100%	194,809,499	100%	31,875,536	100.00%

Source: CMF.
(1) Includes loans and receivables to banks and provisions
(2) Includes the investment of CorpBanca in Colombia and excludes our subsidiary City National Bank of Florida.

Net Loans

The following table sets forth the market shares in terms of net loans in the Chilean financial system (comprising all commercial banks) for the seven banks in Chile which are the largest in terms of total assets as of the dates indicated:

	As of December 31,					
	2021		2022		2023	
	Amount	Share	Amount	Share	Amount	Share
	(in millions of Ch$, except percentages)					
Bci[(1)]	**41,622,874**	**18.66%**	**47,016,241**	**19.15%**	**50,146,844**	**19.66%**
Banco Santander Chile	36,634,768	16.42%	38,871,708	15.83%	40,917,143	16.04%
Banco de Chile	34,696,016	15.55%	37,068,496	15.10%	38,019,701	14.91%
Scotiabank Chile	28,960,854	12.98%	33,176,960	13.51%	32,131,568	12.60%
Banco del Estado	29,061,269	13.03%	32,118,154	13.08%	34,863,100	13.67%
Itaú CorpBanca	24,871,442	11.15%	26,758,033	10.90%	27,636,258	10.84%
Banco Bice	7,061,910	3.17%	7,933,083	3.23%	8,337,951	3.27%
Total for seven banks	202,909,133	90.96%	222,942,675	90.80%	232,052,565	90.99%
Chilean banking system	223,079,736	100%	245,494,826	100%	255,036,051	100%

Source: CMF.
(1) The information includes City National Bank of Florida and Servicios Financieros.

Total Assets

The following table sets forth the total asset amounts and market shares for the seven banks in Chile which are the largest in terms of total assets as of the dates indicated:

	As of December 31,					
	2021		2022		2023	
	Amount	Share	Amount	Share	Amount	Share
	(in millions of Ch$, except percentages)					
Bci[(1)]	**69,158,634**	**19.13%**	**78,049,118**	**19.67%**	**79,301,150**	**19.76%**
Banco Santander Chile	63,671,025	17.62%	68,164,603	17.18%	70,857,886	17.65%
Banco del Estado	53,586,003	14.83%	57,090,786	14.39%	58,305,301	14.53%
Banco de Chile	51,702,439	14.30%	55,255,362	13.93%	55,792,552	13.90%
Scotiabank Chile	41,597,895	11.51%	46,460,625	11.71%	44,713,481	11.14%
Itaú CorpBanca	37,823,050	10.46%	40,536,478	10.22%	41,996,220	10.46%
Banco Bice	9,992,454	2.76%	10,659,879	2.69%	11,234,181	2.80%
Total for seven banks	327,531,500	90.61%	356,216,851	89.79%	362,200,771	90.24%
Chilean banking system	361,453,309	100%	396,716,471	100%	401,355,353	100%

Source: CMF.
(1) The information includes City National Bank of Florida and Servicios Financieros.

Risk Index

The following table sets forth the risk index, calculated as allowances for loan losses as a percentage of total loans, for the seven banks in Chile which are the largest in terms of total assets and the financial system as a whole as of the dates indicated:

	As of December 31,		
	2021	2022	2023
Banco Bice	1.67	1.32	1.25
Scotiabank Chile	1.54	1.80	2.20
Bci[(1)]	**1.81**	**1.87**	**1.69**
Banco de Chile	2.07	2.10	2.02
Banco Santander Chile	2.62	2.68	2.83
Banco del Estado	3.04	3.30	3.67
Itaú CorpBanca	3.21	2.71	2.99
Chilean banking system	2.37	2.46	2.57

Source: CMF.
(1) The information includes City National Bank of Florida and Servicios Financieros.

Asset Quality

The following table sets forth the ratio of past due loans to total loans for the seven banks in Chile which are the largest in terms of total assets as of the dates indicated:

	As of December 31,(1)		
	2021	2022	2023
Banco Bice	0.67	0.83	0.66
Banco de Chile	0.83	1.06	1.41
Bci(2)	**0.82**	**1.16**	1.31
Banco Santander Chile	1.23	1.85	2.26
Scotiabank Chile	0.95	1.38	2.16
Itaú CorpBanca	1.87	1.96	2.29
Banco del Estado	1.97	2.97	3.98
Chilean banking system	1.24	1.68	2.13

Source: CMF.
(1) According to the CMF, the asset quality ratio equals to past due loans divided by total loans.
(2) The information includes City National Bank of Florida and Servicios Financieros.

Deposits

We had deposits (which is defined as current account and demand deposit plus term deposits and saving accounts in our consolidated financial statements) of Ch$42,252,569 million as of December 31, 2023. We were the first largest bank in terms of deposits, with 21.69% of the market for deposits. The following table sets forth the deposits market share for the seven banks in Chile which are the largest in terms of total assets as of the dates indicated:

	As of December 31,					
	2021		2022		2023	
	(in millions of Ch$, except percentages)					
	Amount	Share	Amount	Share	Amount	Share
Bci(1)	**38,518,590**	**21.31%**	**42,368,130**	**22.25%**	**42,252,569**	**21.69%**
Banco del Estado	32,278,607	17.86%	32,882,716	17.27%	33,110,295	17.00%
Banco de Chile	27,682,797	15.32%	27,540,373	14.47%	28,687,222	14.73%
Banco Santander Chile	28,031,993	15.51%	27,065,015	14.22%	29,675,768	15.23%
Scotiabank Chile	16,684,772	9.23%	19,048,847	10.01%	18,032,064	9.26%
Itaú CorpBanca	17,673,538	9.78%	18,258,838	9.59%	19,791,306	10.16%
Banco Bice	5,284,413	2.92%	5,427,414	2.85%	6,002,835	3.08%
Total for seven banks	166,154,710	91.93%	172,591,333	90.66%	177,552,059	91.15%
Chilean banking system	180,746,605	100.00%	190,381,383	100.00%	194,809,499	100.00%

Source: CMF.
(1) The information includes City National Bank of Florida and Servicios Financieros.

Checking Accounts

As of December 31, 2023, we had the second highest number of current accounts (checking accounts) among Chilean banks. The following table sets forth the number of checking accounts for the seven banks in Chile which are the largest in terms of total assets as of the dates indicated:

	As of December 31,					
	2021		2022		2023	
	Amount	Share	Amount	Share	Amount	Share
Banco Santander Chile	1,992,802	28.86%	2,421,869	28.06%	2,754,188	24.98%
Bci(1)	**754,420**	**10.93%**	**860,524**	**9.97%**	**1,395,662**	**12.66%**
Banco de Chile	1,157,220	16.76%	1,264,865	14.66%	1,366,919	12.40%

Scotiabank Chile	600,432	8.70%	734,732	8.51%	1,019,920	9.25%
Banco del Estado	713,110	10.33%	728,027	8.44%	971,329	8.81%
Itaú CorpBanca(2)	439,446	6.37%	524,055	6.07%	615,925	5.59%
Banco Bice	121,930	1.77%	136,316	1.58%	170,706	1.55%
Total for seven banks	5,779,360	83.72%	6,670,388	77.29%	8,294,649	75.23%
Chilean banking system	6,904,028	100%	8,629,941	100%	11,025,483	100%

Source: CMF.
(1) Information excludes City National Bank of Florida.
(2) Information excludes Itaú CorpBanca's business in Colombia.

Capital and Reserves

As of December 31, 2023 we had Ch$4,842,789 million (US$5,521 million) in share capital and reserves. The following table sets forth the level of capital and reserves for the seven banks in Chile which are the largest in terms of total assets as of the dates indicated:

	As of December 31,					
	2021		**2022**		**2023**	
	Amount	**Share**	**Amount**	**Share**	**Amount**	**Share**
	(in millions of Ch$, except percentages)					
Bci(1)	**3,862,410**	**19.49%**	**4,198,692**	**20.83%**	**4,842,789**	**22.59%**
Banco Santander Chile	3,440,268	17.36%	3,706,473	18.39%	4,006,542	18.69%
Banco del Estado	2,117,754	10.68%	2,752,068	13.65%	3,011,921	14.05%
Itaú CorpBanca	3,159,004	15.94%	2,923,990	14.51%	2,923,990	13.64%
Banco de Chile	3,122,437	15.75%	2,204,621	10.94%	2,204,621	10.28%
Scotiabank Chile	1,743,103	8.79%	1,749,826	8.68%	1,749,826	8.16%
Banco Bice	38,064	0.19%	36,372	0.18%	36,372	0.17%
Total for seven banks	17,483,040	88.20%	17,572,042	87.18%	18,776,062	87.58%
Chilean banking system	19,822,136	100%	20,155,844	100%	21,435,332	100%

Source: CMF.
(1) The information includes City National Bank of Florida and Servicios Financieros.

Equity

As of December 31, 2023, we were the first largest commercial bank in Chile in terms of equity. As of December 31, 2023, we had Ch$6,607,375 million (US$7,533 million) in equity. The following table sets forth the level of equity for the seven banks in Chile which are the largest in terms of total assets as of the dates indicated:

	As of December 31,					
	2021		**2022**		**2023**	
	Amount	**Share**	**Amount**	**Share**	**Amount**	**Share**
	(in millions of Ch$, except percentages)					
Bci(1)	**4,501,476**	**18.16%**	**4,776,801**	**16.90%**	**6,067,375**	**19.03%**
Banco de Chile	4,223,014	17.04%	4,858,328	17.19%	5,237,285	16.43%
Banco Santander Chile	3,494,580	14.10%	4,238,372	15.00%	4,491,893	14.09%
Itaú CorpBanca	3,352,342	13.52%	3,322,759	11.76%	3,736,537	11.72%
Scotiabank Chile	2,801,123	11.30%	3,187,318	11.28%	3,574,978	11.22%
Banco del Estado	2,237,907	9.03%	2,958,494	10.47%	3,354,812	10.52%
Banco Bice	646,697	2.61%	818,297	2.90%	912,750	2.86%
Total for seven banks	21,257,139	85.76%	24,160,368	85.49%	27,375,630	85.87%
Chilean banking system	24,786,934	100.00%	28,259,483	100.00%	31,875,536	100.00%

Source: CMF.
(1) The information includes City National Bank of Florida and Servicios Financieros.

Return on Equity

The following table sets forth the return on equity for the seven banks in Chile for the dates indicated:

	For the year ended December 31,		
	2021	2022	2023
Banco de Chile	18.78%	29.01%	23.75%
Banco del Estado[(1)]	16.87%	24.07%	18.87%
Banco Bice	16.26%	21.12%	17.36%
Scotiabank Chile	16.07%	16.16%	11.65%
Banco Santander	22.46%	19.44%	11.37%
Bci[(2)]	**11.56%**	**17.19%**	**11.25%**
ItaúCorpBanca	8.32%	13.05%	9.50%
Chilean banking system	15.44%	19.45%	14.33%

Source: CMF.

(1) This bank is subject to a different tax regime.

(2) The information includes City National Bank of Florida and Servicios Financieros.

Efficiency

The table below sets forth the efficiency ratios (operating expenses to gross operating income) of the seven banks in Chile which are the largest in terms of total assets for the years indicated:

	For the year ended December 31,		
	2021	2022	2023
Bci[(1)]	**48.21%**	**47.88%**	**51.70%**
ItaúCorpBanca	53.57%	52.10%	51.08%
Banco Bice	45.05%	43.26%	47.97%
Banco Santander Chile	39.43%	42.81%	46.64%
Scotiabank Chile	44.33%	41.81%	42.14%
Banco del Estado	50.62%	34.67%	38.38%
Banco de Chile	39.69%	31.95%	37.32%
Average of seven banks	45.84%	42.07%	45.03%
Chilean banking system	45.30%	40.57%	43.62%

Source: CMF.

(1) The information includes City National Bank of Florida and Servicios Financieros.

Branch Networks

As of December 31, 2023, we had the third largest branch network among Chilean banks with 188 branches. The following table sets forth the number of full service branch offices for the seven banks in Chile which are the largest in terms of total assets as of the dates indicated:

	As of December 31,					
	2021		2022		2023	
	Amount	Share	Amount	Share	Amount	Share
Banco del Estado	400	24.69%	399	26.94%	406	29.04%
Banco de Chile	271	16.73%	263	17.76%	257	18.38%
Bci[(1)]	**221**	**13.64%**	**199**	**13.44%**	**188**	**13.45%**
Banco Santander Chile	270	16.67%	224	15.12%	181	12.95%
ItaúCorpBanca[(2)]	136	8.40%	115	7.77%	100	7.15%
Scotiabank Chile	129	7.96%	109	7.36%	105	7.51%
Banco Bice	23	1.42%	24	1.62%	24	1.72%
Chilean banking system	1,620	100.00%	1,481	100.00%	1,398	100.00%

Source: CMF.

(1) The information presented by the CMF does not include all of our "points of contact," some of which are not considered branches by the CMF. Points of contact include multiservice branches, cash agencies, point of sale branches, premier branches, private banking commercial platforms and automated branches. Information as of December 31, 2023 does not include City National Bank of Florida or Servicios Financieros.

(2) Information excludes Itaú CorpBanca's branches in Colombia.

Credit Cards

As of December 31, 2023, we had the fourth highest number of credit cards outstanding among Chilean banks, representing 12.15% of the Chilean banking system. The following table sets forth the number of credit cards for the seven banks in Chile which are the largest in terms of total assets as of the dates indicated:

	As of December 31,					
	2021		**2022**		**2023**	
	Amount	**Share**	**Amount**	**Share**	**Amount**	**Share**
Scotiabank Chile	2,605,172	18.56%	2,573,606	17.90%	2,401,033	17.82%
Banco Santander Chile	1,769,875	12.61%	1,879,903	13.07%	1,787,371	13.27%
Banco de Chile	1,471,584	10.48%	1,609,994	11.20%	1,706,835	12.67%
Bci(1)	**2,010,126**	**14.32%**	**1,926,407**	**13.40%**	**1,636,505**	**12.15%**
Banco del Estado	720,661	5.13%	745,214	5.18%	766,809	5.69%
ItaúCorpBanca(2)	279,326	1.99%	320,623	2.23%	392,526	2.91%
Banco Bice	57,925	0.41%	59,388	0.41%	61,309	0.46%
Total for seven banks	8,914,669	63.50%	9,115,135	63.39%	8,752,388	64.97%
Chilean banking system	14,035,574	100.00%	14,379,011	100.00%	13,472,199	100.00%

Source: CMF.

(1) Information excludes City National Bank of Florida.

(2) Information excludes CorpBanca's business in Colombia.

Consolidated profit for the year ended

We have the second highest consolidated profit among Chilean banks for the year ended December 31, 2023. For the year ended December 31, 2023, our consolidated profit for the year was Ch$682,571 million (US$778 million). The following table sets forth the amounts of consolidated profit for the year and the corresponding market shares for the seven Chilean banks which are the largest in terms of total assets for the years indicated:

	For the year ended December 31,					
	2021		**2022**		**2023**	
	Amount	**Share**	**Amount**	**Share**	**Amount**	**Share**
Banco de Chile	792,923	20.72%	1,409,435	25.64%	1,243,635	27.23%
Bci(1)	**520,545**	**13.60%**	**821,024**	**14.94%**	**682,571**	**14.95%**
Banco del Estado	377,458	9.86%	712,129	12.95%	632,980	13.86%
Banco Santander Chile	784,920	20.51%	823,857	14.99%	510,814	11.18%
Scotiabank Chile	450,162	11.76%	515,056	9.37%	416,565	9.12%
ItaúCorpBanca	278,810	7.29%	433,785	7.89%	354,883	7.77%
Banco Bice	105,140	2.75%	172,864	3.14%	158,461	3.47%
Total for seven banks	3,309,958	86.50%	4,888,150	88.92%	3,999,909	87.58%
Chilean banking system	3,826,709	100.00%	5,497,133	100.00%	4,567,144	100.00%

Source: CMF.

(1) Information includes City National Bank of Florida and Servicios Financieros.

BUSINESS

Overview

We are the largest commercial bank in Chile in terms of total net loans, deposits and assets, according to information published and calculated by the CMF. Our market share of total net loans, deposits and total assets, in the Chilean banking system was 19.66%, 21.69% and 19.76% respectively, as of December 31, 2023, in each case according to the CMF and taking into consideration Itaú CorpBanca's investment in Colombia and our acquisition of City National Bank of Florida and the subsequent mergers effected in connection therewith. Our risk index, calculated as allowances for loan losses as a percentage of our total loans (excluding loans and receivables from banks), was 1.71%, as of December 31, 2023, compared to a weighted average of 2.57% for the Chilean banking system as a whole on such date, according to the CMF.

We combine what we believe are a full service banking platform and a solid franchise with a growing international presence, particularly in the U.S., where as part of our international expansion strategy, (i) in October 2015, we acquired 100% of BCI Financial Group, Inc., formerly known as CM Florida Holdings, Inc., a registered U.S. bank holding company that owns 99.9% of City National Bank of Florida, (ii) in June 2018, we acquired TotalBank, and (iii) in October 2020, City National Bank of Florida acquired Executive National Bank. See "–City National Bank of Florida." In addition, we offer international banking services through our branch in Miami, our representative offices in Lima, São Paulo, Mexico City, Bogotá and Shanghai, and a worldwide network of correspondent banks.

In addition to traditional banking products such as lending and deposit taking, our banking services for our approximately 130,591 active commercial checking account customers (not including individual clients in the retail segment) include working capital financing, lines of credit, foreign trade financing, mortgage loans, foreign exchange and non-credit services such as cash management, payroll and payment services, and a wide range of treasury and risk management products.

We provide our approximately 840,686 active retail checking account customers with deposit services such as checking and savings accounts and also offer residential mortgage and consumer loans, lines of credit, credit cards and diversified products such as mutual funds, stock brokerage services, financial advisory services, insurance brokerage, and private and public investment fund management services. We serve our retail customers through a nationwide network of points of contact, which include 186 multiservice branches, cash agencies, point of sale branches, private banking commercial platforms and automated branches, and 547 ATMs. We have made significant investments in alternate distribution channels, including online banking, telephonic banking and other electronic financial services, to facilitate implementation of our market segmentation strategy and strengthen our competitive position in electronic payment transfers.

In December 2018, we acquired Walmart Chile Servicios Financieros, which became our fifth reporting segment. This reporting segment includes the results of operations of four entities forming Walmart Chile Servicios Financieros. These four entities that constituted the financial services division of Walmart Chile provide financing for its customers with the Líder MasterCard and Presto credit cards, along with other products. The Servicios Financieros reporting segment operates as an independent unit under the supervision of our senior management in Chile. Servicios Financieros, the name under which the four entities operate, continues to market the financial products and services offered before by Walmart Chile, which include the issue and operation of Líder Bci MasterCard, along with the origination of cash advances, super cash advances and personal insurance, among others. This business is undertaken as a ten-year commercial cooperation agreement between Bci and Walmart, a leading global company in the retail sector. We believe Servicios Financieros enables Bci to bolster its position among the credit card market leaders, enhance the development of products and services and generate value with the complementary capacities of two partners that are leaders in their respective industries. This acquisition is part of our strategy to continuously seek growth opportunities in Chile and abroad and consistent with our goal of becoming a major player in the credit card industry in Chile. This acquisition helped us grow our credit card market share 1.7 times as of December 2018, compared to the 7.9% as of November, right before the acquisition (both figures exclude City National Bank of Florida and Executive National Bank), as Servicios Financieros allows us to reach approximately 1.5 million credit card customers through digital channels.

We have been present in Peru for 20 years through a representative office. In 2022, we obtained the required authorizations from the SBS to operate our new subsidiary in Peru, BCI Peru. With an initial capital of US$60 million, we expect that this subsidiary will allow us to be a relevant player in the region focusing on corporate clients and large companies for Peruvian and Chilean customers. Our objective through our operations in Peru is to increase our presence in the Peruvian market and continue to strengthen our financial solutions platform in three countries, along with Chile and the United States, which will act as a single bank throughout Latin America and North America. This will allow us to be an increasingly relevant player at the regional level. Along with this new venture, we will continue to focus on our growth in Florida, a gateway for investments to and from Latin America, in addition to continue to analyze new growth opportunities in the region.

On December 31, 2023, shareholders related to the Yarur family held 63.57% of our issued and outstanding shares. Such shareholders are parties to a shareholders' agreement dated October 7, 2015, last amended as of September 29, 2023, pursuant to which they agree to vote their shares as a group. In addition, they reiterated their intention to preserve the principles upon which the management of the institution has been based.

Bci's subsidiary group includes BCI Financial Group Inc., BCI Miami Branch, BCI Peru, BCI Asesoría Financiera S.A., BCI Asset Management Administradora General de Fondos S.A., BCI Corredor de Bolsa S.A., BCI Corredores de Seguros S.A., BCI Factoring S.A., BCI Securitizadora S.A., BCI Securities Inc., BCI Corredores de Bolsa de Productos S.A, Servicio de Normalización y Cobranza Normaliza S.A. and the four entities that comprise Servicios Financieros (as defined in this Prospectus).

The following table represents the entities over which the Bank exercises control and therefore are included in the consolidation:

	Participation			
	Direct		Indirect	
	2023	2022	2023	2022
	%	%	%	%
BCI Asset Management Administradora General de Fondos S.A.	99.90	99.90	0.10	0.10
BCI Asesoría Financiera S.A.	99.00	99.00	1.00	1.00
BCI Corredor de Bolsa S.A.	99.95	99.95	0.05	0.05
BCI Corredores de Seguros S.A.	99.00	99.00	1.00	1.00
BCI Factoring S.A.	99.97	99.97	0.03	0.03
BCI Securitizadora S.A.	99.90	99.90	—	—
Banco de Credito e Inversiones Sucursal Miami	100.00	100.00	—	—
Servicio de Normalización y Cobranza, Normaliza S.A.	99.90	99.90	0.10	0.10
BCI Securities Inc.	99.90	99.90	0.10	0.10
BCI Corredores de Bolsa de Productos S.A.	99.00	99.00	1.00	1.00
BCI Financial Group, Inc. and Subsidiaries	100.00	100.00	—	—
Servicios Financieros y Administración de Créditos Comerciales S.A.	99.98	99.98	0.02	0.02
Administradora de Tarjetas Servicios Financieros Limitada.	99.99	99.99	0.01	0.01
SSFF Corredores de Seguros y Gestión Financiera Limitada.	99.00	99.00	1.00	1.00
Servicios y Cobranzas SEYCO Limitada.	99.00	99.00	1.00	1.00
Bci Peru S.A.	99.99	99.99	—	—

On December 31, 2023 we had a total equity of Ch$6,067,376 million and for the year ended December 31, 2023, we had a consolidated profit for the period of Ch$682,571 million.

On December 31, 2023, we had a regulatory capital ratio of 14.42% (including Tier 1 and Tier 2 capital), computed in accordance with guidelines of the CMF.

We are registered and headquartered in Santiago, Chile and had 11,423 employees worldwide as of December 31, 2023. We are a public company in Chile whose common shares are listed on the Santiago Stock Exchange (*Bolsa de Comercio de Santiago*).

City National Bank of Florida

As part of our international expansion strategy, in October 2015 we acquired 100% of BCI Financial Group, Inc., formerly known as CM Florida Holdings, Inc., a U.S. bank holding company which owns 99.9% of City National Bank of Florida, for a purchase price of US$947 million. Established in 1946 and headquartered in Miami, Florida, City National Bank of Florida is a local commercial bank focused on mid-sized (middle market) and small companies, real estate business and high net worth and affluent clients, particularly professionals and company owners. City National Bank of Florida offers financial products, including real estate, commercial and consumer banking, to approximately 60,725 clients through 32 banking centers strategically located in four counties in Florida. As part of the portfolio of related financial products and services offered, we also began to provide lease financing services in 2016. In order to provide a comprehensive service to our clients, in July 2017 we invested in a lease subsidiary, City National Capital Finance ("**CNCF**"). CNCF is 100% owned by CNB, and provides equipment loans and leasing services.

To further diversify our income stream and businesses, in June 2018, City National Bank of Florida acquired and absorbed (by way of merger by incorporation) TotalBank, an integrated retail-commercial bank in South Florida, which offered a comprehensive range of traditional banking products and services for businesses and individuals. TotalBank focused on relationship-driven business model organized in several business segments including Banking Centers, Corporate Lending and International Personal Banking.

In October 2020, City National Bank acquired 100% of the outstanding shares of Executive National Bank, a Florida commercial bank, for approximately US$62 million. The primary objective of the purchase was to increase the Bank's market share in its core market and achieve synergies through the operating expenses of the combined operations.

City National Bank of Florida, the main BCI Financial Group, Inc. subsidiary, reached US$26.1 billion in assets by the end of 2023, becoming one of the largest financial institutions based in the state of Florida.

On December 31, 2023, (i) 78.1% of City National Bank of Florida's loans had mortgage collateral, 19.5% were commercial and industrial, 1.8% were financial leases and 0.6% were consumer loans, and (ii) City National Bank of Florida had deposits and borrowings of US$23.4 billion (US$21 billion in deposits) and shareholders' equity of US$2.4 billion in accordance with U.S. GAAP and a risk based Tier 1 regulatory capital ratio of 9.9%, computed in accordance with guidelines promulgated by the FDIC, the OCC and the Federal Reserve, each in accordance with U.S. GAAP. For the years ended December 31, 2021, 2022 and 2023, City National Bank of Florida had consolidated net income of US$243.0 million, US$273.1 million and US$163.6 million, respectively, in accordance with U.S. GAAP.

We believe that the market for banking services in Florida offers attractive prospects for growth due to its favorable characteristics, such as a large depositary base. We also believe that the following factors distinguish City National Bank from its competitors: (i) it operates in a state with affluent individuals and sizable businesses relocating from the Northeast and other parts of the United States to Florida, (ii) it has been named one of American Bankers "Best Banks to Work For" for four out of the last six years, including the last two years, (iii) it continues to invest in technology and its digital transformation initiative and continues to build upon its recent digital investments that enabled many of its key accomplishments during the recent year, (iv) there is ample opportunity in expanding its presence in Central Florida in addition to capitalizing on more opportunities in the Palm Beach and Fort Lauderdale markets that are close to its Miami headquarters, and (v) it has a strong brand in Florida that has been developed and earned since it first started operating in Miami over 75 years ago.

Through City National Bank of Florida, we increased our international revenues by combining our experience and capabilities in Chile with an established and scalable banking platform that is managed by an experienced management team in the strategic Florida market, where we have operated an international branch for over 21 years. However, we cannot assure you that we will be able to realize all of the anticipated benefits that we seek.

Corporate Strategy

Our ultimate goals are to be the best bank for our national and international stakeholders, increase the positive impact of our direct and indirect operations on social, environmental, and economic aspects, and become the best place to work and the "Brand of choice" for our customers within the digital financial ecosystems. We intend to pursue these objectives through the following strategic pillars:

- ***Our commitment to develop a personalized customer experience through digital innovation and responsibility in the use of data.***

Bci has a culture based on innovation and the generation of value for our stakeholders through technology. In this context, we have been leaders in the innovation and digitization of products and services for decades.

We differentiate ourselves from our competitors because of our customer-driven philosophy rather than product-driven approach, which leads us to offer a high-impact level of experience combined with a world-class customer experience. We value loyal customers that are a source of stable, recurring revenues, and we seek to establish long-term relationships by providing all the banking and financial products that the law allows us and adapted to our customers specific needs, coupled with high-quality service. We seek to further enhance our customers experience by:

1. Focusing on and investing in digital innovation and responsible data-driven decision-making, particularly in our retail and SMEs operating segments, using new technologies and data analytics (such as software for credit scoring and fraud detection) to achieve better insights and expand the digitalization of our customers' multi-channel experience that we strive to make as seamless as possible. In 2023, we opened 180,000 new digital accounts for individuals and SMEs which demonstrates our active efforts in this field. Furthermore, we continued to prioritize digitization and data-driven decision making using security systems. We are committed to fostering financial inclusion through the introduction of new digital accounts to enable individuals and SMEs to join the financial mainstream and benefit from the emerging digital economy.
2. Combining our diversified, full-service model with our capacity to adapt to customer needs and our local and international experience to provide superior service and deepen our relationship with our corporate and investment banking clients. In 2023, we continued to integrate our comprehensive service model with our ability to adapt to client requirements mainly through the launch of new retail banking services.
3. Expanding our client coverage and enhancing our payments and cash management services through state-of-the-art technology by offering new services. We enhanced the capabilities of "Bci Pagos" and reinforced our dedication to provide increasingly efficient and innovative financial services. In 2023, we constructed the largest digital payment ecosystem in Chile, aggregating nearly 6 million clients by merging our customer base with the customer bases of the "MACH" mobile app and Servicios Financieros. Also, in 2023 more than 570,000 clients made payments using QR codes at affiliated businesses through "MACH" or our own platforms.
4. Implementing our strong commitment to mobile banking, focusing on the development of mobile services to improve our customer experience. The service development through our apps has been successful, resulting in a 95% satisfaction rate among personal banking users and a 90% satisfaction rate among SME banking users. These results demonstrate our dedication to mobile banking and our ability to provide high quality, customer-oriented services that meet the needs of our diverse customer base.
5. Responding to the evolving needs of our customers. We continue to innovate our businesses. In this regard, by joining the Net Zero Banking Alliance (NZBA) in July 2023, we demonstrate our commitment to address current challenges, directing financing and investments towards green technologies.

We believe that our focus on digital innovation will also continue to help us improve our operating efficiency and further our goal of financial inclusion. Examples of our pioneering efforts in digital innovation include our online checking accounts, our 100% digital approval process for mortgage loans for new properties (the first bank in Chile to offer such service), and our person-to-person digital service "MACH" mobile app, which was launched in 2017 to improve financial inclusion and had more than 4 million accounts as of December 31, 2023. "MACH" experienced an 8.6% increase in customer base from 2022 to 2023, continuing its positive trend and reaffirming its commitment to financial accessibility.

During 2023, we continued to progress in our digital transformation and to enhance our omnichannel experience due to the development of new capabilities and the growth of those already enabled. The different initiatives in the digital world and remote channels achieved promising figures as of December 2023. More than 77% of sales and 92% of transactions were made through remote channels. In the SMEs segment, 74% of sales and 86% of transactions were made through remote channels.

Our focus on customer experience has been widely recognized in 2023. We are proud to have been named the Best Chilean Bank in Digital Channels for individuals and companies by Global Finance. Additionally, BciPlus+ program has been awarded the Best Benefits Program at the 2023 *Chócale* Awards. In the realm of asset management, Bci Asset Management was honored as the Best Fixed Income International Mutual Funds Administrator in the *El Mercurio* Inversiones Ranking. Furthermore, at the 2023 *Salmón* Awards by *Diario Financiero* and *LVA Índices*, our Asset Management was awarded the first place in the emerging equity category for mutual funds, and in the national debt in UF category for APV funds.

A culture that seeks to promote and enhance leadership, collaboration and innovation. We seek to promote a culture of leadership and collaboration through a set of best practices focusing on our customers and disciplined execution. In addition, we focus on creating an environment that fosters innovation over marginal improvement through our award-based innovation framework. In 2023, we obtained the Financial Innovators Award, with gold distinction in the category of workplace culture in Chile at Fintech Americas. In the last four years, we have obtained the Most Innovative Bank award from ESE business school. Furthermore, because we believe that employee talent, motivation, and satisfaction are crucial to our business and success, we strive to attract the best talent, promote their embrace of our core cultural values and keep our high employee satisfaction levels.

We were also recognized as the best employer for young professionals by Employers for Youth and were awarded the Top Employer Seal, an international certification recognizing our best practices in people management, bestowed by the Top Employer Institute. Additionally, we secured the first place in the "Happiest Workplace in Chile 2023" in the large companies category, a ranking conducted by Building Happiness by BUK. Lastly, our dedication has been further acknowledged by securing a place in the Best Workplaces 2023 Chile list. We intend to continue to concentrate on the development of talented and motivated employees who are committed to our mission and institutional values of leadership, collaboration, and innovation.

With the main objective of deepening the culture of innovation and technological development, we have adopted agile methodologies for our digital actions, closing the year 2023 with 160 agile teams, representing a growth of 29% from 2022.

Based on all our initiatives, our internal metric that evaluates the level of employee engagement has a long-term goal of 88%, achieving better employee engagement scores over the last four years, culminating in a 93% rating for 2023.

- ***We pursue sustainable growth and profitability while maintaining our focus on conservative risk and capital management***. We seek persistent and sustainable growth and profitability by:

  1. Expanding penetration of our market segments and increasing cross-selling of our products and services with a particular focus on customer-targeted offerings;
  2. Continuing to strengthen our capital position to support sustainable growth, achieve and maintain a tier 1 capital ratio with sufficient margin relative to regulatory limits;
  3. Seeking to optimize our technology infrastructure to reduce costs and create value for our customers through more straightforward and flexible processes and develop greater in-source capabilities; and
  4. Developing traditional and non-traditional analytics for an adequate, precise, and responsible evaluation of the credit risk of current and new clients.

  Furthermore, we intend to pursue growth and profitability while focusing on a conservative and holistic view of credit, operational, financial, and reputational risk management.

  Our dedicated risk management team focuses on monitoring risks across all areas of our business, and we have implemented an algorithmic model to monitor and manage our exposure to market risk. In 2023, we decided to continue its slack regarding the regulatory minimums established for capital. We have constituted additional provisions for approximately US$485 million and US$429 million during 2022 and 2023, respectively, reaching a total of US$429 million at the end of 2023 to that end.

  Our digital ecosystem has been made available to more than 5 million customers, with the goal of reaching 10 million customers by 2026. We have also been pioneers in the creation of the first open loyalty program, BciPlus+, a program based on a cashback model, in which any business can join online to the program and offer their products.

- ***Commitment to progress and impact on ESG strategy.*** We have a solid commitment to the communities in which we operate. This stems from our corporate purpose, "We dare to make a difference," which inspires us to promote a more inclusive and equitable society through accessible financial solutions, responsible investments, and transparency. We are committed to accompanying our clients in their transition towards a more sustainable future and generating social and environmental impact from our core business to increase and sustain profitability.

  In 2022, the Sustainability Center of Excellence and Innovation (the "CoE"), which is an award-winning organization in sustainability, began its activities as an accelerator and enabler of Bci's ESG strategy. The CoE promotes triple impact throughout our commercial and non-commercial activities, and has the mission of creating, deploying and transferring the sustainability strategic capability to our organization in order to generate sustainable social, environmental, and economic impact on our core business. Our Sustainability strategy is at the highest level of our business strategy, which is measured by our corporate Sustainability Index, a compound of key result impact indicators integrated into our balanced scorecard for our entire organization. We adhere to the following international sustainability standards: Global Compact's Principles for Responsible Banking, Net Zero Banking Alliance, TCFD, PRI, MSCI ESG Rating and Dow Jones Sustainability Indices, among others.

In 2023, we measured the greenhouse gas emissions associated with our Wholesale & Investment Banking, Retail SME Banking, Bci Asset Manager and Stockbroker. This measurement was made by applying the Global GHG Accounting and Reporting Standard for the Financial Industry, which was developed by the Alliance for Carbon Accounting in the Financial Industry (PCAF). Calculating our financed and facilitated emissions will help us set and achieve net zero goals in the transition towards a low carbon economy.

- ***Pursuing our international strategy.*** We expect to continue to evaluate and selectively pursue growth opportunities outside Chile that complement our existing operations. This strategy is focused on:

1. Generating new sources of revenue;
2. Geographic diversification, which allows us to diversify risk as well as provide existing clients with regional solutions and access to new markets; and
3. Enhancing our pre-existing regional platform.

After acquiring TotalBank in 2018 and Executive National Bank in 2020 through our subsidiary City National Bank of Florida, we currently have approximately 36% of our assets outside of Chile. All of this supports us in being part of the 100 largest commercial banks in the United States, a country whose industry comprises more than 4,100 commercial banks. We expect CNB to continue consolidating to become the first largest Florida-based bank. We believe that the Florida market offers attractive prospects for growth outside of Chile as it is the fourth largest state in the United States in terms of GDP (according to the U.S. Bureau of Economic Activity) and financial assets (deposits) (according to the FDIC), as well as the third largest in terms of population, according to the U.S. Census Bureau. The state of Florida has favorable demographics with a strong population and personal income growth. In addition, it has an attractive and fragmented banking system, which offers organic and inorganic growth opportunities. Florida has a deep-rooted cultural and economic connection with Latin America, as evidenced by the high trade and investment flow to and from the region.

We have benefited from City National Bank of Florida's established banking platform to drive growth in this strategic market and to continue its focus primarily on its core segments, which include mid-sized (middle market) and small companies, real estate business, and high net worth individuals, by offering a wide range of credit and non-credit products and services to our corporate and retail customers. In addition, we have integrated non-banking financial products, such as factoring, financial leasing, insurance brokerage, securitization, investment funds management, and securities brokerage services, to maximize the value represented by our branch network and other distribution channels.

In 2023, Bci Peru concluded its first year of operations with a loan portfolio equivalent to US$1 billion. With a robust technological architecture and 64 employees, BCI Peru began its operations on July 15, 2022 after having a representation office in that country for more than 20 years. In the first stage, BCI Peru will focus on the corporate segment, helping Peruvian companies, and Chilean companies with subsidiaries in Peru, through a business model that considers a growing offer of banking services. We expect that this subsidiary will allow us to be a relevant player in the region and to offer a three-country platform - along with Chile and the United States - that will act as a single bank throughout Latin America and North America.

- ***Solid capital adequacy indicators.*** One of the highlights of our financial performance is the notable improvement in our capital ratios. In 2023, our capital adequacy ratio was 14.4%, which represents an increase of 147 basis points from 2022, and our common equity tier 1 was 11.1%, which represents an increase of 168 basis points from 2022. We abide by the legal and regulatory requirements of the Chilean General Banking Law and the Chilean Norm of General Application, which mandates a minimum of 6% of risk-weighted assets for level 1 capital. We successfully increased our capital by US$665 million in October 2023. In addition, in 2024 we became the first Chilean bank to issue a perpetual bond in a principal amount of US$500 million, which is characterized as Additional Tier 1 capital (AT1). As a result of these milestones, we continued to solidify our robust standing capital and risk management, aiming to back up our strategy for local and international growth whilst maintaining compliance with Basilea's III standards.

Corporate Information

We are a corporation incorporated on May 7, 1937 under the law of Chile and listed with the Santiago Stock Exchange. Our principal executive offices are located at Avenida El Golf 125, Las Condes, Santiago, Chile, and our telephone number is +5622 692-7000. Our website is www.bci.cl. Any information contained or accessible through our website is not part of this Prospectus.

Selected Consolidated Financial Information

The following tables present selected consolidated financial information as of and for the years indicated, in each case in accordance with Chilean GAAP. This information should be read in conjunction with, and is qualified in its entirety by reference to, our audited consolidated financial statements, and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," appearing elsewhere in this Prospectus.

The selected consolidated financial information as of and for the years ended December 31, 2021, 2022 and 2023 has been derived from our audited consolidated financial statements included elsewhere in this Prospectus.

Chilean GAAP differs in certain significant respects from IFRS. See "Presentation of Financial and Other Information." We have included a description of certain significant differences between Chilean GAAP and IFRS as applied to us in "Annex A—Significant Differences Between Chilean GAAP and IFRS."

	As of and for the year ended December 31,			
	2021	2022	2023	2023
	(in millions of Ch$)[1]	(in millions of Ch$)[1]	(in millions of Ch$)[1]	(in millions of US$)[2]
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION DATA				
Assets				
Cash and bank deposits	3,960,498	4,256,396	3,619,715	4,139
Transactions in the course of collection[3]	350,072	404,209	475,440	544
Financial assets held for trading at fair value through profit or loss	6,066,335	7,680,615	7,088,697	8,106
Financial derivative contracts	5,192,467	6,770,653	6,000,937	6,862
Debt Financial Instruments	717,058	770,101	974,506	1,114
Other	156,810	139,861	113,254	130
Financial assets not held for trading mandatorily measured at fair value through profit or loss	—	71,282	58,963	67
Financial assets at fair value through profit or loss	—	—	—	—
Financial assets at fair value through other comprehensive income	10,813,647	10,477,361	8,991,137	10,281
Debt Financial Instruments	10,813,647	10,477,361	8,991,137	10,281
Other	—	—	—	—
Financial derivative contracts for accounting hedge	1,589,058	1,788,851	1,999,433	2,286
Financial assets at amortized costs	43,730,731	49,830,891	53,769,837	61,486
Rights for reverse repurchase agreements and securities lending	186,753	182,061	207,114	237
Debt Securities	2,296,066	3,581,998	4,322,383	4,943
Loans and advances to banks[4]	639,533	767,700	680,190	778
Loans and receivables from customers - Commercial	26,686,186	29,276,944	31,940,712	36,525
Loans and receivables from customers - Mortgage	10,699,056	12,809,381	13,740,355	15,712
Loans and receivables from customers - Consume	3,223,137	3,212,807	2,879,083	3,292
Investment in companies	115,414	175,736	163,136	187
Intangible assets	440,958	411,009	446,546	511
Property and equipment	252,734	249,105	253,614	290
Right-of-use assets	189,026	152,886	143,886	165
Current tax assets	19,572	138,066	159,318	182
Deferred tax assets	253,552	482,714	492,461	563
Other assets	1,319,963	1,895,064	1,592,985	1,822
Non-current assets and disposal groups held for sale	45,718	34,934	45,985	53
Total assets	**69,147,278**	**78,049,119**	**79,301,153**	90,682
Liabilities				
Transactions in the course of payment [3]	258,686	330,138	429,959	492
Financial liabilities held for trading at fair value through profit or loss	5,094,231	6,584,736	5,625,481	6,433
Financial derivative contracts	5,094,231	6,584,736	5,625,481	6,433
Other	—	—	-	-
Financial liabilities designated at fair value through profit or loss	—	—	-	-
Financial derivative contracts for accounting hedge	1,492,815	2,590,468	2,535,841	2,900
Financial liabilities at amortized cost	54,086,905	59,760,444	59,937,499	68,539
Deposits and other on-demand liabilities	27,653,442	24,122,165	23,810,298	27,227
Deposits and other term deposits	10,865,149	18,245,965	18,442,271	21,089
Liabilities for repurchase agreements and securities lending	141,178	384,883	706,623	808
Bank borrowings	6,970,837	6,661,071	7,125,985	8,149
Debt financial instruments issued	7,428,196	8,107,260	8,112,510	9,277
Other financial liabilities	1,028,103	2,239,100	1,739,812	1,989
Lease liabilities	173,726	136,448	129,349	148
Regulatory capital financial instruments issued	1,332,936	1,499,299	1,551,291	1,774
Provisions for contingencies	138,611	227,716	199,775	228
Provisions for dividends, payment of interests and revaluation of regulatory capital financial instruments	156,117	246,247	204,740	234
Special provisions for credit loss	412,065	491,055	452,398	517
Current taxes	141,535	17,493	33,659	38
Deferred taxes	926	1,612	2,106	2
Other liabilities	1,364,510	1,386,662	2,131,679	2,438
Liabilities included in disposal groups held for sale	—	—	-	-
Total liabilities	**64,653,063**	**73,272,318**	73,233,777	83,744
Equity				
Share capital	3,862,386	4,225,332	5,383,715	6,156
Reserves	(23,100)	(26,640)	-	-
Accumulated other comprehensive income	289,255	2,211	204,352	234
Items that will not be reclassified to profit or loss	—	(182)	395	-
Items that may be reclassified to profit or loss	289,255	2,393	203,957	233
Retained earnings from prior years	—	—	-	-
Profit for the year	520,391	820,822	682,468	780
Less: Provisions for dividends, payment of interests and revaluation of regulatory capital financial instruments issued	(156,117)	(246,247)	(204,740)	(234)
Owners of the bank	4,492,815	4,775,478	6,065,795	6,936
Non-controlling interests	1,400	1,323	1,581	2
Total equity	4,494,215	**4,776,801**	**6,067,376**	**6,938**
Total liabilities and equity	**69,147,278**	**78,049,119**	**79,301,153**	**90,682**

	As of and for the year ended December 31,			
	2021	2022	2023	2023
	(in millions of Ch$)(1)	(in millions of Ch$)(1)	(in millions of Ch$)(1)	(in millions of US$)(2)
CONSOLIDATED STATEMENT OF INCOME DATA				
Interest income	1,709,828	2,903,692	4,102,634	4,691
Interest expenses	(349,599)	(1,343,274)	(2,539,336)	(2,904)
Net interest income	**1,360,229**	**1,560,418**	1,563,298	1,788
Inflation-indexation income	655,232	1,476,901	884,492	1,011
Inflation-indexation expenses	(315,057)	(727,603)	(426,479)	(488)
Net inflation-indexation income	**340,175**	**749,298**	458,013	524
Fee income	483,505	508,328	512,405	586
Fee expense	(127,875)	(141,417)	(171,600)	(196)
Net fee income	**355,630**	**366,911**	**340,805**	**390**
Finance income for:				
Financial assets and liabilities held for trading	135,809	23,774	247,786	283
Non-trading financial assets mandatorily measured at fair value through profit or loss	—	(24,090)	(13,750)	(16)
Financial assets and liabilities designated at fair value through profit or loss	—	—	—	—
Income arising from derecognition of financial assets and liabilities measured at amortized cost and financial assets measured at fair value through other comprehensive income	—	8,399	(12,105)	(14)
Foreign currency changes, inflation-indexation, and hedge accounting	(85,472)	(56,135)	(141,510)	(162)
Reclassifications of financial assets due to change in business model	—	—	—	—
Other finance income	—	—	—	—
Net finance income	**50,337**	**(48,052)**	**80,421**	**92**
Income from investments in companies	2,290	7,404	16,018	18
Income from non-current assets and disposal groups held for sale not admissible as discontinued operations	11,637	9,702	10,232	12
Other operating income	36,759	53,406	51,542	59
Total Operating Income	**2,157,057**	**2,699,087**	**2,520,329**	**2,882**
Expenses for employee benefit obligations	(540,053)	(638,989)	(665,866)	(761)
Administrative expenses	(333,896)	(422,520)	(498,105)	(570)
Depreciation and amortization	(106,931)	(113,643)	(113,016)	(129)
Impairment of non-financial assets	(23)	(21,009)	(2,547)	(3)
Other operating expenses	(53,000)	(96,153)	(23,565)	(27)
Total operating expenses	**(1,033,903)**	**(1,292,314)**	**(1,303,099)**	**(1,490)**
Operating income before credit losses	**1,123,154**	**1,406,773**	**1,217,230**	**1,392**
Credit loss expense	(401,124)	(494,870)	(399,255)	(457)
Operating profit	722,030	**911,903**	**817,975**	**935**
Profit from continuing operations before tax	722,030	911,903	817,975	935
Income tax	(201,484)	(90,879)	**(135,404)**	**(155)**
Consolidated profit for the year ended	**520,546**	**821,024**	**682,571**	**781**

	As of and for the year ended December 31,			
	2021	2022	2023	2023
	(in millions of Ch$)(1)	(in millions of Ch$)(1)	(in millions of Ch$)(1)	(in millions of US$)(2)
CONSOLIDATED STATEMENTS OF CASH FLOWS DATA				
Net cash from operating activities	1,005,385	1,374,876	(3,000,257)	(3,431)
Net cash (used in) from investing activities	44,199	(426,917)	788,472	902
Net cash (used in) from financing activities	355,556	(458,542)	(260,500)	(298)
Change in cash and cash equivalents after the effect of exchange rate changes on cash and cash equivalents	1,405,140	489,417	(2,472,285)	(2,827)

	As of and for the year ended December 31,		
	2021	2022	2023
CONSOLIDATED RATIOS			
Profitability and performance			
Net interest margin(5)	3.4%	3.8%	2.6%
Fee income as a % of average interest-earning assets	1.0%	0.8%	0.8%
Fee income as a % of administrative expenses	144.8%	120.3%	102.9%
Return on average total assets(6)	1.0%	1.4%	0.9%
Return on average shareholders' equity(7)	17.2%	20.9%	14.5%
Dividend payment ratio(8)	30.3%	33.1%	37.1%
Capital			

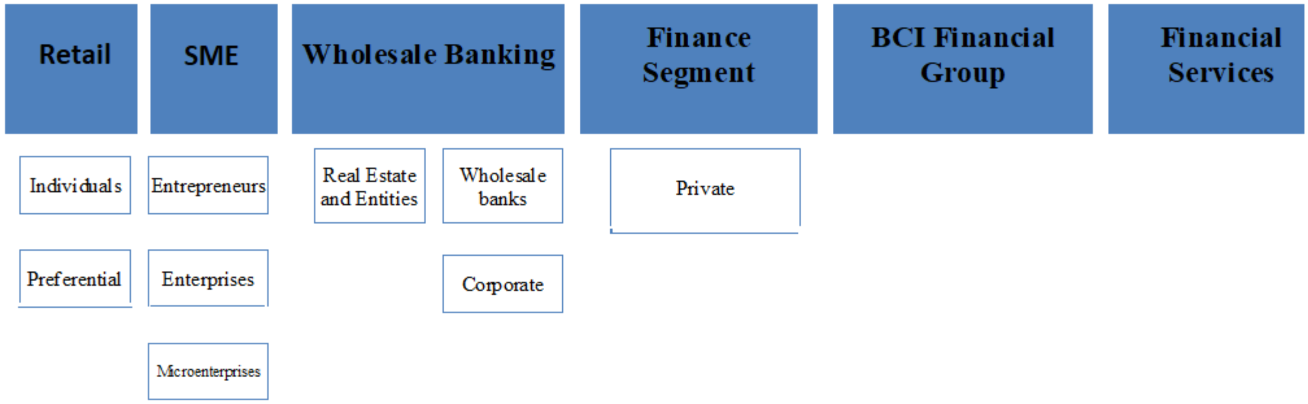
	As of and for the year ended December 31,		
	2021	2022	2023
Average shareholders' equity as a % of average total assets	5.1%	5.4%	6.3%
Leverage indicator	6.37%	5.96%	7.4%
Basic capital indicator	9.99%	9.4%	11.1%
Tier 1 capital indicator	10.99%	9.9%	11.1%
Asset Quality(*)			
Loans overdue less than 90 days as a % of total loans(9)	6.8%	4.9%	5.0%
Past due loans as a % of total loans(10)	0.8%	1.2%	1.2%
Impaired loans as a % of total loans(11)	3.6%	3.3%	3.6%
Allowance for loan losses as a % of loans overdue less than 90 days(9)	36.8%	27.8%	34.5%
Allowance for loan losses as a % of past due loans(10)	224.4%	161.7%	140.4%
Allowance for loan losses as a % of impaired loans(11)	50.0%	56.4%	47.1%
Allowance for loan losses as a % of total loans(12)	1.8%	1.9%	1.7%
Consolidated risk index(13)	1.9%	1.9%	1.7%
Efficiency			
Operating expenses as a % of operating income, plus provision for loan losses	52.1%	52.1%	38.7%
Operating expenses as a % of average total assets(14)	1.7%	1.8%	1.7%
Liquidity			
Loans as a % of total deposits(15)	95.8%	117.6%	116.9%
Liquid assets as a % of total deposits(16)	11.2%	11.0%	9.7%
OTHER DATA			
Inflation rate(17)	7.2%	11.8%	3.9%
Number of branches and offices	254	229	186
Number of employees	11,588	11,514	11,423

(*) Excluding loans and receivables from banks.
(1) Except percentages and ratios.
(2) For the reader's convenience, we have converted the original Chilean peso amounts into U.S. dollars at the observed exchange rate as published by the Central Bank of Chile on the first business day following the respective period. The exchange rate used for purposes of this conversion was Ch$877.12 per US$1.00, as of December 31, 2023. We make no representation that the Chilean peso or the U.S. dollar amounts referred to herein actually represent, could have been or could be converted into U.S. dollars or Chilean pesos, as the case may be, at the rates indicated, at any particular rate or at all.
(3) Transactions pending settlement which will increase or decrease our funds deposited with the Central Bank of Chile or with foreign banks within 24 business hours of the execution of such transactions.
(4) Net of allowances for loan losses.
(5) Net interest income as a percentage of monthly average interest earning assets.
(6) Consolidated profit for the year ended as a percentage of monthly average total assets.
(7) Consolidated profit for the year ended as a percentage of monthly average equity for the last 12 months.
(8) Dividends paid divided by net income.
(9) Loans overdue less than 90 days consist of loans overdue for one to 89 days.
(10) Past due loans consist of loans for which either principal or interest are overdue for at least 90 days and which do not accrue interest. Past due loans include, with respect to any loan, only the portion of principal and interest that is overdue for 90 or more days, and do not include the installments of such loan that are not overdue or that are overdue for less than 90 days, unless (i) any portion of the loan is overdue for 180 days or more, in which case the entire loan is considered past due, or (ii) legal proceedings have been commenced for the entire outstanding balance according to the terms of the loan, in which case the entire loan is considered past due within 90 days after initiation of such proceedings. This practice differs from that normally followed in the United States where the amount classified as past due would include the entire amount of principal and interest on any and all loans which have any portion overdue.
(11) Impaired loans consist of our (i) "individually" assessed loans which have been classified as B3, B4, C1, C2, C3, C4, C5 and C6 according to the categories set forth by the CMF (former SBIF) and (ii) "collectively" assessed loans that are (a) past due loans, or (b) restructured past due loans until we re-classify them as performing loans based on our periodic reassessment of such loans. See "Regulation and Supervision—Classification of Loan Portfolio."
(12) Allowance for loan losses as a percentage of total loans before allowances for loan losses.
(13) The risk index is calculated as allowances for loan losses as a percentage of total loans net of allowances for loan losses.
(14) Average total assets are calculated on the basis of average monthly balances of our consolidated assets.
(15) Total deposits consist of current accounts and demand deposits plus term deposits and saving accounts.
(16) Liquid assets consist of cash and deposits in banks and items in course of collection.
(17) Based on the Chilean consumer price index, as reported by the Chilean National Institute of Statistics.

Our Segments

We offer a wide range of credit and non-credit products and services to our corporate and retail customers. In addition, we have integrated non-banking financial products, such as factoring, financial leasing, insurance brokerage, securitization, investment funds management and securities brokerage services, to maximize the value represented by our branch network and other distribution channels.

The following chart sets forth our principal reporting segments:



In accordance with IFRS 8, the Bank has aggregated operating segments with similar economic characteristics based on the aggregation criteria specified in the standard. Thus, a reporting segment comprises clients to whom differentiated products are addressed, which are homogeneous and whose performance is measured in a similar way, thus part of the same reporting segment. Segment reporting is presented by the Bank based on a defined business structure, which is focused on optimizing assistance to clients with products and service, according to relevant commercial characteristics.

The Retail Banking Segment is designed to provide financial services to natural persons. The SME Bank segment is addressed to companies that register sales of up to UF80,000 per year. The Wholesale Banking segment is addressed to all companies with sales of more than UF80,000 per year. The Corporate and Investment Banking Finance Division segment includes brokerage of financial positions and portfolio management services. It is also addressed to high net worth clients and investors who are provided high-value financial services, including private banking. The BCI Financial Group segment corresponds to the business and operations carried out in the United States through City National Bank of Florida. It operates as an independent unit and is supervised by our senior management in Chile. The Financial Services segment is addressed to businesses which operations include BCI Leader Mastercard and Presto credit cards, and the origination of advances and personal insurance brokerage. It operates as an independent unit and is supervised by our senior management in Chile. The references to "Other" segments in this Prospectus include those expenses and/or income that by their nature are not directly identifiable within the reportable segments and therefore are not assigned.

As of June 2021, the private banking unit was relocated from Wholesale Banking to Corporate and Investment Banking Finance Division segment in order to promote investment opportunities.

Retail Banking Segment

This segment includes individuals and certain entities as described below. As of December 31, 2023, we had approximately 840,686 checking account customers in our Individuals, Preferential, and Nova banking operating segment.

At and for the year ended December 31, 2023, loans in this operating segment represented 18.1% of our total assets, and our Retail banking segment accounted for 28.9% of our consolidated net interest income and net inflation-indexation income and 52.6% of our consolidated fee income.

At December 31, 2023, the risk index calculated as allowances for loan losses as a percentage of our total loans to retail banking customers was 2.5%.

The following table sets forth, as of each of the dates indicated, the number of accounts in our Retail banking segment:

	As of December 31,		
	2021	**2022**	**2023**
Checking accounts	613,201	702,954	840,686

We offer our retail banking customers a broad range of products and services, including consumer loans credit cards, auto loans, commercial loans, residential mortgage loans, checking accounts, savings products, broker-dealer services, mutual funds and insurance brokerage.

We divide our retail banking operating segment into the following operating segments:

Individuals and Preferential

We have historically targeted the middle-income segment of the Chilean population, which has been rapidly growing both in terms of size and purchasing power. The individual banking line of business includes those middle-income individuals who have monthly income between Ch$450,000 (approximately US$500) and Ch$3 million (approximately US$3,200) and upper-income individuals who have monthly income higher than Ch$3 million. As of December 31, 2023, we had 83.7% of our outstanding retail/individual banking loans classified to "classic" or middle-income individuals, representing 60.2% of our individual total loans as of such date. As of the same date, approximately 23.5% of our outstanding retail individual banking loans were classified as loans to "preferential" or upper-income individuals.

SME Bank Segment

This operating segment includes entrepreneurs and entities with sales up to UF80,000. As of December 31, 2023, we had approximately 105,346 checking account customers in our small and medium enterprises operating segment. As of and for the year ended December 31, 2023, assets in this operating segment represented approximately 3.5% of our total assets, and our customers accounted for 9.9% of our consolidated net interest income and 10.6% of our net fee income. As of December 31, 2023, the risk index for our loans to small and medium-sized enterprises customers was 1.74%.

Microenterprises

This line of business includes businesses with annual net sales up to UF3,500 (approximately Ch$128.76 million or US$146,802) and we offer our products and services to both the small businesses and their owners individually. This segment represents approximately 11.6% of our outstanding loans in our Small and Medium Enterprises operating segment. This segment only includes current and saving accounts.

Entrepreneurs

This line of business includes businesses with annual net sales between UF3,500 (approximately Ch$128.76 million or US$146,802) and UF25,000 (approximately Ch$920 million or US$1,048,584), and we offer our products and services to both the small businesses and their owners individually. This segment represents approximately 38% of our outstanding loans in our Small and Medium Enterprises operating segment.

Enterprises

This line of business includes businesses with annual net sales between UF25,000 (approximately Ch$920 million or US$1,048,584) and UF80,000 (approximately Ch$2,943 million or US$3.36 million), and we offer our products and services to both the small businesses and their owners individually. This segment represents approximately 49% of our outstanding loans in our Small and Medium Enterprises operating segment.

Products

We offer the following products and services, among others, to our retail and small and medium enterprise customers:

- *Checking Accounts and Other Deposit Products.* We offer checking accounts denominated in Chilean pesos and U.S. dollars. In Chile, checking accounts have been historically non-interest bearing accounts and therefore have provided us with an important source of low-cost funding. Since June 1, 2002 the Central Bank of Chile has allowed banks to pay interest on checking accounts and currently there are no applicable restrictions on the interest paid on checking accounts. However, we currently pay interest on only a small portion of our checking accounts. We offer our customers interest bearing deposits, including term deposits and savings accounts. Term deposits are offered in Chilean pesos, UF and U.S. dollars, bear interest at a fixed rate and have terms of seven to 360 days. Savings accounts are generally denominated in UF and bear interest at a fixed rate.

- *Mortgage Loans.* As of December 31, 2023, we had outstanding mortgage loans of Ch$10,375,203 million, representing 61.5% of our total loans at such date. Our residential mortgage loans are denominated in UF, bear interest at a fixed rate (which is at a fixed spread above the mortgage finance bonds referred to below) and have maturities between 5 and 30 years. By the end of 2023, 30 year maturity mortgage loans were restricted and the maximum given maturity is 25 years.

- As of December 31, 2023, the average life of our residential mortgage loans was approximately 16years, reflecting an expansion of available maturities in recent years in the Chilean market. Although from time to time we use other sources of financing to fund our residential mortgage loans, we generally fund these loans through the issuance of mortgage finance bonds, which are recourse obligations with payment terms generally matched to the related mortgage loans and bearing interest at a rate below such loans.

- *Consumer Loans.* As of December 31, 2022, we had outstanding consumer loans, lines of credit outstanding (including overdraft lines) of Ch$1,848,977 million, representing 11.0% of our consolidated loans at such date, approximately 8.8% below 2022 due to our strategic decision to focus on the most competitive customer profiles. Lines of credit are generally provided on a revolving basis up to an approved credit limit. Consumer loans are generally repayable in installments over terms of up to 36 months. Consumer loans include loans for purchases of automobiles, home furnishings and other durable consumer items. For such items (particularly automobiles), we generally obtain a lien on the purchased item to securer payment.

- *Credit Cards.* As December 31, 2023, we had Ch$763,537 credit cards outstanding under our logo according to the CMF, which includes Servicios Financieros and City National Bank of Florida, which represented 4.5% of our total loans at such date. We have non-exclusive agreements with Visa International Inc. and MasterCard Inc. under which we issue Visa and MasterCard credit cards under the Bci brand. We earn interest revenue on outstanding credit card balances, transaction commissions from merchants, late fees on overdue payments and annual fees from cardholders. Interest on credit card balances is charged at variable nominal rates which for the year ended December 31, 2023 averaged approximately 7.6% annual, calculated as interest over average loans.

- *Other Products.* In addition, we market mutual funds, insurance products and other financial services offered through subsidiaries. See "—Non-Banking Financial Services."

Wholesale Banking Segment

This segment includes companies with annual sales exceeding UF80,000 and the following operating units: Real Estate and Entities, which comprises large companies and real estate companies; Wholesale Banks; and Corporate Bank and Institutional Clients. As of and for the year ended December 31, 2023, assets in the wholesale banking reporting segment represented approximately 16.0% of our total assets and our commercial banking customers accounted for 28.6% of our consolidated net interest income and net inflation-indexation income and 28.4% of our net fee income.

As of December 31, 2023, the risk index, calculated as our allowances for loan losses as a percentage of our total loans, for our loans to commercial banking customers was 1.72%.

We offer our corporate customers a broad menu of banking products and services, including short- and long-term commercial loans, state-guaranteed loans, working capital financing, lines of credit, foreign trade financing, mortgage loans, savings accounts, time-deposits and checking accounts in domestic and foreign currency, and transactional banking (cash management including electronic payroll payment and payment services for accounts payable). In addition, we cross-sell to them our non-banking financial products and services, such as broker-dealer services, insurance, factoring, fund and asset management, and financial advisory services.

Finance Segment

This segment includes our investment portfolio and our wealth management unit, which is addressed to high net worth investors with financial needs of high value added financial services, including private banking. For the year ended December 31, 2023, our corporate and investment banking financial division segment accounted for 15.0% of our total operating income. This segment covers our money market, investments and trading. Our activities are subject to guidelines set out by our board of directors, the Central Bank of Chile and the CMF. We enter into transactions involving fixed-income instruments and related repurchase agreements, foreign currencies (in the spot and forward markets), negotiable mortgage instruments, derivative financial agreements and other securities traded in secondary markets.

BCI Financial Group

As part of our international expansion strategy, in October 2015 we acquired 100% of BCI Financial Group, Inc., formerly known as CM Florida Holdings, Inc., a U.S. bank holding company which owns 99.9% of City National Bank of Florida. See "Business–City National Bank of Florida." City National Bank of Florida offers financial products, including real estate, commercial and consumer banking, to more than 60,000 clients through 31 banking centers strategically located in four counties in Florida. City National Bank of Florida had approximately 916 employees and more than US$26.1 billion in assets by the end of 2023, becoming one of the largest financial institutions based in the state of Florida.

On December 31, 2023, 78.1% of City National Bank of Florida's loans had mortgage collateral, 19.5% were commercial and industrial, 1.8% were financial leases and 0.6% were consumer loans. On December 31, 2023, City National Bank of Florida had deposits and borrowings of US$23.4 billion (US$21.0 billion in deposits), shareholders' equity of US$2.4 billion and a risk based Tier 1 regulatory capital ratio of 9.9%, computed in accordance with guidelines promulgated by the FDIC, the OCC and the Federal Reserve. For the years ended December 31, 2021, 2022 and 2023, City National Bank of Florida had consolidated net income of US$243.0 million, US$273.1 million and US$163.6 million, respectively. The 40.1% decrease in net income in 2023 compared to 2022 was primarily due to decreases in net interest income. As of December 31, 2023, assets in this operating segment represented approximately 28.8% of our total assets and BCI Financial Group, Inc. and subsidiaries accounted for 25.3% of our consolidated net interest revenue and 8.2% of our consolidated net fee income. Regarding risk ratios, nonperforming loans are at significantly low levels as of December 31, 2023, comprising approximately 0.44% of total loans.

Through City National Bank of Florida, we expect to continue increasing our international revenues based on combining our experience and capabilities in Chile with an established and scalable banking platform that is managed by an experienced management team in the strategic Florida market, where we have operated an international branch for over 20 years. However, we cannot assure you that we will be able to realize all of the anticipated benefits that we seek.

Financial Services Segment

On December 5, 2018 the former SBIF approved our acquisition of the five entities forming Walmart Chile Servicios Financieros, the financial services division of Walmart Chile, which provides financing for its customers with the Líder MasterCard and Presto credit cards, along with other products. The Financial Services reporting segment operates as an independent unit under the supervision of our senior management in Chile.

On January 26, 2021, the CMF authorized the merger of Sociedad de Servicios de Comercialización y de Apoyo Financiero y de Gestión SSFF Limitada with and into Servicios Financieros y Administración, with Servicios Financieros y Administración being the surviving entity. On January 31, 2021, the merger was finalized. The purpose of the merger was to improve the profitability of the assets and liabilities of Servicios Financieros y Administración and Sociedad de Servicios de Comercialización y de Apoyo Financiero y de Gestión SSFF Limitada, and to facilitate the supervision and control of, and simplify, our credit card business.

Servicios Financieros, the name under which the four entities operate, continues to market the financial products and services offered before by Walmart Chile, which include the issue and operation of the new Líder Bci MasterCard, along with the origination of cash advances, super cash advances and personal insurance, among others. This business is undertaken as a ten-year commercial cooperation agreement between Bci and Walmart, a leading global company in the retail sector. Such agreement aims to assure the collaboration of both companies with the goal of providing the best benefits and conditions for customers.

The four entities that comprise Servicios Financieros are Servicios Financieros y Administración de Créditos Comerciales S.A. (f/k/a Servicios y Administración de Créditos Comerciales Lider S.A.); Administradora de Tarjetas Servicios Financieros Limitada (f/k/a Operadora de Tarjetas Lider Servicios Financieros Limitada); SSFF Corredores de Seguros y Gestión Financiera LTDA (f/k/a Lider Corredores de Seguros y Gestión Financiera Limitada); and Servicios y Cobranzas SEYCO LTDA (f/k/a Servicios y Cobranzas Limitada).

Such entities have different roles in the business. Servicios Financieros y Administración de Creditos Comerciales Líder S.A. issues credit cards, grants loans to the customers, and advertises the financial products of *Servicios Financieros*. Administradora de Tarjetas Servicios Financieros Limitada supports the credit card operations of the business. Servicios y

Cobranzas SEYCO LTDA collects on the overdue loans and credit cards. Finally, SSFF Corredores de Seguros y Gestión Financiera LTDA brokers insurance.

In December 2023, Servicios Financieros completed its fifth year of operation as our subsidiary. The digital transformation of Servicios Financieros has continued to advance, with the focus on providing an omnichannel experience of excellence to customers aimed at emerging segments, highlighting the progress of the roll-out of the new branch format, and the implementation of self-service modules and kiosks. The advances in our digitalization processes are reflected in the fact that as of the date of this Prospectus approximately 70% of our processes are digitalized.

Others

"Others" includes those expenses and/or income that by their nature are not directly identifiable within the reportable segments and therefore are not assigned.

Distribution Channels and Electronic Banking

Chile

Our distribution network provides integrated financial services and products to our customers through a wide range of channels. This network includes ATMs, branches, online banking and phone-banking devices, which allow our customers to conduct self-service banking transactions during banking and non-banking hours.

As of December 31, 2023, we had a network of points of contact throughout Chile, which serve as a distribution network for all the products and services we offer to our customers. Our 186full-service branches accept deposits, disburse cash, offer the full range of our retail banking products such as consumer loans, automobile financing, credit cards, mortgage loans and checking accounts and provide information to current and potential customers.

We offer electronic banking services to our commercial customers through our internet website, which have homepages that are segmented by market. Our corporate website offers services including our office banking service which enables our corporate customers to perform most of their banking transactions from their offices. Our retail website offers a broad range of services, including the payment of bills, electronic fund transfers, stop payment and non-charge orders, as well as a wide variety of account inquiries. Both websites offer our customers the sale of third-party products with exclusive benefits. We also have a website designed for our investor customers through which they can perform transactions such as stock trading, time deposit taking and opening savings accounts.

Our foreign trade customers can rely on our international business website which enables them to inquire about the status of their foreign trade transactions and perform transactions such as opening letters of credit, recording import collection and hedging on instructions and letters of credit.

As of December 31, 2023, 77% of the retail segment made 92% of their transactions through digital channels, and in the SMEs clients 78% were digital users and made 86% of their transactions through digital channels.

International

We have historically maintained a network of international banking relationships, including alliances and commercial relationships with more than 700 correspondent banks in North America, Europe, Asia and South America, a foreign branch and several representation offices in strategic cities abroad. We have formalized commercial alliances with several banks, including CaixaBank (Spain), MUFG (Japan), Bradesco (Brazil), Fiduaciaria de Banco Bogota (Colombia) and Banorte (Mexico). We have representative offices in Lima, Sao Paulo, Mexico City, Bogota and Shanghai.

We have been present in Peru for 20 years through a representative office. In 2023, we obtained the required authorizations from the SBS to operate our new subsidiary in Peru, BCI Peru. With an initial capital of US$60 million, we expect that this subsidiary will allow us to be a relevant player in the region focusing on corporate clients and large companies for Peruvian and Chilean customers. Our objective through our operations in Peru is to increase our presence in the Peruvian market and continue to strengthen our financial solutions platform in three countries, along with Chile and the United States, which will act as a single bank throughout Latin America and North America. This will allow us to be an increasingly relevant player at the regional level. Along with this new venture, we will continue to focus on our growth in Florida, a gateway for investments to and from Latin America, in addition to continue to analyze new growth opportunities in the region.

Our international relationships provide an additional source of interbank funding and offer opportunities for short-term loans. More importantly, our international network facilitates the offer of products and services to our clients pursuing cross-border business activities. These products include foreign trade financing, letters of credit and foreign exchange transactions.

Our Miami branch was established in 1999 and offers a range of general banking products and services in the United States to our clients. As of December 31, 2023, our Miami branch had total assets of US$5,800 million, including a gross loan portfolio of US$2,567 million, representing the net loan portfolio a 44% of our total assets at such date. The Miami branch's loan portfolio consists mainly of working capital loans, trade financing loans, personal loans, syndicated loans, and discounted acceptances. Additionally, the branch has off-balance contingent loans (letters of credit, stand-by letters of credit and commitments to extend credits) of US$647 million. As of December 31, 2023, our Miami branch had a net profit of US$48.4 million.

Investments in bonds and foreign securities by our Miami branch aggregated US$675 million on December 31, 2023, most of which consisted of Chilean government debt securities. As of December 31, 2023, our Miami branch had US$29.9 million in allowances for loan losses. Although our Miami branch manages its assets and liabilities locally, it follows the same credit processes that we follow in Santiago, and all credit decisions are made in conjunction with members of the credit committees in Santiago.

Funding sources for our Miami branch include demand deposit accounts, money market accounts and other deposits of US$511 million, term deposits of US$3,168 million, borrowings of US$1,036 million, and related party liabilities of US$717 million.

The following table sets forth, as of December 31, 2023, the composition of our portfolio of loans originated through our Miami branch:

	As of December 31, 2023
	(in US$)
Foreign trade loans	1,997,922,307
Commercial loans	76,705,318
Loans and receivables to banks	63,507,073
Individual loans	217,400,000
Contingent loans	204,900,067
Past due loans	683,246,000
Doubtful	6,191,143

The following table sets forth, as of December 31, 2023, the sources of funding for our Miami branch:

	As of December 31, 2023	
	(in US$, except for percentages)	
Current accounts & other demand deposits	511,026,092	9.4%
Certificates of deposits and time deposits	3,167,550,498	58.3%
Foreign borrowings	1,035,707,492	19.1%
Related Party Liabilities	716,951,251	13.2%
Total	**5,431,235,333**	**100.00%**

Our Digital Transformation Plan

We collaborate closely with leaders in global technology like Google and Microsoft, and are regularly advised by consulting firms, including the Boston Consulting Group and McKinsey, to attain major scale and speed of execution and innovation. Regarding technological architecture, we have made progress in terms of optimization through the development of APIs and microservices architecture to support our new business model, which we believe will help us adapt to the upcoming open banking system and financial environment with consolidated information about loan and financial obligations.

In Chile, we were the first bank to offer a fully digitized mortgage loan application, in partnership with real estate companies and real estate listing websites. As a result of the omnichannel strategy, in the retail banking for 2023, 84% of the retail segment and 79% of our SMEs clients were app users and accounted for the 77% and 74% of the sales by digital channels, respectively. In addition, our new digital checking account generated 180,000 new clients.

We have also pioneered in the market with our person-to-person payments "MACH" mobile app, with nearly 4 million accounts and a 75% of net promote score experience performance. In 2023, the volume of "MACH" virtual cards increased by 11% compared to 2022, as a result of the strategic expansion of our digital services, and the successful implementation of the BciPlus+ loyalty program.

We have a joint venture with EVO Payments, a leading global provider of payment technology integration and acquirer solutions. This joint venture takes place in an environment where government authorities and market players are working together for Chile's national payment system to evolve from a single acquirer model to one with multiple acquirers with increased capabilities and competition. With this initiative, along with "MACH", Google, Visa, Garmin Pay and Bci Servicios Financieros, our subsidiary through which we offer credit cards to Walmart clients in Chile, we aim to become a significant player in the acquisition and payment solutions market in Chile. Our strategy in this market is to create a system of digital and payments solutions, with a unique loyalty program and a full enterprise solution, which would allow us to increase our operating income and the amount of our deposits, and decrease our funding cost. In 2023, the second year of operations, we achieved more than 13,906 points of sale in the market.

Competition

Chile

The Chilean market for financial services is highly competitive. In the commercial banking segments, we face competition from larger Chilean banks in terms of assets, some of which have substantially greater resources, and major international banking institutions. Our principal private-sector competitors include Banco Santander-Chile, Banco de Chile, Itau-CorpBanca, and Scotiabank, as well as Banco del Estado de Chile, which is government owned. In addition, we are subject to competition in other segments of our business from market participants such as broker-dealers, insurance companies and other specialized providers of non-banking financial services, including department stores and larger supermarket chains. See "The Chilean Banking Industry—Competition."

We believe that the consolidation experienced in the Chilean banking system during the last 20 years is likely to continue and result in a further reduction in the number of private-sector banks currently active in Chile. See "Risk Factors—Increased competition and industry consolidation may adversely affect our results of operations" and "The Chilean Banking Industry" for a more extensive discussion of the competitive environment and comparative financial and operating information for the principal banking institutions.

United States

Our markets are highly competitive. Our markets contain not only a large number of community and regional banks, but also a significant presence of the country's largest commercial banks. We compete with other state, national and international financial institutions located in our market areas as well as savings associations, savings banks and credit unions for deposits and loans. In addition, we compete with financial intermediaries such as consumer finance companies, mortgage banking companies, insurance companies, securities firms, mutual funds and several government agencies as well as major retailers, all actively engaged in providing various types of loans and other financial services. Our largest banking competitors in the Florida market include Bank of America, JPMorgan Chase, Sabadell, SunTrust Banks, Bank United, Stonegate Bank, TD Bank and Wells Fargo among others.

Employees

As of December 31, 2023, we had 11,423 employees. For 2023, we invested approximately Ch$4,000 million in employee training for approximately 53 training hours per employee during the year and for 2024 we expect to maintain this level of investment. We also have a scholarship program that promotes the completion of basic and specialized studies. During the year ended December 31, 2023, we had a 1.0% monthly turnover rate. Our current employees have been with us for 9 years on average in Chile. As of December 31, 2023, 648 of our employees were affiliated with four unions. Currently we have collective bargaining agreements in place with the Chilen Union of Workers Banco de Crédito y Inversiones, which expires in September 2025, the Union No. 1 of Workers of Banco de Credito e Inversiones, which expires in May 2025, and the Union of Financial Services Corporation Bci (Santiago), which expires in November 2025.

Properties

Our headquarters are located in Chile in a building we own at El Golf 125, Las Condes, Santiago. As of December 31, 2023, we owned 43% of the locations on which our full-service branches were located and leased the remaining branch locations. Our branches are located in all fifteen of Chile's regions. In determining whether to expand into a new location, we conduct extensive analysis and market studies, prepare business plans and consult with existing clients in the proposed new location to determine the appropriateness of opening such branch. Although we believe that our existing physical facilities are adequate for our current needs, we regularly evaluate the profitability of each of our branches to make decisions concerning the expansion, relocation or closing of branches.

City National Bank of Florida's headquarters are located in Miami, Florida, with 31 branches located in four counties in Florida.

Sustainability Financing Framework

In 2021, we approved our Sustainability Financing Framework (the "**Sustainability Financing Framework**"), which contemplates that amounts equal to the net proceeds from the sale of the Notes may be allocated to finance or refinance Eligible Projects. Our Sustainability Financing Framework is available for viewing in electronic form on our website (https://www.bci.cl/investor-relations-eng/investors/sustainable-financing/green-financing-annual-allocation-and-impact-report-2). Information contained on, or accessible through, our website is not incorporated by reference in, and shall not be considered part of this Prospectus.

Legal Proceedings

We are a party to certain legal proceedings in Chile and the United States arising in the normal course of our business. We do not believe that these proceedings are likely to have a material adverse effect on our financial condition or results of operations.

Capital Stock

As of December 31, 2023, our paid-in capital is represented by 218,604,259 ordinary shares, fully paid and distributed. Our ordinary shares have no par value and full voting rights. There are no legal restrictions on the payment of dividends from our net income, except that we may pay only a single dividend per year (i.e., interim dividends are not permitted). Under the Chilean Corporations Law and regulations issued thereunder, Chilean public corporations are generally required to distribute at least 30% of their consolidated annual earnings as dividends, except to the extent they have accumulated losses. Previously, a bank was permitted to distribute less than such minimum amount in any given year with approval of the holders of at least two-thirds of the bank's outstanding stock. In 2006, however, this possibility was eliminated by law. Under the General Banking Law, a Chilean bank may pay dividends upon approval of its shareholders from (i) net earnings of previous fiscal years (i.e., interim dividends are not permitted), (ii) the reserve kept for that purpose or (iii) other funds permitted under Chilean law. Banks cannot pay dividends if part of their capital has been lost and such loss has not been recovered, additionally, banks cannot pay dividends from net earnings or reserves kept for that purpose, if as a consequence of such payment, the bank is in contravention of the financial ratios established under article 66 of the General Banking Law.

SELECTED STATISTICAL INFORMATION

The following information presents our selected statistical information as of and for the years ended December 31, 2021, 2022 and 2023, in accordance with Chilean GAAP, and is included for analytical purposes. This information should be read in conjunction with, and is qualified in its entirety by reference to, our audited consolidated financial statements and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" appearing elsewhere in this Prospectus. The financial data in the following tables have been stated in nominal Chilean pesos.

Average Balance Sheets and Interest Rate Data

Average balances for interest earning assets, interest bearing liabilities, non-interest earning assets and non-interest bearing liabilities for the years ended December 31, 2021, 2022 and 2023 have been calculated on the basis of monthly balances of Bci and our subsidiaries and derived from our financial information presented under Chilean GAAP. Data computed using more frequent balances could be significantly different. In each case, such average balances are presented in Chilean pesos, UF and foreign currencies (principally U.S. dollars). The UF is a unit of account which is linked to, and which changes daily to reflect changes in, the Chilean consumer price index published by the Chilean National Institute of Statistics over the close of the previous month.

The nominal interest rate has been calculated by dividing the amount of interest and principal readjustment gain or loss during the period by the related average balance. The nominal rates calculated for each period have been converted into real rates using the following formulas:

$$Rp = \frac{1+Np}{1+I} - 1 \qquad\qquad Rd = \frac{(1+Nd)\,(1+D)}{1+I} - 1$$

Where:

Rp = real average rate for peso-denominated assets and liabilities (in Ch$ and UF) for the period;

Rd = real average rate for foreign currency-denominated assets and liabilities for the period;

Np = nominal average rate for peso-denominated assets and liabilities for the period;

Nd = nominal average rate for foreign currency-denominated assets and liabilities for the period;

D = devaluation rate of the Chilean peso to the dollar for the period; and

I = inflation rate in Chile for the period (based on the variation of the Chilean consumer price index).

The real interest rate can be negative for a portfolio of peso-denominated loans when the inflation rate for the period is higher than the average nominal rate of the loan portfolio for the same period. A similar effect could occur for a portfolio of foreign currency-denominated loans when the inflation rate for the period is higher than the sum of the devaluation rate for the period and the corresponding average nominal rate of the portfolio.

The formula for the average real rate for foreign currency-denominated assets and liabilities (Rd) reflects a gain or loss in purchasing power caused by the difference between the devaluation rate of the peso and the inflation rate in Chile during the period.

The following example illustrates the calculation of the real interest rate for a U.S. dollar-denominated asset earning a nominal annual interest rate of 10% (Nd = 0.10), assuming a 5% annual devaluation rate (D = 0.05) and a 12% annual inflation rate (I = 0.12):

$$Rd = \frac{(1 + 0.10)\,(1+ 0.05)}{1 + 0.12} - 1 = 3.125\% \text{ per year}$$

In the example, since the inflation rate was higher than the devaluation rate, the real rate is lower than the nominal rate in dollars. For example, if the annual devaluation rate were 15%, provided the rest of the numbers used in the example above remain the same, the real rate in Chilean pesos would be 12.9%, which is higher than the nominal rate in dollars. In the same example, if the annual inflation rate were greater than 15.5%, the real rate would be negative.

Average balances (assets or liabilities) do not include contingent loans, because they are off-balance sheet. The foreign exchange gains or losses on foreign currency-denominated assets and liabilities have not been included in interest income or expense. Similarly, interest on investments does not include trading gains or losses on these investments.

Loans that are not yet 90 days or more overdue, as well as restructured loans, have been included in each of the various categories of loans and therefore affect the various averages. Past due loans consist of loans for which either principal or interest are overdue for at least 90 days and which do not accrue interest and include, with respect to any loan, only the portion of principal and interest that is overdue for 90 or more days, and do not include the installments of such loan that are not overdue or that are overdue for less than 90 days, unless (i) any portion of the loan is overdue for 180 days or more, in which case the entire loan is considered past due, or (ii) legal proceedings have been commenced for the entire outstanding balance according to the terms of the loan, in which case the entire loan is considered past due within 90 days after initiation of such proceedings ("past due loans"). Once an overdue loan becomes overdue for 90 days or more, it does not continue to be considered "overdue" but is part of the "past due" portfolio. Interest and/or indexation readjustments received on all loans during the periods are included as interest income. Loans with respect to which we have certain evidence indicating that the borrower will not perform its payment obligations in accordance with the terms and conditions of the loan are presented as a different category of loans ("impaired loans"). See "Presentation of Financial and Other Information—Loans."

Included in interbank deposits are current accounts maintained in the Central Bank of Chile and overseas banks. Such assets have a distorting effect on the average interest rate earned on total interest earning assets because (i) balances maintained in the Central Bank of Chile only receive interest on the amounts which are legally required to be held for liquidity purposes, and (ii) balances maintained in overseas banks earn interest only for certain accounts in certain countries. Consequently, the average interest income on such assets is comparatively low. We maintain deposits in these accounts to comply with statutory requirements and to facilitate international business, rather than to earn income.

The following tables show, by currency of denomination, average balances and, where applicable, interest amounts earned and paid, and average nominal rates for our interest earning assets and interest bearing liabilities for the years ended December 31, 2021, 2022 and 2023. Except where otherwise specified, all amounts stated in this section are before deduction of allowance for loan losses. See "—Allocation of Allowance for Loan Losses."

	As of and for the year ended December 31,							
	2022				2023			
INTEREST EARNING ASSETS	Average balance	Interest income	Average nominal rate	Average real rate	Average balance	Interest income	Average nominal rate	Average real rate
	(in millions of Ch$, except for rate data)							
Commercial loans								
Commercial loans								
Ch$	6,657,972	480,323	7.2%	(5.0)%	6,398,936	618,023	9.7%	5.5%
UF	4,699,786	711,350	15.1%	2.1%	5,072,357	430,679	8.5%	4.4%
Foreign currency	3,023,068	126,575	4.2%	(6.4)%	1,163,803	235,934	20.3%	18.6%
CNB commercial loans	10,243,600	512,007	5.0%	(6.9)%	11,132,897	677,289	6.1%	2.1%
Total	**24,624,426**	**1,830,255**	**7.4%**	**(4.6)%**	**23,767,993**	**1,961,925**	**8.3%**	**4.3%**
Foreign trade loans								
Ch$	34,972	2,882	8.2%	(4.0)%	34,442	3,598	10.4%	6.3%
UF	—	—	—	—	—	—	—	—
Foreign currency	1,270,094	55,076	4.3%	(6.3)%	1,704,265	124,832	7.3%	5.9%
Total	**1,305,066**	**57,958**	**4.4%**	**(6.2)%**	1,738,707	128,430	7.4%	5.9%
Checking accounts								
Ch$	183,010	33,192	18.1%	4.7%	147,218	38,348	26.0%	21.3%
UF	—	—	—	—	—	—	—	—
Foreign currency	1,948	220	11.3%	—	1	204	20400.0%	20120.6%
Total	**184,958**	**33,412**	**18.1%**	**4.7%**	147,219	38,552	26.%	21.5%
Loans to college students								
Ch$	2,489	144	5.8%	(6.2)%	1,157	59	5.1%	1.6%
UF	132,388	22,543	17.0%	3.7%	119,432	11,700	9.8%	5.7%
Foreign currency	—	—	—	—	—	—	—	—
Total	**134,877**	**22,687**	**16.8%**	**3.6%**	120,589	11,759	9.8%	5.6%
Factoring operations								
Ch$	741,887	81,121	10.9%	(1.7)%	800,893	108,547	13.6%	9.3%
UF	10,649	6,678	62.7%	44.2%	3,071	-1,494	(48.6)%	(50.6)%
Foreign currency	376,405	5,096	1.4%	(9.0)%	321,212	6,522	2.0%	0.6%
Total	**1,128,941**	**92,895**	**8.2%**	**(3.7)%**	1,125,176	113,575	10.1%	6.7%
Leasing transactions								
Ch$	633,739	52,419	8.3%	(4.0)%	553,392	63,814	11.5%	7.3%
UF	488,019	81,059	16.6%	3.4%	650,324	60,661	9.3%	5.2%
Foreign currency	441,968	45,844	10.4%	(0.9)%	421,010	17,606	4.2%	2.8%
Total	**1,563,726**	**179,322**	**11.5%**	**(0.8)%**	1,624,726	142,081	8.7%	5.3%
Credit card borrowers								
Ch$	57,834	8,956	15.5%	2.4%	69,123	10,951	15,8%	11.5%
UF	—	—	—	—	—	—	—	—
Foreign currency	6,510	—	—	—	—	—	—	—
Total	**64,344**	**8,956**	**13.9%**	**2.1%**	69,123	10,951	15,8%	11.5%
Other loans and receivables								
Ch$	4,831	70	1.4%	(10.1)%	9,514	1	0.0%	(3.7)%
UF	—	—	—	—	—	—	—	—
Foreign currency	—	—	—	—	—	—	—	—
Total	**4,831**	**70**	**1.4%**	**(10.1)%**	9,514	1	0.0%	(3.74)%
Mortgage loans								
Mortgage loans								
Ch$	9,291	595	6.4%	(5.7)%	8,307	542	6.5%	2.5%
UF	9,344,133	1,413,055	15.1%	2.1%	10,203,691	791,249	7.8%	3.7%
Foreign currency	—	—	—	—	—	—	—	—
CNB mortgage loans	2,630,092	2,377	0.1%	(11.3)%	2,147,869	116,670	5.4%	1.5%
Total	**11,983,516**	**1,416,027**	**11.8%**	**(0.9)%**	12,359,867	908,461	7.4%	3.3%

INTEREST EARNING ASSETS	As of and for the year ended December 31,							
	2022				2023			
	Average balance	Interest income	Average nominal rate	Average real rate	Average balance	Interest income	Average nominal rate	Average real rate
	(in millions of Ch$, except for rate data)							
Consumer loans								
Consumer loans in installment								
Ch$	1,939,184	221,225	11.4%	(1.2)%	1,771,418	229,119	12.9%	8.7%
UF	22,227	3,708	16.7%	3.4%	12,746	1,223	9.6%	5.5%
Foreign currency	—	—	—	—	—	—	—	—
CNB consumer loans	3,836	1,698	44.3%	27.9%	12,511	2,606	20.8%	16.3%
Total	**1,965,247**	**226,631**	**11.5%**	**(1.2)%**	1,796,675	232,948	13.0%	8.6%
Checking accounts								
Ch$	92,752	33,536	36.2%	20.7%	109,847	43,702	39.8%	34.5%
UF	—	—	—	—	—	—	—	—
Foreign currency	—	—	—	—	—	—	—	—
Total	**92,752**	**33,536**	**36.2%**	**20.7%**	109,847	43,702	39.8%	34.5%
Credit card borrowers								
Ch$	1,466,234	245,849	16.8%	3.5%	1,327,435	269,350	20.3%	15.8%
UF	—	—	—	—	—	—	—	—
Foreign currency	—	—	—	—	—	—	—	—
Total	**1,466,234**	**245,849**	**16.8%**	**3.5%**	1,327,435	269,350	20.3%	15.8%
Consumer leasing transactions								
Ch$	293	25	8.5%	(3.8)%	258	30	11.6%	7.4%
UF	48	9	18.8%	5.3%	—	—	—	—
Foreign currency	—	—	—	—	67	6	9.0%	7.5%
Total	**341**	**34**	**10.0%**	**(2.5)%**	325	36	11.1%	7.4%
Other loans and receivables								
Ch$	746	260	34.9%	19.6%	955	405	42.4%	37.1%
UF	—	—	—	—	—	—	—	—
Foreign currency	46,970	8,798	18.7%	6.6%	28,064	3,017	10.8%	9.2%
Total	**47,716**	**9,058**	**19.0%**	**6.9%**	29,019	3,422	11.8%	10.2%
Interbank loans								
Ch$	—	—	—	—	—	—	—	—
UF	—	—	—	—	—	—	—	—
Foreign currency	748,440	21,613	**2.9%**	(7.6)%	656,589	34,407	5.2%	3.8%
Total	**748,440**	**21,613**	**2.9%**	**(7.6)%**	656,589	34,407	5.2%	3.8%
Investments								
Ch$	4,987,375	248,053	5.0%	(6.9)%	5,455,800	379,478	7.0%	2.9%
UF	2,193,884	228,762	10.4%	(2.1)%	2,284,003	108,849	4.8%	0.8%
Foreign currency	25,611	—	—	—	553,559	163,728	29.6%	27.8%
CNB investments	5,452,127	184,200	3.4%	(8.4)%	5,742,502	170,271	3.0%	(0.9)%
Total	**12,658,997**	**661,015**	**5.2%**	**(6.7)%**	14,035,864	822,326	5.9%	2.0%
Other assets								
Ch$	850,001	(650,637)	(76.5)%	(79.2)%	1,134,225	212,193	18.7%	14.3%
UF	—	—	—	—	—	—	—	—
Foreign currency	1,353,989	191,913	14.2%	2.6%	1,000,036	53,081	5.3%	3.9%
CNB	—	—	—	—	—	—	—	—
Total	**2,203,990**	**(458,724)**	**(20.8)%**	**(29.0)%**	2,134,261	265,274	12.4%	9.4%
Total interest earning assets								
Ch$	17,662,610	758,013	4.3%	(7.5)%	17,822,920	1,978,160	11.1%	6.9%
UF	16,891,134	2,467,164	14.6%	1.6%	18,345,624	1,402,867	7.7%	3.6%
Foreign currency	7,295,003	455,134	6.2%	(4.6)%	5,848,606	639,337	10.9%	9.4%
CNB	18,329,655	700,282	3.8%	(8.0)%	19,035,779	966,836	5.1%	1.1%
Total	**60,178,402**	**4,380,593**	**7.3%**	**(4.7)%**	61,052,929	4,987,200	8.2%	4.4%

NON-INTEREST EARNING ASSETS	As of and for the year ended December 31,							
	2022				2023			
	Average balance	Interest income	Average nominal rate	Average real rate	Average balance	Interest income	Average nominal rate	Average real rate
	(in millions of Ch$, except for rate data)							
Cash and due from banks								
Ch$	753,502	—	—	—	805,316	—	—	—
UF	—	—	—	—	—	—	—	—
Foreign currency	810,372	—	—	—	1,867,785	—	—	—
CNB	1,201,401	—	—	—	433,529	—	—	—
Total	**2,765,275**	—	—	—	**3,106,630**	—	—	—
		—	—	—		—	—	—
		—	—	—		—	—	—
Allowance for loan losses								
Ch$	(638,378)	—	—	—	(698,993)	—	—	—
UF	—	—	—	—	—	—	—	—
Foreign currency	(74,353)	—	—	—	(66,346)	—	—	—
CNB	(123,126)	—	—	—	(114,960)	—	—	—
Total	**(835,857)**	—	—	—	**(880,299)**	—	—	—
		—	—	—		—	—	—
		—	—	—		—	—	—
Derivative Financial Assets								
Ch$	7,990,218	—	—	—	7,756,857	—	—	—
UF	25,257	—	—	—	89,156	—	—	—
Foreign currency	232,891	—	—	—	397,296	—	—	—
CNB	72,528	—	—	—	71,789	—	—	—
Total	**8,320,894**	—	—	—	**8,315,098**	—	—	—
		—	—	—		—	—	—
		—	—	—		—	—	—
Property, plant and equipment								
Ch$	215,268	—	—	—	211,340	—	—	—
UF	91,426	—	—	—	78,509	—	—	—
Foreign currency	4,810	—	—	—	14,614	—	—	—
CNB	111,895	—	—	—	91,264	—	—	—
Total	**423,399**	—	—	—	**395,727**	—	—	—
		—	—	—		—	—	—
Investments								
Ch$	263,626	—	—	—	36,490	—	—	—
UF	—	—	—	—	—	—	—	—

NON-INTEREST EARNING ASSETS	As of and for the year ended December 31, 2022 Average balance	Interest income	Average nominal rate	Average real rate	2023 Average balance	Interest income	Average nominal rate	Average real rate
	(in millions of Ch$, except for rate data)							
Foreign currency	232,916	—	—	—	—	—	—	—
CNB	153,073	—	—	—	120,423	—	—	—
Total	**649,615**	—	—	—	**156,913**	—	—	—
		—	—	—		—	—	—
		—	—	—		—	—	—
Other assets								
Ch$	949,571	—	—	—	1,291,803	—	—	—
UF	—	—	—	—	72,928	—	—	—
Foreign currency	157,717	—	—	—	97,019	—	—	—
CNB	368,007	—	—	—	1,297,203	—	—	—
Total	**1,475,295**	—	—	—	**2,758,953**	—	—	—
		—	—	—		—	—	—
		—	—	—		—	—	—
Total non-interest earning assets								
Ch$	9,533,807	—	—	—	9,402,813	—	—	—
UF	116,683	—	—	—	240,593	—	—	—
Foreign currency	1,364,353	—	—	—	2,310,368	—	—	—
CNB	1,783,778	—	—	—	1,899,247	—	—	—
Total	**12,798,621**	—	—	—	**13,853,022**	—	—	—
Total assets[(1)]								
Ch$	27,196,417	758,013	2.8%	—	27,225,733	1,978,160	7.3%	—
UF	17,007,817	2,467,164	14.5%	—	18,586,217	1,402,867	7.5%	—
Foreign currency	8,659,356	455,134	5.3%	—	8,158,974	639,337	7.8%	—
CNB	20,113,433	700,282	3.5%	—	20,935,027	966,836	4.6%	—
Total	**72,977,023**	**4,380,593**	**6.0%**	—	**74,905,951**	**4,987,200**	**6.7%**	—

(1) Total assets represent total interest earning assets and non-interest earning assets.

INTEREST BEARING LIABILITIES	As of and for the year ended December 31, 2022 Average balance	Interest paid and accrued	Average nominal rate	Average real rate	2023 Average balance	Interest paid and accrued	Average nominal rate	Average real rate
	(in millions of Ch$, except for rate data)							
Time deposits and other borrowings								
Deposits and other term deposits								
Ch$	7,368,621	626,494	8.5%	(3.8)%	9,072,047	955,241	10.5%	6.4%
UF	452,603	58,656	13.0%	0.1%	918,663	75,476	8.2%	4.2%
Foreign currency	5,087,869	130,649	2.6%	(7.9)%	1,251,743	309,889	24.8%	23.1%
CNB	1,344,755	4,874	0.4%	(11.0)%	4,060,326	186,309	4.6%	0.7%
Total	**14,253,848**	**820,673**	**5.8%**	**(5.8)%**	**15,302,779**	**1,526,915**	**10.0%**	**6.1%**
Deposits and other on-demand liabilities								
Ch$	71,077	33,201	46.7%	30.1%	550,176	38,525	7.0%	3.0%
UF	—	—	—	—	80,917	3,684	4.6%	0.6%
Foreign currency	—	—	—	—	—	—	—	—
CNB	2,397,310	55,678	2.3%	(8.1)%	1,705,611	262,697	15.4%	13.8%
Total	**2,468,387**	**88,879**	**3.6%**	**(7.0)%**	**2,336,704**	**304,906**	**13.0%**	**10.8%**
Central Bank of Chile borrowings								
Ch$	4,562,204	23,270	0.5%	(10.9)%	4,545,387	23,289	0.5%	-3.3%
UF	—	—	—	—	—	—	—	—
Foreign currency	—	—	—	—	—	—	—	—
Total	**4,562,204**	**23,270**	**0.5%**	**(10.9)%**	**4,545,387**	**23,289**	**—**	**—**
Securities sold under repurchase								
Ch$	86,606	14,731	17.0%	3.7%	117,405	29,501	25.1%	20.4%
UF	—	—	—	—	—	1,508	—	—
Foreign currency	91,783	2,153	2.3%	(8.1)%	137,115	11,196	8.2%	6.7%
CNB	57,849	701	1.2%	(10.3)%	66,036	1,870	2.8%	(1.0)%
Total	**236,238**	**17,585**	**7.4%**	**(4.3)%**	**320,556**	**44,075**	**13.7%**	**10.1%**
Bond								
Mortgage finance								
Ch$	—	—	—	—	—	—	—	—
UF	2,489	406	16.3%	3.1%	1,036	120	11.6%	7.4%
Foreign currency	—	—	—	—	—	—	—	—
Total	**2,489**	**406**	**16.3%**	**3.1%**	**1,036**	**120**	**11.6%**	**7.4%**
Other bonds								
Ch$	288,082	20,634	7.2%	(5.0)%	464,653	35,193	7.6%	3.5%
UF	4,573,050	876,605	19.2%	5.6%	6,458,094	452,276	7.0%	3.0%
Foreign currency	2,960,839	79,900	2.7%	(7.8)%	2,510,390	68,920	2.7%	1.3%
Total	**7,821,971**	**977,139**	**12.5%**	**0.2%**	**9,433,137**	**556,389**	**5.9%**	**2.6%**
Other interest bearing liabilities								
Ch$	2,172,640	67,658	3.1%	(8.6)%	74,343	154,325	207.6%	196.0%
UF	2,475,969	21,275	0.9%	(10.6)%	177,749	41,879	23.6%	18.9%
Foreign currency	614,515	16,630	2.7%	(7.7)%	420,821	-111,210	(26.4)%	(27.4)%
CNB	1,660,880	37,361	2.2%	(9.4)%	1,525,448	425,202	27.9%	23.1%
Total	**6,924,004**	**142,924**	**2.1%**	**(9.4)%**	**2,198,361**	**510,196**	**23.2%**	**18.9%**
Total interest bearing liabilities								
Ch$	14,549,230	785,988	5.4%	(6.6)%	14,824,011	1,236,074	8.3%	4.3%
UF	7,504,111	956,942	12.8%	—	7,636,459	574,943	7.5%	3.5%
Foreign currency	11,152,316	285,010	2.6%	(7.9)%	6,025,680	541,492	9.0%	7.5%
CNB	3,063,484	42,936	1.4%	(10.1)%	5,651,810	613,381	10.9%	6.7%
Total	**36,269,141**	**2,070,876**	**5.7%**	**(5.9)%**	**34,137,960**	**2,965,890**	**8.7%**	**5.1%**

NON-INTEREST BEARING LIABILITIES	As of and for the year ended December 31,							
	2022				2023			
	Average balance	Interest paid and accrued	Average nominal rate	Average real rate	Average balance	Interest paid and accrued	Average nominal rate	Average real rate
	(in millions of Ch$, except for rate data)							
Deposits and other liabilities payable on demand								
Deposits and other on-demand liabilities								
Ch$	8,680,428	—	—	—	7,246,411	—	—	—
UF	—	—	—	—	50	—	—	—
Foreign currency	15,251,589	—	—	—	13,927,539	—	—	—
Total	**23,932,017**	—	—	—	21,174,000	—	—	—
Financial derivatives instruments								
Ch$	5,495,768	—	—	—	6,755,686	—	—	—
UF	110,296	—	—	—	1,375,127	—	—	—
Foreign currency	284,879	—	—	—	404,536	—	—	—
CNB	51,422	—	—	—	85,920	—	—	—
Total	**5,942,365**	—	—	—	8,621,269	—	—	—
Other non-interest bearing liabilities								
Ch$	1,297,393	—	—	—	1,720,059	—	—	—
UF	387,656	—	—	—	116,279	—	—	—
Foreign currency	2,268,035	—	—	—	7,296,498	—	—	—
Total	**3,953,084**	—	—	—	9,132,836	—	—	—
Total non-interest bearing liabilities								
Ch$	15,473,589	—	—	—	15,722,156	—	—	—
UF	497,952	—	—	—	1,491,456	—	—	—
Foreign currency	17,804,503	—	—	—	21,628,573	—	—	—
CNB	51,422	—	—	—	85,920	—	—	—
Total	**33,827,466**	—	—	—	38,928,105	—	—	—
Shareholders equity								
Ch$	2,288,666	—	—	—	2,978,001	—	—	—
UF	—	—	—	—	-	—	—	—
Foreign currency	—	—	—	—	-	—	—	—
CNB	1,632,306	—	—	—	1,732,066	—	—	—
Total	**3,920,972**	—	—	—	4,710,067	—	—	—
Total shareholders' equity and liabilities								
Ch$	**32,311,485**	785,988	**2.4%**	—	**33,524,168**	**1,236,074**	**3.7%**	—
UF	**8,002,063**	956,942	**12.0%**	—	**9,127,915**	**574,943**	**6.3%**	—
Foreign currency	**28,956,819**	285,010	**1.0%**	—	**27,654,253**	**541,492**	**2.0%**	—
CNB	**4,747,212**	42,936	**0.9%**	—	**7,469,796**	**613,381**	**8.2%**	—
Total	**74,017,579**	2,070,876	**2.8%**	—	**77,776,132**	**2,965,890**	**3.8%**	—

INTEREST EARNING ASSETS	As of and for the year ended December 31,							
	2021				2022			
	Average balance	Interest income	Average nominal rate	Average real rate	Average balance	Interest income	Average nominal rate	Average real rate
	(in millions of Ch$, except for rate data)							
Commercial loans								
Commercial loans								
Ch$	6,852,313	270,727	4.0%	(3.0)%	6,657,972	480,323	7.2%	(5.0)%
UF	4,282,987	377,329	8.8%	1.5%	4,699,786	711,350	15.1%	2.1%
Foreign currency	1,978,847	66,132	3.3%	14.5%	3,023,068	126,575	4.2%	(6.4)%
CNB commercial loans	7,637,636	344,340	4.5%	(2.5)%	10,243,600	512,007	5.0%	(6.9)%
Total	**20,751,783**	**1,058,528**	**5.1%**	**(0.2)%**	**24,624,426**	**1,830,255**	**7.4%**	**(4.6)%**
Foreign trade loans								
Ch$	32,819	1,033	3.1%	(3.8)%	34,972	2,882	8.2%	(4.0)%
UF	—	—	—	—	—	—	—	—
Foreign currency	888,347	24,119	2.7%	13.8%	1,270,094	55,076	4.3%	(6.3)%
Total	**921,166**	**25,152**	**2.7%**	**13.2%**	**1,305,066**	**57,958**	**4.4%**	**(6.2)%**
Checking accounts								
Ch$	125,921	16,798	13.3%	5.7%	183,010	33,192	18.1%	4.7%
UF		—	—	—	—	—	—	—
Foreign currency	11,387	—	—	—	1,948	220	11.3%	—
Total	**137,308**	**16,798**	**12.2%**	**5.3%**	**184,958**	**33,412**	**18.1%**	**4.7%**
Loans to college students								
Ch$	3,374	184	5.5%	(1.6)%	2,489	144	5.8%	(6.2)%
UF	1,268	36	2.8%	(4.1)%	132,388	22,543	17.0%	3.7%
Foreign currency	—	—	—	—	—	—	—	—
Total	**4,642**	**220**	**4.7%**	**(2.3)%**	**134,877**	**22,687**	**16.8%**	**3.6%**
Factoring operations								
Ch$	627,104	25,162	4.0%	(3.0)%	741,887	81,121	10.9%	(1.7)%
UF	17,931	5,132	28.6%	20.0%	10,649	6,678	62.7%	44.2%
Foreign currency	226,156	1,472	0.7%	11.6%	376,405	5,096	1.4%	(9.0)%
Total	**871,191**	**31,766**	**3.6%**	**1.3%**	**1,128,941**	**92,895**	**8.2%**	**(3.7)%**
Leasing transactions								
Ch$	607,918	38,458	6.3%	(0.8)%	633,739	52,419	8.3%	(4.0)%
UF	468,129	48,263	10.3%	2.9%	488,019	81,059	16.6%	3.4%
Foreign currency	422,391	31,724	7.5%	19.2%	441,968	45,844	10.4%	(0.9)%
Total	**1,498,438**	**118,445**	**7.9%**	**6.0%**	**1,563,726**	**179,322**	**11.5%**	**(0.8)%**
Other loans and receivables								
Ch$	52,380	6,694	12.8%	5.2%	57,834	8,956	15.5%	2.4%
UF	136,477	15,554	11.4%	3.9%	—	—	—	—
Foreign currency	—	—	—	—	6,510	—	—	—
Total	**188,857**	**22,248**	**11.8%**	**4.3%**	**64,344**	**8,956**	**13.9%**	**2.1%**
Mortgage loans								
Mortgage loans								
Ch$	10,468	671	6.4%	(0.7)%	9,291	595	6.4%	(5.7)%
UF	8,026,017	727,544	9.1%	1.7%	9,344,133	1,413,055	15.1%	2.1%
Foreign currency	—	—	—	—	—	—	—	—
CNB mortgage loans	1,716,379	1,207	0.1%	(6.7)%	**2,630,092**	**2,377**	**0.1%**	**(11.3)%**

INTEREST EARNING ASSETS	2021 Average balance	2021 Interest income	2021 Average nominal rate	2021 Average real rate	2022 Average balance	2022 Interest income	2022 Average nominal rate	2022 Average real rate
	(in millions of Ch$, except for rate data)							
Total	9,752,864	729,422	7.5%	0.3%	11,983,516	1,416,027	11.8%	(0.9)%
Consumer loans								
Consumer loans in installment								
Ch$	1,952,085	209,127	10.7%	3.3%	1,939,184	221,225	11.4%	(1.2)%
UF	30,005	3,188	10.6%	3.2%	22,227	3,708	16.7%	3.4%
Foreign currency	25,319	1,359	5.4%	16.8%	—	—	—	—
CNB consumer loans	6,206	478	7.7%	0.5%	3,836	1,698	44.3%	27.9%
Total	2,013,615	214,152	10.6%	3.4%	1,965,247	226,631	11.5%	(1.2)%
Checking accounts								
Ch$	68,004	19,940	29.3%	20.6%	92,752	33,536	36.2%	20.7%
UF	—	—	—	—	—	—	—	—
Foreign currency	—	—	—	—	—	—	—	—
Total	68,004	19,940	29.3%	20.6%	92,752	33,536	36.2%	20.7%
Credit card borrowers								
Ch$	1,202,660	174,081	14.5%	6.8%	1,466,234	245,849	16.8%	3.5%
UF	—	—	—	—	—	—	—	—
Foreign currency	—	—	—	—	—	—	—	—
Total	1,202,660	174,081	14.5%	6.8%	1,466,234	245,849	16.8%	3.5%
Consumer leasing transactions								
Ch$	382	27	7.1%	(0.1)%	293	25	8.5%	(3.8)%
UF	111	11	9.9%	2.5%	48	9	18.8%	5.3%
Foreign currency	—	—	—	—	—	—	—	—
Total	493	38	7.7%	0.5%	341	34	10.0%	(2.5)%
Other loans and receivables								
Ch$	—	—	—	—	746	260	34.9%	19.6%
UF	—	—	—	—	—	—	—	—
Foreign currency	30,611	4,918	16.1%	28.6%	46,970	8,798	18.7%	6.6%
Total	30,611	4,918	16.1%	28.6%	47,716	9,058	19.0%	6.9%
Loans and Receivables to banks								
Ch$	—	—	—	—	—	—	—	—
UF	—	—	—	—	—	—	—	—
Foreign currency	427,714	6,394	1.5%	12.5%	748,440	21,613	2.9%	(7.6)%
Total	427,714	6,394	1.5%	12.5%	748,440	21,613	2.9%	(7.6)%
Investments								
Ch$	3,963,536	8,517	0.2%	(6.5)%	4,987,375	248,053	5.0%	(6.9)%
UF	1,228,793	101,497	8.3%	1.0%	2,193,884	228,762	10.4%	(2.1)%
Foreign currency	1,172,366	21,095	1.8%	12.8%	25,611	—	—	—
CNB investments	3,922,848	52,243	1.3%	(5.5)%	5,452,127	184,200	3.4%	(8.4)%
Total	10,287,543	183,352	1.8%	(3.0)%	12,658,997	661,015	5.2%	(6.7)%
Other assets								
Ch$	1,204,512	93,379	7.8%	0.5%	850,001	(650,637)	(76.5)%	(79.2)%
UF	8,196	(340,037)	(4,148.8)%	(3,876.9)%	—	—	—	—
Foreign currency	761,394	337	0.0%	10.9%	1,353,989	191,913	14.2%	2.6%
CNB	—	—	—	—	—	—	—	—
Total	1,974,102	(246,321)	(12.5)%	(11.6)%	2,203,990	(458,724)	(20.8)%	(29.0)%
Total interest earning assets								
Ch$	16,703,476	864,798	5.2%	(1.9)%	17,662,610	758,013	4.3%	(7.5)%
UF	14,199,914	938,517	6.6%	(0.6)%	16,891,134	2,467,164	14.6%	1.6%
Foreign currency	5,944,532	157,550	2.7%	13.8%	7,295,003	455,134	6.2%	(4.6)%
CNB	13,283,069	398,268	3.0%	(3.9)%	18,329,655	700,282	3.8%	(8.0)%
Total	50,130,991	2,359,133	4.7%	(0.2)%	60,178,402	4,380,593	7.3%	(4.7)%

NON-INTEREST EARNING ASSETS	2021 Average balance	2021 Interest income	2021 Average nominal rate	2021 Average real rate	2022 Average balance	2022 Interest income	2022 Average nominal rate	2022 Average real rate
	(in millions of Ch$, except for rate data)							
Cash and due from banks								
Ch$	666,538	—	—	—	753,502	—	—	—
UF	—	—	—	—	—	—	—	—
Foreign currency	1,224,542	—	—	—	810,372	—	—	—
CNB	1,201,400	—	—	—	1,201,401	—	—	—
Total	3,092,480	—	—	—	2,765,275	—	—	—
Allowance for loan losses								
Ch$	(644,254)	—	—	—	(638,378)	—	—	—
UF	—	—	—	—	—	—	—	—
Foreign currency	(15,526)	—	—	—	(74,353)	—	—	—
CNB	(78,732)	—	—	—	(123,126)	—	—	—
Total	(738,512)	—	—	—	(835,857)	—	—	—
Derivative Financial Assets								
Ch$	4,691,097	—	—	—	7,990,218	—	—	—
UF	4,978	—	—	—	25,257	—	—	—
Foreign currency	99,508	—	—	—	232,891	—	—	—
CNB	76,931	—	—	—	72,528	—	—	—
Total	4,872,514	—	—	—	8,320,894	—	—	—
Property, plant and equipment								
Ch$	217,961	—	—	—	215,268	—	—	—
UF	106,469	—	—	—	91,426	—	—	—
Foreign currency	3,202	—	—	—	4,810	—	—	—
CNB	109,776	—	—	—	111,895	—	—	—
Total	437,408	—	—	—	423,399	—	—	—
Investments								
Ch$	225,545	—	—	—	263,626	—	—	—
UF	359,172	—	—	—	—	—	—	—
Foreign currency	46,012	—	—	—	232,916	—	—	—
CNB	23,646	—	—	—	153,073	—	—	—
Total	654,375	—	—	—	649,615	—	—	—
Other assets								
Ch$	844,164	—	—	—	949,571	—	—	—

NON-INTEREST EARNING ASSETS	2021 Average balance	2021 Interest income	2021 Average nominal rate	2021 Average real rate	2022 Average balance	2022 Interest income	2022 Average nominal rate	2022 Average real rate
	As of and for the year ended December 31, (in millions of Ch$, except for rate data)							
UF		—	—	—	—	—	—	—
Foreign currency	15,889	—	—	—	157,717	—	—	—
CNB	648,427	—	—	—	368,007	—	—	—
Total	**1,508,480**	**—**	—	—	**1,475,295**	**—**	—	—
Total non-interest earning assets								
Ch$	6,001,051	—	—	—	9,533,807	—	—	—
UF	470,619	—	—	—	116,683	—	—	—
Foreign currency	1,373,627	—	—	—	1,364,353	—	—	—
CNB	1,981,448	—	—	—	1,783,778	—	—	—
Total	**9,826,745**	**—**	—	—	**12,798,621**	**—**	—	—
Total assets[1]								
Ch$	22,704,527	864,798	3.8%	—	27,196,417	758,013	2.8%	—
UF	14,670,533	938,517	6.4%	—	17,007,817	2,467,164	14.5%	—
Foreign currency	7,318,159	157,550	2.2%	—	8,659,356	455,134	5.3%	—
CNB	15,264,517	398,268	2.6%	—	20,113,433	700,282	3.5%	—
Total	**59,957,736**	**2,359,133**	**3.9%**	—	**72,977,023**	**4,380,593**	**6.0%**	—

(1) Total assets represent total interest earning assets and non-interest earning assets.

INTEREST BEARING LIABILITIES	2021 Average balance	2021 Interest paid and accrued	2021 Average nominal rate	2021 Average real rate	2022 Average balance	2022 Interest paid and accrued	2022 Average nominal rate	2022 Average real rate
	As of and for the year ended December 31, (in millions of Ch$, except for rate data)							
Time deposits and other borrowings								
Time deposits								
Ch$	13,882,084	76,435	0.6%	(6.2)%	7,368,621	626,494	8.5%	(3.8)%
UF	57,343	4,024	7.0%	(0.2)%	452,603	58,656	13.0%	0.1%
Foreign currency	4,871,207	7,056	0.1%	11.0%	5,087,869	130,649	2.6%	(7.9)%
CNB	641,527	26,108	4.1%	(2.9)%	1,344,755	4,874	0.4%	(11.0)%
Total	**19,452,161**	**113,623**	**0.6%**	**(1.8)%**	**14,253,848**	**820,673**	**5.8%**	**(5.8)%**
Savings accounts								
Ch$					71,077	33,201	46.7%	30.1%
UF	61,667	3,975	6.4%	(0.7)%	—	—	—	—
Foreign currency					—	—	—	—
CNB	—	—	—	—	2,397,310	55,678	2.3%	(8.1)%
Total	**61,667**	**3,975**	**6.4%**	**(0.7)%**	**2,468,387**	**88,879**	**3.6%**	**(7.0)%**
Central Bank of Chile borrowings								
Ch$	—	—	—	—	4,562,204	23,270	0.5%	(10.9)%
UF	—	—	—	—	—	—	—	—
Foreign currency	—	—	—	—	—	—	—	—
Total	—	—	—	—	**4,562,204**	**23,270**	**0.5%**	**(10.9)%**
Liabilities under agreements to repurchase								
Ch$	126,330	830	0.7%	(6.1)%	86,606	14,731	17.0%	3.7%
UF	17,103	7,398	43.3%	33.6%	—	—	—	—
Foreign currency	40,610	365	0.9%	11.8%	91,783	2,153	2.3%	(8.1)%
CNB	70,255	518	0.7%	(6.0)%	57,849	701	1.2%	(10.3)%
Total	**254,298**	**9,111**	**3.6%**	**(0.5)%**	**236,238**	**17,585**	**7.4%**	**(4.3)%**
Bond								
Mortgage finance								
Ch$	—	—	—	—	—	—	—	—
UF	4,665	511	11.0%	3.5%	2,489	406	16.3%	3.1%
Foreign currency	—	—	0.0%	0.0%	—	—	—	—
CNB	—	—	0.0%	0.0%	—	—	—	—
Total	**4,665**	**511**	**11.0%**	**3.5%**	**2,489**	**406**	**16.3%**	**3.1%**
Other bonds								
Ch$	257,646	11,983	4.7%	(2.4)%	288,082	20,634	7.2%	(5.0)%
UF	5,709,403	490,708	8.6%	1.3%	4,573,050	876,605	19.2%	5.6%
Foreign currency	2,108,225	54,890	2.6%	13.7%	2,960,839	79,900	2.7%	(7.8)%
CNB	—	—	—	—	—	—	—	—
Total	**8,075,274**	**557,581**	**6.9%**	**4.4%**	**7,821,971**	**977,139**	**12.5%**	**0.2%**
Other interest bearing liabilities								
Ch$	4,827,635	16,177	0.3%	(6.4)%	2,172,640	67,658	3.1%	(8.6)%
UF	848,107	40,427	4.8%	(2.3)%	2,475,969	21,275	0.9%	(10.6)%
Foreign currency	1,690,163	13,429	0.8%	11.7%	614,515	16,630	2.7%	(7.7)%
CNB	857,301	6,777	0.8%	(6.0)%	1,660,880	37,361	2.2%	(9.4)%
Total	**8,223,206**	**76,810**	**0.9%**	**(2.2)%**	**6,924,004**	**142,924**	**2.1%**	**(9.4)%**
Total interest bearing liabilities								
Ch$	19,093,695	105,425	0.6%	(6.2)%	14,549,230	785,988	5.4%	(6.6)%
UF	6,698,288	547,043	8.2%	0.9%	7,504,111	956,942	12.8%	—
Foreign currency	8,710,205	75,740	0.9%	11.8%	11,152,316	285,010	2.6%	(7.9)%
CNB	1,569,083	33,403	2.1%	(4.7)%	3,063,484	42,936	1.4%	(10.1)%
Total	**36,071,271**	**761,611**	**2.1%**	**(0.5)%**	**36,269,141**	**2,070,876**	**5.7%**	**(5.9)%**

NON-INTEREST BEARING LIABILITIES	2021 Average balance	2021 Interest paid and accrued	2021 Average nominal rate	2021 Average real rate	2022 Average balance	2022 Interest paid and accrued	2022 Average nominal rate	2022 Average real rate
	As of and for the year ended December 31, (in millions of Ch$, except for rate data)							
Current accounts and demand deposits								
Non interest bearing demand deposits								
Ch$	1,705,545	—	—	—	8,680,428	—	—	—
UF	50	—	—	—	—	—	—	—
Foreign currency	337,238	—	—	—	15,251,589	—	—	—

NON-INTEREST BEARING LIABILITIES	As of and for the year ended December 31,							
	2021				2022			
	Average balance	Interest paid and accrued	Average nominal rate	Average real rate	Average balance	Interest paid and accrued	Average nominal rate	Average real rate
	(in millions of Ch$, except for rate data)							
CNB	909,096	—	—	—	—	—	—	—
Total	**2,951,929**	—	—	—	**23,932,017**	—	—	—
Checking accounts								
Ch$	224,737	—	—	—	—	—	—	—
UF		—	—	—	—	—	—	—
Foreign currency		—	—	—	—	—	—	—
CNB	11,407,397	—	—	—	—	—	—	—
Total	**11,632,134**	—	—	—	—	—	—	—
Derivative financial liabilities								
Ch$	4,310,786	—	—	—	5,495,768	—	—	—
UF	232,736	—	—	—	110,296	—	—	—
Foreign currency	107,354	—	—	—	284,879	—	—	—
CNB	54,223	—	—	—	51,422	—	—	—
Total	**4,705,099**	—	—	—	**5,942,365**	—	—	—
Other non-interest bearing liabilities								
Ch$	838,764	—	—	—	1,297,393	—	—	—
UF	131,509	—	—	—	387,656	—	—	—
Foreign currency	66,417	—	—	—	2,268,035	—	—	—
CNB	180,694	—	—	—	—	—	—	—
Total	**1,217,384**	—	—	—	**3,953,084**	—	—	—
			—	—			—	—
Total non-interest bearing liabilities								
Ch$	7,079,832	—	—	—	15,473,589	—	—	—
UF	364,295	—	—	—	497,952	—	—	—
Foreign currency	511,009	—	—	—	17,804,503	—	—	—
CNB	12,551,410	—	—	—	51,422	—	—	—
Total	**20,506,546**	—	—	—	**33,827,466**	—	—	—
Shareholders equity								
Ch$	1,782,891	—	—	—	2,288,666	—	—	—
UF		—	—	—	—	—	—	—
Foreign currency		—	—	—	—	—	—	—
CNB	1,597,028	—	—	—	1,632,306	—	—	—
Total	**3,379,919**	—	—	—	**3,920,972**	**—**	**—**	—
Total liabilities and shareholders' equity								
Ch$	27,956,418	105,425	0.4%	—	32,311,485	785,988	2.4%	—
UF	7,062,583	547,043	7.7%	—	8,002,063	956,942	12.0%	—
Foreign currency	9,221,214	75,740	0.8%	—	28,956,819	285,010	1.0%	—
CNB	15,717,521	33,403	0.2%	—	4,747,212	42,936	0.9%	—
Total	**59,957,736**	**761,611**	**1.3%**	—	**74,017,579**	**2,070,876**	**2.8%**	—

Interest Earning Assets - Net Interest Margin

The following table analyzes, by currency of denomination, our levels of average interest earning assets and net interest, and illustrates the comparative margins realized, for each of the years indicated:

	As of and for the year ended December 31,		
	2021	2022	2023
	(in millions of Ch$)		
Total average interest earning assets			
Ch$	16,272,591	17,662,610	17,822,920
UF	14,211,443	16,891,134	18,345,624
Foreign currency	5,984,568	7,295,003	5,848,606
CNB	13,286,033	18,329,655	19,035,779
Total	49,754,635	60,178,402	61,052,929
Net interest and inflation-indexation income(1)			
Ch$	436,711	5,226	742,086
UF	817,736	1,477,021	827,924
Foreign currency	81,218	225,803	97,845
CNB	364,746	601,668	353,455
Total	1,700,411	2,309,718	2,021,310
Net interest margin(2), nominal basis			
Ch$	2.7%	0.0%	4.2%
UF	5.8%	8.7%	4.5%
Foreign currency	1.4%	3.1%	1.7%
CNB	2.7%	3.3%	1.9%
Total	3.4%	3.8%	3.3%

(1) Interest income and inflation-indexation income less interest expenses and inflation-indexation expenses.
(2) Net interest income and Net inflation-indexation income as a percentage of average interest earning assets.

Changes in Net Interest and Net Inflation-Indexation Income and Interest Expense - Volume and Rate Analysis

For the years 2022 and 2023

The following tables allocate, by currency of denomination, changes in our net interest and net inflation-indexation income and interest expense between changes in the average volume of interest earning assets and interest bearing liabilities and changes in their respective nominal interest rates for 2022 compared to 2023. Volume and rate variances have been calculated based on movements in average balances over the period and changes in nominal interest rates on average interest earning assets and average interest bearing liabilities.

	Increase (decrease) from 2022 to 2023		Net change from 2022 to 2023
	Volume	Rate	Change
		(in millions of Ch$)	
INTEREST EARNING ASSETS			
Commercial loans			
Ch$	(25,018)	163,667	137,700
UF	31,634	(310,623)	(280,671)
Foreign currency	(376,923)	485,888	109,359
CNB commercial loans	54,102	111,007	165,282
Total	**(316,205)**	**449,939**	**131,670**
Foreign trade loans			
Ch$	(55)	786	716
UF	-	-	-
Foreign currency	31,802	38,416	69,756
Total	**31,747**	**39,202**	**70,472**
Checking accounts			
Ch$	(9,323)	14,546	5,156
UF	-	-	-
Foreign currency	(397,188)	397,172	(16)
Total	**(406,511)**	**411,718**	**5,140**
Loans to college students			
Ch$	(68)	(17)	(85)
UF	(1,269)	(9,537)	(10,843)
Foreign currency	-	-	-
Total	**(1,337)**	**(9,554)**	**(10,928)**
Factoring operations			
Ch$	7,997	19,684	27,426
UF	3,687	(11,858)	(8,172)
Foreign currency	(1,121)	2,373	1,426
Total	**10,563**	**10,199**	**20,680**
Leasing transactions			
Ch$	(9,265)	20,479	11,395
UF	15,140	(35,490)	(20,398)
Foreign currency	(876)	(27,482)	(28,238)
Total	**4,999**	**(42,493)**	**(37,241)**
Credit card borrowers			
Ch$	1,788	198	1,995
UF	-	-	-
Foreign currency	-	-	-
Total	**1,788**	**198**	**1,995**
Other loans and receivables			
Ch$	-	(67)	(69)
UF	-	-	-

	Increase (decrease) from 2022 to 2023		Net change from 2022 to 2023
	Volume	Rate	Change
		(in millions of Ch$)	
Foreign currency	-	-	-
Total	**-**	**(67)**	**(69)**
Mortgage loans			
Ch$	(64)	12	(53)
UF	66,655	(686,370)	(621,806)
Foreign currency	-	-	-
CNB mortgage loans	(26,194)	140,234	114,293
Total	**40,397**	**(546,124)**	**(507,566)**
Consumer loans			
Consumer loans in installment			
Ch$	(21,699)	29,751	7,894
UF	(910)	(1,579)	(2,485)
Foreign currency	-	-	-
CNB consumer loans	1,807	(900)	908
Total	**(20,802)**	**27,272**	**6,317**
Checking accounts			
Ch$	6,801	3,325	10,166
UF	-	-	-
Foreign currency	-	-	-
Total	6,801	3,325	10,166
Credit card borrowers			
Ch$	(28,164)	51,186	23,501
UF	-	-	-
Foreign currency	-	-	-
Total	(28,164)	51,186	23,501
Consumer leasing transactions			
Ch$	(4)	9	5
UF	-	(9)	(9)
Foreign currency	6	-	6
Total	2	-	2
Other loans and receivables			
Ch$	89	56	145
UF	-	-	-
Foreign currency	(2,032)	(3,734)	(5,781)
Total	**(1,943)**	**(3,678)**	**(5,636)**
Interbank loans			
Ch$	-	-	-
UF	-	-	-
Foreign currency	(4,813)	17,515	12,794
Total	**(4,813)**	**17,515**	**12,794**
Investments			
Ch$	32,581	97,528	131,425
UF	4,295	(123,610)	(119,913)
Foreign currency	156,153	7,575	163,728
CNB investments	8,610	(23,711)	(13,929)
Total	**201,639**	**(42,218)**	**161,311**
Other assets			
Ch$	53,173	809,271	862,830
UF	-	-	-
Foreign currency	(18,788)	(120,398)	(138,832)
CNB	-	-	-
Total	**34,385**	**688,873**	**723,998**

	Increase (decrease) from 2022 to 2023		Net change from 2022 to 2023
	Volume	Rate	Change
		(in millions of Ch$)	
Total interest earning assets			
Ch$	8,769	1,210,414	1,220,147
UF	119,231	(1,179,074)	(1,064,297)
Foreign currency	(613,780)	797,326	184,202
CNB	38,325	226,629	266,554
Total	**(447,455)**	**1,055,295**	**606,606**

	Increase (decrease) from 2022 to 2023		Net change from 2022 to 2023
	Volume	Rate	Change
INTEREST BEARING LIABILITIES			
Deposits and other term deposits			
Ch$	179,362	149,546	328,747
UF	38,291	(21,653)	16,820
Foreign currency	(949,694)	1,127,299	179,240
CNB	124,605	56,325	181,435
Total	**(607,436)**	**1,311,517**	**706,242**
Deposits and other on-demand liabilities			
Ch$	33,548	(28,216)	5,324
UF	3,684	-	3,684
Foreign currency	(106,535)	314,094	207,019
Total	**(69,303)**	**285,878**	**216,027**
Central Bank of Chile borrowings			
Ch$	(86)	564	19
UF	-	-	-
Foreign currency	-	-	-
Total	**(86)**	**564**	**19**
Securities sold under repurchase			
Ch$	7,739	7,039	14,770
UF	-	-	1,508
Foreign currency	3,702	5,383	9,043
CNB	232	944	1,169
Total	**11,673**	**13,366**	**26,490**
Bond			
Mortgage finance			
Ch$	-	-	-
UF	(168)	(117)	(286)
Foreign currency	-	-	-
Total	**(168)**	**(117)**	**(286)**
Other bonds			
Ch$	13,374	1,078	14,559
UF	132,014	(557,764)	(424,329)
Foreign currency	(12,367)	1,344	(10,980)
Total	**133,021**	**(555,342)**	**(420,750)**
Other interest bearing liabilities			
Ch$	(4,355,752)	4,442,725	86,667
UF	(541,478)	561,073	20,604
Foreign currency	51,187	(178,989)	(127,840)
CNB	(37,750)	426,413	387,841
Total	**(4,883,793)**	**5,251,222**	**367,272**
Total interest bearing liabilities			
Ch$	(4,121,816)	4,572,736	450,086
UF	(367,657)	(18,461)	(381,999)
Foreign currency	(1,013,707)	1,269,131	256,482
CNB	87,086	483,682	570,445
Total	**(5,416,094)**	**6,307,088**	**895,014**

For the years 2021 and 2022

The following tables allocate, by currency of denomination, changes in our net interest and net inflation-indexation income and interest expense between changes in the average volume of interest earning assets and interest bearing liabilities and changes in their respective nominal interest rates for 2021 compared to 2022. Volume and rate variances have been calculated based on movements in average balances over the period and changes in nominal interest rates on average interest earning assets and average interest bearing liabilities.

	Increase (decrease) from 2021 to 2022		Net change from 2021 to 2022
	Volume	Rate	Change
		(in millions of Ch$)	
INTEREST EARNING ASSETS			
Commercial loans			
Ch$	(13,768)	227,510	213,742
UF	63,086	270,697	333,783
Foreign currency	40,134	19,584	59,718
CNB commercial loans	130,254	38,777	169,031
Total	219,706	556,568	776,274
Foreign trade loans			
Ch$	178	1,512	1,690
UF	—	—	—
Foreign currency	16,554	14,152	30,706
Total	16,732	15,664	32,396
Checking accounts			
Ch$	10,347	6,040	16,387
UF	—	—	—
Foreign currency	(1,066)	1,125	59
Total	9,281	7,165	16,446
Loans to college students			
Ch$	(87)	(23)	(110)
UF	(912)	7,885	6,973
Foreign currency	—	—	—
Total	(999)	7,862	6,863
Factoring operations			
Ch$	12,551	39,414	51,965
UF	(4,567)	6,433	1,866
Foreign currency	2,034	1,590	3,624
Total	10,018	47,437	57,455
Leasing transactions			
Ch$	2,136	(8,713)	(6,577)
UF	3,304	29,492	32,796
Foreign currency	2,031	12,089	14,120
Total	7,471	32,868	40,339
Other loans and receivables			
Ch$	24	(260)	(236)
UF	—	—	—
Foreign currency	—	—	—
Total	24	(260)	(236)
Mortgage loans			
Ch$	578	17	595
UF	198,617	485,402	684,019
Foreign currency	—	—	—
CNB mortgage loans	823	1,168	1,991
Total	200,018	486,587	686,605
Consumer loans			
Consumer loans in installment			
Ch$	(1,466)	17,610	16,144
UF	(1,298)	1,817	519
Foreign currency	-	-	-
CNB consumer loans	(1,049)	910	(139)
Total	(3,813)	20,337	16,524
Checking accounts			
Ch$	9,143	4,537	13,680
UF	—	—	—

	Increase (decrease) from 2021 to 2022		Net change from 2021 to 2022
	Volume	Rate	Change
		(in millions of Ch$)	
Foreign currency	—	—	—
Total	9,143	4,537	13,680
Credit card borrowers			
Ch$	44,194	27,573	71,767
UF	—	—	—
Foreign currency	—	—	—
Total	44,194	27,573	71,767
Consumer leasing transactions			
Ch$	(8)	6	(2)
UF	(12)	10	(2)
Foreign currency	—	—	—
Total	(20)	16	(4)
Other loans and receivables			
Ch$	260	—	260
UF		—	—
Foreign currency	3,064	785	3,849
Total	3,324	785	4,109
Interbank loans			
Ch$	—	—	—
UF		—	—
Foreign currency	9,276	5,639	14,915
Total	9,276	5,639	14,915
Investments			
Ch$	48,386	136,885	185,271
UF	99,068	29,195	128,263
Foreign currency	—	(20,748)	(20,748)
CNB investments	51,667	80,290	131,957
Total	199,121	225,622	424,743
Other assets			
Ch$	(88,534)	(252,419)	(340,953)
UF		—	—
Foreign currency	82,108	109,518	191,626
CNB	—	—	—
Total	(6,426)	(142,901)	(149,327)
Total interest earning assets			
Ch$	59,654	166,974	226,628
UF	391,382	796,814	1,188,196
Foreign currency	81,758	216,111	297,869
CNB	192,691	110,149	302,840
Total	725,485	1,290,048	2,015,533

	Increase (decrease) from 2021 to 2022		Net change from 2021 to 2022
	Volume	Rate	Change
INTEREST BEARING LIABILITIES			
Deposits and other term deposits			
Ch$	87,718	473,091	560,809
UF	43,233	7,424	50,657
Foreign currency	53,520	69,763	123,283
CNB	2,549	(2,549)	-
Total	**187,020**	**547,729**	**734,749**
Deposits and other on-demand liabilities			
Ch$	2,682	15,741	18,423
UF	—	—	—
Foreign currency	12,304	22,448	34,752
Total	**14,986**	**38,189**	**53,175**
Central Bank of Chile borrowings			
Ch$	781	302	1,083
UF	—	—	—
Foreign currency	—	—	—
Total	**781**	**302**	**1,083**
Securities sold under repurchase			
Ch$	(6,757)	20,687	13,930
UF	-	(7,398)	(7,398)
Foreign currency	1,200	588	1,788
CNB	(150)	732	582
Total	**(5,707)**	**14,609**	**8,902**
Bond			
Mortgage finance			
Ch$	—	—	—
UF	(355)	249	(106)
Foreign currency	—	—	—
Total	**(355)**	**249**	**(106)**
Other bonds			
Ch$	1,896	6,755	8,651
UF	30,185	355,712	385,897
Foreign currency	23,008	2,003	25,011
Total	**55,089**	**364,470**	**419,559**
Other interest bearing liabilities			
Ch$	65,015	8,625	73,640
UF	6,698	74,761	81,459
Foreign currency	6,562	(3,360)	3,202
CNB	18,076	12,508	30,584
Total	**96,351**	**92,534**	**188,885**
Total interest bearing liabilities			
Ch$	169,465	488,648	658,113
UF	164,306	364,626	528,932
Foreign currency	84,621	68,663	153,284
CNB	36,553	29,365	65,918
Total	454,945	951,302	1,406,247

Return on Equity and Assets

The following table presents our selected financial ratios for the years indicated:

	As of and for the year ended December 31,		
	2021	2022	2023
	(in millions of Ch$, except percentages)		
Average total assets	59,665,275	72,977,023	74,905,951
Average equity	3,816,688	3,920,972	4,710,067
Net income as a percentage of:[1]			
Average total assets	1.0%	1.4%	0.9%
Average equity	13.6%	20.9%	14.5%
Average equity as a percentage of average total assets	6.4%	5.4%	6.3%

(1) Net income refers to the Consolidated Profit for the period ended as of December of each year.

Investment Portfolio

The following table sets forth our investments in Chilean government and corporate securities and certain other financial investments as of the dates indicated.

Investment instruments are classified into three categories: financial assets for trading at fair value through profit or loss (FVTPL), financial assets at fair value with changes in other comprehensive income (FVTOCI) and financial assets at amortized cost (CA).

Financial assets for trading at fair value through profit or loss correspond to securities acquired with the intention to generate profits from the price fluctuation in the short-term or through gross earnings' margins, or that are included in a portfolio in which there is a short-term profit taking strategy. The category of financial assets at amortized cost includes only those instruments which we have the capacity and intention of holding until their maturity. In accordance with the rules of the CMF, we do not hold any equity securities.

	As of December 31,		
	2021	2022	2023
		(in millions of Ch$)	
Financial Assets held for Trading at Fair Value through profit or loss			
Debt financial instruments			
From the State and Central Bank of Chile			
Debt financial instruments from Central Bank of Chile	6,792	16,159	43,697
Bonds and promissory notes of the General Treasury of the Republic	369,607	272,112	408,466
Other fiscal debt financial instruments	465	1,978	295
Subtotal	376,863	290,249	452,458
Other debt financial instruments issued in the country:			
Debt financial instruments of other banks in the country	308,382	416,729	392,700
Bonds and commercial bills of companies in the country	235	49,635	27,558
Other debt financial instruments issued in the country	27,758	12,605	68,981
Subtotal	336,377	478,969	489,239
Debt financial instruments issued abroad:			
Debt financial instruments of foreign governments and fiscal entities abroad	-		586
Other debt financial instruments issued in the abroad	3,818	882	32,221
Subtotal	3,818	882	32,807
Investments in mutual funds:			
Funds administered by related parties	104,270	69,914	92,163
Funds administered by third parties	41,576	39,803	209
Subtotal	145,847	109,716	92,372
Equity instruments:			
Equity instruments in the country	10,963	21,576	17,002
Equity instruments issued abroad	-	8,568	3,882
Subtotal	10,963	30,144	20,884
Total	**873,867**	**909,962**	**1,087,760**
Financial assets at fair value through other comprehensive income			
Debt financial instruments			
From the State and Central Bank of Chile			
Debt financial instruments from Central Bank of Chile	2,653,556	2,944,337	1,477,694
Bonds and promissory notes of the General Treasury of the Republic	2,324,965	1,927,699	2,355,120
Other fiscal debt financial instruments	4,290	4,112	3,582

	As of December 31,		
	2021	2022	2023
Subtotal	4,982,811	4,876,148	3,836,396
Other debt financial instruments issued in the country			
Debt financial instruments of other banks in the country	1,267,829	1,489,878	899,826
Bonds and commercial bills of companies in the country	8,516	9,680	10,220
Other debt financial instruments issued in the country	2,014	1,986	3,623
Subtotal	1,278,359	1,501,544	913,669
Debt financial instruments issued abroad:			
Debt financial instruments from Central Banks abroad	-	7,770	58,562
Debt financial instruments of foreign governments and fiscal entities abroad	503,247	3,161,348	3,374,200
Debt financial instruments of other banks abroad	-	2,180	51,875
Bonds and commercial bills of companies abroad	2,384	2,192	-
Other debt financial instruments issued in the abroad	4,046,846	926,180	756,434
Subtotal	4,552,477	4,099,670	4,241,071
Total	**10,813,647**	**10,477,361**	**8,991,137**
Financial Assets at Amortized Cost			
Debt financial instruments			
From the State and Central Bank of Chile			
Debt financial instruments from Central Bank of Chile	-	-	643,803
Bonds and promissory notes of the General Treasury of the Republic	1,024,195	1,145,241	1,133,370
Other fiscal debt financial instruments	–	-	-
Subtotal	1,024,195	1,145,241	1,777,173
Other debt financial instruments issued in the country:			
Debt financial instruments of other banks in the country	-	41,609	51,495
Bonds and commercial bills of companies in the country	-	1,736	1,830
Other debt financial instruments issued in the country	-	-	2,834
Subtotal	-	43,345	56,159
Debt financial instruments issued abroad:			
Debt financial instruments of foreign governments and fiscal entities abroad	22,573	22,578	2,501,593
Other debt financial instruments issued in the abroad	1,249,298	2,382,511	231
Subtotal	1,271,871	2,405,089	2,501,824
Accumulated impairment of financial assets at amortized cost – Debt financial instruments:			
Financial assets without a significant increase in credit risk since initial recognition	-	(11,677)	(12,773)
Subtotal	-	(11,677)	(12,773)
Total	**-**	**3,581,998**	**4,322,383**
Total financial investments	**13,983,580**	**14,969,321**	**14,401,280**

The following table sets forth an analysis of our investments, by time remaining to maturity and the weighted average nominal rates of such investments, as of December 31, 2023:

	As of and for the year ended December 31, 2023								
	Within 1 year	Weighted average yield rate(1)	After 1 year but within 5 years	Weighted average yield rate(1)	After 5 years but within 10 years	Weighted average yield rate(1)	After 10 years	Weighted average yield rate(1)	Total
	(in millions of Ch$, except percentages)								
Financial assets for Trading at Fair Value through profit or loss									
Debt financial instrument From the State and Central Bank of Chile:									
Debt financial instruments from Central Bank of Chile	43,483	1.2%	-	-	214	1.0%	-	-	43,697
Bonds and promissory notes of the	5,638	(1.0)%		3.5%		2.5%		7.0%	

	As of and for the year ended December 31, 2023								
	Within 1 year	Weighted average yield rate[(1)]	After 1 year but within 5 years	Weighted average yield rate[(1)]	After 5 years but within 10 years	Weighted average yield rate[(1)]	After 10 years	Weighted average yield rate[(1)]	Total
	(in millions of Ch$, except percentages)								
General Treasury of the Republic			249,131		153,383		314		408,466
Other fiscal debt financial instruments	-	-	150	5.7%	145	2.4%	-	-	295
Subtotal	**49,121**		**249,281**		**153,742**		**314**		**452,458**
Other debt financial instruments issued in the country:									
Debt financial instruments of other banks in the country	259,890	0.8%	135,714	0.6%	(2,917)	2.5%	13	2.5%	392,700
Bonds and commercial bills of companies in the country	6,011	-	21,372	5.8%	154	28.0%	22	7.5%	27,559
Other debt financial instruments issued in the country	25,850	2.7%	43,132	5.6%	-	-	-	-	68,982
Subtotal	**291,751**		**200,218**		**(2,763)**		**35**		**489,239**
Debt financial instruments issued abroad:									
Debt financial instruments of foreign governments and fiscal entities abroad	586	-	-						586
Other debt financial instruments issued in the abroad	-	-	-	-	-	-	32,221	-	32,221
Subtotal	**586**		**-**		**-**		**32,221**		**32,807**
Other financial instruments									
Investments in mutual funds:									
Funds administered by related parties	92,163	-	-	-	-	-	-	-	92,163
Funds administered by third parties	209	-	-	-	-	-	-	-	209
Subtotal	**92,372**		**-**		**-**		**-**		**92,372**
Equity instruments:									
Equity instruments in the country	17,002	-	-	-	-	-	-	-	17,002
Equity instruments issued abroad	3,882	-	-	-	-	-	-	-	3,882
Subtotal	**20,884**		**-**		**-**		**-**		**20,884**
Total	**454,711**		**-**		**-**		**-**		**1,087,760**
Financial assets at fair value with changes in other comprehensive income									
Debt financial instruments									
From the State and Central Bank of Chile:									
Debt financial instruments from Central Bank of Chile	1,477,694	0.8%	-	-	-	-	-	-	1,477,694
Bonds and promissory notes of the General Treasury of the Republic	59,826	5.7%	1,273,805	1.8%	672,619	3.5%	348,870	4.3%	2,355,120
Other fiscal debt financial instruments	58	4.2%	1,858	4.0%	1,666	3.9%	-	-	3,582
Subtotal	**1,537,578**		**1,275,663**		**674,285**		**348,870**		**3,836,396**
Other debt financial instruments issued in the country									
Debt financial instruments of other banks in the country	823,859	1.3%	64,465	(0.2)%	7,191	4.2%	4,310	4.1%	899,825
Bonds and commercial bills of companies in the country	-	-	10,220	0.2%	-	-	-	-	10,220
Other debt financial instruments issued in the country	3,623	-	-	-	-	-	-	-	3,623
Subtotal	**827,482**		**74,685**		**7,191**		**4,310**		**913,669**
Debt financial instruments issued abroad:									
Debt financial instruments from Central Banks abroad	34,163	6.6%	24,399	0.8%	-	-	-	-	58,562
Debt financial instruments of foreign governments and fiscal entities abroad	10,616	6.6%	77,064	2.9%	309,728	3.1%	2,976,793	2.7%	3,374,201
Debt financial instruments of other banks abroad	-	-	49,573	6.6%	2,302	3.2%	-	-	51,875
Bonds and commercial bills of companies abroad	-	-	-	-	-	-	-	-	-
Other debt financial instruments issued in the abroad	7,957	4.5%	363,940	3.3%	273,038	2.6%	111,498	4.9%	756,433
Subtotal	**52,736**		**514,976**		**585,068**		**3,088,291**		**4,241,070**
Total	**2,417,796**		**1,865,325**		**1,266,544**		**3,441,470**		**8,991,137**
Financial assets at amortized cost									
Debt financial instruments:									
From the State and Central Bank of Chile:									
Debt financial instruments from Central Bank of Chile	643,803	0.7%	-	-	-	-	-	-	643,803
Bonds and promissory notes of the General Treasury of the Republic	-	-	1,133,370	1.4%	-	-	-	-	1,133,370
Other fiscal debt financial instruments	-	-	-	-	-	-	-	-	-
Subtotal	**643,803**	**-**	1,133,370		**-**		**-**		**1,777,173**
Other debt financial instruments issued in the country:									
Debt financial instruments of other banks in the country	51,495	1.5%	-	-	-	-	-	-	51,495
Bonds and commercial bills of companies in the country	1,830	9.0%	-	-	-	-	-	-	1,830
Other debt financial instruments issued in the country	-	-	-	-	2,834	9.5%			2,834
Subtotal	53,325		-		2,834		-		56,159

	As of and for the year ended December 31, 2023								
	Within 1 year	Weighted average yield rate(1)	After 1 year but within 5 years	Weighted average yield rate(1)	After 5 years but within 10 years	Weighted average yield rate(1)	After 10 years	Weighted average yield rate(1)	Total
	(in millions of Ch$, except percentages)								
Debt financial instruments issued abroad:									
Debt financial instruments of foreign governments and fiscal entities abroad.	879	3.1%	79,753	2.8%	643,870	1.8%	1,777,090	3.1%	2,501,592
Other debt financial instruments issued abroad	231	-	-	-	-	-	-	-	231
Subtotal	**1,110**		**79,753**		**643,870**		**1,777,090**		**2,501,823**
Accumulated impairment of financial assets at amortized cost–debt financial instruments:									
Financial assets without significant increase in credit risk since initial recognition	(12,773)	-	-	-	-	-	-	-	(12,773)
Subtotal	**(12,773)**								**(12,773)**
Total	**685,465**		**1,213,123**		**646,704**		**1,777,090**		**4,322,383**
Total Financial Investments	**3,557,974**		**3,527,947**		**2,064,229**		**5,251,130**		**14,401,280**

(1) The rates noted above for the financial assets at fair value with changes in other comprehensive income are based on the weighted average yield for the times remaining to maturity on the existing portfolio as of December 31, 2023. The weighted average yield is calculated as the percentage of the yield of the portfolio grouped by account and tenure, times the market value, divided by the total market value of that type and tenure. Due to our management of our exposure to liquidity risk as described in Note 47 to our audited consolidated financial statements included herein, actual rates may vary.

Loan Portfolio

The following table analyzes our loans by type of loan net of allowances for loan losses. See "Allocation of Allowance Loan Losses." Total loans reflect our loan portfolio, including past due amounts (but excluding bank loans and contingent loans because they are off-balance sheet).

	As of December 31,		
	2021	2022	2023
	(in millions of Ch$)		
Commercial loans			
Commercial loans	13,160,979	14,029,238	15,072,977
CNB commercial loans	9,386,562	11,047,622	11,670,638
Foreign trade credits Chilean exports	625,892	624,179	1,270,706
Foreign trade credits Chilean imports	358,749	429,479	393,669
Foreign trade credits between third parties	243,835	193,996	238,387
Debtors in current accounts	105,456	134,755	141,190
Credit card debtors	54,226	61,014	61,999
Factoring operations	1,075,799	1,267,726	1,352,619
Commercial financial leasing operations	1,539,602	1,363,149	1,625,931
Student loans	133,139	124,146	111,543
Other loans and receivable	1,947	1,640	1,053
Subtotal	26,686,186	29,276,944	31,940,712
Mortgage loans			
Loans with letters of credit	3,187	1,385	563
Loans with endorsable mortgage mutual funds	2,426	1,643	1,224
Other credits with mortgage loans	8,470,460	9,803,419	10,367,375
CNB residential mortgage loans	2,100,520	2,905,352	3,307,252
Other loans and receivable	122,463	97,582	63,941
Subtotal	10,699,056	12,809,381	13,740,355
Consumer loans			
Consumer loans in installments	1,790,491	1,715,754	1,569,473
CNB consumer loans	51,512	47,601	12,982
Debtors in currents accounts	64,043	88,064	89,404
Credit card debtors	1,272,019	1,317,085	1,165,079
Consumer finance lease operations	383	305	426
Other loans and receivable	44,689	43,998	41,719
Subtotal	3,223,137	3,212,807	2,879,083
Total loans	40,608,379	45,299,132	48,560,150

The loan categories are as follows:

Commercial loans are comprised of the following:

General commercial loans. General commercial loans are long-term and short-term loans granted to Chilean corporations and individuals in pesos, UF or U.S. dollars on an adjustable or fixed rate basis, primarily to finance working capital or investments. Commercial loans represent the largest portion of our loan portfolio. Interest accrues daily on a 30, 90, 180 or 360 day basis. Loan payments are scheduled monthly, quarterly, semi-annually or yearly, depending on the terms of the loan. Although we have certain flexibility to determine the interest rate of these loans, it cannot exceed the maximum rate for commercial loans established by the CMF in accordance with Chilean law. General commercial loans do not include commercial loans made by CNB, which we separately presented under "CNB commercial loans."

CNB commercial loans. CNB commercial loans are loans to businesses or corporations without mortgage-based collateral.

Foreign trade loans. Foreign trade loans are short-term loans made in foreign currencies (principally US$) to finance imports and exports.

Checking accounts. Lines of credit and overdrafts are short-term operating commercial loans under which our customers can draw down loaned funds up to certain credit limits.

Loans to college students. Includes university financing loans, which are loans granted in accordance with Law No. 20,027, CORFO guaranteed or others.

Factoring operations. Factored receivables are derived from our factoring operations which consist of purchasing outstanding debt portfolios such as bills, notes, or contracts, advancing a payment representing the future cash flows from such assets, and then performing the related collection function. The receivables are sold with recourse and without recourse in the event accounts prove uncollectible.

Leasing transactions. Leasing contracts are contracts that meet the requirements to be classified as finance leases and are presented at their present value.

Other loans and receivables. Other outstanding loans include other commercial loans that are not classified under any of the above categories, which are financed by our general borrowings.

Mortgage loans are comprised of the following:

Mortgage loans. Mortgage loans are inflation-indexed, fixed or variable rate, long-term loans with monthly payments of principal and interest secured by a mortgage over real property. These mortgage loans are generally financed with mortgage finance bonds, which are general obligations of us. At the time of approval, the principal amount of this type of mortgage loan cannot be higher than 90.0% of the lower of the purchase price and the appraised value of the mortgaged property; otherwise such loan will be classified as a commercial loan. Under the General Banking Law's liquidation procedures, if the issuer of a mortgage finance bond becomes insolvent, these mortgage loans and the related mortgage finance bonds shall be auctioned in block and the acquirer will continue to make payments under the mortgage finance bonds pursuant to the same terms and conditions as the original issuer.

Other loans and receivables. Other outstanding loans include other residential mortgage loans not included under any of the above categories above, which are financed by our general borrowings.

Consumer loans are comprised of the following:

Consumer loans in installments. Consumer loans in installments are loans to individuals, denominated in pesos, generally on a fixed rate basis, to finance the purchase of consumer goods or the payment of services. Interest accrues daily on a 30 or 360 day basis. Loan payments are scheduled monthly. Although we have certain flexibility to determine the interest rate of these loans, it cannot exceed the maximum rate for consumer loans established by the CMF in accordance with Chilean law.

CNB consumer loans. CNB consumer loans are loans to individuals.

Checking Accounts. Lines of credit and overdrafts are short-term consumer loans under which our customers can draw down loaned funds up to certain credit limits.

Credit card loans. Credit card loans are credit card balances subject to interest charges. Interest accrues daily on a 30- or 360-day basis. Loan payments are scheduled monthly. Although we have certain flexibility to determine the interest rate of these credit card loans, this rate cannot exceed the maximum rate for consumer loans established by the CMF in accordance with Chilean law.

Consumer leasing transactions. Leasing transactions are contracts which provide for periodic rental payments of agreements and meet the requirements to be classified as finance leases.

Other loans and receivables. Other loans and receivables include other loans not classified under any of the above categories, which are financed by our general borrowings.

City National Bank of Florida loans are comprised of the following:

General commercial loans. Long-term and short-term loans granted to corporations and individuals in U.S. dollars on an adjustable or fixed rate basis, primarily to finance working capital or investments. Interest accrues daily on actual/365 basis, in most of the cases. Loan payments are scheduled monthly, quarterly, semi-annually or yearly, depending on the terms of the loan.

Residential mortgage loans. These loans include:

- Mortgage loans. Mortgage loans are fixed, variable, or adjustable rate long-term loans with monthly payments of principal and interest secured by a mortgage over one to four family residential properties. At the time of approval, the principal amount of this type of mortgage loan depends on the occupancy status, number of units, and loan amount, but cannot be higher than 80.0% of the appraised value of the mortgaged property.

- Home Equity Lines (HELOC). HELOCs are revolving, open-end lines of credit extended to a homeowner secured by, typically, a junior lien over one to four family residential property.

Commercial real estate loans. These loans include owner and non-owner occupied commercial real estate loans, which are adjustable or fixed rate loans used to purchase or refinance owner occupied or investment commercial real estate property. The owner occupancy should be greater or equal to 51% of the leasable space, loan to value should not be higher than 75%, and we should have a first lien over the real estate property. Underwriting parameters include mandatory escrow for taxes and insurances, maximum vacancy, in case of non-owner occupied loans, minimum management fees and debt service coverages.

Consumer loans. These loans include:

- Personal line of credit: revolving variable rate line of credit targeted for personal use. Payback generally occurs within 24 months. These lines can be unsecured or secured by a CD.

- Unsecured term loans: Personal purpose fixed rate loan with relatively short time periods, with pay back generally occurring within 60 months.

- Automobile, boat, and airplane loans: Loans used to purchase or refinance these types of assets, secured by a first lien position on those assets.

Construction and land loans. These loans include the following:

- Construction loans: Fixed or variable rate loans made to construct commercial real estate or one to four family residences.

- Land loans: Fixed or variable rate loans made for the purpose of acquiring land for the future construction of commercial real estate or one to four family residences.

Risks of the Loan Portfolio

The risk index of our loan portfolio is calculated as allowances for loan losses as a percentage of total loans. Our risk index was 1.82%, 1.90% and 1.71% as of December 31, 2021, 2022 and 2023, respectively. Our risk index for our main loan categories is as follows:

Commercial loans

Bci loans

The risk index of our commercial loans as of December 31, 2021, 2022 and 2023 was 1.8%, 1.6% and 1.5%, respectively. Our risk index in 2021, 2022 and 2023 reflects, in part, the results of our risk management transformation plan, but mainly the quality of our commercial loans depends on Chilean GDP growth, interest rates, regulatory changes, the general level of indebtedness and other economic conditions such as the conditions of each industry sector in which our borrowers are involved.

City National Bank of Florida loans

The risk index of our CNB commercial loans as of December 31, 2021, 2022 and 2023 was 0.80%, 0.70% and 0.63%, respectively.

Mortgage loans

Bci loans

The risk index of our mortgage loans as of December 31, 2021, 2022 and 2023 was 0.49%, 0.64% and 0.52%, respectively. The risk index of our mortgage loans has remained stable and low relative to the risk index of the Chilean financial system.

City National Bank of Florida loans

The risk index of our CNB mortgage loans as of December 31, 2021, 2022 and 2023 was 1.06%, 1.52% and 0.53%, respectively.

Consumer loans

Bci loans

The risk index of our consumer loans as of December 31, 2021, 2022 and 2023 was 6.05%, 9.16% and 9.40%, respectively. The decrease in the risk index during 2021 compared to 2020 was primarily attributable to monetary transfers by the Chilean government to individuals and extraordinary withdrawals from pension funds, which provided a high level of liquidity to individuals.

City National Bank of Florida loans

The risk index of our CNB consumer loans as of December 31, 2021, 2022 and 2023 was 1.12%, 7.98% and 8.44%, respectively.

Maturity and Interest Rate Sensitivity of Loans

The following table sets forth an analysis of our loans (before allowances; exclusive of interbank loans) as of December 31, 2023 by type of loan and time remaining to maturity:

	Due within 1 month	Due after 1 month but within 6 months	Due after 6 months but within 12 months	Due after 1 year but within 3 years	Due after 3 years but within 5 years	Due after 5 years but within 15 years	Due after 15 years	Balance as of December 31, 2023
				(in millions of Ch$)				
Commercial loans								
General commercial loans	652,364	1,943,218	852,642	2,844,610	1,685,723	2,930,961	4,066,771	14,976,289
CNB commercial loans	232,451	983,178	1,022,467	3,256,600	3,148,917	3,118,004	395,488	12,157,105
Foreign trade loans	418,379	1,090,655	158,999	156,128	80,132	17,986	-	1,922,279
Lines of credit and overdrafts	10,894	68,387	69,516	1,267	-	-	-	150,064
Loans to college students	-	-	-	-	-	-	1,368,335	1,368,335
Factoring operations	486	3,065	4,240	18,350	17,629	70,203	1,537	115,510
Leasing transactions	51,786	254,723	265,785	665,778	202,892	207,910	-	1,648,874
Other loans and receivables	64,768	10,881	2,506	739	24	-	-	78,920
Subtotal	1,431,128	4,354,107	2,376,156	6,943,472	5,135,319	6,345,064	5,832,131	32,417,376
Mortgage loans								
Mortgage loans	122,451	596,205	683,776	2,094,580	1,557,436	4,947,020	485,475	10,486,943
CNB residential mortgage loans	12,485	47,575	25,148	151,475	42,091	245,620	2,800,349	3,324,743
Subtotal	134,936	643,780	708,924	2,246,055	1,599,527	5,192,640	3,285,824	13,811,686
Consumer loans								
Consumer loans in installments	47,465	270,345	278,441	727,646	299,958	74,631	6	1,698,492
CNB consumer loans	1,269	870	7,511	30,039	14,345	702	10	54,746
Lines of credit and overdrafts	10,564	44,038	54,106	1,520	-	339	-	110,566
Credit card borrowers	846,313	280,959	84,188	55,923	3,808	-	-	1,271,191
Consumer leasing transactions	12	69	65	253	33	1	-	432
Other loans and receivables	-	-	-	-	-	-	42,367	42,367
Subtotal	905,623	596,281	424,311	815,381	318,142	75,673	42,383	3,177,794
Total loans	2,471,687	5,594,168	3,509,390	10,004,908	7,052,988	11,613,377	9,160,338	49,406,856

The following table sets forth an analysis of our loans (before allowances; exclusive of interbank loans) as of December 31, 2022 by type of loan and time remaining to maturity:

	Due within 1 month	Due after 1 month but within 6 months	Due after 6 months but within 12 months	Due after 1 year but within 3 years	Due after 3 years but within 5 years	Due after 5 years but within 15 years	Due after 15 years	Balance as of December 31, 2022
				(in millions of Ch$)				
Commercial loans								
General commercial loans	787,012	2,332,899	1,715,679	3,543,120	904,220	1,601,931	3,457,716	14,342,577
CNB commercial loans	580,119	1,767,538	1,344,559	2,849,028	791,153	1,346,673	2,446,114	11,125,184
Foreign trade loans	420,860	685,338	60,052	60,080	30,147	11,000	–	1,267,477
Lines of credit and overdrafts	7,139	52,219	81,916	1,359	–	–	–	142,633
Loans to college students	607	3,345	5,212	19,074	17,919	78,979	2,593	127,729
Factoring operations	–	–	–	–	–	–	1,283,603	1,283,603
Leasing transactions	33,017	165,609	184,926	484,132	214,117	301,663	–	1,383,464
Other loans and receivables	63,894	8,449	1,442	711	22	–	–	74,518
Subtotal	1,892,648	5,015,397	3,393,786	6,957,504	1,957,578	3,340,246	7,190,026	29,747,185
Mortgage loans								
Mortgage loans	86,432	406,589	479,860	1,587,864	1,197,602	3,776,252	2,407,713	9,942,312
CNB residential mortgage loans	25,647	120,647	142,389	471,168	355,365	1,120,529	714,441	2,950,186
Subtotal	112,079	527,236	622,249	2,059,032	1,552,967	4,896,781	3,122,154	12,892,498
Consumer loans								
Consumer loans in installments	54,013	296,906	318,193	841,970	295,140	52,058	18	1,858,298
CNB consumer loans	1,504	8,265	8,857	23,437	8,216	1,449	1	51,729
Lines of credit and overdrafts	11,422	39,557	52,732	1,461	–	–	–	105,172
Credit card borrowers	1,060,162	266,804	85,001	56,361	4,588	–	–	1,472,916
Consumer leasing transactions	11	58	61	130	40	8	–	308
Other loans and receivables	11,727	–	–	–	–	–	36,462	48,189
Subtotal	1,138,839	611,590	464,844	923,359	307,984	53,515	36,481	3,536,612
Total loans	3,143,566	6,154,223	4,480,879	9,939,895	3,818,529	8,290,542	10,348,661	46,176,295

The following table sets forth an analysis of our loans (before allowances; exclusive of interbank loans) as of December 31, 2021 by type of loan and time remaining to maturity:

	Due within 1 month	Due after 1 month but within 6 months	Due after 6 months but within 12 months	Due after 1 year but within 3 years	Due after 3 years but within 5 years	Due after 5 years but within 15 years	Due after 15 years	Balance as of December 31, 2021
				(in millions of Ch$)				
Commercial loans								
General commercial loans	1,188,175	4,942,217	2,303,506	4,796,733	1,641,622	2,960,025	5,121,807	22,954,085
CNB commercial loans	1,101	1,408	1,391	1,210	1,966	1,710	2,290	11,076
Foreign trade loans	180,364	693,756	210,386	76,952	32,888	14,647	39,664	1,248,656
Checking accounts	4,624	27,633	79,247	1,078	–	–	–	112,582
Loans to college students	584	3,483	4,599	18,793	18,641	87,146	4,096	137,342
Factoring operations	-	–	–	–	–	–	1,088,017	1,088,017
Leasing transactions	44,964	218,945	221,193	565,381	223,825	288,817	–	1,563,125
Other loans and receivables	52,266	7,052	1,537	887	11	–	–	61,753
Subtotal	1,472,078	5,894,494	2,821,859	5,461,034	1,918,953	3,352,345	6,255,874	27,176,636
Mortgage loans								
Mortgage loans	103,619	507,299	518,063	1,546,641	1,208,075	4,188,789	2,676,695	10,749,181
CNB residential mortgage loans	37	100	55	38	41	1,348	865	2,484
Subtotal	103,656	507,399	518,118	1,546,679	1,208,116	4,190,137	2,677,560	10,751,665
Consumer loans								
Consumer loans in installments	53,713	291,565	319,283	902,163	322,888	57,785	22	1,947,419
CNB consumer loans	7	18	16	9	12	–	–	62
Checking accounts	5,984	28,236	37,665	1,016	–	–	–	72,901
Credit card borrowers	943,082	244,963	99,029	67,412	4,327	–	–	1,358,813
Consumer leasing transactions	30	73	64	146	56	19	–	388
Other loans and receivables	–	–	–	–	–	–	51,206	51,206
Subtotal	1,002,816	564,855	456,057	970,746	327,283	57,804	51,288	3,430,789
Total loans	2,578,550	6,966,748	3,796,034	7,978,459	3,454,352	7,600,286	8,984,722	41,359,091

The following tables present, as of December 31, 2022 and 2023, the amount of outstanding loans (exclusive of contingent loans):

	As of December 31,	
	2022	**2023**
Variable Rate:		
Ch$	1,809,573	3,338,238
UF	782,525	1,459,186
Ch$ indexed to US$	8,371	22,638
Foreign currency	91,846	46,069
US$	6,714,116	2,173,711
Subtotal	**9,406,431**	**7,039,842**
Fixed Rate:		
Ch$	9,023,739	21,698,700
UF	19,698,772	18,860,509
Ch$ indexed to US$	44,043	196,407
Foreign currency	65	26,981
US$	8,003,245	1,584,417
Subtotal	36,769,864	**42,367,014**
Total	**46,176,295**	**49,406,856**

Loans by Economic Activity

The following table sets forth an analysis of our loan portfolio (before allowances for loan losses) based on the borrower's principal economic activity, as of each of the indicated dates. Loans to individuals for business purposes are allocated to their economic activity. The table does not reflect outstanding contingent loans.

	As of December 31,					
	2021		2022		2023	
	Loan portfolio	Percentage of loan portfolio	Loan portfolio	Percentage of loan portfolio	Loan portfolio	Percentage of loan portfolio
	(in millions of Ch$, except percentages)					
Agriculture and livestock	557,429	1.35%	523,412	1.13%	569,972	1.15%
Fruit growing	363,933	0,88%	380,013	0.82%	349,312	0.71%
Forestry and logging	172,109	0.42%	151,886	0.33%	131,396	0.27%
Fishing	164,987	0.40%	152,516	0.33%	172,698	0.35%
Exploitation of mines and quarries	257,574	0.62%	340,926	0.74%	702,620	1.42%
Crude oil and natural gas production	157,330	0.38%	188,861	0.41%	70,840	0.14%
Product manufacturing industry	2,043,898	4.94%	2,111,961	4.57%	2,225,671	4.50%
Electricity, gas and water	725,129	1.75%	819,471	1.77%	995,997	2.02%
Home building	97,208	0.24%	154,945	0.34%	179,124	0.36%
Other works and constructions	1,836,457	4.44%	1,858,245	4.02%	1,591,454	3.22%
Wholesale trade	1,790,869	4.33%	2,122,536	4.60%	1,940,740	3.93%
Retail restaurants and hotels	2,468,274	5.97%	2,289,011	4.96%	2,097,953	4.25%
Transport and storage	1,507,142	3.64%	1,581,400	3.42%	1,793,766	3.63%
Telecommunications	373,170	0.90%	497,235	1.08%	478,396	0.97%
Financial and insurance establishments	2,837,343	6.86%	2,828,645	6.13%	3,229,481	6.54%
Real estate and services provided to companies	3,563,680	8.62%	7,668,811	16.61%	8,399,435	17.00%
Community, social and personal services	8,260,107	19.97%	6,077,313	13.16%	7,488,521	15.16%
Commercial loans	27,176,639	65.71%	29,747,185	64.42%	32,417,376	65.61%
Mortgage loans	10,751,664	26.00%	12,892,498	27,92%	13,811,686	27.95%
Consumer loans	3,430,790	8.30%	3,536,612	7.66%	3,177,794	6.43%
Total	41,359,091	100.0%	46,176,295	100.0%	49,406,856	100.0%

Foreign Country Outstanding Loans

Our cross-border loans are principally trade-related. These include loans to foreign financial institutions. The table below lists our total amount of outstanding loans to borrowers in foreign countries as of December 31, 2021, 2022 and 2023. This table does not include foreign trade-related loans to Chilean borrowers.

	As of December 31,		
	2021	2022	2023
	(in millions of Ch$)		
Country			
Argentina	44,279	15,445	8,023
Australia	2,996	1,351	263
Austria	56,821	31,690	29,051
Belgium	547	2,320	2
Bolivia	341	6,894	1,641
Brazil	259,218	282,341	265,528
Bulgaria	54	92	—
Canada	31,495	79,865	19,736
Cayman Islands	16,684	8,559	58,837
China	44,301	60,031	79,894
Colombia	105,341	98,772	80,356
Denmark	3	—	—
Dominican Republic	—	17,117	17,542
Finland	708	4,878	3,947
France	82,458	99,354	13,377
Germany	14,877	88,698	32,194
Guatemala	21,117	25,414	20,539
Hong Kong	—	96	-

	As of December 31,		
	2021	2022	2023
	(in millions of Ch$)		
Italy	15,753	67,431	45,144
Japan	5,677	49,348	76,378
Mexico	56,673	52,000	2,582
Netherlands	73	487	219
Panama	111,236	162,873	58,939
Paraguay	497	38,904	37,716
Peru	112,065	214,641	110,357
Poland	52	73	—
Portugal	6,490	—	3,700
Qatar	—	—	—
South Korea	3	56	128
Spain	433,846	95,545	61,279
Sweden	9,542	487	499
Switzerland	24,380	31,144	17,075
Turkey	26,189	830	19,934
United Kingdom	226,104	246,408	68,987
United States	616,358	549,155	288,453
Uruguay	36	86	-
Other	—	4,229	4,334
Total	**2,326,214**	**2,336,614**	**1,426,654**

We also maintain deposits abroad (primarily demand deposits) as needed to conduct our foreign trade transactions. The table below lists the amounts of foreign deposits by country as of December 31, 2021, 2022 and 2023:

	As of December 31,		
Country	2021	2022	2023
	(in millions of Ch$)		
Australia	2,159	—	—
Canada	654	941	749
China	229	306	6
Denmark	150	176	—
Germany	34,388	54,877	12,629
Italy	—	—	1,208
Japan	10,555	6,906	12,161
Mexico	21	204	—
New Zealand	72	654	—
Norway	301	580	—
Peru	2,569	2,564	1,861
Spain	1,343	5,607	11,219
Sweden	82	87	—
Switzerland	1,070	5,943	8,401
UK	704	13,191	38,623
United States	128,158	493,439	859,191
Total	**182,455**	**585,475**	**946,048**

Credit Approval Process

We manage our credit risk by requiring loans to be approved in accordance with certain pre-determined procedures. Under our credit approval system, the approval of a transaction with a customer requires the participation of two or more executives, with at least one of them having the credit approval authority that would be necessary to cover our total risk exposure with respect to that customer.

Credit approval evaluation is made on the basis of the customer's total debt and the added risk involved in the proposed transaction. A borrower's total debt includes outstanding debt and any undrawn lines of credit. Our total risk exposure to any customer takes into account not only our direct exposure to this customer, but also any credit support or security and extensions of credit or undrawn lines of credit to related or affiliated borrowers.

Description of the main credit risk governance

Committee	Members	Areas	Faculties	Tenor
Executive Committee	At least 3 directors	All divisions	What exceeds faculties of Corporate Committee 2 and what must go to this instance according to established policies	What exceeds faculties of the Corporate Committee
Miami and International Committee	At least 2 risk representatives and 1 commercial line representative	Bci Miami and International Bank	Up to US$20 million	Up to 5 years for unsecured operations, except for syndicated credits in U.S. with liquidity index, which allow up to 7 years. Up to 12 years for secured operations (100% coverage at liquidation value) Bullet: up to 3 years, except for syndicated credits in U.S. with liquidity index, which allow up to 7 years
Corporate Committee 2	At least 2 risk representatives and 1 commercial line representative	All divisions	Ch$.13,001 million to Ch$25,000 million(1) Ch$8,001 million to Ch$20,000 million(2) Ch$6,001 million to Ch$15,000 million(3) Project Finance up to Ch$12,000 million Bullet up to Ch$5,000 million	Up to 5 years for unsecured operations and 15 years for secured operations or maximum deficit of Ch$2,000 million Leasing/leaseback up to 15 years Private Banking: 30 years mortgage loan 5 year bullet up to 2,500 liquid guarantees
Corporate Committee 1	At least 2 risk representatives and one commercial line representative	All divisions	Ch$4,000 million to Ch$13,000 million(1) Ch$2,000 million to Ch$8,000 million(2) Ch$1,000 million to Ch$6,000 million(3) Excludes Project Finance and Bullet	Up to 5 years for unsecured operations and 15 years for secured operations or maximum deficit of 30% with a maximum of Ch$500 million Leasing/leaseback up to 15 years Private Banking: 30 years mortgage loan 3 year bullet up to 1,000 liquid guarantees
Normalization Committee 2	One Manager or Deputy Manager of Risk Origination in charge of a bank, one monitoring representative, and one commercial line representative or from the special accounts	All divisions For clients being monitored or with negative strategies or administered in special accounts	Wholesale: Ch$1,000 million to Ch$12,000 million Only for granted risks Retail: Ch$1,000 million to Ch$12,000 million for entrepreneur groups in which at least one of them is being monitored or with negative strategy. Only for granted risks	Up to 8 years for unsecured operations. Up to 15 years for secured operations In case of mortgage loans or general purpose loans for retail: up to 20 years
Normalization Committee 1	At least one monitoring representative, one risk origination representative, and one commercial line representative or from the special accounts	All divisions For clients being monitored or with negative strategies or administered in special accounts	Wholesale: Ch$1 million to Ch$1,000 million Only for granted risks. Retail: Ch$1 million to Ch$1,000 million for entrepreneur groups in which at least one of them is being monitored or with negative strategy. Only for granted risks.	Up to 5 years for unsecured operations Up to 10 years for secured operations

(1) Low complexity operations.
(2) Medium complexity operations.
(3) High complexity operations.

Pairs

Conformed by representatives of the commercial and risk areas, who have joint power to solve operations, according to the level of complexity.

Pair	Representatives	Attributions From (High complexity)	Attributions Up to (Low complexity)
A	Corporate Risk Manager – Division Manager	Ch$2,750 million	Ch$11,000 million
B	Credit Risk Manager – Bank Manager	Ch$2,250 million	Ch$9.000 million
C	Bank Risk Manager – Banker Manager – Regional Manager	Ch$1,000 million	Ch$7,200 million
D	Senior Risk Zone – Banker Manager, Bank Deputy Manager and Bankers	Ch$375 million	Ch$4,500 million

Admission Process: Individual Portfolio

In the individual credit approval process, operations are resolved according to their degree of complexity, by managers with different powers, according to their experience.

At Bci there are two individual processes: the first corresponds to individual approval, which may have its origin in an origination (new client or product), renewal or in some follow-up alert associated with an apprehension regarding a change in the credit quality of the counterpart. The second process is the "centralized renewal", applicable to customers with current products.

Classification of Banks by the CMF

The CMF regularly examines and evaluates each financial institution's solvency and management ratings, including its compliance with the loan classification guidelines of the CMF, and on that basis classifies banks and other financial institutions into one of five categories, I, II, III, IV and V, as follows:

- Category I is reserved for financial institutions that have been rated level A in terms of solvency and management.
- Category II is reserved for financial institutions that have been rated (i) level A in terms of solvency and level B in terms of management, (ii) level B in terms of solvency and level A in terms of management, or (iii) level B in terms of solvency and level B in terms of management.
- Category III is reserved for financial institutions that have been rated (i) level B in terms of solvency and level B in terms of management for two or more consecutive review periods, (ii) level A in terms of solvency and level C in terms of management, or (iii) level B in terms of solvency and level C in terms of management.
- Category IV is reserved for financial institutions that are rated level A or B in terms of solvency and have been rated level C in terms of management for two or more consecutive review periods.
- Category V is reserved for financial institutions that have been rated level C in terms of solvency, irrespective of their rating level of management.

The solvency rating of a bank is determined by its ratio of regulatory capital (after deducting accumulated losses during the financial year) to risk-weighted assets. This ratio is equal to or greater than 10.5% for level A banks, equal to or greater than 8% and less than 10.5% for level B banks and less than 8% for level C banks.

The management rating of a bank is as follows: (i) level A banks are those that are not rated as level B or C, (ii) level B banks display some weakness in internal controls, information systems, response to risk, private risk rating or ability to manage contingency scenarios, and (iii) level C banks display significant deficiencies in internal controls, information systems, response to risk, private risk rating or ability to manage contingency scenarios.

Classification of Loan Portfolio

Chilean banks are required to classify their outstanding exposures on an ongoing basis for the purpose of determining the amount of allowances for loan losses. The guidelines used by Chilean banks for such classifications are established by the CMF, although banks are given some latitude in devising more stringent classification systems within such guidelines. For purposes of classification of our loan portfolio, loans are divided into consumer loans, residential mortgage loans and commercial loans.

Consumer Loans. These loans include financing arising from the use of credit cards, overdrafts on current accounts and loans granted to individuals. Their purpose is to finance the acquisition of consumer goods and payment of services, in an amount that generally does not exceed UF 550. Their repayment is generally made in equal and consecutive installments. See "—Loan Portfolio."

With respect to consumer loans, allowances for loan losses are determined by mathematical models of expected loss applied to our loan portfolio as a whole. These models have been based on our data and delinquency and behavior classification which is determined by the extent to which payments are overdue.

Residential Mortgage Loans. These include loans for residential purposes that are currently funded through the issuance by us of mortgage finance bonds. Generally, the purpose of these loans is to finance the acquisition, improvement, restoration or construction of a residential home. They are granted to the final user of the property and are entirely collateralized. All the remaining mortgage loans, in particular those granted for general purposes, are considered as commercial loans. See "—Loan Portfolio."

With respect to residential mortgage loans, allowances for loan losses are determined by a standard classification given by the CMF (former SBIF) in Chapter B-1 of the New Compendium.

Commercial Loans. Include all loans other than consumer loans and residential mortgage loans. See "—Loan Portfolio."

For a description of City National Bank of Florida loans, see "—Loan Portfolio."

For purposes of assessing our loan portfolio, we assess certain loans on an "individual" basis and other loans on a "collective" basis. We perform individual assessments of loans that we consider significant relative to our loan portfolio, based on the amount of the loan and its size, complexity and the credit profile of the borrower. Generally, we perform individual assessments of loans equal to or greater than UF18,000. We assess on a collective basis all of our loans that we do not assess individually, grouping them according to certain common characteristics such as the amount of the loan and the borrower's credit profile. Generally, we perform collective assessment of loans of less than UF18,000, and we use a mathematical model developed internally for our collective assessment of loans. See "Presentation of Financial and Other Information—Loans."

2010 Guidelines of the Former SBIF

On August 12, 2010, the former SBIF published new guidelines for classifying and provisioning of loan portfolios that became mandatory as of January 1, 2011 (the "**New Guidelines**"). As a result, the models and methods used to classify our loan portfolio and establish allowances for loan losses follow the guiding principles set forth below by the regulatory authority.

For large commercial loans, leasing and factoring, we assign a risk category to each borrower and its respective loans. We consider the following risk factors: the industry or sector of the borrower, the owners or managers of the borrower, the borrower's financial situation, its payment capacity and its payment history. Based on these factors and pursuant to the

Guidelines, we expect to assign one of the following risk categories to each borrower and loan that we evaluate on an individual basis:

i. "Normal Loans" or loans classified in categories A1 through A6 will correspond to borrowers who are current on their payment obligations and show no sign of deterioration in their credit quality.

ii. "Substandard Loans" or loans classified in categories B1 through B4 will correspond to borrowers with some financial difficulties or an important deterioration of payment capacity. Substandard loans also include all loans that have non-performance levels greater than 30 days.

iii. "Non-compliant Portfolio," which include non-compliant loans and other loans classified under categories C1 through C6, will correspond to borrowers whose payment capacity is at serious risk and are renegotiating credit terms to avoid bankruptcy or there is a high likelihood that they will file for bankruptcy. These loans also include all loans, including contingent operations, with at least one installment overdue more than 90 days.

Allowances for Normal and Substandard Loans

For normal and substandard loans, expected loss is to be calculated in accordance with the following CMF (former SBIF) standards:

Borrower Category	**Probability of default (PD) (%)**	**Loss given default (LGD) (%)**	**Expected loss (EL) (%)**
Normal loans			
A1	0.04	90.0	0.03600
A2	0.10	82.5	0.08250
A3	0.25	87.5	0.21875
A4	2.00	87.5	1.75000
A5	4.75	90.0	4.27500
A6	10.00	90.0	9.00000
Substandard loans			
B1	15.00	92.5	13.87500
B2	22.00	92.5	20.35000
B3	33.00	97.5	32.17500
B4	45.00	97.5	43.87500

Banks individually assign a specific classification and therefore provision level to each borrower. Accordingly, the amount of loan loss allowance is determined on a case-by-case basis. In determining provisions on an individual basis for normal and substandard loans pursuant to the recently published guidelines, banks are required to use the following equation established by the regulatory authority:

Provision = (ESA-GE) * (PD debtor/100) * (LGD debtor/100) + GE * (PDguarantor/100) * (LGD guarantor/100)

ESA = Exposure subject to allowances
PD = Probability of default
GE = Guaranteed exposure
LGD = Loss Given Default

Definition of Categories

A1: Debtor has the highest credit quality. This category is assigned only to borrowers with an extremely strong capacity to meet its financial obligations.

The debtor in this category has very solid financial foundations and competitive advantages in the markets in which it participates, so its ability to pay has remained permanently immune to cyclical fluctuations in the economy or sector. Therefore, it has a proven ability to generate cash flows to comfortably cover all of its financial commitments, even under restrictive conditions in the macroeconomic environments sector.

This category may be allocated only to debtors who have at least AA rating on the scale of the Chilean Securities Market Law granted by a national rating company recognized by the CMF, or its equivalent in case the debtor has an international rating by an external rating company, which also must be recognized by the CMF.

A2: Debtor has a very high credit quality. The ability to pay its financial obligations is very strong. Predictable events do not affect this capability significantly.

The debtor in this category provides a solid financial foundation and competitive position in the markets where it participates, so their ability to pay has been permanently immune and is not vulnerable to cyclical fluctuations in the economy or markets in which it participates. Presents proven ability to generate cash flows to cover timely and properly all financial commitments.

A3: Debtor has a high credit quality. The ability to pay its financial commitments is strong. Predictable events do not affect this capacity significantly.

The debtor in this category provides a solid foundation and competitive financial ability to pay and shows resistance to cyclical fluctuations in the economy or the markets in which it participates.

Under tight financial-economic scenarios, the power would not vary significantly.

A4 Debtor has a good credit quality. The ability to pay their financial obligations is sufficient. However, this capability is slightly susceptible to changing circumstances or economic conditions.

The debtor in this category provides a solid foundation and competitive financial ability to pay, shows resistance to cyclical fluctuations in the economy or markets in which it participates; however, it may have slight vulnerability to restrictive conditions at macroeconomic and sector levels.

A5: Debtor has a good credit quality. The ability to pay their financial commitments is adequate or sufficient, but is susceptible to change in circumstances or economic conditions.

The debtor in this category presents reasonable competitive and financial foundations, so their ability to pay is less vulnerable to cyclical fluctuations in the economy or markets in which it participates, but although it presents good ability to generate cash flows to meet promptly all its financial commitments under adverse conditions, could be vulnerable to restrictive environmental conditions at macroeconomic and sector levels.

A6: Debtor has a sufficient credit quality. Its ability to pay could deteriorate in adverse economic conditions. The debtor currently has certain challenges with his ability to fulfill his financial obligations, but this is temporary.

The debtor in this category has reasonable competitive and financial foundations, but his payment capacity presents vulnerabilities to cyclical fluctuations of the economy or of the markets in which it participates. Although it has demonstrated the capacity to generate sufficient cash flow to meet its financial commitments under adverse conditions, there is evidence of weakness before restrictive conditions of the macroeconomic and sector environment.

B1: Debtor has a low credit quality. His capacity of payment is vulnerable, affecting his ability to fulfill his financial obligations. The debtor in this category presents deficient financial and competitive foundations, and has presented irregularities in the fulfillment of his commitments.

B2: Debtor has a low credit quality. The debtor presents a worsening in his capacity of payment, generating doubts on the recovery of his credits. The debtor in this category presents deficient financial and competitive foundations, and his ability to generate cash flows is insufficient, which is translated into unsatisfactory fulfillments of his commitments. Also part of this category are those debtors who have registered some precedents of negative behavior in the last 12 months, which are not of recurring nature, and which reclassification as performing loans has taken place at least three months ago.

B3: Debtor has a very low credit quality. His capacity of payment is weak and has shown delinquencies in payments, which may under this scenario, require a financial restructuring to meet obligations or, in case of having had it, obligations thereunder have not been complied with regularly. The debtors who are classified in this category do not exceed 90 days default.

B4: Debtor has a minimum credit rating. This type of borrower has history of disruptive behavior in the last 12 months, which, however, currently does not exceed 90 days default, nor meets certain conditions to be considered as held in default.

Allowances for Loan Losses

Our loan portfolio includes loans for which the likelihood of recovery is low, as the borrowers show impaired payment capacity or no payment capacity at all. This portfolio includes (i) loans of borrowers with evident signs of possible bankruptcy, (ii) loans for which restructuring is necessary in order to avoid impairment and (iii) loans of borrowers that are at least 90 days in default in the payment of interests or principal on any of their loans. Debtors classified under categories C1 to C6 and all their loans are included in our non-compliant loan portfolio (a subpopulation of our impaired loans portfolio as defined under CMF (former SBIF) criteria), including 100% of the amount of their undrawn committed credit lines and contingent loans.

We determine the allowance for loan losses taking into account our total exposure to each borrower, which is the sum of such borrower's total loans (including contingent loans and undrawn committed credit lines). To determine the percentage of our allowance with respect to these borrowers, we estimate the expected loss rate, the amounts that are recoverable by executing guarantees and the present value of the amounts that can be recovered through collection actions, net of expenses. The expected loss rate is classified under one of the six categories defined below, considering the range of losses that we expect from all the loans of the same debtor.

For loans classified under Categories C1 through C6, we will need to have the following levels of allowance required by the regulatory authority:

Borrower category	Expected loss range	Loss rate% (1)
C1	Up to 3%	2
C2	More than 3% up to 20%	10
C3	More than 20% up to 30%	25
C4	More than 30% up to 50%	40
C5	More than 50% up to 80%	65
C6	More than 80%	90

(1) Represents percentages of the aggregate amount of principal and accrued but unpaid interest of the loan.

For these loans the expected loss must be calculated as follows:

Expected loss = (TE – Rec) / TE

Allowance (Ch$) = TE * Allowance %

TE = Total exposure.
REC = Recoverable amount based on estimates of collateral value and collection efforts.

2014 Guidelines of the Former SBIF

On December 30, 2014, the former SBIF published new guidelines for provisioning a bank's residential mortgage loan portfolio. The 2014 Guidelines include:

- an expected loss model to calculate allowances for housing mortgage loans that explicitly considers loan delinquency and loan / collateral (LTV) ratios, in order to promote active management of credit risk; and

- proposal for a new manner of evaluating collateral in the context of determining provisions, which would specify certain required conditions that would need to be met by an asset in order for it to be eligible to be used as collateral for mitigating credit risk, as well as more specific requirements of how collateral would be valued for purposes of setting loan loss levels.

These changes were implemented in January 2016.

Modifications to Provisions on Credit Risk for Banks

On December 30, 2014, the former SBIF issued Circular No. 3573, which established amendments to the norms regulating the interpretation of the Provisions for Credit Risk, in Chapters B-1, B-2 and E in the Old Compendium. According to Chapter E, Chapter B-1 became effective as of January 2016. The amendments seek to ensure the adequacy of the provisions requiring banks to present credit risk in their loan portfolios, and guidelines encouraging best practices in evaluation and risk management.

The most relevant amendments introduced under the circular discussed above are the following:

- Standard method for mortgage loans provisions. A standardized method for calculating minimum provisions for mortgage loans for housing was introduced, clarifying both the procedure for overdue payments and the loan guarantee relationship (loan-to-value) for creditors. Such method establishes a special treatment for loans subject to state auction;

- Non-compliant portfolios. Certain conditions were introduced to supplement the guidelines relating to non-compliant portfolios for loans subject to individual assessment, including those which must be performed to remove a specific debtor from said portfolio. In addition, similar provisions were introduced to group portfolios; and

- Substitution of a debtor's credit rating for the credit rating of its guarantor. Modifications were made to the guidelines to determine provisions relating to factoring operations; permitting the substitution of a debtor's credit rating for the credit rating of its guarantor, subject to certain conditions being met.

Further to the aforementioned amendments, the CMF (former SBIF) has developed standardized provisions for the remaining group portfolios (smaller size portfolios of consumer and commercial credits), together with the establishment of minimum conditions that must be met by the internal provisions for credit risk developed by each bank.

Analysis of our Loan Classifications

We perform "individual" assessments of loans that we consider significant relative to our loan portfolio, based on the amount of the loan and its size, complexity and the credit profile of the borrower. Generally, we perform individual assessments of loans equal to or greater than UF20,000.

We consider individually assessed loans as "non-compliant" loans when they are within C1, C2, C3, C4, C5 or C6 categories, according to the categories set forth by the CMF. See "—Guidelines of the Former SBIF."

We assess on a "collective" basis all of our loans that we do not assess individually, grouping them according to certain common characteristics such as the amount of the loan and the borrower's credit profile. Generally, we perform collective assessment of loans of less than UF20,000.

The following tables provide statistical data regarding the classification of our commercial loans as of December 31, 2021, 2022 and 2023 (excluding loans and receivables from banks). The CMF (former SBIF) requires that we prepare a risk analysis evaluating, for classification purposes only, a portion of our total commercial loan portfolio including overdue and contingent loans.

	As of December 31,		
Category	**2021**	**2022**	**2023**
A1	219,439	336,129	219,041
A2	1,765,248	1,770,588	2,211,199
A3	4,009,914	4,163,317	4,710,231
A4	3,624,674	4,245,383	4,771,887
A5	4,294,364	5,244,578	5,158,431
A6	5,701,196	7,544,539	8,471,031
B1	1,205,826	1,118,327	1,429,276
B2	272,882	182,978	206,341
B3	59,851	43,996	42,854
B4	206,904	64,952	71,425
C1	168,200	209,339	309,112
C2	34,809	124,586	255,569
C3	101,577	93,140	35,261
C4	40,587	42,820	32,631
C5	37,059	33,937	30,060
C6	50,774	49,642	63,389
Collective assessment	5,383,333	4,478,934	4,399,638
Total	**27,176,637**	**29,747,185**	**32,417,376**

Under the guidelines issued by the CMF, our individually assessed loans are considered impaired when they are classified as B3, B4, C1, C2, C3, C4, C5 or C6. Our collectively assessed loans are considered impaired when (i) they are 90 days or more in default or (ii) they are restructured past due loans until we re-classify them as performing loans based on our periodic reassessment of such loans.

The following tables provide information regarding our loans as of December 31, 2021, 2022 and 2023 under the guidelines as described above:

As of December 31, 2023	Regular Portfolio	Substandard Portfolio	Non-performing Portfolio	Total loans before allowances	Regular provisions recorded	Substandard provisions recorded	Non-performing provisions recorded	Total allowances[1]	Total loans net of allowances	Impaired loans as a % of total loans by category	Individually assessed loan allowances as a % of total loans	Collectively assessed loan allowances as a% of total loans
						(In millions of Ch$, except percentages)						
Commercial loans:												
Commercial loans	13,839,636	674,278	880,346	15,394,260	(106,117)	(15,986)	(199,180)	(321,283)	15,072,977	5.72%	0.61%	0.38%
CNB commercial loans	10,748,719	842,473	147,942	11,739,134	(53,452)	(7,239)	(7,805)	(68,496)	11,670,638	1.26%	0.19%	0.02%
Foreign trade credits Chilean exports	1,260,561	15,410	1,313	1,277,284	(4,827)	(1,226)	(525)	(6,578)	1,270,706	0.10%	0.02%	-
Foreign trade credits Chilean imports	382,591	11,836	6,692	401,119	(4,582)	(1,195)	(1,673)	(7,450)	393,669	1.67%	0.02%	-
Foreign trade credits between third countries	231,965	6,487	5,424	243,876	(606)	(2)	(4,881)	(5,489)	238,387	2.22%	0.02%	-
Debtors in current accounts	133,679	5,189	11,196	150,064	(2,226)	(581)	(6,067)	(8,874)	141,190	7.46%	0.01%	0.02%
Credit card debtors	59,524	903	7,843	68,270	(1,739)	(107)	(4,425)	(6,271)	61,999	11.49%	0.00%	0.02%
Factoring Operations	1,325,160	42,702	473	1,368,335	(11,277)	(4,255)	(184)	(15,716)	1,352,619	0.03%	0.04%	-
Commercial financial leasing operations	1,452,243	150,618	46,013	1,648,874	(11,873)	(3,025)	(8,045)	(22,943)	1,625,931	2.79%	0.05%	0.02%
Student loans	100,286	-	15,224	115,510	(1,258)	-	(2,709)	(3,967)	111,543	13.18%	-	0.01%
Other loans and receivable	70	-	10,580	10,650	(1,111)	-	(8,486)	(9,597)	1,053	99.34%	0.03%	-
Subtotal	29,534,434	1,749,896	1,133,046	32,417,376	(199,068)	(33,616)	(243,980)	(476,664)	31,940,712	3.50%	1.00%	0.47%
Mortgage loans:												
Loans with letters of credit	514	-	55	569	(1)	-	(5)	(6)	563	9.67%	-	-
Loans with endorsable mortgage mutual funds	1,123	-	114	1,237	(4)	-	(9)	(13)	1,224	9.22%	-	-
Other credits with mortgage loans	10,038,917	-	381,885	10,420,802	(17,526)	-	(35,901)	(53,427)	10,367,375	3.66%	-	0.39%
CNB residential mortgage loans	3,318,287	-	6,456	3,324,743	(17,436)	-	(55)	(17,491)	3,307,252	0.19%	-	0.13%
Finance lease operations for mortgage	-	-	-	-	-	-	-	-	-	-	-	-
Other loans and receivable	61,409	-	2,926	64,335	(148)	-	(246)	(394)	63,941	4.55%	-	-
Subtotal	13,420,250	-	391,436	13,811,686	(35,115)	-	(36,216)	(71,331)	13,740,355	2.83%	-	0.52%
											-	
Consumer loans:											-	
Consumer loans in installments	1,565,967	-	174,027	1,739,994	(74,194)	-	(96,327)	(170,521)	1,569,473	10.00%	-	5.37%
CNB consumer loans	13,244	-	-	13,244	(262)	-	-	(262)	12,982	-	-	0.01%
Debtors in current accounts	91,476	-	19,090	110,566	(6,927)	-	(14,235)	(21,162)	89,404	17.27%	-	0.67%
Credit card debtors	1,192,207	-	78,984	1,271,191	(56,439)	-	(49,673)	(106,112)	1,165,079	6.21%	-	3.34%
Consumer finance lease operations	428	-	4	432	(4)	-	(2)	(6)	426	0.93%	-	-
Other loans and receivable	41,996	-	371	42,367	(385)	-	(263)	(648)	41,719	0.88%	-	0.02%

As of December 31, 2023	Regular Portfolio	Substandard Portfolio	Non-performing Portfolio	Total loans before allowances	Regular provisions recorded	Substandard provisions recorded	Non-performing provisions recorded	Total allowances[(1)]	Total loans net of allowances	Impaired loans as a % of total loans by category	Individually assessed loan allowances as a % of total loans	Collectively assessed loan allowances as a% of total loans
						(In millions of Ch$, except percentages)						
Subtotal	2,905,318	-	272,476	3,177,794	(138,211)	-	(160,500)	(298,711)	2,879,083	8.57%	-	9.40%
Total loans	**45,860,002**	**1,749,896**	**1,796,958**	**49,406,856**	**(372,394)**	**(33,616)**	**(440,696)**	**(846,706)**	**48,560,150**	**3.64%**	**0.65%**	**1.06%**

(1) Includes guarantees deductibles, which are Ch$26,133 million for commercial loans.

As of December 31, 2022	Regular Portfolio	Substandard Portfolio	Non-performing Portfolio	Total loans before allowances	Regular provisions recorded	Substandard provisions recorded	Non-performing provisions recorded	Total allowances[(1)]	Total loans net of allowances	Impaired loans as a % of total loans by category	Individually assessed loan allowances as a % of total loans	Collectively assessed loan allowances as a% of total loans
						(In millions of Ch$, except percentages)						
Commercial loans:												
Commercial loans	12,875,627	750,806	716,140	14,342,573	(71,025)	(19,848)	(185,803)	(313,335)	14,029,238	4.99%	1.32%	0.86%
CNB commercial loans	10,586,779	453,237	85,169	11,125,185	(65,393)	(4,723)	(7,447)	(77,563)	11,047,622	0.77%	0.63%	0.07%
Foreign trade credits Chilean exports	603,108	22,896	8,014	634,018	(6,122)	(549)	(3,168)	(9,839)	624,179	1.26%	1.52%	0.03%
Foreign trade credits Chilean imports	424,870	11,610	-	436,480	(4,708)	(2,293)	-	(7,001)	429,479	0.00%	1.47%	0.14%
Foreign trade credits between third countries	185,475	11,505	-	196,980	(723)	(2,261)	-	(2,984)	193,996	0.00%	1.51%	0.00%
Debtors in current accounts	124,330	10,076	8,226	142,632	(2,345)	(1,084)	(4,448)	(7,877)	134,755	5.77%	1.52%	4.00%
Credit card debtors	59,538	930	5,718	66,186	(1,769)	(109)	(3,294)	(5,172)	61,014	8.64%	0.84%	6.97%
Factoring Operations	1,268,179	10,015	5,409	1,283,603	(12,875)	(326)	(2,676)	(15,877)	1,267,726	0.42%	1.08%	0.16%
Commercial financial leasing operations	1,205,667	139,178	38,621	1,383,466	(8,292)	(1,535)	(10,490)	(20,317)	1,363,149	2.79%	0.98%	0.49%
Student loans	116,262	-	11,468	127,730	(1,447)	-	(2,137)	(3,584)	124,146	8.98%	0.00%	2.81%
Other loans and receivable	71	-	8,261	8,332	(1,197)	-	(5,495)	(6,692)	1,640	99.15%	76.44%	3.88%
Subtotal	27,449,906	1,410,253	887,026	29,747,185	(175,896)	(32,728)	(224,958)	(470,241)	29,276,944	2.98%	0.98%	0.48%
Mortgage loans:												
Loans with letters of credit	1,278	-	121	1,399	(2)	-	(12)	(14)	1,385	8.65%	-	1.00%
Loans with endorsable mortgage mutual funds	1,518	-	140	1,658	(3)	-	(12)	(15)	1,643	8.44%	-	0.90%
Other credits with mortgage loans	9,573,654	-	267,400	9,841,054	(13,773)	-	(23,862)	(37,635)	9,803,419	2.72%	-	0.38%
CNB residential mortgage loans	2,929,082	-	21,104	2,950,186	(44,814)	-	(20)	(44,834)	2,905,352	0.72%	-	1.52%
Finance lease operations for mortgage	-	-	-	-	-	-	-	-	-	0.00%	-	0.00%
Other loans and receivable	93,176	-	5,025	98,201	(216)	-	(403)	(619)	97,582	5.12%	-	0.63%
Subtotal	12,598,708	-	293,790	12,892,498	(58,808)	-	(24,309)	(83,117)	12,809,381	2.28%	-	0.64%
Consumer loans:												
Consumer loans in installments	1.706.176	-	152.122	1,858,298	(63,222)	-	(83,450)	(146,672)	1,715,754	8.19%	-	7.89%
CNB consumer loans	51.729	-	-	51,729	(4,128)	-	-	(4,128)	47,601	0.00%	-	7.98%
Debtors in current accounts	90.767	-	14.404	105,171	(6,490)	-	(10,617)	(17,107)	88,064	13.70%	-	16.27%
Credit card debtors	1.366.870	-	106.046	1,472,916	(85,226)	-	(70,605)	(155,831)	1,317,085	7.20%	-	10.58%
Consumer finance lease operations	309	-	-	309	(4)	-	-	(4)	305	0.00%	-	0.00%
Other loans and receivable	47.930	-	259	48,189	(4,015)	-	(176)	(4,191)	43,998	0.54%	-	8.70%
Subtotal	3.263.781	-	272.831	3,536,612	(163,085)	-	(164,848)	(327,933)	3,212,807	7.71%	-	9.27%
Total loans	**43,312,395**	**1,410,253**	**1,453,647**	**46,176,295**	**(264,162)**	**(32,278)**	**(414,115)**	**(881,291)**	**45,299,132**	**3.15%**	**0.63%**	**1.20%**

(1) Includes guarantees deductibles, which are Ch$36,659 million for commercial loans.

As of December 31, 2021	Regular Portfolio	Substandard Portfolio	Non-performing Portfolio	Total loans before allowances	Regular provisions recorded	Substandard provisions recorded	Non-performing provisions recorded	Total allowances[(1)]	Total loans net of allowances	Impaired loans as a % of total loans by category	Individually assessed loan allowances as a % of total loans	Collectively assessed loan allowances as a% of total loans
						(In millions of Ch$, except percentages)						
Commercial loans:												
Commercial loans	11,835,558	1,012,269	653,525	13,501,352	(65,948)	(29,409)	(198,824)	(340,373)	13,160,979	4.84%	1.55%	0.97%
CNB commercial loans	8,802,267	591,617	68,468	9,462,352	(60,771)	(9,632)	(5,387)	(75,790)	9,386,562	0.72%	0.64%	0.16%
Foreign trade credits Chilean exports	617,128	18,479	307	635,914	(9,556)	(292)	(174)	(10,022)	625,892	0.05%	1.51%	0.07%
Foreign trade credits Chilean imports	353,923	11,377	27	365,327	(4,861)	(1,702)	(15)	(6,578)	358,749	0.01%	1.69%	0.11%
Foreign trade credits between third countries	235,519	14,895	-	247,414	(835)	(2,744)	-	(3,579)	243,835	0.00%	1.45%	0.00%
Debtors in current accounts	99,649	4,709	8,224	112,582	(1,986)	(567)	(4,573)	(7,126)	105,456	7.30%	1.61%	4.72%
Credit card debtors	53,147	799	4,123	58,069	(1,467)	(92)	(2,284)	(3,843)	54,226	7.10%	0.43%	6.19%
Factoring Operations	1,077,000	10,070	931	1,088,001	(11,422)	(514)	(266)	(12,202)	1,075,799	0.09%	0.94%	0.18%
Commercial financial leasing operations	1,444,962	81,247	37,581	1,563,790	(11,635)	(1,088)	(11,465)	(24,188)	1,539,602	2.40%	1.12%	0.43%
Student loans	119,585	-	18,568	138,153	(1,467)	-	(3,547)	(5,014)	133,139	13.44%	0.00%	3.63%
Other loans and receivable	5	-	3,678	3,683	-	-	(1,736)	(1,736)	1,947	99.86%	32.83%	14.31%
Subtotal	24,635,743	1,745,462	795,432	27,176,637	(169,948)	(46,040)	(228,271)	(490,451)	26,686,186	2.93%	1.09%	0.55%
Mortgage loans:												
Loans with letters of credit	2,949	-	239	3,188	-	-	(1)	(1)	3,187	7.50%	-	0.03%
Loans with endorsable mortgage mutual funds	2,153	-	277	2,430	(1)	-	(3)	(4)	2,426	11.40%	-	0.16%
Other credits with mortgage loans	8,263,247	-	236,608	8,499,855	(17,205)	-	(12,190)	(29,395)	8,470,460	2.78%	-	0.35%
CNB residential mortgage loans	2,102,812	-	20,235	2,123,047	(22,167)	-	(360)	(22,527)	2,100,520	0.95%	-	1.06%
Finance lease operations for mortgage	-	-	-	-	-	-	-	-	-	0.00%	-	0.00%
Other loans and receivable	116,416	-	6,729	123,145	(208)	-	(474)	(682)	122,463	5.46%	-	0.55%
Subtotal	10,487,577	-	264,088	10,751,665	(39,581)	-	(13,028)	(52,609)	10,699,056	2.46%	-	0.49%
Consumer loans:												
Consumer loans in installments	1.775.886	-	125.377	1,901,263	(47,394)	-	(63,378)	(110,772)	1,790,491	6.59%	-	5.83%

As of December 31, 2021	Regular Portfolio	Substandard Portfolio	Non-performing Portfolio	Total loans before allowances	Regular provisions recorded	Substandard provisions recorded	Non-performing provisions recorded	Total allowances[(1)]	Total loans net of allowances	Impaired loans as a % of total loans by category	Individually assessed loan allowances as a % of total loans	Collectively assessed loan allowances as a% of total loans
						(In millions of Ch$, except percentages)						
CNB consumer loans	51.526	-	571	52,097	(554)	-	(31)	(585)	51,512	1.10%	-	1.12%
Debtors in current accounts	65.289	-	7.612	72,901	(3,115)	-	(5,743)	(8,858)	64,043	10.44%	-	12.15%
Credit card debtors	1.315.639	-	43.173	1,358,812	(60,304)	-	(26,489)	(86,793)	1,272,019	3.18%	-	6.39%
Consumer finance lease operations	388	-	-	388	(5)	-	-	(5)	383	0.00%	-	1.29%
Other loans and receivable	44.657	-	671	45,328	(540)	-	(99)	(639)	44,689	1.48%	-	1.41%
Subtotal	3.253.385	-	177.404	3,430,789	(111,912)	-	(95,740)	(207,652)	3,223,137	5.17%	-	6.05%
Total loans	**38,376,705**	**1,745,462**	**1,236,924**	**41,359,091**	**(321,441)**	**(46,040)**	**(337,039)**	**(750,712)**	**40,608,379**	**2.99%**	**0.72%**	**0.99%**

(1) Includes guarantees deductibles, which are Ch$46,192 million for commercial loans.

Classification of Loan Portfolio Based on the Borrower's Payment Performance

Accrued interest and inflation indexation from overdue loans are only recognized when and to the extent effectively received. Overdue loans are classified in groups of 1 to 29 days overdue, 30 to 89 days overdue, and 90 or more days overdue (the last group being referred to as "past due loans"). Past due loans include, with respect to any loan, the amount of any principal or interest that is 90 or more days overdue. Past due loans are required to be covered by individual allowances for loan losses equivalent to 100% of any unsecured portion thereof, but only if and to the extent that the aggregate of all individual allowances for loan losses exceed the global allowance for loan losses.

The tables below set forth the outstanding principal amount of loans that is current, overdue (less than 90 days) and past due (overdue 90 or more days) as to payment of principal and interest, as of the dates indicated. Loan amounts in the table are presented before deduction for allowances for loan losses.

Category	As of December 31, 2021	2022	2023
Current	**39,622,877**	**43,225,847**	**47,029,060**
Overdue 1-29 days	1,781,568	2,574,728	1,889,362
Overdue 30-89 days	260,466	419,531	566,484
Past due 90 days or more ("past due")[(1)]	334,512	544,852	602,976
Total overdue loans and past due	**2,376,546**	**3,539,111**	**3,058,822**
Total loans	**41,999,423**	**46,944,958**	**50,087,882**
Impaired loans(s)[(2)]	1,502,866	1,562,681	1,796,958
Overdue and past due loans as a percentage of total loans	5.66%	7.92%	6.19%
Past due loans as a percentage of total loans	0.80%	1.16%	1.22%
Impaired loans as a percentage of total loans	3.58%	3.33%	3.64%

(1) Our "past due" include only the portion of principal and interest of loans that is overdue for 90 or more days and do not include the installments of such loan that are not overdue or that are overdue for less than 90 days, unless (i) any portion of the loan is overdue for 180 days or more, in which case the entire loan is considered past due, or (ii) legal proceedings have been commenced for the entire outstanding balance according to the terms of the loan, in which case the entire loan is considered past due within 90 days after initiation of such proceedings.

(2) Our "impaired" loans include the aggregate amount of loan of a customer that has at least one loan overdue more than 90 days or present a deteriorated credit assessment (loans overdue less than 90 days but a borrower classification of B3 or B4).

We will stop recognizing income on an accrual basis for the assets at amortized cost "Loans and advances to banks" and "Loans and receivables from customers" in the statement of income when the loan or one of its installments is 90 days past due. The suspension of the recognition of income on an accrual basis implies that, from the date on which it must be suspended and until such loans are no longer in the impaired portfolio, the corresponding assets will not be increased with interest, inflation-indexation or fees in the consolidated statements of financial situation and no income will be recognized for these concepts in the consolidated statements of income for the period, unless they are actually received. In this regard, income actually received from interest, inflation-indexation or fees shall be recognized as indicated in Chapter C-3 of the New Compendium.

The following table sets forth, as of the dates indicated, the amounts of loans over certain of which the accrual of interest income had been discontinued.

Category	As of December 31, 2021	2022	2023
		(in millions of Ch$)	
Overdue loans (excluding past due)	2,042,034	3,174,259	2,455,846

Category	2021	2022	2023
	As of December 31,		
		(in millions of Ch$)	
Past due loans	334,512	544,852	602,976
Impaired loans	1,502,866	1,562,681	1,796,958

Risk Index

The risk index of our loan portfolio is calculated as allowances for loan losses as a percentage of total loans. Our risk index was 1.82%, 1.90% and 1.71% as of December 31, 2021, 2022 and 2023, respectively.

Analysis of Allowances for Loan Losses

The following tables analyze our allowances for loan losses and changes in the allowances attributable to charge-offs, provisions established, provisions released over the allowances for loan losses:

	Year ended December 31,		
	2021	2022	2023
	(in millions of Ch$, except for percentages)		
Credit loss expense:			
Allowances for loan losses at beginning of period	(788,716)	(750,712)	(877,163)
Change in measurement without portfolio reclassification during the period	(36,434)	(41,925)	(5,044)
Change in measurement due to portfolio reclassification from the beginning to the end of the period portfolio from (-) to (+):	(4,536)	(136,061)	(145,436)
New loans originated	(148,854)	(157,683)	(106,346)
New loans for conversion of contingent to loans	(37,695)	(51,225)	(36,206)
Sale or transfer of loans	2	3,736	-
Loan repayment	160,501	111,770	150,624
Application of provisions for write-offs	108,085	134,720	180,838
Recovery of written-off credits	(415)	(2,034)	(188)
Translation differences	(3,638)	12,251	(3,825)
Other changes in provisions (if applicable)	988	-	(3,957)
Allowances for loan losses at end of the period[(1)]	**(750,712)**	**(877,163)**	**(846,706)**
Other asset quality data:			
Total loans and receivables from customers	41,359,091	46,176,295	49,406,856
Consolidated risk index (%)[(2)]	1.82%	1.90%	1.71%
Additional allowances for loan losses	350,143	415,022	375,900
Allowances for loan losses including contingency allowances	1,100,855	1,292,185	1,222,606
Allowances for loan losses (including contingency allowances) as a percentage of total loans	2.66%	2.80%	2.47%

(1) Allowances for loan losses at end of the period does not include provision for interbank loans.
(2) The risk index of our loan portfolio is calculated as allowances for loan losses as a percentage of total loans.

Our policy with respect to write-offs follows the regulations established by the CMF. Under these regulations, (i) an unsecured loan (or a part of it) must be written off no more than 24 months after being classified as overdue and secured loans must be written off within 36 months after being classified as overdue, (ii) a loan must be charged-off when we do not have any right to exercise an action for collection in the courts, and (iii) in the case of loans payable in installments, the aggregate amount of the loan must be charged-off when one installment is overdue six months in the case of consumer loans and for 48 months in the case of mortgage loans, respectively.

Based on information available regarding our debtors, we believe that our allowances for loan losses are sufficient to cover known potential losses and losses inherent in a loan portfolio such as ours.

Allocation of Allowance for Loan Losses

The following tables set forth, as of the dates indicated, the amounts of allowance for loan losses attributable to commercial, consumer and residential mortgage loans, and the allowance amount as a percentage of loans in the corresponding category and as a percentage of total loans:

	As of December 31,							
	2022				2023			
	Allowance amount	Allowance amount as a percentage of loans in category	Allowance amount as a percentage of total loans	Loans in a category as a percentage of total loans	Allowance amount	Allowance amount as a percentage of loans in category	Allowance amount as a percentage of total loans	Loans in a category as a percentage of total loans
	(in millions of Ch$, except percentages)							
Commercial loans:								
Commercial loans	(313,335)	2.2%	0.7%	31.1%	(321,283)	2.09%	0.65%	31.2%
CNB commercial loans	(77,563)	0.7%	0.2%	24.1%	(68,496)	0.58%	0.14%	23.8%
Foreign trade credit Chilean exports	(9,839)	1.6%	-	1.4%	(6,578)	0.51%	0.01%	2.6%
Foreign trade credit Chilean imports	(7,001)	1.6%	-	0.9%	(7,450)	1.86%	0.02%	0.8%
Foreign trade credit between third countries	(2,984)	1.5%	-	0.4%	(5,489)	2.25%	0.01%	0.4%
Debtors in current accounts	(7,877)	5.5%	-	0.3%	(8,874)	5.91%	0.02%	0.3%
Credit card debtors	(5,172)	7.8%	-	0.1%	(6,271)	9.19%	0.01%	0.1%
Factoring operations	(15,877)	1.2%	-	2.8%	(15,716)	1.15%	0.03%	2.8%
Commercial financial leasing operations	(20,317)	1.5%	-	3.0%	(22,943)	1.39%	0.05%	3.3%
Student loans	(3,584)	2.8%	-	0.3%	(3,967)	3.43%	0.01%	0.2%
Other loans and receivables	(6,692)	80.3%	-	-	(9,597)	90.11%	0.02%	0.0%
Subtotal	(470,241)	1.6%	1.0%	64.4%	(476,664)	1.47%	0.96%	65.6%
Mortgage loans:								
Loans with letter of credits	(14)	1.0%	-	-	(6)	-	-	-
Loans with endorsable mortgage mutual funds	(15)	0.9%	-	-	(13)	-	-	-
Loans with mutual funds financed with mortgage bonds	-	-	-	-	-	-	-	-
Other credits with mortgage loans	(37,635)	0.4%	0.1%	21.3%	(53,427)	0.39%	0.11%	21.1%
CNB residential mortgage loans	(44,834)	1.5%	0.1%	6.4%	(17,491)	0.13%	0.04%	6.7%
Finance lease operations for mortgage	-	-	-	-	-	-	-	-
Other loans and receivable	(619)	0.6%	-	0.2%	(394)	-	-	0.1%
Subtotal	(83,117)	0.6%	0.2%	27.9%	(71,331)	0.52%	0.14%	27.9%
Consumer Loans:								
Consumer loans in installments	(142,544)	7.5%	0.3%	4.0%	(170,521)	5.37%	0.35%	3.5%
CNB consumer loans	(4,128)	8.0%	-	0.1%	(262)	0.01%	0.00%	0.0%
Debtors in current accounts	(17,107)	16.3%	-	0.2%	(21,162)	0.67%	0.04%	0.2%
Credit card debtors	(155,831)	10.6%	0.3%	3.2%	(106,112)	3.34%	0.21%	2.6%
Consumer finance lease operations	(4)	1.3%	-	-	(6)	-	-	-
Other loans and receivables	(4,191)	8.7%	-	0.1%	(648)	0.02%	-	0.1%
Subtotal	(323,805)	9.2%	0.7%	7.7%	(298,711)	9.40%	0.60%	6.4%
Total	**(877,163)**	**1.8%**	**0.6%**	**100.0%**	**(846,706)**	**1.7%**	**0.65%**	**100.0%**

Note: Based on our loan classification, as required by the CMF (former SBIF) for the purpose of determining loan loss allowances.

During the last three years, all of our ten largest (per year) loan charge-offs were related to commercial loans. These loans were outstanding loans to borrowers engaged in a wide variety of activities. Our management is not otherwise aware of any concentration of loan charge-offs or allowance for loan losses in any particular area of economic activity.

Composition of Deposits and Other Commitments

The following table sets forth the average balances of our deposits and other commitments over which we disburse interest for the years ended December 31, 2021, 2022 and 2023.

	For the year ended December 31,					
	2021		2022		2023	
	Average balance	Average Nominal Rate	Average balance	Average Nominal Rate	Average balance	Average Nominal Rate
Time deposits	10,101,095	0.85%	14,253,848	5.76%	15,302,779	9.98%
Saving accounts	1,932,890	1.85%	2,468,387	3.60%	2,336,704	13.05%
Total	**12,033,985**		**16,722,235**		**17,639,483**	

Maturity of Deposits

The following tables sets forth information regarding the currency and maturity of our deposits at December 31, 2021, 2022 and 2023. UF-denominated deposits are similar to peso-denominated deposits in all respects, except that the principal is readjusted periodically based on variations in the Chilean consumer price index.

	As of December 31, 2023				
	Ch$	**UF**	**Foreign Currency (other than US$)**	**US$**	**Total**
	(in millions of Ch$, except percentages)				
Current accounts and demand deposits	8,053,859	88,551	-	15,667,888	23,810,298
Savings accounts	-	63,772	-	-	63,772
Term deposits:					
Maturity within 3 months	6,646,630	302,673	157,988	4,383,580	11,490,871
Maturity after 3 but within 6 months	638,081	177,719	24,312	3,083,957	3,924,069
Maturity after 6 but within 12 months	666,375	224,806	26,444	1,409,200	2,326,825
Maturity after 12 months	608	2,853	8,194	621,868	633,523
Total term deposits	**7,951,694**	**708,051**	**216,938**	**9,498,605**	**18,375,288**
Total deposits	**16,005,553**	**860,374**	**216,938**	**25,166,493**	**42,249,358**

	As of December 31, 2022				
	Ch$	**UF**	**Foreign Currency (other than US$)**	**US$**	**Total**
	(in millions of Ch$, except percentages)				
Current accounts and demand deposits	7,750,959	74,858	-	16,296,348	24,122,165
Savings accounts	-	71,647	-	-	71,647
Term deposits:					
Maturity within 3 months	9,807,557	122,873	7,113	4,133,575	14,071,118
Maturity after 3 but within 6 months	984,163	266,930	29	455,139	1,706,261
Maturity after 6 but within 12 months	1,338,077	354,518	20	484,738	2,177,353
Maturity after 12 months	97,392	92,281	-	27,640	217,313
Total term deposits	**12,227,189**	**836,602**	**7,162**	**5,101,092**	**18,172,045**
Total deposits	**19,978,148**	**983,107**	**7,162**	**21,397,440**	**42,365,857**

	As of December 31, 2021				
	Ch$	**UF**	**Foreign Currency (other than US$)**	**US$**	**Total**
	(in millions of Ch$, except percentages)				
Current accounts and demand deposits	11,640,462	72,576	42,250	15,898,154	27,653,442
Savings accounts	-	66,960	-	-	66,960
Term deposits:					
Maturity within 3 months	5,775,338	62,191	7,422	2,359,444	8,204,395
Maturity after 3 but within 6 months	468,783	3,930	82	493,496	966,291
Maturity after 6 but within 12 months	739,820	34	-	802,225	1,542,079
Maturity after 12 months	370	509	-	84,544	85,423
Total term deposits	**6,984,311**	**66,664**	**7,504**	**3,739,709**	**10,798,188**
Total deposits	**18,624,773**	**206,200**	**49,754**	**19,637,863**	**38,518,590**

The following tables set forth information regarding the maturity of our outstanding term deposits in excess of US$100,000 as of December 31, 2021, 2022 and 2023:

	As of December 31, 2023				
	Ch$	UF	Foreign Currency	US$	Total
	(in millions of Ch$)				
Time deposits					
Maturity within 3 months	213,437	1,286	2,251,965	8,372,974	10,839,662
Maturity after 3 but within 6 months	146,530	-	383,198	1,262,215	1,791,943
Maturity after 6 but within 12 months	211,529	-	73,900	1,073,173	1,358,602
Maturity after 12 months	1,891	-	16,351	73,621	91,863
Total deposits in excess of US$100,000	**573,387**	**1,286**	**2,725,414**	**10,781,983**	**14,082,070**

	As of December 31, 2022				
	Ch$	UF	Foreign Currency	US$	Total
	(in millions of Ch$)				
Time deposits					
Maturity within 3 months	4,429,863	70,358	2,246	4,025,144	8,527,611
Maturity after 3 but within 6 months	883,398	203,985	-	451,396	1,538,779
Maturity after 6 but within 12 months	1,307,052	314,596	-	483,600	2,105,248
Maturity after 12 months	100,185	91,828	-	27,470	219,483
Total deposits in excess of US$100,000	**6,720,498**	**680,767**	**2,246**	**4,987,610**	**12,391,121**

	As of December 31, 2021				
	Ch$	UF	Foreign Currency	US$	Total
	(in millions of Ch$)				
Time deposits					
Maturity within 3 months	4,586,655	162	2	940,627	5,527,446
Maturity after 3 but within 6 months	36,479	-	-	42,383	78,862
Maturity after 6 but within 12 months	94,700	-	-	112,666	207,366
Maturity after 12 months	-	-	-	1,252	1,252
Total deposits in excess of US$100,000	**4,717,834**	**162**	**2**	**1,096,928**	**5,814,926**

Minimum Capital Requirements

The following table sets forth our minimum capital requirements set by the CMF as of the dates indicated.

	As of December 31,		
	2021	2022	2023
	(in millions of Ch$, except percentages)		
Total assets for regulatory purposes	67,882,311	76,547,366	78,294,555
Risk-weighted assets	43,289,785	48,592,636	52,063,516
Common equity tier 1 capital (CET1)	4,324,894	4,621,567	5,908,735
Additional tier 1 capital	432,898	242,963	-
Capital level 1	4,757,792	4,808,407	5,768,360
Tier 2 capital	1,089,687	1,486,300	1,739,948
Effective equity	5,847,479	6,294,707	7,508,308
Leverage indicator	6.37%	5.96%	7.37%
Common equity tier 1 capital indicator	9.99%	9.40%	11.08%
Level 1 capital indicator	10.99%	9.90%	11.08%

Short-Term Borrowings

The principal categories of our short-term borrowings are Central Bank of Chile borrowing, borrowings under foreign trade credit lines, liabilities under agreements to repurchase and domestic interbank loans. The following table presents the amounts outstanding and the weighted average nominal interest rate as of and for years ended for each type of short-term borrowing, as detailed below:

	As of December 31,					
	2021		2022		2023	
	Year-end Balance	**Weighted average yield interest rate**	**Year-end Balance**	**Weighted average yield interest rate**	**Year-end Balance**	**Weighted average yield interest rate**
Other liabilities to Central Bank of Chile ...	4,541,402	0.51%	4,515,654	0.28%	4,575,128	0.43%
Loans received from foreign financial institutions...	2,012,708	0.56%	1,736,799	4.37%	2,188,144	5.78%
Liabilities under agreements to repurchase.	141,178	5.96%	384,883	0.85%	706,623	1.33%
Loans received from domestic financial institutions...	416,727	0.20%	408,618	0.92%	362,713	0.80%
Total short-term borrowings................	**7,112,015**	**0.61%**	**7,045,954**	**1.36%**	**7,832,607**	**2.02%**

The following table shows the average balance and the average nominal rate for each short-term borrowing category as of and for the years indicated:

	Year ended December 31,					
	2021		2022		2023	
	Average balance	**Average nominal rate**	**Average balance**	**Average nominal rate**	**Average balance**	**Average nominal rate**
	(in millions of Ch$, except percentages)					
Securities sold under agreements to repurchase..	257,394	5.96%	279,842	0.85%	568,540	1.33%
Central Bank borrowings...............................	4,391,164	0.51%	4,499,514	0.28%	4,545,387	0.43%
Domestic interbank loans	721,658	0.56%	309,960	0.92%	334,750	0.80%
Subtotal	5,370,216	0.78%	5,089,316	0.35%	5,448,677	0.54%
Borrowings under foreign trade credit lines....	1,449,594	0.20%	1,798,064	4.37%	1,941,723	5,78%
Total short-term borrowings...................	**6,819,810**	**0.65%**	**6,887,380**	**1.40%**	**7,390,400**	**1.92%**

The following table presents the maximum month-end balances of our principal sources of short-term borrowings for the years indicated:

	Maximum 2021 month-end balance	**Maximum 2022 month-end balance**	**Maximum 2023 month-end balance**
		(in millions of Ch$)	
Securities sold under agreements to repurchase............	367,556	399,838	908,246
Domestic interbank loans	1,393,322	524,376	607,320
Borrowings under foreign trade credit lines	2,061,082	1,969,354	2,451,128
Central Bank borrowings..	4,588,671	4,530,780	4,575,128

REGULATION AND SUPERVISION

Banking Legislation

The General Banking Law was amended by Law No. 19,528 enacted on November 4, 1997 (the "**1997 Amendment**"). Prior to the 1997 Amendment, the General Banking Law limited the activities in which banks may engage. The Amendment liberalized the General Banking Law by allowing banks to engage, either through subsidiaries or directly, in other types of activities according to generally applicable regulations issued by the CMF, based on the risk of the activity and the financial strength of the respective bank. The General Banking Law specifically allows banks to provide direct leasing, financial services (portfolio management), direct financial advisory services and offer factoring, underwriting and pass-through of securities services, and also allows bank subsidiaries to provide investment advisory services outside of Chile, offer factoring and securitization products and provide loan collection and insurance brokerage services (excluding social security insurance). Chilean banks are also allowed to make loans to foreign companies or Chilean companies operating abroad and to open subsidiaries outside of Chile. Formerly, the General Banking Law permitted the CMF to deny new banking licenses on a discretionary basis. After the 1997 Amendment, the General Banking Law permits the CMF to reject new banking licenses only if the applicant does not comply with generally applicable requirements.

In 2004, new amendments to the General Banking Law granted additional powers to banks, including the ability to underwrite new issues of certain debt and equity securities and create subsidiaries to engage in activities related to banking, such as brokerage, investment advisory, mutual fund services, management of investment funds, factoring, securitization products and financial leasing services.

In 2006, the General Banking Law was amended to eliminate a bank's ability to distribute less than 30% of its earnings as dividends in any given year, subject to the approval of the holders of at least two-thirds of such bank's common shares.

Furthermore, in 2009, Law No. 20,382 was passed in order to fulfill previous agreements by the Chilean government and the Organization for Economic Co-operation and Development, or OECD, to improve Chilean corporate governance practices. Among its various provisions, it requires publicly held corporations to designate independent directors and contains improvements regarding directors' duty to disclose material information to the market. In addition, Law No. 20,393 regulates the crimes of money laundering, terrorism financing and bribery, establishing the requirement of having specific internal control systems and procedures to prevent them.

Additionally, on December 5, 2009, Law No. 20,406 was passed, authorizing the Chilean Internal Revenue Service to gather information related to banking operations from commercial banks. Previously, those records were considered confidential and could only be investigated pursuant to a court order.

In May 2010, the Chilean government announced a new capital markets reform entitled *Reformas al Mercado Financiero Bicentenario*, also known as "*MKB*," which the Chilean government has implemented through various legislative initiatives and administrative reforms. The reforms seek to further enhance the international integration of Chile's financial market, create a regulatory framework that fosters innovation and entrepreneurship, continue the adoption of the best international practices on competition, supervision and transparency, increase the depth and liquidity of the financial system and widen the access to it.

The main features of this agenda included:

- the regulation and reform of the tax treatment of the fixed-income, derivatives and the administration of funds (already in place);
- the creation of a national financial consumer agency to protect customers of financial services (already in place);
- legislative measures to reduce cyclical variations in the credit supply and render the system more secure, solvent and liquid;
- incentives to encourage transparency and proper price formation by allowing the integration of local stock exchanges with others in Latin America, increasing price information in the foreign exchange market, certifying financial professionals and limiting use of market-sensitive information (already in place);
- strengthening the governance of the CMF and increasing the autonomy of the CMF;

- reform the Bankruptcy Law;
- improve access of individuals and small- and medium-size business to the capital markets, increase bank penetration, reduce the costs associated with initial public offerings and create new incentives for innovation and venture capital; and
- develop new markets and financial products that result in lower-cost financing alternatives.

Several administrative measures, such as the creation of the Financial Stability Council, were adopted.

On August 13, 2010, Law No. 20,448 (*Reformas al Mercado de Capitales III*, also known as *MK3*) was passed to (i) permit non-Chilean banks with representative offices in Chile to offer their credit products to customers directly and (ii) permit banks to issue unsecured bonds in order to use the proceeds thereof to grant mortgage loans for the acquisition, construction, repair or extension of housing.

In December 2011, the Consumer Protection Act was amended to include provisions applicable to financial services and products. As a result, any agreement for financial services or products that a bank enters into with a consumer shall, among others, (1) include a detailed breakdown of all the charges, fees, costs and tariffs that form part of the price, including those associated thereto although not directly part of the price, or that are part of other products simultaneously contracted; (2) expressly provide for the events of early termination, a reasonable cure period and the manner in which the termination will be informed to the consumer; and (3) allow for the early termination of the agreement in the sole and absolute discretion of the customer; provided it has paid in full all the obligations, including any cost for the early termination. In addition, consumers are entitled to (1) receive information about the total cost of the product or service; (2) be informed on the reasons why they have been rejected; and (3) know the objective conditions provided to have access to a financial product, among other things.

In February 2012, Law No. 20,575 (known as *Ley Dicom*) was enacted in order to restrict the use of private and personal economic, financial, banking and commercial information of customers set forth in Law No. 19,628 on Protection of Privacy, which is supplemented by *Ley Dicom*. This new law (i) provides that such information can only be shared with established businesses and companies that engage in risk assessment in order to assess business risk and credit process review; (ii) prohibits the request of this data in connection with recruitment for employment, admission to preschool, school or higher education, medical attention or nomination for a public position; (iii) allows the owners of the data to request distributors of personal information certifications for purposes other than credit process review, in which case the distributor must issue a certificate containing the overdue obligations of the applicant; (iv) prohibits the sharing or reporting of information related to obligations renegotiated, novated or pending in certain forms as well as debts incurred by users of the toll road concessions; (v) requires the distributors of economic, financial, banking and business information to have a system that records the access and delivery of background information contained in them, identifies the name of the person who has requested such information and the reason, date and time of the request; (vi) allows the owners of the information contained in such record to access the registry, free of charge, every four months, to check the information for the last 12 months; (vii) introduces mechanisms to facilitate the exercise of the rights of the holders of the information by imposing on the distributor or responsible party of the data bank the obligation to evidence compliance with *Ley Dicom*; and (viii) obligates the deletion of unpaid obligations reported through December 31, 2011, provided that the total debts registered by such debtor are for an amount less than Ch$2,500,000, for capital, excluding interest, adjustments or any other item.

In March 2012, the Consumer Protection Act was amended by Law No 20,555, which introduced additional provisions relating to consumer's rights and the obligations of providers of financial products and services and granted supervision and oversight powers to the Bureau of Consumer Protection in connection with financial services and products. Law No 20,555 introduced, among others, provisions providing for: (1) new financial consumer's rights such as the right to request information from the provider regarding the total cost of a product or service (including prices, taxes, charges, commissions and fees, among others), the right to know the terms and conditions required by the provider to render the service or deliver the product, such as minimum income thresholds, the right to request updated information of the financial products and services and the right to receive with each financial contract a one-page summary including its key provisions; (2) prohibitions for the providers of financial products and services such as the prohibition to modify prices, fees, commissions, costs and charges of certain products or services under certain circumstances, the prohibition to mail unsolicited offers of financial products or agreements to consumers or to include offers to sell products or services attached to a different product or service; (3) the creation of a voluntary certification of financial products and services by the Bureau of Consumer Protection, which certifies that the relevant financial contract fulfills the applicable legal and regulatory requirements; and (4) special dispute resolution mechanisms such as mediation and arbitration for certain cases. Pursuant to this amendment of the Consumer Protection Act, providers of financial products and services had until June 5, 2012 to conform their contracts for the provision of financial services and products to meet the new requirements set forth by the amended Consumer Protection Act and comply with the new voluntary certification of the Bureau of Consumer Protection.

During December 2013, the Chilean Congress passed Law No. 20,715 modifying the maximum interest rate a bank may charge. According to the new law, it is not possible to set an interest that exceeds the product of the respective capital and the greater of (i) 1.5 times the current interest rate governing at the time of the transaction, as determined by the CMF for each type of credit transaction; and (ii) the current interest rate governing at the time of the transaction, increased in two annual percentage points. Other ceilings apply to small size loans and consumer loans.

In October 2016, the Chilean Congress passed Law No. 20,950 amending the General Banking Act setting forth rules applicable to the issuance and operation by non-banking entities of pre-funded payment methods or any similar system, when these systems involve that the issuer or the operator regularly engages in monetary obligations with the public in general or to specific sectors or groups thereof.

In February 2017, the Chilean Congress passed Law No. 21,000. This law creates the CMF, which will operate as a decentralized and technical public service. Its purpose will be to ensure the proper functioning, development and stability of the financial market, facilitating the participation of market agents and promoting the care of public trust. This law gives this commission the status of legal successor of the Superintendency of Securities and Insurance. This law became effective on December 14, 2017. Its main functions are the oversight of issuers and intermediaries of publicly offered securities; commodity exchange, transferable securities exchange and stocks transactions; the association of securities brokerage and the transactions performed by them; companies engaged in the business of insuring and reinsuring, as well as persons who broker insurance, among others. The commission is led by the Financial Market Council, consisting of five members, who are appointed by the President and confirmed by the Senate, with the exception of the President of this Council. In the first stage, this Commission cannot exercise its authority on entities subject to the supervision of the CMF until an amendment to the General Banking Act is passed.

On January 19, 2019, the Chilean government passed the Amendment to the General Banking Law, pursuant to which the CMF assumed the former SBIF's powers as of June 1, 2019 and it (or other regulators, as applicable) must enact all applicable regulations implementing the changes provided for in the Amendment to the General Banking Law. The deadline for implementation of the Basel III standards is December 31, 2025.

Also, there was an Amendment to the General Banking Law to implement Basel III recommendations, increasing capital requirements of the banking industry, and contains amendments to other provisions of the General Banking Law that are independent from these recommendations. The most significant amendments introduced are:

- a strengthening of banking supervision by the replacement of the former SBIF with the CMF, which will gradually assume all the powers currently held by the former SBIF during a one-year transition period from the date the Amendment to the General Banking Law is published in the Official Gazette of Chile;

- a strengthening of risk-based capital requirements in accordance with Basel III that takes into account risks relating to counterparties as well as market and operational risks. In particular, the Amendment to the General Banking Law establishes obligations on banks to enhance their provisions on capital to protect themselves from future shocks, such as (1) increasing basic capital requirements to at least (A) 4.5% of a bank's risk-weighted assets, and (B) 3% of a bank's total assets, in each case, net of required allowances for loan losses; and (2) the obligation to maintain an additional basic capital (*capital básico adicional*) equivalent to 2.5% of its risk-weighted assets (net of required allowances for loan losses) over the required effective equity (*patrimonio efectivo*);

- Banks shall gradually comply with these new basic capital requirements within a five-year period from the date of the issuance of CMF regulation establishing the methods to weight banks' assets (see below). This regulation was published by the CMF on December 1, 2020;

- a reclassification of banks based on their solvency rating. Those banks that meet the requirements on basic capital, effective equity and additional basic capital will be classified as "A" banks; those that meet the requirements on basic capital and effective equity, but not the additional basic capital requirements, will be classified as "B" banks; and those that do not meet effective equity and basic capital requirements will be classified as "C" banks;

- the granting of new discretionary powers to the CMF, such as the authority to (a) determine new rules to weigh a bank's assets and approve each bank's model to weigh its assets, in each case, together with the Central Bank of Chile's approval; (b) determine requirements for the issuance and consideration as regulatory capital of Tier 1 additional instruments, such as preferred shares and perpetual bonds; (c) impose further capital requirements in accordance with Basel III (in addition to those described above); and (d) require banks to prepare balance sheets as of certain dates, which shall be prepared by external auditors if so required by the CMF;

- incorporation of the concept of banks of systemic importance (too big to fail), granting powers to the CMF to require more capital (up to an additional 1%-3.5% of common equity over risk weighed assets, net of required allowances for loan losses, and up to additional 2% of common equity over total assets, net of required allowances for loan losses), as well as reserves requirements to guarantee liquidity and restrictions on certain operations, among other requirements. Further, banks will be required to obtain authorization from the CMF prior to a merger or acquisition that would lead to the acquiring bank (or the resulting group of banks), becoming systemically important;

- new rules on banks' recovery and liquidation. Upon liquidity or solvency problems, the bank shall immediately notify the CMF and submit a regularization plan if the deficit remains during a 5-day period. In case such plan is not submitted or is rejected by the CMF, an inspector or ad hoc manager (*administrador provisional*) may be appointed by the CMF. While the first of these officers can only block certain actions by a bank's management, the latter completely replaces the board of directors and assumes all of its powers. Further, the Amendment to the General Banking Law eliminates the possibility to reach a reorganization agreement with creditors (*convenios*) in insolvency scenarios; therefore, if the regularization plan and/or the ad hoc manager's recovery efforts fail, the CMF will, with the approval of the Central Bank of Chile, revoke the relevant bank's authorization to exist (autorización de existencia), declare the relevant bank in forced liquidation and appoint a liquidator;

- an extension on the maximum tenure of interbank loans granted to banks that had to undertake measures for early regularization (*medidas para la regularización temprana*), from two to three years; provided, however, that the terms and conditions of such loans are approved by the CMF and that interbank loans, in the aggregate, do not exceed 25% of the creditor bank's effective equity. This requirement will be in addition to the general requirement provided for in SBIF Circular No. 3,634, which establishes that interbank loans (guaranteed or not) cannot exceed 25% of the creditor bank's effective equity. Further, pursuant to the Amendment to the General Banking Law, the CMF may limit interbank loans granted by a bank that is considered as systemically important to 20% of its effective equity. Interbank loans will be considered part of the creditor bank's basic capital;

- limits to 30% of a bank's effective equity the amounts that a bank may lend to affiliated persons or entities. Banks' have one year from the date that the Amendment to the General Banking Law goes into effect to comply with this limit;

- strengthening of the corporate governance of the supervisory body;

- changes in Chilean government guarantees on time deposits, eliminating such guarantees' coverage limit of up to 90% of the aggregate amount of certain time deposits and increasing from 120UF to 200UF their maximum coverage per person for each calendar year;

- the imposition of additional rules relating to bank secrecy to facilitate the access to certain information by the Chilean Financial Analysis Unit and the Internal Revenue Service; and

- an increase in deposit guarantees by Chile.

In March 2019, the Chilean Congress passed Law No. 21,081, which seeks, among other things, to strengthen the Bureau of Consumer Protection (*Servicio Nacional del Consumidor* or "**SERNAC**") by providing SERNAC with the authority to: (i) enact rules and guidelines, (ii) interpret legal or administrative regulations, (iii) preside over proceedings against financial institutions, and (iv) impose fines, exercise class actions, and carry out collective mediations among other functions. In addition, this law imposes fines for non-compliance up to the maximum amount of UTA 45,000 (*Unidades Tributarias Anuales*) that represented approximately Ch$26,110.6 million or US$38.4 million) as of March 2019.

On June 1, 2019 the CMF assumed all the powers formerly held by the former SBIF. The CMF (or other regulators, as applicable) enacted applicable regulation implementing the changes provided for in the Amendment to the General Banking Law in December 2020, which will be gradually implemented during a period ending in December 2024.

On May 29, 2020, Law No. 21,234**,** which amended Law No. 20,009, was passed by the Chilean Congress. This law modifies the current framework regarding liabilities for payment service providers (such as banks) and for customers of such services, in cases of fraudulent transactions carried out with credit or debit cards, including those by electronic means. It establishes that funds charged to credit or debit cards for transactions that are not recognized by the customer must be returned to the cardholder's account. Further, this proposed legislation states that, if such unrecognized charged funds are up to an amount of UF35, the payment service provider must mandatorily return these funds to the cardholder's account within five business days. In case of unrecognized charges for amounts over the limit of UF35, the payment service provider will have an additional term of seven days to return the amounts in excess of UF35. However, in this case, the payment service provider may retain such excess if it considers to have sufficient evidence to determine that the customer acted fraudulently or with gross negligence, which the payment service provider must prove. Also, this new legislation does not allow payment service providers to offer fraud insurance for such cards. It further establishes obligations for the payment service provider to take adequate measures to protect the payment services in case of unlawful acts and holds payment service providers liable for damages caused by security and protection deficiencies in their technological systems through which such services are provided. According to this law, certain fraudulent transactions with credit or debit cards and electronic payments (such as forgery of credit or debit cards, sale of forged or stolen cards and/or its data, or impersonation of a card/accountholder) are crimes that may be sanctioned with imprisonment and fines up to threefold the amount of the fraudulent transaction. The Chilean Public Ministry, which act as public prosecutors, is granted broad powers to investigate these crimes when they are suspected to be related to organized crime. On May 30, 2024, Law No. 21,673 was enacted, which amends Law No. 20,009, modifying, among other matters: (i) the reduction of the period for disputing fraudulent transactions from 120 calendar days to 60 calendar days prior to the date of the notice given by the customer; (ii) the bank could require the customer to submit an affidavit statement to make a claim for fraudulent transactions; and (iii) the requirement for the consumer to report the incident to relevant authorities (e.g., Chilean police) for the cancellation of charges or the refund of funds included in the claimed transactions. Furthermore, the new Law No. 21,673 requires the CMF to regulate minimum standards of security, recording, and authentication, making the bank or card issuer liable for damages resulting from non-compliance with these standards. Additionally, the Ministry of Finance must issue regulations to establish thresholds for the reimbursement of claimed transactions, which must be between UF 15 and UF 35. As of the date of this Prospectus, these ancillary regulations have not been enacted.

As an aid for Micro/Small Eligible Entrepreneurs, Exporters, Organizations of Small Entrepreneurs, i.e., those whose yearly sales are below UF25,000, and Medium-sized Companies, i.e., those whose yearly sales are between UF25,000 and UF80,000, the Chilean government allocated US$24,000 million to the Guarantee Fund for Small Business Owners ("**FOGAPE**"), which aims to secure a certain percentage of credit capital, leasing operations and other financing mechanisms that financial institutions, both public and private, grant to the eligible companies and organizations. This fund is incorporated permanently to Micro/Small Eligible Entrepreneurs, Exporters, Sustainers and Organizations of Small Entrepreneurs, Medium-sized Companies, and temporarily to Large Companies that do not have securities or, if any, these are insufficient. Companies can provide 10-year-term securities under FOGAPE to banks and financial institutions. FOGAPE is administered by Banco Estado and overseen by CMF. One of the requirements that every company must meet when requesting this type of security is that the profits they generated in 2019 are not distributed as dividends to their shareholders. The resources of the loans secured under FOGAPE must be used only to fund investment projects (such as assets capital) and working capital. The financings that can be secured under FOGAPE comprises loans, credit facilities, letter of credits, factoring and leasing. The conditions that these financings must meet are the following: (i) 3.5% interest nominal rate (not considering inflation, which eventually means 0% real interest rate); (ii) financing funds may not exceed the equivalent of 3 months sales, considering the averages in the last 2 years; (iii) 6 months grace period; and (iv) 24 to 48 months of repayment. The coverage of these securities depends on the category of each borrower, as follows:

Beneficiary	Proceeds Amount	Coverage
Micro/Small Entities	Up to UF5,000	80% under financings amounting up to UF5,000
Exporters	Up to UF5,000	80% under financings amounting up to UF5,000
Medium-sized companies	Up to UF15,000	50% under financings amounting up to UF15,000
Large companies	Up to UF50,000	30% under financings amounting up to UF50,000

The Chilean government estimated that this program will benefit between 806,000 and 1.3 million companies. These are the equivalent to 99.8% of Chilean companies, which employ 84% of the formal workforce.

In June 2020, Law 21,326 was enacted to promote financial portability and facilitate individual customers and micro and small businesses, to transfer their financial products from one financial services provider to another, and to enter into new financial products with the financial service providers they have contracted with before.

In January 2021, Law No. 21,307 was enacted, which allows the deferral of mortgage loan installments under certain circumstances and creates a State security to secure the deferred installments. The deferral is made by means of a deferral loan, which is a loan agreement entered into by a creditor to the borrower of a mortgage loan, for the exclusive purpose of paying certain installments of such loan. The deferral loan is secured by FOGAPE for a maximum duration of five years; provided an agreement is reached between the lender and the borrower. Likewise, this law allowed the Chilean government to introduce a new credit facility guaranteed by FOGAPE through Supreme Decree No. 32 of 2021, called "*Reactiva*." This 7-year term credit facility (maturity in 2028) is available for disbursement until December 31, 2021, and seeks to stimulate the reactivation and recovery of the national economy. Eligible under this program are those companies and entrepreneurships whose annual sales do not exceed UF1,000,000; however, the coverage of this loan is higher for negatively affected economic sectors such as hotels, restaurants and tourism.

In August 2021, Law 21,365 was enacted to regulate the exchange fees charged for the use of credit cards, debit cards, funds provisioned cards and other similar cards. Fees payment obligations of exchange for card transactions between issuers and operators will be subject to the limits determined by a committee created especially for this purpose.

On January 5, 2022, the CMF issued General Rule (*Norma de Carácter General*) No. 463 allowing insurance companies to invest, for purposes of their technical reserves and risk equity, in bonds without a fixed term to maturity (perpetual bonds) issued by Chilean banks.

On May 2023, Law 21,572 was enacted instructing banks to transfer expired deposits directly to the Chilean Board of Fire Departments. Before the enactment of this law, those deposits were transferred to the Chilean Treasury.

In December 2023, Law 21,641 was enacted to (i) improve the Chilean financial market infrastructure and expand the access to payment and liquidity management systems of the Central Bank of Chile and non-bank financial intermediaries; (ii) develop the Chilean sale and repurchase agreements market; (iii) amend the Chilean laws on savings and credit cooperatives; (iv) provide the CMF with authority to suspend securities transactions on the Chilean stock exchange, (v) establish new requirements for mutual fund liquidity transactions, and (vi) introduce simplified procedures to obtain the Single Tax Number in order to facilitate the internationalization of the Chilean peso.

In April 2024, Law 21,663 was enacted to (i) establish the institutional framework, principles and general regulations to improve the execution and coordination of cybersecurity actions by Chilean agencies, (ii) establish minimum requirements for the prevention, containment, resolution and response to cybersecurity incidents, and (iii) establish the competences and obligations of Chilean agencies with respect to the monitoring and supervision of cybersecurity incidents.

The Banking System

In Chile, only banks may maintain checking accounts for their customers, conduct foreign trade operations and, together with certain non-banking financial institutions, accept term deposits. Chilean banks are primarily subject to the General Banking Law and secondarily, to the extent not inconsistent with that law, to the provisions of the Chilean Corporations Law governing public corporations, except for certain provisions that are expressly excluded.

The modern Chilean banking system dates back to 1925 and has been characterized by periods of substantial regulation and state intervention, as well as periods of deregulation. The most recent period of deregulation commenced in 1997 and culminated in the adoption of a series of amendments to the Chilean General Banking Law, most recently amended in January 2019.

Following the Chilean banking crisis of 1982 and 1983, the former SBIF assumed control of banks representing approximately 51% of the total loans in the banking system. As part of the assistance that the Chilean government provided to Chilean banks, these were permitted to sell a certain portion of their non-performing or doubtful loan portfolios to the Central Bank of Chile at the book value of the loan portfolios. Each bank then repurchased such loans at their economic value (which, in most cases, was substantially lower than the book value at which the Central Bank of Chile had acquired the loans), with the difference to be repaid to the Central Bank of Chile out of future income. Pursuant to Law No. 18,818, which was passed in 1989, this difference was converted into subordinated debt.

As of December 31, 2023, the Chilean banking system was comprised of one public-sector bank and 16 private-sector banks (of which 13 were Chilean banks and 3 were Chilean branches of foreign banks).

The Central Bank of Chile

The Central Bank of Chile is an autonomous legal entity created by the Chilean Constitution. It is subject to the Chilean Constitution and to its own organic constitutional law (*ley orgánica constitucional*). To the extent not inconsistent with the Chilean Constitution or its organic constitutional law, the Central Bank of Chile is also subject to private-sector laws, but is not subject to the laws applicable to the public sector. It is directed and administered by a board of directors composed of five members designated by the President of Chile, subject to approval by the Senate.

The legal purpose of the Central Bank of Chile is to maintain the stability of the Chilean peso and the orderly functioning of Chile's internal and external payments systems. The Central Bank of Chile's powers include setting reserve requirements, regulating the amount of money and credit in circulation, establishing regulations and guidelines regarding finance companies, foreign exchange (including the Formal Exchange Market) and banks' deposit-taking activities.

The CMF

On February 23, 2017, Law. No. 21,000 introduced significant changes to the Chilean financial regulation system by replacing the regulator for securities and insurances headed by the Chilean Securities and Insurances Commission (*Superintendencia de Valores y Seguros*) ("**SVS**") with the CMF. The SVS was dissolved on January 15, 2018. The CMF is constituted as a collegiate entity governed by a five-member board and has stronger supervisory powers than the SVS. Further, pursuant to the Amendment to the General Banking Law, the CMF assumed all the powers formerly held by the former SBIF, including the oversight of banks and financial institutions, during a one-year transition period from the date the Amendment to the General Banking Law was published in the Official Gazette of Chile, on January 12, 2019. See "Regulation and Supervision—Banking Legislation."

Among the most significant features and authorities assumed by the CMF when replacing the SVS are the following:

- an investigation unit, led by prosecutors, with similar powers to modern administrative prosecution systems;

- the power to authorize the above-referenced prosecutors in the context of an investigation or a punitive procedure, to request information regarding banking operations, including all operations subject to banking secrecy or reserve, certain parties, provided that such information is considered indispensable for identifying violations of the rules that govern individuals or companies monitored by the CMF, criminal offences under the relevant legislation. Furthermore, the CMF may authorize the prosecutor to comply with requests made pursuant to an international enforcement agencies, provided that this has been established on an international information exchange convention subscribed to by the CMF;

- the power to appoint a credit-rating agency to conduct risk assessments on the entities subject to the CMF's regulation;

- the power to authorize the prosecutor, in qualified and severe circumstances, to request law enforcement institutions to take intrusive measures, such as intercepting communications, search and seizure, among others;

- a self-regulation committee for the purpose of creating rules in accordance with good corporate government practices, ensure their compliance and resolve differences among the members or between a member and its clients, among other functions;

- an administrative procedure between the CMF and those individuals investigated for infractions to the regulations overseen by the CMF, contemplating a simplified procedure for minor breaches; and

- a leniency system, promoting self-denouncement.

- For a description of the powers the CMF will gradually assume when replacing the former SBIF, see "—The CMF" and "Regulation and Supervision—Banking Legislation."

Pursuant to the Amendment to the General Banking Law, and their complementary rules, on June 1, 2019 the CMF assumed all the powers formerly held by the former SBIF. Since then, banks are supervised and controlled by the CMF, a Chilean governmental agency. The CMF authorizes the creation of new banks and has broad powers to interpret and enforce legal and regulatory requirements applicable to banks and financial companies. Furthermore, in cases of noncompliance with its legal and regulatory requirements, the CMF has the ability to impose sanctions. In extreme cases, it can appoint, with the prior approval of the board of directors of the Central Bank of Chile, a provisional administrator to manage a bank. It must also approve any amendment to a bank's bylaws or any increase of its capital.

The CMF examines all banks from time to time, generally at least once a year. Banks are also required to submit their financial statements monthly to the CMF, and a bank's financial statements are published at least five times a year in a newspaper with countrywide coverage. In addition, banks are required to provide extensive information regarding their operations at various periodic intervals to the CMF. A bank's annual financial statements and the opinion of its independent auditors must also be submitted for review by the CMF.

Any person wishing to acquire, directly or indirectly, 10.0% or more of the share capital of a bank must obtain the prior approval of the CMF. Without such approval, the holder will not have the right to vote such shares. The CMF may only refuse to grant its approval based on specific grounds set forth in the General Banking Law.

According to Article 35 bis of the General Banking Law, as amended, the prior authorization of the CMF, as applicable, is required for:

- the merger of two or more banks;
- the acquisition of all or a substantial portion of a bank's assets and liabilities by another bank;
- the control by the same person, or controlling group, of two or more banks; or
- a substantial increase in the share ownership of a bank by a controlling shareholder of that bank.

Such prior authorization is required only when the acquiring bank or the resulting group of banks may become "systematically important." A bank is qualified as "systematically important" based on the size market share of the bank, the interconnectedness with other financial institutions and the degree of substitutability in the provision of financial services. In addition, the CMF may consider other factors related to the background of the bank or the resulting group of banks, including the evaluation of management, solvency, risk rating, compliance with regulations, and timeliness and quality of the delivery of information to the CMF. We have been qualified as a systematically important bank by Resolution No. 3,019 of the CMF issued on April 1, 2024, which identifies banks considered "systemically important" based on information reported by banking entities as of December 2023. Pursuant to Resolution No. 3,019, we remain classified as "systemically important," and continue to be required to maintain an additional core capital charge on risk-weighted assets of 1.75%.

Pursuant to the regulations of the CMF, the following ownership disclosures are required:

- banks must disclose to the CMF the identity of any person owning, directly or indirectly, 5.0% or more of its shares; and
- bank shareholders who individually hold 10.0% or more of a bank's capital stock and who are controlling shareholders must periodically inform the CMF of their financial condition.

Limitations on Types of Activities

Chilean banks can only conduct those activities allowed by the General Banking Law, which, as of the date of this Prospectus, include: making loans, accepting deposits and, subject to limitations, making investments and performing financial services. Investments are restricted to real estate for the bank's own use, gold, foreign exchange and debt securities. Through subsidiaries, banks may also engage in other specific financial service activities such as securities brokerage services, equity investments, securities, mutual fund management, investment fund management, financial advisory and leasing activities. Subject to specific limitations and the prior approval of the CMF, as applicable, and the Central Bank of Chile, Chilean banks may own majority or minority interests in foreign banks.

As of June 1, 2002, Chilean banks were allowed to offer interest bearing checking accounts. The former SBIF also stated that these accounts may be subject to minimum balance limits and different interest rates depending on average balances held in the account and that banks may also charge fees for the use of this new product. For banks with a solvency score of less than A, the Central Bank of Chile also imposed additional caps to the interest rate that can be paid.

On June 5, 2007, pursuant to Law No. 20,190, new regulations became effective authorizing banks to enter into transactions involving a wider range of derivatives such as, futures, options, swaps, forwards and other derivative instruments or contracts subject to specific limitations established by the Central Bank of Chile. Previously, banks were able to enter into transactions involving derivatives, but were subject to more restrictive guidelines.

Deposit Insurance

In Chile, the government guarantees the principal amount of certain time and demand deposits held by individuals in the Chilean banking system. The government guarantee covers those obligations with a maximum value of UF200 (Ch$7,357,872 or US$8,389 as of December 31, 2023) per person and calendar year in a single bank, and UF400 (Ch$14,715,744 or US$16,777 as of December 31, 2023) per person in the Chilean banking system.

Reserve Requirements

Deposits are subject to a reserve requirement of 9.0% for demand deposits and 3.6% for term deposits of up to one year. Deposits maturing over one year are not subject reserve requirements. Banks are authorized to deduct daily from their foreign currency-denominated liabilities subject to the reserve requirement, the balance in foreign currency of certain loans and financial investments held outside of Chile. Deductions are to be made as follows:

- first, term liabilities denominated in foreign currency and subject to reserve requirements;
- second, if there is any positive difference, demand liabilities denominated in foreign currency and subject to reserve requirements; and
- finally, foreign loans subject to reserve requirements. The total amount deductible cannot exceed 70.0% of a bank's effective equity.

The Central Bank of Chile has statutory authority to require banks to maintain reserves of up to an average of 40.0% for demand deposits and up to 20.0% for term deposits (irrespective, in each case, of the currency in which they are denominated) to implement monetary policy. In addition, a bank must maintain a 100% "technical reserve" against demand deposits, deposits in checking accounts, or obligations payable on sight incurred in the ordinary course of business, and in general all deposits unconditionally payable immediately to the extent that the aggregate amount of such liabilities exceeds 2.5 times the amount of a bank's regulatory capital.

Chilean regulations also require that gaps between assets and liabilities maturing within less than 30 days not exceed a bank's net capital base (as defined below) and that gaps between assets and liabilities maturing within less than 90 days not exceed twice a bank's equity.

In accordance with the Amendment of the General Banking Law, if a Chilean bank or a foreign bank operating in Chile is defined to be a domestic Systemically Important Bank ("**SIB**") by the regulator, it may be subject to one or a combination of restrictions, including but not limited to, more restrictive reserve requirements. This banking framework establishes that, under certain conditions, a SIB may be required to hold assets in cash or highly liquid instruments for the amount by which the daily balance of deposits payable on demand, net of clearing, exceeds 1.5 times the amount of the bank's Regulatory Capital. CMF issued regulations related to the methodology for determining SIBs in Chile under the Basel III framework. Nonetheless, based on the situation caused by the outbreak of COVID-19, on March 30, 2020 the CMF decided to postpone the requirements for SIB from December 2022 until December 2025, on a basis of 25% per year.

Minimum Capital; Legal Reserves

Under the General Banking Law, a bank must have a minimum paid-in capital and reserves of UF800,000 (Ch$29,432 million or US$33.6 million as of December 31, 2023). However, a bank may begin its operations with 50.0% of such amount, provided that it has a total capital ratio (defined as effective equity as a percentage of risk- weighted assets) of not less than 12.0%. When such a bank's paid-in capital reaches UF600,000 (Ch$22,074 million or US$25 million as of December 31, 2023) the total capital ratio required is reduced to 10.0%.

Capital Adequacy Requirements

Pursuant to the Amendment to the General Banking Law, minimum capital requirements have increased in terms of amount and quality. Total Regulatory Capital remains at 8% of risk-weighted assets which includes credit, market and operational risk. Minimum Tier 1 capital increased from 4.5% to 6% of risk-weighted assets, of which up to 1.5% may be Additional Tier 1 (AT1), either in the form of preferred shares or perpetual bonds, both of which may be convertible to common equity. The CMF establishes the conditions and requirements for the issuance of perpetual bonds and preferred equity. Tier 2 capital is now set at 2% of risk-weighted assets. Additional capital demands are incorporated through a Conservation Buffer of 2.5% of risk-weighted assets, setting a Total Equity Requirement of 10.5% of risk-weighted assets. The Central Bank of Chile may set an additional Counter Cyclical Buffer of up to 2.5% of risk-weighted assets with agreement from the CMF. Both buffers must be comprised of core capital.

The CMF, with agreement from the Central Bank of Chile, may impose additional capital requirements for SIB of between 1-3.5% of risk-weighted assets. Notably, the Central Bank of Chile may require: (1) the addition of up to 2% to the core capital to total assets ratios; (2) a reduction in the technical reserve requirement trigger from 2.5 times regulatory capital to 1.5 times regulatory capital; and/or (3) a reduction in the interbank loan limit to 20% of regulatory capital of any SIB. On 2023, the CMF classified us as a SIB.

The CMF establishes weightings for risk-weighted assets as a separate regulation based on the implementation of standard models, subject to agreement from the Central Bank of Chile. Until the new weightings for risk-weighted assets are effective, banks must maintain regulatory capital of at least 8% of risk-weighted assets, net of required loan loss allowance and deductions, and paid-in capital and reserves ("basic capital") of at least 4.5% of their risk-weighted assets and 3% of total assets, both net of required loan loss allowances.

Under the Chilean regulations, unlike the conservation buffer and the countercyclical buffer, the capital requirement for systematic charge (1.5% Bci fully-loaded) is part of the regulatory minimum, which began to apply temporarily as of December 2022, with a charge of 25% of the total requirement, which will increase at the same annual rate up to 100% in December 2025. As of the date of this Prospectus, there are no charges associated with Pillar II established by the Chilean regulators. However, as per the decision made at the Financial Policy Meeting by the Council of the Central Bank of Chile held on May 23, 2023, the current countercyclical requirement has been activated and set at a level of 0.5% of risk-weighted assets. This requirement will be fulfilled within a 12-month period, a decision that was unanimously adopted by the members of the Council of the Central Bank of Chile, while the current countercyclical requirement is 0%.

Lending Limits

Under the General Banking Law, as amended, Chilean banks are subject to certain lending limits, including the following material limits:

- A bank cannot extend to any entity or individual (or any one group of related entities), directly or indirectly, unsecured credit in an amount that exceeds 10.0% (previously 5.0%) of the bank's effective equity, or in an amount that exceeds 30.0% (previously 25.0%) of its effective equity if the excess over 10.0% (previously 5.0%) is secured by certain assets with a value equal to or higher than such excess. In the case of foreign export trade financing, the ceiling for unsecured credits is also 10.0% (previously 5.0%) and the ceiling for secured credits is also established at 30.0%. In the case of financing infrastructure projects built through the concession mechanism, the 10.0% (previously 5.0%) ceiling for unsecured credits is 15.0% if secured by a pledge over the concession, or if granted by two or more banks or finance companies which have executed a credit agreement with the builder or holder of the concession, while the ceiling for secured credits remains at 30% (previously 25.0%);

- a bank cannot extend loans to another financial institution subject to the General Banking Law in an aggregate amount exceeding 30.0% of its effective equity;

- a bank cannot directly or indirectly grant a loan whose purpose is to allow an individual or entity to acquire shares of the lender bank;

- a bank cannot lend, directly or indirectly, to a director or any other person who has the power to act on behalf of the bank; and

- a bank cannot grant loans to related parties (including holders of more than 1.0% of its shares, except in the case of companies which are actively traded on the Santiago Stock Exchange, in which case the limit is 5.0%) on more favorable terms than those generally offered to non-related parties. In addition, the aggregate amount of loans to related parties cannot exceed a bank's effective equity.

Among the Amendments to the General Banking Law published in January 12, 2019, another limitation states that a bank may not extend loans in an aggregate of 30% of its effective equity to a group of persons or entities belonging to the same holding group (grupo empresarial) as defined in the Chilean securities market law.

Classification of Banks and Loans; Allowances for Loan Losses

The CMF regularly examines and evaluates each financial institution's solvency and management ratings, including its compliance with the loan classification guidelines defined by the regulatory authority, and on that basis classifies banks and other financial institutions into one of five categories, I, II, III, IV and V.

Category I applies to financial institutions that have been rated level A in terms of solvency and management.

Category II applies to financial institutions that have been rated (i) level A in terms of solvency and level B in terms of management, (ii) level B in terms of solvency and level A in terms of management, or (iii) level B in terms of solvency and level B in terms of management.

Category III applies to financial institutions that have been rated (i) level B in terms of solvency and level B in terms of management for two or more consecutive review periods, (ii) level A in terms of solvency and level C in terms of management, or (iii) level B in terms of solvency and level C in terms of management.

Category IV applies to financial institutions that are rated level A or B in terms of solvency and have been rated level C in terms of management for two or more consecutive review periods.

Category V applies to institutions that have been rated level C in terms of solvency, irrespective of their rating level of management.

The solvency rating of a bank is determined by its ratio of regulatory capital (after deducting accumulated losses during the financial year) to risk-weighted assets. This ratio is equal to or greater than 10.5% for level A banks, equal to or greater than 8% and less than 10.5% for level B banks and less than 8% for level C banks.

The management rating of a bank is as follows: (i) level A banks are those that are not rated as level B or C, (ii) level B banks display some weakness in internal controls, information systems, response to risk, private risk rating or ability to manage contingency scenarios, and (iii) level C banks display significant deficiencies in internal controls, information systems, response to risk, private risk rating or ability to manage contingency scenarios. However, this criteria is expected to be revised by the CMF once new capital requirements set forth in the recent modifications to the General Banking Law are implemented.

Classification of Loan Portfolio

Classification of loans. For purposes of the current classifications, loans are divided into: (i) consumer loans (including loans granted to individuals for the purpose of financing the acquisition of consumer goods or payment of services), (ii) residential mortgage loans (including loans granted to individuals for the acquisition, construction or repair of residential real estate, in which the value of the property covers at least 100% of the amount of the loan), (iii) leasing operations (including consumer leasing, commercial leasing and residential leasing), (iv) factoring operations, and (v) commercial loans (including all loans other than consumer loans and residential mortgage loans).

In accordance with current regulations, the models and methods used to classify our loan portfolio must conform to the principles summarized below, which were established by the CMF (and before its absorption by the CMF, by the former SBIF).

Allowances Based on the Analysis of Commercial Borrowers of Ch$200 Million or More. Before August 2010 regulations required that all commercial loans of Ch$200 million or more be assigned to a risk category level, determined by considering the following risk factors: the borrower's (i) industry or sector, (ii) owners or managers, (iii) access to credit, (iv) payment capacity, (v) payment behavior, and (vi) net worth. Based upon the analysis of these risk factors, the loan was assigned a risk classification. If the borrower had no apparent credit risk, the loan was classified as either A1, A2 or A3. The loan was classified as B if the borrower had some credit risk but no apparent deterioration of payment capacity. Finally, if the borrower had diminished capacity to repay its loans, it was classified as either C1, C2, C3, C4, C5 or C6.

For loans classified as A1, A2, A3 or B, the board of directors of a bank was authorized to determine the levels of required allowances. For loans classified as C1, C2, C3, C4, C5 or C6, the bank must have had the following levels of allowances:

Classification	Estimated range of loss	Allowance
C1	Up to 3%	2%
C2	3%-20%	10%
C3	20%-30%	25%
C4	30%-50%	40%
C5	50%-80%	65%
C6	More than 80%	90%

Allowances Based on Group Analysis. Under current regulations, the levels of required allowances for commercial loans less than Ch$200 million and all consumer loans and mortgage loans are to be determined by the bank. This determination is made according to the estimated loss that may result from the loans, by classifying the loan portfolio using one or both of the following models: (i) a model based on the characteristics of the borrower and its outstanding loans, and/or (ii) a model based on the behavior of a group of loans. For the first model, the borrowers and their loans with similar characteristics will be placed into groups and each group will be assigned a risk level. For the second model, loans with analogous past payment histories and similar characteristics will be placed into groups and each group will be assigned a risk level.

Additional Voluntary Provisions and Allowances. Historically, a bank could voluntarily maintain additional allowances for loan losses in excess of the minimum amounts required as global and individual allowances. However, current regulations in effect as of January 1, 2004 no longer permit this. Banks are now able to create provisions and allowances above the previously described limits only to cover specific risks that had been authorized by their board of directors. We began provisioning in accordance with current regulations as of January 1, 2004.

2010 Guidelines of the Former SBIF

On August 12, 2010, the former SBIF published new guidelines for classifying and provisioning of loan portfolios that became mandatory as of January 1, 2011. As a result, the models and methods used to classify our loan portfolio and establish allowances for loan losses follow the guiding principles set forth below, which were established by the regulatory authority.

For large commercial loans, leasing and factoring, we assign a risk category to each borrower and its respective loans. We consider the following risk factors: the industry or sector of the borrower, the owners or managers of the borrower, the borrower's financial situation, its payment capacity and its payment history. Based on these factors and pursuant to the Guidelines, we expect to assign one of the following risk categories to each borrower and loan that we evaluate on an individual basis:

i. "Normal loans," or loans classified in categories A1 through A6, will correspond to borrowers who are current on their payment obligations and show no sign of deterioration in their credit quality.

ii. "Substandard loans," or loans classified in categories B1 through B4, will correspond to borrowers with some financial difficulties or an important deterioration of payment capacity. Substandard loans also include all loans that have non-performance levels greater than 30 days.

iii. "Non-compliant loans," or loans classified under categories C1 through C6, which correspond to borrowers whose payment capacity is at serious risk and are renegotiating credit terms to avoid bankruptcy or there is a high likelihood that they will file for bankruptcy. These loans also include all loans, including contingent operations, with at least one installment overdue more than 90 days.

Allowances for Normal and Substandard loans

For normal and substandard loans, expected loss is to be calculated in accordance with the following CMF (former SBIF) standards:

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

Banks individually assign a specific classification and therefore provision level to each borrower. Accordingly, the amount of loan loss allowance is determined on a case-by-case basis. In determining allowances on an individual basis for normal and substandard loans pursuant to the recently published guidelines, banks will be required to use the following equation:

$$\text{Provision}=(\text{ESA-GE}) *(\text{PDdebtor}/100) *(\text{LGDdebtor}/100) +\text{GE}*(\text{PDguarantor}/100) *(\text{LGDguarantor}/100)$$

ESA=Exposure subject to allowances
PD = Probability of default
GE = Guaranteed exposure
LGD= Loss Given Default

Definition of Categories

A1: Debtor has the highest credit quality. This category is assigned only to borrowers with an extremely strong capacity to meet its financial obligations.

The debtor in this category has very solid financial foundations and competitive advantages in the markets in which it participates, so its ability to pay has remained permanently immune to cyclical fluctuations in the economy or sector. Therefore, it has a proven ability to generate cash flows to comfortably cover all of its financial commitments, even under restrictive conditions in the macroeconomic environments sector.

This category may be allocated only to debtors who have at least AA rating on the scale of the Chilean Securities Market Law granted by a national rating company recognized by the CMF, or its equivalent in case the debtor has an international rating by an external rating company, which also must be recognized by the CMF.

A2: Debtor has a very high credit quality. The ability to pay its financial obligations is very strong. Predictable events do not affect this capability significantly.

The debtor in this category provides a solid financial foundation and competitive position in the markets where it participates, so their ability to pay has been permanently immune and is not vulnerable to cyclical fluctuations in the economy or markets in which it participates. Presents proven ability to generate cash flows to cover timely and properly all financial commitments.

A3: Debtor has a high credit quality. The ability to pay its financial commitments is strong. Predictable events do not affect this capacity significantly.

The debtor in this category provides a solid foundation and competitive financial ability to pay and shows resistance to cyclical fluctuations in the economy or the markets in which it participates.

Under tight financial-economic scenarios, the power would not vary significantly.

A4 Debtor has a good credit quality. The ability to pay their financial obligations is sufficient. However, this capability is slightly susceptible to changing circumstances or economic conditions.

The debtor in this category provides a solid foundation and competitive financial ability to pay, shows resistance to cyclical fluctuations in the economy or markets in which it participates; however, it may have slight vulnerability to restrictive conditions at macroeconomic and sector levels.

A5: Debtor has a good credit quality. The ability to pay their financial commitments is adequate or sufficient, but is susceptible to change in circumstances or economic conditions.

The debtor in this category presents reasonable competitive and financial foundations, so their ability to pay is less vulnerable to cyclical fluctuations in the economy or markets in which it participates, but although it presents good ability to generate cash flows to meet promptly all its financial commitments under adverse conditions, could be vulnerable to restrictive environmental conditions at macroeconomic and sector levels.

A6: Debtor has a sufficient credit quality. Its ability to pay could deteriorate in adverse economic conditions. The debtor currently has certain challenges with his ability to fulfill its financial obligations, but this is temporary.

The debtor in this category has reasonable competitive and financial foundations, but his payment capacity presents vulnerabilities to cyclical fluctuations of the economy or of the markets in which it participates. Although it has demonstrated the capacity to generate sufficient cash flow to meet its financial commitments under adverse conditions, there is evidence of weakness before restrictive conditions of the macroeconomic and sector environment.

B1: Debtor has a low credit quality. His capacity of payment is vulnerable, affecting his roominess to fulfill his financial obligations. The debtor in this category presents deficient financial and competitive foundations, and has presented irregularities in the fulfillment of his commitments.

B2: Debtor has a low credit quality. The debtor presents a worsening in his capacity of payment, generating doubts on the recovery of his credits. The debtor in this category presents deficient financial and competitive foundations, and his ability to generate cash flows is insufficient, which is translated into unsatisfactory fulfillments of his commitments. Also part of this category are those debtors who have registered some precedents of negative behavior in the last 12 months, which are not of recurring nature, and which reclassification as performing loans has taken place at least three months ago.

B3: Debtor has a very low credit quality. Its capacity of payment is weak and has shown delinquencies in payments, which may under this scenario, need a financial restructuring to meet its obligations or, in case of having had it, it has not been fulfilled regularly. The debtors who are classified in this category do not exceed 90 days default.

B4: Debtor has a minimum credit rating. This type of borrower has history of disruptive behavior in the last 12 months, which, however, currently does not exceed 90 days default, nor meets certain conditions to be considered as held in default.

Allowances for Loan Losses

Our impaired loans portfolio includes loans for which the likelihood of recovery is low, as the borrowers show impaired payment capacity or no payment capacity at all. This portfolio includes (i) loans of borrowers with evident signs of possible bankruptcy, (ii) loans for which restructuring is necessary in order to avoid impairment, and (iii) loans of borrowers that are at least 90 days in default in the payment of interests or principal on any of their loans. Debtors classified under categories C1 to C6 and all their loans are included in our non-compliant loans portfolio (a subpopulation of the impaired loans portfolio as defined by the New Compendium), including 100% of the amount of their undrawn committed credit lines and contingent loans.

We determine the allowance for loan losses taking into account our total exposure to each borrower, which is the sum of such borrower's total loans (including contingent loans and undrawn committed credit lines). To determine the percentage of our allowances with respect to these borrowers, we estimate the expected loss rate, the amounts that are recoverable by executing guarantees and the present value of the amounts that can be recovered through collection actions, net of expenses. The expected loss rate is classified under one of the six categories defined below, considering the range of losses that we expect from all the loans of the same debtor.

For loans classified under Categories C1 through C6, we will need to have the following levels of allowance:

Borrower category	Expected loss range	Loss Rate% (1)
C1	Up to 3%	2
C2	More than 3% up to 20%	10
C3	More than 20% up to 30%	25
C4	More than 30% up to 50%	40
C5	More than 50% up to 80%	65
C6	More than 80%	90

(1) Represents percentages of the aggregate amount of principal and accrued but unpaid interest of the loan.

For these loans the expected loss must be calculated as follows:

Expected loss = (TE – Rec) / TE

Allowance (Ch$) = TE * Allowance %

TE = Total exposure
REC = Recoverable amount based on estimates of collateral value and collection efforts

2014 Guidelines of the Former SBIF

On December 30, 2014, the former SBIF published new guidelines for provisioning a bank's residential mortgage loan portfolio. The 2014 Guidelines include:

- an expected loss model to calculate allowances for housing mortgage loans that explicitly considers loan delinquency and loan / collateral (LTV) ratios, in order to promote active management of credit risk; and

- proposal for a new manner of evaluating collateral in the context of determining provisions, which would specify certain required conditions that would need to be met by an asset in order for it to be eligible to be used as collateral for mitigating credit risk, as well as more specific requirements of how collateral would be valued for purposes of setting loan loss levels.

Modifications to Provisions on Credit Risk for Banks

On December 30, 2014, the former SBIF issued Circular No. 3,573, which established amendments to the norms regulating the interpretation of the Provisions for Credit Risk, in Chapters B-1, B-2 and E in the Old Compendium. According to Chapter E, Chapter B-1 became effective as of January 2016. The amendments seek to ensure the adequacy of the provisions requiring banks to present credit risk in their loan portfolios, and guidelines encouraging best practices in evaluation and risk management.

The most relevant amendments introduced under the circular discussed above are the following:

- Standard method for mortgage loans provisions. A standardized method for calculating minimum provisions for mortgage loans for housing was introduced, clarifying both the procedure for overdue payments and the loan guarantee relationship (loan-to-value) for creditors. Such method establishes a special treatment for loans subject to state auction;

- Non-compliant portfolios. Certain conditions were introduced to supplement the guidelines relating to non-compliant portfolios for loans subject to individual assessment, including those which must be performed to remove a specific debtor from said portfolio. In addition, similar provisions were introduced to group portfolios; and

- Substitution of a debtor's credit rating for the credit rating of its guarantor. Modifications were made to the guidelines to determine provisions relating to factoring operations; permitting the substitution of a debtor's credit rating for the credit rating of its guarantor, subject to certain conditions being met.

Further, in addition to the aforementioned amendments, on July 6, 2018, the former SBIF issued the Circular No. 3,638 which established standardized provisions for the remaining group portfolios (leasing, factoring, student loans and, finally, one for the rest of the commercial credits (standard commercial), together with the establishment of minimum conditions that must be met by the internal provisions for credit risk developed by each bank. These changes became effective as of July 1, 2019.

Capital Markets

Under the General Banking Law, as amended, banks in Chile may purchase, sell, place, underwrite and act as paying agents with respect to certain debt securities. Likewise, banks in Chile may place and underwrite certain equity securities. Bank subsidiaries may also engage in debt placement and dealing, equity issuance advice and securities brokerage, as well as in financial leasing, mutual fund and investment fund administration, investment advisory services and merger and acquisition services. These subsidiaries are also regulated by the CMF, serving as the regulator of the Chilean securities market, open-stock corporations and insurance companies.

Legal Provisions Regarding Financial Institutions with Economic Difficulties

The General Banking Law, as amended, provides that if specified adverse circumstances exist at any bank, its board of directors must correct the situation within 30 days from the date of receipt of the relevant financial statements. If the board of directors is unable to do so, it must call a special shareholders' meeting to increase the capital of the bank by the amount necessary to return the bank to financial stability. If the shareholders reject the capital increase, or if it is not effected within the 30-day period and in the manner agreed to at the meeting, or if the CMF does not approve the board of directors' proposal, the bank will be barred from increasing its loan portfolio beyond that stated in the financial statements presented to the board of directors and from making any further investments in any instrument other than instruments issued by the Central Bank of Chile. In such a case, or in the event that a bank is unable to make timely payment in respect of its obligations, or if a bank is under provisional administration of the CMF, the General Banking Law provides that the bank may receive a two-year term loan from another bank. The terms and conditions of such a loan must be approved by the directors of both banks, as well as by the CMF, but need not be submitted to the borrowing bank's shareholders for their approval. A creditor bank may not grant such interbank loans to an insolvent bank in an amount exceeding 25.0% of the creditor bank's effective equity. This requirement is in addition to the general requirement provided for in SBIF Circular No. 3,634, which establishes that interbank loans (guaranteed or not) cannot exceed 25% of the creditor bank's effective equity. Further, pursuant to the Amendment to the General Banking Law, the CMF may limit interbank loans granted by a bank that is considered as systemically important to 20% of its effective equity. Interbank loans are considered part of the creditor bank's basic capital.

Upon liquidity or solvency problems, the bank must immediately notify the CMF and submit a regularization plan if the deficit remains during a five-day period. In case such plan is not submitted or is rejected by the CMF, an inspector or ad hoc manager (*administrador provisional*) may be appointed by the CMF. While the first of these officers can only block certain actions by a bank's management, the latter completely replaces the board of directors and the general manager and assumes all of its powers. Pursuant to the Amendment to the General Banking Law, a bank may not reach a reorganization agreement with creditors (*convenios*) in insolvency scenarios; therefore, if the regularization plan and/or the ad hoc manager's recovery efforts fail, the CMF will, with the approval of the Central Bank of Chile, revoke the relevant bank's authorization to exist (*autorización de existencia*), force it to liquidate and appoint a liquidator. See "—Dissolution and Liquidation of Banks."

Dissolution and Liquidation of Banks

The CMF may establish that a bank should be liquidated for the benefit of its depositors or other creditors when such bank does not have the necessary solvency to continue its operations. In such case, the CMF must revoke a bank's authorization to exist and order its mandatory liquidation, subject to agreement by the Central Bank of Chile. The CMF must also revoke a bank's authorization (*autorización de existencia*) if the reorganization plan and/or the ad hoc manager's recovery efforts fail. The resolution by the CMF must state the reason for ordering the liquidation and must name a liquidator, unless the CMF assumes this responsibility. When liquidation is declared, all checking accounts, other demand deposits received in the ordinary course of business, other deposits unconditionally payable immediately or within 30 days, and any other deposits and receipts payable within 10 days and other demand deposits received in the ordinary course of business, are required to be paid by using existing funds of the bank, its deposits with the Central Bank of Chile or its investments in instruments that represent its reserves. If these funds are insufficient to pay these obligations, the liquidator may seize the rest of the bank's assets, as needed. If necessary and in specified circumstances, the Central Bank of Chile will lend the bank the funds necessary to pay these obligations. Any such loans are preferential to any claims of other creditors of the liquidated bank.

Obligations Denominated in Foreign Currencies

Foreign currency denominated obligations of Chilean banks are subject to various limits and obligations. The regulations of the Central Bank of Chile do not permit the difference, whether positive or negative, between a bank's assets and liabilities denominated in any foreign currency (including assets and liabilities denominated in U.S. dollars but payable in pesos, as well as those denominated in pesos and indexed to the U.S. dollar exchange rate) to exceed 20% of the bank's paid-in capital and reserves; except in the case where the balance of such assets exceeds the balance of such liabilities and the excess difference does not exceed the bank's allowances and reserves denominated in such foreign currency (excluding profits to be remitted abroad). We must also comply with various regulatory and internal limits regarding exposure to movements in foreign exchange rates.

Foreign Currency Securities

Under current Chilean banking regulations, banks in Chile may grant loans to foreign individuals and entities and invest in certain securities of foreign issuers. Chilean banks may only invest in equity securities of foreign banks and certain other foreign companies which may be affiliates of the bank or which would be complementary to the bank's business if such companies were incorporated in Chile. Banks in Chile may also invest in debt securities traded in formal secondary markets. Such debt securities must be (1) securities issued or guaranteed by foreign sovereign states or their central banks or other foreign or international financial entities, and (2) bonds issued by foreign companies. A bank may invest up to 5% of its regulatory capital in securities of foreign issuers.

Foreign currency securities acquired by a bank must have a minimum rating as follows:

Table 1

Rating Agency	Short-Term	Long-Term
Moody's	P2	Baa3
Standard and Poor's	A2	BBB-
Fitch	F2	BBB-
Dominion Bond Rating Service	R2	BBB (low)

In the event that the sum of the investments in foreign securities which have: (i) a rating that is below that indicated in Table 1 above, but is equal to or exceeds the ratings mentioned in the Table 2 below, and (ii) loans granted to other entities resident abroad exceeds 20% (and 30% for banks with a BIS ratio equal or exceeding 10%) of the regulatory capital of such bank, the excess is subject to a mandatory reserve of 100%.

Table 2

Rating Agency	Short-Term	Long-Term
Moody's	P2	Ba3
Standard and Poor's	A2	BB-
Fitch	F2	BB-
Dominion Bond Rating Service	R2	BB (low)

Banks may invest in foreign securities for an additional amount equal to a 70% of their regulatory capital which ratings are equal or exceeds those mentioned in the Table 3 below. This limit constitutes an additional margin and it is not subject to the 100% mandatory reserve.

Additionally, a Chilean bank may invest in foreign securities whose rating is equal to or exceeds those mentioned in Table 3 in: (i) term deposits with foreign banks; and (ii) securities issued or guaranteed by sovereign states or their central banks or those securities issued or guaranteed by foreign entities within Chile. Such investments will be subject to the limits by issuer up to 30% and 50%, respectively, of the regulatory capital of the Chilean bank that makes the investment.

Table 3

Rating Agency	Short-Term	Long-Term
Moody's	P1	Aa3
Standard and Poor's	A1+	AA-
Fitch	F1+	AA-
Dominion Bond Rating Service	R1 (high)	AA (low)

Chilean banks may invest in securities without ratings issued or guaranteed by sovereign states or their central banks and structured notes issued by investment banks with a rating equal to or above that in the immediately preceding Table 3, which return is linked with a corporate or sovereign note with a rating equal to or above that in Table 2.

Subject to specific conditions, a bank may grant loans in U.S. dollars to subsidiaries or branches of Chilean companies located abroad, to companies listed on foreign stock exchanges authorized by the Central Bank of Chile and, in general, to individuals and entities domiciled abroad, as long as the Central Bank of Chile is kept informed of such activities.

Prevention of Money Laundering and the Financing of Terrorism

On April 21, 2008, the former SBIF issued regulations governing the requirements applicable to banks with respect to prevention of money laundering and terrorism financing. The regulations are aimed at incorporating international anti-money laundering ("**AML**") and counter-terrorism financing ("**CTF**") laws to the Chilean banking industry. Pursuant to the regulations, banks must adopt and implement a system to prevent money laundering and terrorism financing based mainly on the "know your customer" concept. Moreover, these policies and procedures must be approved by the board of directors and must take into account the volume and complexity of its operations and other related parties.

Based on these requirements, a bank must adopt and implement a customer identification program to establish the reasonable belief that it knows the true identity of its customers. In general, the program includes:

- properly identifying customers, including their background, source and amount of funds, country of origin and other risk factors;

- identifying what the former SBIF defined as "politically exposed persons at the international level" or PEPs, both within Chile and internationally; and

- establishing procedures to open accounts and products, with different documentation requirements needed for different types of accounts and products.

The anti-money laundering and terrorism financing system required by local regulations must also include the following components:

- AML/CTF policies and procedures aimed at preventing the bank from being used as an intermediary to carry out money laundering and terrorism financing operations;

- appointment of a Compliance Officer at a senior management level who is responsible for coordinating and monitoring day-to-day AML/CTF compliance;
- establishment of an AML/CTF Committee, whose main function is planning and coordinating the fulfillment of AML/CTF policies and procedures;
- use of software tools to detect, monitor and report unusual operations related to transactions made by customers on different products;
- implementation of personnel selection policies and a training program in order to prevent money laundering and terrorism financing issues;
- establishment of a Code of Conduct in order to, among other things, guide employee behavior and prevent possible conflicts of interest; and
- independent testing in the compliance area which must be conducted by the bank's internal audit department.

On September 4, 2015, an updated set of rules regarding the PEPs were issued by the banking regulator. This set of rules relates to the bank's obligation to keep specific PEPs policies and procedures in place to grant certain loans to PEPs, as well as to carry out controls and procedures associated with service providers when PEPs are involved therewith.

Legal Provisions for the Prevention, Detection and Prosecution of Corruption.

Law No. 21,121, which came into force on November 20, 2018, amends the Criminal Code, Law No. 20,393 on Criminal Liability of Legal Entities, and Law No. 19,913, which creates the Financial Analysis Unit and deals with Money Laundering. The Law No. 21,121 incorporates amendments to the regulation of domestic bribery and bribery of foreign public officials, substantially amends the regulation of unlawful negotiation incorporating new types of perpetrators, such as insolvency trustees, company liquidators and asset managers, penalizes commercial bribery and disloyal management, increasing prison time and pecuniary penalties affecting private individuals and legal entities, among other matters. For the first time, our legislation criminalizes the behavior of private businesses with the aim of regulating transparency between them, without the need for a public official to participate in the crime, and with a very wide range of alternatives that could configure the crime.

Particularly, with respect to the crime of disloyal management, this law penalizes any person's mismanagement of third party assets, resulting in a loss, when performed through or with an abuse of his/her authorities or other actions or omissions that are manifestly contrary to the asset owner's interests.

Reporting of Operational and Cybersecurity Incidents

On March 23, 2015, the regulator issued a new regulation on the reporting of operational incidents (Circular No. 3,579). According to this regulation, which modified the Chapter 20-8 of Recopilación Actualizada de Normas, banks must report immediately to the former SBIF certain types of significant operational incidents in order to keep the regulator properly informed. For purposes of the regulation, an operational incident is deemed significant if the event affects the business continuity, information security or reputation of the bank.

In 2018, the regulator introduced modifications (Circular No. 3,633 and Circular No. 3,640) to the regulation associated with the management of operational risk by supplementing Chapters 1-13 and 20-8 of Recopilación Actualizada de Normas with specific guidelines on cybersecurity matters. Under this amendment, the former SBIF widens its scope of supervision by incorporating cybersecurity matters through the continuous assessment of banks' critical technological infrastructure that exposes banks to risks of data integrity, data availability and confidentiality of clients' information. Also, a dedicated digital platform was created, through which banks should report directly to the regulator within a 30-minute time frame the occurrence of an incident and requires the appointment of the bank's representative to be in charge of the communication with the CMF for these purposes. Similarly, banks are required to timely inform customers and users about cybersecurity incidents affecting quality and continuity of services, as well as incidents that are publicly known. In addition, under these guidelines, banks are compelled to maintain an alert system at an industry level in order to share information about incidents and measures that should be taken in order to mitigate widespread impact.

In December 2020, the regulator issued new regulations with respect to the management of information security and cybersecurity (Circular No. 2,261), which modified Chapter 20-10 of Recopilación Actualizada de Normas with specific guidelines on cybersecurity matters. Under this amendment, the CMF gives the Board of Directors of banks a fundamental role in these matters, having to approve the institutional strategy, an adequate budget for risk mitigation and the maintenance of an information security and cybersecurity management system, in accordance with existing international best practices. Also, it sets out mandatory guidelines to be considered when implementing a risk management process to support the information security and cybersecurity system and establishes specific due diligence requirements for cyber risk management. Finally, it establishes certain considerations to be observed by the respective entity, as part of the local critical infrastructure, in accordance with the National Cybersecurity Policy. Law No. 21,663, which was published in April 2024, regulates the actions that may be taken by state agencies in relation to cybersecurity and applies to any entity that provides services considered essential, including banks.

Data Protection Legislation

On February 28, 2020, the Chilean Congress enacted Law No. 21,214, amending Law 19,628 (as amended, the "**DPL**") that regulates the data processing in Chile, prohibiting the disclosure of information related to debt contracted by individuals to finance education, preventing such debtors from being included in defaulting debtors' databases due to their failure to repay such debt.

As of the date of this Prospectus, new proposed legislation to amend the DPL is being discussed in Congress. The proposed legislation has been molded after the EU General Data Protection Regulation and intends to introduce (i) principles that regulate data processing, (including but not limited to principles such as the principle of proportionality, the principle of quality, the principle of transparency and the principle of security), reinforcing data subjects' rights, defining in greater detail the requirements for obtaining consents from data subjects; (ii) specific regulations for under-aged individuals' personal data processing; (iii) regulation of international transfers of personal data, adoption of security measures and breach prevention models, together with the establishment of reporting obligations concerning security breaches; (iv) a clear regulation of data subjects' rights of access, rectification, cancellation, opposition and the new right of portability; (v) a new right of data subject to oppose the adoption by the data controller of decisions concerning him/her based solely on the fact that such decisions are made through automated processing of his/her personal data, including profiling;and (vi) the establishment of a data protection authority with powers to monitor and sanction violations of the DPL, with fines of up to UTM10,000 (approximately US$711,000) and the application of precautionary measures and ancillary sanctions such as the suspension of data processing activities.

Credit and Debit Card Fraud

In March 2020, the Chilean Congress enacted legislation increasing the responsibilities of banking entities in cases of debit and credit card fraud. In particular, the legislation provides that banking entities shall return the amount relating to the fraud within (i) 5 working days from the date the card holder informs the bank of a fraud involving an amount of up to UF35 (equivalent to Ch$1 million), or (ii) 7 working days form the date the card holder informs the bank of such fraud in the case of a fraud involving an amount of more than UF35. Card holders have up to 120 days from the date the fraud occurs to report such fraud.

Law Regulating the Release of Mortgages and Pledges without Conveyance (Law No. 20,855)

Law No. 20,855 was enacted on September 25, 2015 and went into effect on January 23, 2016. This law seeks to regulate the release of mortgages used as collateral for loans granted to individuals or SMEs customers. This regulation supplements the Consumer Protection Act (Law No. 19,496) or the SERNAC Act. In addition, Law No. 20,855 regulates the release of pledges without conveyance (*prendas sin desplazamiento*) used as collateral for loans granted to individuals, SMEs or any type of company as defined by Law No. 20,190.

For loans paid-off after January 23, 2016, Law No. 20,855 establishes requirements and time limits for banks to release mortgages (within 45 days) and inform customers of such release (within 30 days). Also, the bank should provide the customer with this information within a 30-day period. Costs associated with this process will be incurred by banks.

In addition, for monitoring purposes, the bank must inform the SERNAC, on a semi-annual basis, about: (i) the criteria used to comply with Law No. 20,855, (ii) the progress in implementing the proposed changes, (iii) the efforts taken to release mortgages used as collateral on already paid-off loans, and (iv) the advertising used to inform customers about their rights regarding the release of mortgages once the related loan has been paid-off.

U.S. Banking Regulations

Bci's U.S. Branch

The Florida Office of Financial Regulation, as the licensing authority of the Miami Branch, has the authority, in certain circumstances, including violations of law, unsafe business practices and insolvency, to take possession of the business and property of Bci located in Florida. If the Florida Office of Financial Regulation exercised this authority over Bci's Miami branch, all assets of Bci located in Florida would generally be applied first to satisfy creditors of the Miami branch. Any remaining assets would be applied to satisfy creditors of other U.S. offices of Bci, after which any residual assets of the Miami branch would be returned to the principal office of Bci, and made available for application pursuant to any insolvency proceeding.

Financial Holding Company

Because we operate a U.S. branch and have a subsidiary bank in the U.S., our nonbanking activities in the United States are subject to regulation by the Federal Reserve Board pursuant to the International Banking Act of 1978, the Bank Holding Company Act of 1956 (the "**BHC Act**"), and other laws. We have elected to be a "financial holding company" under the BHC Act. Financial holding companies may engage in a broader spectrum of activities than bank holding companies or foreign banking organizations that are not financial holding companies, including underwriting and dealing in securities. To maintain our financial holding company status and engage in activities permissible for a financial holding company, (i) we and CNB are required to be "well capitalized" and "well managed," (ii) our U.S. branch is required to meet certain examination ratings, and (iii) CNB is required to maintain a rating of at least "satisfactory" under the Community Reinvestment Act of 1977 (the "**CRA**").

A major focus of U.S. governmental policy relating to financial institutions in recent years has been aimed at fighting money laundering and terrorist financing. In particular, the Bank Secrecy Act, as amended by Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), as amended, requires financial institutions operating in the United States to, among other things, (a) give special attention to correspondent and payable-through bank accounts, (b) implement enhanced reporting due diligence, and "know your customer" standards for private banking and correspondent banking relationships, (c) scrutinize the beneficial ownership and activity of certain non-U.S. and private banking customers (especially for so-called politically exposed persons), and (d) develop and maintain anti-money laundering programs, customer identification procedures, and due diligence policies and controls to ensure the detection and reporting of money laundering. Such required compliance programs are intended to supplement compliance programs with respect to the sanctions programs administered by the Office of Foreign Assets Control. Failure of a financial institution to maintain and implement adequate programs to combat money laundering and terrorist financing could have serious consequences for the firm, both in legal terms and in terms of our reputation.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), which was enacted on July 21, 2010 in response to the financial crisis, impacts the financial services industry by addressing, among other issues, systemic risk oversight, bank capital standards, the liquidation of failing systemically important institutions, over-the-counter and cleared derivatives, the ability of banking entities, including non-U.S. banks with branches in the U.S., like us, to engage in proprietary trading activities and invest in hedge funds and private equity funds (the "**Volcker Rule**"), consumer and investor protection, hedge fund registration, securitization, investment advisors, shareholder "say on pay," the role of credit-rating agencies, and more. The Dodd-Frank Act requires various federal banking and financial regulatory authorities to adopt a broad range of implementing rules and regulations. Such authorities have significant discretion in drafting such implementing rules and regulations.

The Dodd-Frank Act provides regulators with tools to impose greater capital, leverage and liquidity requirements and other prudential standards, particularly for financial institutions that pose significant systemic risk. Pursuant to the Dodd-Frank Act, the Federal Reserve Board has implemented rules that establish enhanced prudential standards for the U.S. operations of foreign banking organizations ("**FBOs**") such as us. In imposing such heightened prudential standards on non-U.S. banks such as us, the Federal Reserve Board is directed to take into account the principle of national treatment and equality of competitive opportunity, and the extent to which the foreign bank holding company is subject to comparable home country standards. On May 24, 2018, the Economic Growth, Regulatory Relief and Consumer Protection Act (the "**Reform Act**") was signed into law. Among other regulatory changes, the Reform Act amends various sections of the Dodd-Frank Act, including the modification of the Volcker Rule to exempt certain depository institutions and raising the asset threshold for U.S. banking organizations to become subject to enhanced prudential standards, each as described below. The ultimate consequences of the Reform Act and its potential impact on us remain uncertain.

The Reform Act raised the threshold for automatic application of enhanced prudential standards to FBOs under the Dodd-Frank Act from $50 billion in total global consolidated assets to $250 billion. The bill exempted FBOs with total global consolidated assets of less than $100 billion from these enhanced prudential standards effective immediately upon enactment of the bill. In October 2019, the Federal Reserve Board issued a final rule to implement the Reform Act's changes to the application of enhanced prudential standards with respect to U.S. bank holding companies and FBOs (the "**EPS Tailoring Rule**"). The EPS Tailoring Rule delineates three categories of enhanced prudential standards ("**EPS categories**") applicable to FBOs based on an FBO's asset size and other factors such as the degree of the cross-jurisdictional activity, reliance on short-term wholesale funding, nonbank assets, and off-balance sheet exposures of an FBO's U.S. operations. The EPS Tailoring Rule generally determines the stringency of enhanced prudential standards applicable to FBOs based on the risk profile of the FBO's U.S. operations, rather than its global footprint, with most enhanced prudential standards applying only to FBOs with combined U.S. assets of at least $100 billion. FBOs with global assets of $100 billion or more and a relatively limited U.S. presence, such as us, are subject to certain minimum standards under the EPS Tailoring Rule, with the Federal Reserve Board relying primarily on compliance with comparable home-country prudential standards with respect to such FBOs.

If our size or risk profile were to increase, our combined U.S. operations may be subject to certain further enhanced prudential standards. In particular, enhanced prudential standards applicable to FBOs require an FBO with both significant total global consolidated assets and significant U.S. assets (excluding the total assets of each U.S. branch and agency) to establish a U.S. top-tier intermediate holding company ("**IHC**") over all U.S. bank and nonbank subsidiaries, and generally subject such an FBO's IHC to the same capital adequacy standards, including minimum risk based capital and leverage requirements, liquidity, liquidity risk management, stress testing and single counterparty credit limits as those applicable to U.S. bank holding companies in the same EPS category under the EPS Tailoring Rule. In addition, certain enhanced prudential standards will apply to the combined U.S. operations of an FBO whether or not the FBO is required to establish a U.S. IHC. Rules imposing early remediation requirements on FBOs have yet to be finalized. We continue to assess the full impact of these enhanced prudential requirements and the EPS Tailoring Rule on our business.

In October 2019, the Federal Reserve Board and FDIC issued a final rule addressing the applicability of resolution planning requirements for FBOs (the "**FBO Resolution Plan Rule**"). The FBO Resolution Plan Rule applies reduced resolution plan filing requirements to FBOs that have $250 billion or more in total global consolidated assets and that do not otherwise meet certain category thresholds identified in the EPS Tailoring Rule, requiring such FBOs to submit a reduced content resolution plan every three years.

The Reform Act and its implementing regulations modified the Volcker Rule to exempt depository institutions that do not have, and are not controlled by a company that has, more than $10 billion in total consolidated assets or significant trading assets and liabilities. In July 2019, U.S. federal regulatory agencies adopted amendments to the Volcker Rule regulations to implement the Volcker Rule amendments included in the Reform Act, and also in 2019 such U.S. federal regulatory agencies adopted certain targeted amendments to the Volcker Rule regulations to simplify and tailor certain compliance requirements relating to the Volcker Rule. In June 2020, U.S. federal regulatory agencies adopted additional revisions to the Volcker Rule's restrictions on banking entities sponsoring and investing in certain covered hedge funds and private equity funds, including by adopting new exemptions allowing banking entities to sponsor and invest without limit in credit funds, venture capital funds, customer facilitation funds and family wealth management vehicles (the "**Covered Fund Amendments**"). The Covered Fund Amendments also loosen certain other restrictions on extraterritorial fund activities and direct parallel or co-investments made alongside covered funds. The Covered Fund Amendments should therefore expand the ability of banking entities to invest in and sponsor private funds.

It remains unclear whether any other particular legislative or regulatory proposals will be enacted or adopted. In addition, it is not possible to determine the full extent of any impact on us of any such potential financial reform legislation, or whether any such proposal will become law. We may in the future be subject to further enhanced governmental scrutiny and/or increased regulation, including resulting from changes in U.S. executive administration or Congressional leadership.

City National Bank of Florida

CNB, a national bank, is subject to extensive regulation and examination by the OCC, as its primary federal banking regulator. The federal and state laws and regulations which are applicable to banks regulate, among other things, the activities in which they may engage and the locations at which they may engage in them, their investments, their reserves against deposits, the timing of the availability of deposited funds and transactions with affiliates. CNB must file reports with OCC concerning its activities and financial condition, in addition to obtaining regulatory approvals prior to entering into certain transactions, such as establishing branches and mergers with, or acquisitions of, other depository institutions. The OCC periodically examines the bank to assess CNB's safety and soundness and its compliance with various regulatory requirements. This comprehensive regulatory and supervisory framework restricts the activities in which a bank can engage and is intended primarily to ensure the safety and soundness of CNB and for the protection of the FDIC insurance fund and the bank's depositors. Regulatory authorities have extensive discretion in connection with their supervisory and enforcement activities and examination policies, which include setting policies with respect to the classification of assets and the establishment of adequate loan loss reserves. Any change in such regulations, whether by the OCC or as a result of the enactment of legislation, could have a material adverse impact on CNB and its operations.

Capital Adequacy. The OCC and the other federal banking agencies have adopted risk-based and leverage capital adequacy requirements, pursuant to which they assess the adequacy of capital in examining and supervising banks and bank holding companies and in analyzing bank regulatory applications. Risk-based capital requirements determine the adequacy of capital based on the risk inherent in various classes of assets and off-balance sheet items.

The federal banking agencies have adopted rules to implement the Basel III framework for strengthening international capital and liquidity regulation referred to as the "Basel III Rules". The Basel III Rules require U.S. banking organizations, including CNB, to maintain: (i) a minimum ratio of CET 1 to risk-weighted assets of 4.5%, plus a "capital conservation buffer" of 2.5%, or 7.0%; (ii) a minimum ratio of Tier 1 capital to risk-weighted assets of 6.0%, plus the capital conservation buffer, or 8.5%; (iii) a minimum ratio of Total (Tier 1 plus Tier 2) capital to risk-weighted assets of 8.0% plus the capital conservation buffer, or 10.5%; and (iv) a minimum leverage ratio of 4%, calculated as the ratio of Tier 1 capital to balance sheet exposures plus certain off-balance sheet exposures (computed as the average of the month-end ratios each month during a calendar quarter). U.S.banking organizations with a ratio of CET 1 to risk-weighted assets above the minimum but below the capital conservation buffer face constraints on their ability to pay dividends, effect equity repurchases and pay discretionary bonuses to executive officers, and such constraints increase incrementally based on the amount of the shortfall.

As discussed below, the Basel III Rules also integrate the capital requirements into the prompt corrective action standards. In order for CNB to be classified as "adequately capitalized" under the prompt corrective action standards applicable to U.S. depository institutions, which is necessary in order for CNB to avoid certain restrictions under FDICIA, it must maintain a minimum 4% Tier I leverage ratio, a 4.5% common equity Tier I capital ratio, a 6% Tier I risk-based capital ratio and a 8% total risk-based capital ratio.

As of December 31, 2023, CNB exceeded all of the capital ratio standards for a "well capitalized" bank with a Tier I leverage ratio of 9.9%, a common equity Tier I risk-based capital ratio of 14.0% and a total risk-based capital ratio of 14.8%.

Activities and Investments of National Bank. CNB America derives its lending, investment and other authority primarily from the applicable provisions of National Bank Act and the regulations of the OCC. These laws and regulations authorize CNB to invest in real estate mortgages, consumer and commercial loans, certain types of debt securities, including certain corporate debt securities and obligations of federal, State and local governments and agencies, and certain other assets. A bank's aggregate lending powers are not subject to percentage of asset limitations, but there are limits on the amount of credit exposure that a bank may have to a single borrower or group of related borrowers. An OCC-chartered bank may also exercise trust powers upon approval of the OCC. The OCC examines CNB to ensure that it has adopted procedures and systems designed to foster safe and sound operations of the bank in areas including internal controls, information systems, internal audit systems, loan documentation, credit underwriting, interest rate risk exposure, asset growth, asset quality, earnings and compensation, fees and benefits.

Regulatory Enforcement Authority. Applicable banking laws include substantial enforcement powers available to federal banking regulators. This enforcement authority includes, among other things, the ability to assess civil money penalties, to issue cease-and-desist or removal orders and to initiate injunctive actions against banking organizations and institution-affiliated parties, as defined. In general, these enforcement actions may be initiated for violations of laws and regulations and unsafe or unsound practices. Other actions or inactions may provide the basis for enforcement action, including misleading or untimely reports filed with regulatory authorities.

Prompt Corrective Action. Section 38 of the Federal Deposit Insurance Act provides the federal banking regulators with broad power to take "prompt corrective action" to resolve the problems of undercapitalized institutions. The extent of the regulators' powers depends on whether the institution in question is "well capitalized," "adequately capitalized," "undercapitalized," "significantly undercapitalized" or "critically undercapitalized." A bank is deemed to be (i) "well capitalized" if it has total risk-based capital ratio of 10.0% or greater, has a Tier I risk-based capital ratio of 8.0% or greater, has a common equity Tier I capital ratio of 6.5% or greater, has a Tier I leverage capital ratio of 5.0% or greater, and is not subject to specified requirements to meet and maintain a specific capital level for any capital measure, (ii) "adequately capitalized" if it has a total risk-based capital ratio of 8.0% or greater, has a Tier I risk-based capital ratio of 6.0% or greater, has a common equity Tier I capital ratio of 4.5% or greater, has a Tier I leverage capital ratio of 4.0% or greater and does not meet the definition of "well capitalized," (iii) "undercapitalized" if it has a total risk-based capital ratio that is less than 8.0%, has a Tier I risk-based capital ratio that is less than 6.0%, has a common equity Tier I capital ratio of less than 4.5%, or has a Tier I leverage capital ratio that is less than 4.0%, (iv) "significantly undercapitalized" if it has a total risk-based capital ratio that is less than 6.0%, has a Tier I risk-based capital ratio that is less than 4.0%, has a common equity Tier I capital ratio that is less than 3.0%, or has or a Tier I leverage capital ratio that is less than 3.0%, and (v) "critically undercapitalized" if it has a ratio of tangible equity to total assets that is equal to or less than 2.0%. The regulations also provide that a federal banking regulator may, after notice and an opportunity for a hearing, reclassify a "well capitalized" institution as "adequately capitalized" and may require an "adequately capitalized" institution or an "undercapitalized" institution to comply with supervisory actions as if it were in the next lower category if the institution is in an unsafe or unsound condition or engaging in an unsafe or unsound practice. The federal banking regulator may not, however, reclassify a "significantly undercapitalized" institution as "critically undercapitalized."

An institution generally must file a written capital restoration plan which meets specified requirements, as well as a performance guaranty by each company that controls the institution, with an appropriate federal banking regulator within 45 days of the date that the institution receives notice or is deemed to have notice that it is "undercapitalized," "significantly undercapitalized" or "critically undercapitalized." Immediately upon becoming undercapitalized, an institution becomes subject to statutory provisions, which, among other things, set forth various mandatory and discretionary restrictions on the operations of such an institution.

FDIC Insurance. CNB's deposits are insured by the FDIC. As insurer, the FDIC is authorized to conduct examinations of, and to require reporting by, FDIC-insured institutions. It also may prohibit any FDIC-insured institution from engaging in any activity the FDIC determines by regulation or order to pose a serious threat to the FDIC.

During the 2008-2009 financial crisis, there were many failures and near-failures among financial institutions. The FDIC insurance fund reserve ratio, representing the ratio of the fund to the level of insured deposits, declined due to losses caused by bank failures and the FDIC then increased its deposit insurance premiums on remaining institutions in order to replenish the insurance fund. The Dodd-Frank Act requires the FDIC to maintain the ratio of the FDIC insurance fund to estimated total insured deposits ("**Reserve Ratio**") at 1.35%. If bank failures in the future are more costly than the FDIC currently anticipates, then the FDIC may be required to continue to impose higher insurance premiums. Any such increase would increase our non-interest expense. Thus, despite the prudent steps CNB may take to avoid the mistakes made by other banks, its costs of operations may increase as a result of events outside its control.

Extraordinary growth in insured deposits during the first and second quarters of 2020 caused the Reserve Ratio to decline below the statutory minimum of 1.35%, resulting in the FDIC establishing a restoration plan on September 15, 2020, which contemplates the Reserve Ratio returning to 1.35% within 8 years. In October 2022, the FDIC adopted a final rule, applicable to all insured depository institutions, to increase the initial base deposit insurance assessment rates uniformly by 2%, beginning in the first quarterly assessment period of 2023. The rate increase is intended to increase the likelihood that the Reserve Ratio reaches the statutory minimum of 1.35% by September 30, 2028. The new assessment rates will remain in effect unless and until the Reserve Ratio meets or exceeds the FDIC's long-term goal of a 2% Reserve Ratio. Progressively lower assessment rate schedules will take effect when the Reserve Ratio reaches 2%, and again when it reaches 2.5%. As a result of the Dodd-Frank Act, the increase in the standard FDIC insurance limit from US$100,000 to US$250,000 was made permanent. The Dodd-Frank Act also removed the prohibition on banks paying interest on demand deposits.

In connection with the FDIC's resolution of Silicon Valley Bank and Signature Bank in March 2023, U.S. government agencies invoked the "systemic risk exception" which extended FDIC insurance to depositors of the failed banks with deposits above the US$250,000 insurance limit. In order to recover the cost associated with protecting such uninsured depositors, the FDIC adopted a final rule in November 2023 to implement a special assessment at an annual rate of approximately 13.4 basis points (0.134%) of a banking organization's estimated uninsured deposits reported as of December 31, 2022, excluding the first US$5 billion of the combined banking organization's estimated uninsured deposits. The special assessment will be due over eight quarterly periods. Based on the terms of the FDIC's final rule, CNB is expected to owe a special assessment of approximately US$19.8 million based on its uninsured deposits reported as of December 31, 2023.

The FDIC may terminate the deposit insurance of any insured depository institution, including CNB, if it determines, after a hearing, that the institution has engaged or is engaging in unsafe or unsound practices, is in an unsafe or unsound condition to continue operations, or has violated any applicable law, regulation, order or any condition imposed by an agreement with the FDIC. It also may suspend deposit insurance temporarily during the hearing process for the permanent termination of insurance, if the institution has no tangible capital. If insurance of accounts is terminated, the accounts at the institution at the time of the termination, less subsequent withdrawals, shall continue to be insured for a period of six months to two years, as determined by the FDIC. Management is aware of no existing circumstances that would result in termination of CNB's deposit insurance.

Brokered Deposits. Under federal law and applicable regulations, (i) a well capitalized bank may solicit and accept, renew or roll over any brokered deposit without restriction, (ii) an adequately capitalized bank may not accept, renew or roll over any brokered deposit unless it has applied for and been granted a waiver of this prohibition by the FDIC and (iii) an undercapitalized bank may not accept, renew or roll over any brokered deposit. A bank that is less than well capitalized may not solicit deposits by offering a rate of interest that exceeds by more than 75 basis points the "national rate" (as published by the FDIC) (or, if higher, certain other national reference rates), except that, subject to certain criteria, such a bank may offer deposit interest rates up to a "local market rate cap" (determined by reference to prevailing interest rates on insured deposits of comparable maturity in such institution's normal market area or in the market area in which such deposits are being solicited). The term "undercapitalized insured depository institution" is defined to mean any insured depository institution that fails to meet the minimum regulatory capital requirement prescribed by its appropriate federal banking agency. The FDIC may, on a case-by-case basis and upon application by an adequately capitalized insured depository institution, waive the restriction on brokered deposits upon a finding that the acceptance of brokered deposits does not constitute an unsafe or unsound practice with respect to such institution. In January 2021, the FDIC adopted amendments to aspects of FDIC's brokered deposit and interest rate regulations. The impact of these amendments on CNB's operations is uncertain.

Community Reinvestment and Consumer Protection Laws. In connection with its lending activities, CNB is subject to a variety of federal laws designed to protect borrowers and promote lending to various sectors of the economy and population. Included among these are the Home Mortgage Disclosure Act, Real Estate Settlement Procedures Act, Truth-in-Lending Act, Equal Credit Opportunity Act, Fair Credit Reporting Act and CRA.

The CRA requires FDIC insured banks to define the assessment areas that they serve, identify the credit needs of those assessment areas and take actions that respond to the credit needs of the community. The OCC must conduct regular CRA examinations of CNB and assign it a CRA rating of "outstanding," "satisfactory," "needs to improve" or "substantial noncompliance." The OCC periodically assess a bank's compliance, and makes the assessment available to the public. Federal and laws require consideration of these ratings when reviewing a bank's application to engage in certain transactions, including mergers, asset purchases and the establishment of branch offices. A negative assessment may serve as a basis for the denial of any such application. CNB has received an "outstanding" rating from the OCC in its most recent performance evaluation.

In October 2023, the OCC and other federal regulatory agencies finalized comprehensive amendments to the CRA regulatory framework. Among other things, the amendments are intended to reflect changes in the banking industry, including the expanded role of mobile and online banking and to tailor performance standards to account for differences in bank size, business models and local conditions. The ultimate consequences of the CRA amendments on CNB remain uncertain. It also remains unclear whether any other particular legislative or regulatory proposals will be enacted or adopted concerning CRA requirements applicable to us. Amendments to CRA requirements applicable to us that have been adopted or that may be adopted in the future may impact the ability of CNB to achieve "satisfactory" CRA performance ratings.

The Dodd-Frank Act created the Consumer Financial Protection Bureau ("**Bureau**") with broad authority to regulate and enforce consumer protection laws. The Bureau has the authority to adopt regulations under numerous existing federal consumer protection statutes. The Bureau may also decide that a particular consumer financial product or service, or the manner in which it is offered, is an unfair, deceptive, or abusive act or practice. If the Bureau so decides, it has the authority to outlaw such act or practice.

Transactions with Related Parties. CNB's authority to engage in transactions with related parties or "affiliates" (i.e., any entity that controls or is under common control with an institution) is limited by Sections 23A and 23B of the Federal Reserve Act. Section 23A limits the aggregate amount of transactions with any individual affiliate to 10% of the capital and surplus of the institution and also limits the aggregate amount of transactions with all affiliates to 20% of the institution's capital and surplus. The term "affiliate" includes, for this purpose, us and any company that we control other than CNB and its subsidiaries.

Loans to affiliates must be secured by collateral with a value that depends on the nature of the collateral. The purchase of low quality assets from affiliates is generally prohibited. Loans and asset purchases with affiliates must be on terms and under circumstances, including credit standards, that are substantially the same or at least as favorable to the institution as those prevailing at the time for comparable transactions with nonaffiliated companies. In the absence of comparable transactions, such transactions may only occur under terms and circumstances, including credit standards that in good faith would be offered to or would apply to nonaffiliated companies. CNB's authority to extend credit to executive officers, directors and 10% shareholders, as well as entities controlled by such persons, is governed by Regulation O of the Federal Reserve Board. Regulation O generally requires such loans to be made on terms substantially similar to those offered to unaffiliated individuals (except for preferential loans made in accordance with broad based employee benefit plans), places limits on the amount of loans CNB may make to such persons based, in part, on CNB's capital position, and requires certain approval procedures to be followed.

MANAGEMENT

Directors

We are managed by our Board of Directors, which is comprised of nine members who are elected for three-year terms at our annual shareholders' meeting. If a vacancy occurs, the Board of Directors may elect a temporary director until the next regular shareholders meeting at which the entire Board of Directors is to be elected. There are regularly scheduled monthly meetings of the Board of Directors. Extraordinary meetings are convened by the Chairman of the Board upon request by any other director with the agreement of the Chairman or upon request by a majority of the directors. The Board of Directors is responsible, among other things, for the overall supervision and administration of our business activities, the appointment and removal of our executive officers, the review of our financial statements, the approval of our budget and the approval of any purchase or sale of real estate.

Our current Board of Directors was elected in April 2022 and their term will end upon the election of the new members at the annual shareholders meeting which is expected to be held in April 2025.

The members of our board of directors are:

Directors	Position	Years as Director
Luis Enrique Yarur Rey	Chairman	32
Juan Edgardo Goldenberg Peñafiel	Vice-Chairman	6
Claudia Manuela Sánchez Muñoz	Director	8
Hernán Orellana Hurtado	Director	7
Klaus Schmidt-Hebbel Dunker	Director	7
José Pablo Arellano Marín	Director	13
Miguel Ángel Nacrur Gazali	Director	5
Jorge Becerra Urbano	Director	3
Ignacio Yarur Arrasate	Director	1

Luis Enrique Yarur Rey – Chairman. He holds a degree in law from the Universidad de Navarra, Spain, and a Master's degree in economics and business administration from the Instituto de Educación Superior de Empresas (IESE), Spain. He is currently the Chairman of Empresas Juan Yarur S.p.A, Empresas JY S.A., and Empresas SB S.A.; Vice Chairman of the Asociación de Bancos e Instituciones Financieras A.G., Inversiones Belén S.A., and Empresas Lourdes S.A.; member of the Business Advisory Council of the Centro de Estudios Superiores de la Empresa at Universidad de los Andes (ESE); advisor to the Centro de Estudios Públicos (Center of Public Studies). He was CEO of Bci for 11 years.

Juan Edgardo Goldenberg Peñafiel – Vice Chairman. He holds a degree in law from the University of Chile, and a degree in comparative law from Columbia University and also participated in the Phillip C. Jessup International Law Moot Court Competition in Washington D.C. and in the Master of Tax Law Course of the University of Chile. He has presented at conferences and seminars and he is the author of several publications and articles on taxation matters. He is a partner of Goldenberg & Lagos Abogados Ltda., a member of the Colegio de Abogados de Chile and the Tax Commission of the Colegio de Abogados de Chile, a member of the Instituto Chileno de Derecho Tributario, member of the International Section of the American Bar Association, and a member of the North American Chilean Chamber of Commerce. He is also a director of Empresas Copec S.A., and AntarChile S.A.

Claudia Manuela Sánchez Muñoz – Director. She is an independent director and holds a bachelor's degree in business administration from Universidad Adolfo Ibáñez in Chile, and a master's degree in business administration from Harvard University, United States. She is a director of Mall Plaza, Compañia De Acero del Pacífico, Luksic Foundation, the Make a Wish Foundation, the Los Anhelos Foundation and Corporación del Patrimonio Cultural de Chile. As a strategic consultant, she participates in the Advisory Board of Tsinghua University Latin American Center and in the Capital Market Advisory Council of the Chilean Ministry of Finance. She is also a member of the International Women's Forum Association. She worked as an analyst in McKinsey for three years in Buenos Aires, Argentina, then as an associate in Goldman Sachs & Co. in New York. Later on, she worked in investment banking for Amadeus Capital Partners and Business Partners, and in strategy consultancy for Kleindahl and Deloitte, both in London. From 2012 to 2016, she was Dean of Universidad Adolfo Ibáñez (UAI), Business School, being the first woman to hold this position.

Hernán Orellana Hurtado – Director. He holds a degree in electronic civil engineering from the Federico Santa María

University, majoring in telecommunications. He is a director at Highservice S.A. and MI Robotic Solutions S.A., Business Advisor in Innovation and Digital Transformation at PROhumana. He has over 25 years of professional experience, mainly in the information technology and communications area, and he was the CEO of Compaq and Microsoft in Chile. He was also the Dean of the Faculty of Engineering of the Andrés Bello University, executive director of Telefónica's Research and Development Center in Chile and a member of the Innovation Circle of the Chilean Institute for Rational Business Administration (ICARE).

Klaus Schmidt-Hebbel Dunker – Director. He is an independent director and holds a Ph.D. in economics from the Massachusetts Institute of Technology (MIT), a degree in business administration and a master's degree in economics from the Pontifical Catholic University (PCU) of Chile. He is a full professor at Universidad del Desarrollo, and a consultant, advisor and director of national and international corporations, associations and organizations. He is a columnist and conference speaker. He was the chief economist of the OECD. Before that, he was the economic research manager of Central Bank of Chile and senior economist of the World Bank. He was President of Chile's Sovereign Fund Financial Advisory Committee, CEO of the Res Publica Chile Group, President of Sociedad de Economía de Chile and President of Club Monetario.

José Pablo Arellano Marín – Director. He holds a degree in economics from the Pontifical Catholic University of Chile, and a master's degree and PhD in economics from Harvard University, United States. He is a director of companies and senior economist at CIEPLAN and tenured professor at the University of Chile and Pontificial Catholic University. He was the CEO of CODELCO, Minister of the Chilean Ministry of Education, Director of the National Budget of Chile and president of Fundación Chile.

Miguel Ángel Nacrur Gazali – Director. He is an independent director and holds a degree in law from the Pontifical Catholic University of Chile and a degree in business administration from the Pontifical Catholic University of Chile. He is Professor at the Pontifical Catholic University of Chile School of Law. He is an Expert Professional of the Civil Service and Representative of the Public Senior Management Council in several public selection processes for government positions, and a director of Corporación Educacional Colegio Arabe and Nacrur Abogados Asociados law firm, and member of the commission on New Commercial Codification. For more than a decade, he was the general counsel of the Central Bank of Chile.

Jorge Becerra Urbano – Director. He holds a degree in industrial engineering from the University of Buenos Aires, Argentina, a master's degree in business administration from the IESE Business School of the University of Navarra, Barcelona, Spain. He joined Bci's board of directors on June 23, 2020. He is a member of the board of directors of City National Bank of Florida and TECHO Internacional since 2017. He is member of the Innovation Circle of the Chilean Institute for Rational Business Administration (ICARE), and member of Young President Organization (YPO) for YPO Gold Latinamerica and YPO Euro Latm. He was Managing Director & Senior Partner of the Boston Consulting Group, member of the International Advisory Council of Endeavor Global, member of the Advisory Council of Endeavor Chile, and he was assistant professor of the financial planning lecture series of the Faculty of Engineering of the University of Buenos Aires.

Ignacio Yarur Arrasate – Director. He holds a law degree from the Pontifical Catholic University of Chile and a master's degree in business administration from IESE (Spain). Mr. Yarur worked as a lawyer at the legal firm Carey y Cia. Ltda. He joined Bci in 2004 and held diverse executive positions since then. He is a member of the board of directors of Bci since January 2024.

Executive Committee

Our day-to-day business is managed by an Executive Committee comprised of five directors and four alternate members. The Executive Committee meets twice a week. The required quorum is met with the attendance of three members and decisions must be approved by a majority of the present members, except for certain decisions for which a qualified majority is required for their adoption. The current members of the Executive Committee are Luis Enrique Yarur Rey, Ignacio Yarur Arrasate, José Pablo Arellano Marín, Claudia Manuela Sánchez Muñoz and Juan Edgardo Goldenberg Peñafiel.

The duties of the Executive Committee include, among others:

- answering all credit and financial operations to be submitted for its consideration and resolution;
- approving general policies about financial, credit and operational risk;
- approving credit policies and financial investments manuals, as well as the awarding conferred upon them, including risk models, among others;

- determining interest and discount rates for different operations that concern us, such as fixed position limits for loans and financial investments in Chile and abroad, as well as the maximum allowable loss;

- reviewing different economic sectors information and analysis of their evaluation, setting limits of credit and financial exposure, according to the area;

- establishing country risk exposure limits, before risk classification analysis and other variables that impact external financing;

- reviewing, at least twice a year, the credit reports posted to past-due portfolio, proposing measures to stabilize such condition;

- determining resources assigned periodically to provisions and penalties, without prejudice to ensure regulatory compliance applicable to these kind of events;

- approving purchase, sale and encumbrance constitution of any kind of movable and immovable property, securities and rights of any kind, without prejudice to the limitations and prohibitions established in the General Banking Law;

- establishing branches, agencies and other offices, as well as ceasing their operations;

- giving general and special powers, submitted to its resolution, for the business proper functioning of the business and all operational needs;

- approving specific donations, subject to applicable law;

- reviewing the corporate governance annual report and the alignment performance of the Board and all the associated committees, proposing recommendations and working practices for such bodies;

- proposing changes to the structure of powers and setting general policies about designated agents and company representatives;

- monitoring compliance of directors and manager's training activities;

- reviewing shareholder proposals, service quality and bank information given to them, as well as management responses to their requirements, if any;

- evaluating administration performance related to the committee activities, alignment with the Bank's mission, and performance in strengthening the competitive and distinct capabilities of the institution, attributable to its adherence to the corporate governance principles;

- performing all acts, businesses or contracts it deems useful or necessary for the progress of the institution and foreign businesses; and

- preparing annual self-evaluation of the functioning of the committee, reporting to the Board.

Directors Committee

Our Directors Committee is comprised of three members who are appointed by our Board of Directors and meets at least once a month. The required quorum is met with the attendance of two members and decisions must be approved by the majority of the present members. The current members of the Directors Committee are José Pablo Arellano Marín, Klaus Schmidt-Hebbel Dunker and Miguel Ángel Nacrur Gazali. Klaus Schmidt-Hebbel Dunker and Miguel Ángel Nacrur Gazali are independent members in accordance with Article 50 bis of the Chilean Corporation Law.

The Directors Committee has the duties of our former Audit Committee, which include, among others:

- reviewing reports of the external auditors, balance sheet and our consolidated annual and interim financial statements, and balance sheet and annual individual financial statements of our subsidiaries;

- selecting our external auditors and rating agencies for the consideration of our Board of Directors, and reviewing the reports and procedures of our external auditors and interacting with the rating agencies;

- monitoring the selected external audit firm, as well as the terms and scope of the audit, prior to its inception;

- reviewing the submitted information of related party transactions, and informing the Board of Directors or the Executive Committee, as applicable, in the relevant meeting held to review such transactions;

- analyzing the risks identified by our internal audits and reviewing the proposed plans and measures to mitigate such risks;

- coordinating the responsibilities and tasks of our Comptrollership Department with the reviews of our external auditors;

- monitoring the observance of our institutional compliance policies;

- examining reported suspicious or fraudulent conduct (including anti-money laundering violations or issues and resolutions approved by our Anti-Money Laundering Committee) and resolving issues related to conflict of interest;

- analyzing the inspection reports, observations and recommendations from the CMF;

- examining the results of our internal audit and the compliance reports in connection with our annual audit plan;

- requesting a confirmation from the Accounting Manager or those responsible for the Bank's accounting as to whether there have been accounting changes and their effects, and reviewing them if applicable;

- approving the resolutions of our Compensation Committee;

- monitoring the certain resolutions agreed by our Finance and Corporate Risk Committee;

- preparing annual report on its management, including its main recommendations to shareholders; and

- reporting to the Board of Directors about the advisability of hiring the external audit firm for the provision of services that are not part of the external audit, when they are not prohibited in accordance with the provisions of article 242 of the Chilean Securities Market Law.

Finance and Corporate Risk Committee

Our Finance and Corporate Risk Committee controls our financial strategies and defines, and monitors compliance with, our credit risk, operational and financial policies and exposure limits, among other activities. This committee meets at least on a monthly basis. The required quorum is met with the attendance of three members and decisions must be approved by the majority of present members. The current members of this committee are Luis Enrique Yarur Rey, Ignacio Yarur Arrasate, Juan Edgardo Goldenberg Peñafiel, Klaus Schmidt-Hebbel Dunker and José Pablo Arellano Marín.

The duties of the Finance and Corporate Risk Committee include, among others:

- reviewing the commercial exposure and market risks of our trading desk;

- reviewing our allowances for loan losses and charge-offs;

- monitoring Basel indicators, according to the different models to be implemented;

- reviewing and monitoring the strategies of our Assets and Liabilities Committee;

- approving our short- and long- term funding strategies and liquidity gaps;

- reviewing market information and projections;

- approving our interest rate, inflation and currency strategies, and current trading positions;
- approving portfolio strategies with respect to our domestic and foreign investments;
- monitoring our internal limits and variations of financial risk;
- examining ratios of credit, financial, operational and compliance risk and operational risk;
- reviewing the portfolio situation (e.g. economic or geographical sector, concentrations or other that is considered convenient), as well as the situation of specific segments or groups of customers, such as principal debtors, major deteriorations, etc.;
- monitoring the behavior of the normative models of risk;
- reviewing the behavior of provisions and penalties, based on profitability and risk, by product and segment, and their comparison with the competition;
- monitoring the compliance of policies, internal limits and main variations of financial, credit, compliance and operational risk and their alignment with the defined policies;
- analyzing the results of capital and liquidity stress tests, among others, and compliance with regulatory capital ratios, as well as the actions that may be derived from the aforementioned results;
- monitoring and reviewing the compliance of liquidity policies and levels; and
- monitoring and reviewing of compliance programs, including related matters to AML/BSA, and financial compliance.

Human Resources and Corporate Culture Committee

The purpose of our Human Resources and Corporate Culture Committee, which meets twice a year, is to establish our compensation policies. The required quorum is met with the attendance of three members and decisions must be approved by the majority of present members. The current members are Luis Enrique Yarur Rey, Claudia Manuela Sánchez Muñoz, Ignacio Yarur Arrasate, Miguel Ángel Nacrur Gazali and Hernán Orellana Hurtado.

The duties of the Human Resources and Corporate Culture Committee include, among others:

(a) establishing general policies of compensation, including remuneration, bonuses and benefits for each employee segment;

(b) analyzing the compensation system in relation to the industry or other comparative regimes;

(c) determining the aspects that influence the formation of remuneration; and

(d) establishing compensation mechanisms in order to ensure to all employees of the Bank have a worthy quality of life, stable work and development opportunities (personal, professional and family), encouraging and adequately rewarding good performance.

Sustainability and Corporate Social Responsibility Committee

The main purpose of this committee is to review our strategies, policies and programs, related to the corporate social responsibility. This committee meets at least four times a year. The required quorum is met with the presence of three members and decisions must be approved by the majority of present members. The members of this committee are Luis Enrique Yarur Rey, Ignacio Yarur Arrasate, José Pablo Arellano Marín, Juan Edgardo Goldenberg Peñafiel and Jorge Becerra Urbano.

The duties of the Sustainability and Corporate Social Responsibility Committee include, among others:

- suggesting topics that should be discussed periodically, according to the nature of its mission and objectives;
- reviewing periodically the Code of Ethics, setting the adjustments and updates that it requires or the Committee deems necessary;
- establishing procedures, policies and donations programs and other social welfare activities;
- reviewing and approving the corporate social responsibility or sustainability report of the Bank;
- reviewing Bank's business practices and its subsidiaries, as well as the impact they may have on the reputation, image and prestige of Bci and its subsidiaries;
- evaluating administration performance in activities related to the Committee's work, its alignment with the mission's Bank and its performance in strengthening the competitive and distinctive capabilities attributable to its adherence to the principles of sustainability and corporate social responsibility; and
- executing annual self-evaluation of its operation as a Committee, reporting to the Board.

Technology and Innovation Committee

The main purpose of this committee is to assist our board of directors in technology decisions. This committee meets at least three times a year. The required quorum is met with the presence of three members and decisions must be approved by the majority of present members. The members of this committee are Luis Enrique Yarur Rey, Miguel Ángel Nacrur Gazali, Claudia Manuela Sánchez Muñoz, Hernán Orellana Hurtado and Jorge Becerra Urbano.

The duties of the Technology and Innovation Committee include, among others:

- reviewing and approving the technological strategy and design proposed by the General Management;
- reviewing and approving the safety technological plan strategy;
- oversee the implementation of the mentioned strategies;
- reviewing and approving the budget for technology investments overlapping the general management;
- conducting along with the general management the review and examination of new proposals to allow innovation for clients;
- reviewing and approving the annual plan of investments on operations and technology;
- approving investments on technology according to the business vision and design of the Bank;
- establishing and approving the general policies regarding outsourcing of functions with technological suppliers proposed by General Management; and
- reviewing and approving the proposals of General Management regarding new operational models of the Bank.

Ethics Committee

The purpose of our Ethics Committee, which meets at least four times a year, is to review and resolve ethic issues related to Bci and its employees. The required quorum is met with the attendance of two directors. Decisions must be approved by the majority of the directors. The current directors that composed this committee are Luis Enrique Yarur Rey, José Pablo Arellano Marín and Juan Edgardo Goldenberg Peñafiel. Furthermore, our CEO and two of our managers regularly attend the meetings of this committee.

The duties of the Ethics Committee include, among other:

(a) interpreting the correct meaning, scope and extension of the provisions contained on the Code of Ethics;

(b) resolving if the facts or conducts submitted to the Ethics Committee are governed by the provisions of the Code of Ethics;

(c) monitoring instances of infringement of the Code of Ethics, as well as the information provided by the employees subject to the provisions thereto;

(d) adopting the necessary measures in order to protect the identity of the persons that report the Ethics Committee any actions that infringe or may infringe the Code of Ethics, as well as the information provided for such effects;

(e) sanctioning conduct that infringes the Code of Ethics, proposing measures to correct them;

(f) determining if the facts reported to Ethics Committee will also lead to the exercise of civil and criminal actions before the Courts of Justice;

(g) authorizing acts of Bank's employees in activities, operations or investments that, according to the Code of Ethics, should be reviewed by the Ethics Committee;

(h) registering the authorizations granted and the information provided by the employees of the Bank for such purposes, recording the foregoing in the relevant minutes;

(i) participating in internal and external events related to the ethical behavior of people in organizations;

(j) executing communications and disclosures of ethical content;

(k) generating doctrine and jurisprudence of their competence; and

(l) exercising other functions and attributes contained in the Code of Ethics.

Executive Officers

Our executive officers are appointed and removed by our Board of Directors at its discretion. Our current principal executive officers and the directors of each area or department are listed below.

Executive Officers	Position	Number of years at Bci
Eugenio von Chrismar Carvajal	Chief Executive Officer	24
Javier Moraga Klenner	Managing Director Finance Division	14
Gerardo Spoerer Hurtado	Managing Director Wholesale Banking	27
Diego Yarur Arrasate	Chief of Corporate Development and International Division	17
Ximena Kutscher Taiba	Audit and Compliance Head	19
Pablo Julian Grohnert	Chief Human Resources Officer	17
José Luis Ibaibarriaga Martínez	Chief Financial Officer and Controller	12
Rodrigo Corces Barja	Managing Director Retail Banking	26
Antonio Le Feuvre Vergara	Chief Corporate Risk Officer	38
Fernando Carmash Cassis	General Counsel	36
Patricio Subiabre Montero	Chief Operating and Technology Officer	8
Claudia Ramos Arellano	Chief of Innovation and D&A	27

Included below are brief biographical descriptions of each of our executive officers and the directors of each area or department.

Eugenio von Chrismar Carvajal joined us in 1999. He has ample experience in the Chilean and international financial industry, having held positions such as Finance Manager of Citibank, Chile, Director of Investment Banking in Citibank, Mexico, Director of Investment Banking at Bank of America, Mexico and General Manager of Tanner Corredores de Chile. He is a civil engineer graduated from the University of Santiago and has participated in a management course at Harvard and a Postgraduate in Senior Management of Companies at Universidad de los Andes.

Javier Moraga Klenner joined Bci on April 1, 2009 as Trading Associate Manager and he became Sales & Trading Manager. He has experience in finance managing, both local and international, and has actively contributed in forming and developing the current Sales & Trading division at Bci. Before joining Bci he worked eight years for Deutsche Bank in Chile. Javier is a commercial engineer graduated from the University of Chile, holds a degree in International Finance from Universitát Mannheim, Germany, and graduated from the Advanced Management Program, Universidad de los Andes, Chile.

Gerardo Spoerer Hurtado joined Bci on August 1, 1996, and he has held diverse executive and management positions as Financial and International Assistant Director, Chief of Financial Risk, Assistant Director of Market Risk, Manager of Management of Financial Risk, Manager of Distribution, CEO of BCI Asset Management Administradora General de Fondos S.A. and Manager of Wealth Management. He has participated in bonds issuances, project financings, mergers and acquisitions and asset valuations. Before joining Bci he worked four years for BICE Group. Gerardo is a commercial engineer who graduated from the University of Chile and holds a master's in business administration in finance and corporate management from Navarra University, Spain.

Diego Yarur Arrasate has been with us since 2006. He gained professional experience at Bci Miami, Santander Investment Chile Ltda., American Express Bank and Empresas Jordan S.A. He holds a commercial engineering degree from the Pontifical Catholic University of Chile and a master's in business administration from Columbia Business School.

Ximena Kutscher Taiba joined us in 2003 as Process Audit Manager. Mrs. Kutscher has extensive professional experience in the domestic and international financial system, with experience in auditing financial institutions in Chile and in Latin America, developing leadership roles in various areas related to internal audit functions and processes. She is an Accountant Auditor IEB graduated from the University of Santiago, holds a master's in business administration from IEDE, Spain and has participated in the Advanced Management Program at Universidad de Los Andes.

Pablo Jullian Grohnert joined us in 2006, having spent most of his professional career with Unilever in Chile, Central America and the United States as manager and Director of Human Resources He holds a degree in commercial engineering from the University Diego Portales.

José Luis Ibaibarriaga joined us in June 2011, and became Chief Financial Planning and Control Division on January 1, 2012. He has extensive experience, serving in positions as CFO and VP Finance Technical administrative telecommunications companies like Electrolux, BellSouth Telefónica and Aramark both in Chile and internationally. He is a Certified Auditor graduated from the University of Chile, and holds an Executive MBA master's in business administration the University Adolfo Ibañez.

Rodrigo Corces Barja has been with us since 1997. He gained experience in Empresas CMPC in marketing and sales and QUM Marketing and Communication in Madrid. He holds a Civil Industrial Engineering degree from Pontifical Catholic University of Chile and a master's in business administration from IESE, Spain.

Antonio LeFeuvre Vergara has been with us since 1985. Prior to taking on the position of Chief Corporate Risk Officer, he served as corporate, real estate and electronic banking manager. He is a member of the board of BCI Factoring S.A., Bci Financial Advisory and BCI Securitization S.A. He was director of Artikos Subsidiaries. Mr. Le Feuvre holds a commercial engineering degree from the University of Chile and a master's in business administration from the University Adolfo Ibañez.

Fernando Carmash Cassis joined us in 1987 as Senior Counsel in Acts and Contracts and, then, in 2011, Legal Manager of Corporate & Investment Banking Division. Presently holds the position of General Counsel of Bci. Before joining us, he was Legal Counsel of Ilustre Municipalidad de Valdivia and the Labor Division (*Dirección del Trabajo*) of Santiago. Mr. Carmash earned his law degree from the Pontifical Catholic University of Chile.

Patricio Subiabre Montero joined us in August, 2015. He has more than 30 years of experience in the national and regional finance sector. He started his career at Citibank, where he was the Chief Operating and Technology Officer for Chile and other countries. Mr. Subriabre holds a civil engineering degree from the Pontifical Catholic University of Chile.

Claudia Ramos Arellano joined us in 1997. She has more than 20 years of experience in banking, tackling and leading challenges in various areas and teams, specializing in Digital Transformation. She currently serves as Corporate Manager of data and analytics, with nearly 14 years of experience. Additionally, she is a director of Bci's subsidiary in Normalization and Collection Services, and Co-Chair of the Artificial Intelligence and Data committee of the North American Chilean Chamber of Commerce.

Business Address

The business address of our directors and executive officers and our principal executive offices is located at Avenida El Golf 125, Las Condes, Santiago, Chile.

PRINCIPAL SHAREHOLDERS

The following table sets forth information with respect to the record and beneficial ownership of our capital stock as of the date of this Prospectus, with respect to each shareholder known to us to own 1.25% or more of our outstanding common shares and all directors and executive officers as a group:

As of December 31, 2023	**Shares**	
	Number of common shares	**% of Total Share Capital**
Empresas Juan Yarur S.P.A.	121,017,770	55.36%
Banco de Chile on behalf of non-resident third parties	12,600,822	5.76%
Banco Santander on behalf of foreign investors.	5,886,104	2.69%
Banchile Corredores de Bolsa S.A.	5,625,248	2.57%
AFP Habitat S.A.	5,416,072	2.48%
BCI Corredor de Bolsa S.A. on behalf of third parties.	4,862,484	2.22%
AFP Cuprum S.A.	4,487,156	2.05%
AFP Provida S.A	4,443,183	2.03%
Inversiones Cerro Sombrero Financiero S.P.A	4,051,822	1.85%
AFP Capital S.A.	3,719,525	1.70%
Imsa Financiera S.P.A.	3,262,820	1.49%
Larrain Vial S.A. Corredor de Bolsa	3,059,664	1.40%
Inversiones Nueva Altamira S.P.A.	2,539,450	1.16%
Inversiones VYR S.P.A.	2,491,841	1.14%
Inversiones Tarascona Corporation Agencia en Chile	1,977,063	0.90%
Jorge Yarur Bascuñan	1,843,136	0.84%
Credicorp Capital S.A. Corredores de Bolsa	1,832,768	0.84%
AFP Modelo S.A.	1,601,361	0.73%
BTG Pactual Chile S.A. Corredores de Bolsa	1,380,631	0.63%
AFP Planvital S.A.	1,377,699	0.63%
Empresas JY S.A.	1,280,778	0.59%
Inversiones Colibrí Financiera S.A.	1,202,436	0.55%
Bice Inversiones Corredores de Bolsa S.A.	1,020,858	0.47%
Bolsa Electrónica de Chile Bolsa de Valores	1,009,716	0.46%
Bolsa de Comercio de Santiago Bolsa de Valores	793,499	0.36%
Other shareholders	19,820,353	9.07%
Subscribed and paid-in shares	**218,604,259**	**100.00%**

Shareholders related to the Yarur Family held 63.57% of our issued and outstanding shares. Such shareholders are parties to a shareholders' agreement dated December 30, 1994, last amended as of September 29, 2023, pursuant to which they agree to vote as a group with respect to their shareholdings in us. In addition, they reiterated their intention to preserve the principles upon which the management of the institution has been based.

In accordance with article 14 of the Chilean Corporations Law, this agreement is in our shareholders' record for other shareholders and interested third parties to review upon request.

RELATED PARTY TRANSACTIONS

In the ordinary course of our business, we engage in a variety of transactions with certain of our affiliates and related parties. Under Article 147 of the Chilean Corporations Law, our transactions with related parties need to be on terms similar to those customarily prevailing in the market and they must have the purpose of contributing to the corporate interest. Directors and executive officers of companies that violate Article 147 are personally liable for losses resulting from such violations.

In addition, Article 147 of the Chilean Corporations Law provides that any transaction in which a director or certain officers have a personal interest or are acting on behalf of an interested third party may be implemented only if the transaction is approved by the board of directors, and to the extent that the approved transaction is carried out on terms similar to those customarily prevailing in the market. Under Article 147, a company may not enter into a material transaction in which one or more of its directors have a direct or indirect interest unless (i) the transaction has received the prior approval of the company's board of directors (excluding the interested directors), (ii) the terms of the transaction are consistent with the terms of similar transactions prevailing in the market and have the purpose of contributing to the corporate interest, and (iii) the transaction is in furtherance of the entity's best interests. If it is not possible to reach a decision meeting those requirements, the board must appoint one independent evaluator and the directors committee may appoint another one. The evaluator's final conclusions must be made available to shareholders and directors for a period of 15 business days, and then a shareholders' meeting must approve the transaction with the vote of shareholders representing two-thirds of the outstanding shares with voting power. For purposes of these rules, a proposed transaction is material if (1) it exceeds 1% of the company's net worth (provided that it also exceeds UF 2,000) or (2) it exceeds UF 20,000. Violation of Chilean Corporations Law provisions that govern related party transactions may result in administrative sanctions, and civil liability may be sought by the company, its shareholders or interested third parties that suffer losses as a result of such violations.

The following transactions with related parties may be executed without complying with the requirements previously mentioned, subject to the prior approval of the company's board of directors: (i) transactions that are not considered material (an act or contract is deemed material if (1) it exceeds 1% of the company's paid-in capital and reserves and it also exceeds UF2,000, or (2) it exceeds UF20,000; there being a presumption that all contracts celebrated within a period of 12 months constitute one single transaction, irrespective of whether they are executed in one or more separate transactions during such period of time); (ii) transactions that, according to a general policy of customary transactions adopted by the company's board of directors, are considered customary in connection with the company's corporate purpose; and (iii) transactions among companies in which the company owns, directly or indirectly, at least 95% of the stake of the other party to the agreement.

Under the Chilean General Banking Law (*Ley General de Bancos, Decreto con Fuerza de Ley No. 3 of 1997*), transactions between a bank and its affiliates are subject to certain additional restrictions, such as (i) the prohibition of granting loans bearing more favorable terms than those generally offered by banks in the same community, to any entity (or group of related entities) that is directly or indirectly related to its owners or management, (ii) the prohibition of granting loans to senior executives and to companies in which any of these individuals has an ownership interest or participation in net earnings equal or higher than 5.0%, and (iii) the requirements that the aggregate amount of loans to related parties may not exceed the bank's regulatory capital.

We believe that we have complied and are in compliance in all material respects with the requirements of the relevant provisions of the Chilean Corporations Law and the General Banking Law governing related party transactions with respect to all of our transactions with related parties.

Loans Granted to Related Parties

The following tables set forth our loans to related parties as of December 31, 2021, 2022 and 2023:

	As of December 31,								
	2021			2022			2023		
	(in millions of Ch$)								
	Financial assets at amortized costs	**Contingent loans**	**Collateral Pledged(1)**	**Financial assets at amortized costs**	**Contingent loans**	**Collateral Pledged(1)**	**Financial assets at amortized costs**	**Contingent loans**	**Collateral Pledged(1)**
Key personnel of the consolidated bank..................	5,664	1,358	3,217	6,130	1,378	3,412	4,631	1,392	2,353
Other related parties...............	272,999	73,094	158,202	224,615	43,362	176,334	297,950	65,244	166,683
Total..............	**278,663**	**74,452**	**161,419**	**230,745**	**44,740**	**179,746**	**302,581**	**66,636**	**169,036**

(1) Includes all guarantees.

All related party loans were made in the ordinary course of business, were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons, and did not involve more than the normal risk of collectability or present other unfavorable features.

Other Transactions with Related Parties

The following tables set forth our income (expenses) from services provided to (by) related parties during 2021, 2022 and 2023:

As of and for the year ended December 31, 2023

				Effect on income	
Company name	**Relationship with the Group**	**Description**	**Amount of transaction(1)**	**Expense**	**Income**
				(in millions of Ch$)	
Artikos Chile S.A.	Joint venture	Acquisition services	1,287	1,287	-
BCI Seguros de Vida S.A.	Other	Revenue and channel usage service	2,703	-	2,703
		Brand use	1,656	-	1,656
		Messaging	158	-	158
		Channel usage	552	-	552
		Marketing	204	204	-
		Financial bond	8,399	433	-
		Bank expenses	238	-	184
		Collection fees Servicios Financieros y Administración de Créditos Comerciales S.A.	3,806	-	2,926
		Collection fees Servicios Financieros Corredores de Seguros y Gestión Financiera Ltda.	10,371	-	10,371
BCI Seguros Generales S.A.	Other	Brand use	1,656	-	1,656
		Channel usage	552	-	552
		Marketing	1,425	1,425	
		Commissions use of Channel	411		345
		Time Deposits	5,991	1,373	-
		Financial bond	14,396	520	-
		Subordinated bonds	296	22	-
		Insurance	8,868	7,644	-
		Collection fees Servicios Financieros Corredores de Seguros y Gestión Financiera Ltda.	2,911	-	2,451
		Collection fees BCI CCSS	39,500	-	39,500
Zenit General Insurance	Others	Fair value investments, Financial bond	590	130	-

Company name	Relationship with the Group	Description	Amount of transaction(1)	Effect on income Expense	Income
S.A.					
Centro de Compensación Automatizado S.A.	Others	Electronic banking transactions	2,578	2,578	-
Combanc S.A.	Associate	Compensation and high value payment	596	596	-
Comder Contraparte Central S.A.	Associate	Bank processing	1,673	1,673	-
Conexxion Spa	Others	Postal mail service	241	241	-
DCV Registros S.A.	Others	Administration shareholder registry	150	150	
Depósitos Central de Valores S.A.	Others	Custody of financial	654	654	-
Digitech Solutions S.A.	Others	Digitalization of documents	152	152	-
Inmobiliaria Anya S.A.	Others	Real estate projects	154	154	-
-Inmobiliaria JY S.A	Others	Real estate projects	280	280	-
Jordan (Chile) S.A.	Common parent	Forms printing	2,759	2,759	-
Redbanc S.A.	Associate	ATMs Operation	7,790	7,790	-
Salcobrand S.A.	Common parent	Rent of places for ATMs	252	252	-
Servipag Ltda.	Joint venture	Services collection and payment	4,414	4,414	-
Inmobiliaria SB SPA	Others	Offices rental	166	166	-
Boston Consulting Group	Others	Strategic advice	1,812	1,812	-
Demos una Oportuniad al Menor	Others	Corporation	258	258	-
Transbank S.A.	Other	Credit card management and credit card use income	2,103	1,554	549

(1) Only transactions over UF1,000 are disclosed.

As of and for the year ended December 31, 2022

Company name	Relationship with the Group	Description	Amount of transaction(1)	Effect on income Expense	Income
			(in millions of Ch$)		
Artikos Chile S.A.	Joint venture	Acquisition services	1,122	1,122	-
BCI Seguros de Vida S.A.	Other	Revenue and channel usage service	2,623	-	2,623
		Brand use	1,580	-	1,580
		Messaging	190	-	190
		Channel usage	527	-	527
		Marketing	524	-	524
		Subordinated bond	433	94	-
		Financial bond	8,126	907	-
		Bank expenses	232	195	-
		Collection fees Servicios Financieros y Administración de Créditos Comerciales S.A.	7,903	-	6,641
		Contracted insurance	5,842	4,356	-
		Collection fees Servicios Financieros Corredores de Seguros y Gestión Financiera Ltda.	6,752	-	5,556
		Intermediation fees BCI CCSS	36,712	-	36,712

Company name	Relationship with the Group	Description	Amount of transaction[(1)]	Effect on income Expense	Income
Zenit Seguros Generales S.A.	Others	Fair value investments, Financial bond	1,161	129	-
Centro de Compensación Automatizado S.A.	Others	Electronic banking transactions	2,274	2,274	-
Combanc S.A.	Associate	Compensation and high value payment	517	517	-
Comder Contraparte Central S.A.	Associate	Bank processing	1,453	1,453	-
Conexxion Spa	Others	Postal mail service	240	240	-
Inmobiliaria JY S.A	Others	Real estate projects	256	256	-
Jordan (Chile) S.A.	Common parent	Forms printing	2,728	2,728	-
Redbanc S.A.	Associate	ATMs Operation	8,673	8,673	-
Salcobrand S.A.	Common parent	Rent of places for ATMs	246	246	-
Servipag Ltda.	Joint venture	Services collection and payment	4,429	4,429	-
Inmobiliaria SB SPA	Others	Offices rental	152	152	-
Boston Consulting Group	Others	Strategic advice	5,846	5,846	-
Demos una Oportuniad al Menor	Others	Corporation	271	271	-
Transbank S.A.	Other	Credit card management and credit card use income	2,234	1,520	714

(1) Only transactions over UF1,000 are disclosed.

As of and for the year ended December 31, 2021

Company name	Relationship with the Group	Description	Amount of transaction[(1)]	Effect on income Expense	Income
			(in millions of Ch$)		
Artikos Chile S.A.	Joint venture	Acquisition services	103	103	-
BCI Seguros de Vida S.A.	Other	Revenue and channel usage service	187	-	187
		Brand use	139	-	139
		Messaging	16	-	16
		Channel usage	46	-	46
		Loss management	105	-	105
		Marketing	59		59
		Subordinated bonds	51	7	-
		Financial bond	116	36	-
		Bank expenses	19	16	-
		Collection fees Servicios Financieros y Administración de Créditos Comerciales S.A.	919	-	773
		Intermediation fees BCI CCSS	1,078		1,078
BCI Seguros Generales S.A.	Other				
		Brand use	139	-	139
		Messaging	9	-	9
		Channel usage	46	-	46
		Marketing	42	-	42
		Fixed Term deposits	144	-	-

Company name	Relationship with the Group	Description	Amount of transaction[(1)]	Effect on income: Expense	Effect on income: Income
		Financial bond	1,049	-	-
		Contracted insurance	663	557	-
		Intermediation fees financial services, Corredores de Seguros y Gestión Financiera Ltda	795	-	668
		Intermediation fees BCI CCSS	3,199	-	3,199
		Intermediation fees BCI CCSS Marketing contribution	18	-	18
Zenit Seguros Generales S.A.	Others				
		Fair value investments, Financial bond	145	4	-
Centro de Compensación Automatizado S.A.	Others	Electronic banking transactions	201	201	-
Combanc S.A.	Associate	Compensation and high value payment	52	52	-
Comder Contraparte Central S.A.	Associate	Bank processing	98	98	-
Conexxion Spa	Others	Postal mail service	24	24	-
DCV Registros S.A.	Others	Management of register of shareholders	10	10	-
Depósitos Central de Valores S.A.	Others	Financial instruments custody	59	59	-
Digitech Solutions S.A.	Others	Digital documentation	31	31	-
Inmobiliaria Anya S.A.	Others	Real estate projects	12	12	-
Inmobiliaria JY S.A.	Others	Real estate projects	23	23	-
Jordan (Chile) S.A.	Common parent	Forms printing	228	228	-
Operadoras de Tarjetas de Crédito Nexus S.A.	Associate	Card Processing	858	858	-
Redbanc S.A.	Associate	ATMs Operation	716	716	-
Salcobrand S.A.	Common parent	Rent of places for ATMs	25	25	-
Servicios de Información avanzada S.A.	Others	Trade information service	99	99	-
Servipag Ltda.	Joint venture	Services collection and payment	429	429	-
Sistema Nacional de Com. Financieras S.A. (Sinacofi)	Others	Financial information service	57	57	-
Boston Consulting Group	Others	Strategic advice	318	318	
Transbank S.A.	Other	Credit card management and credit card use income	187	138	49

(1) Only transactions over UF1,000 are disclosed.

These transactions were carried out on terms normally prevailing in the market at the date of the transaction.

DESCRIPTION OF THE NOTES

General

The Issuer may issue and have outstanding from time to time up to US$6,000,000,000 principal amount in the aggregate of Notes under this Program. The minimum Specified Denomination of the Notes will be Euro 100,000 (or, if the Notes are denominated in a currency other than the Euro, the equivalent amount in such currency) or such higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency. The Notes will have the terms described below, including, as described below, the terms specified in the Final Terms of the applicable Series of Notes, except that references below to interest payments and interest-related information do not apply to certain Original Issue Discount Notes (as defined in "Taxation").

The Notes are to be issued under a Fiscal and Paying Agency Agreement (as further amended and supplemented from time to time, the "**Fiscal Agency Agreement**") among the Issuer, acting directly or through its Miami branch, Citibank, N.A., London Branch, as fiscal agent, paying agent (in such capacities, the "**Fiscal and Paying Agent**"), registrar and transfer agent, and Citibank, N.A., London Branch, as calculation agent, in registered or bearer form as specified in the applicable Final Terms. The following description of certain provisions of the Fiscal Agency Agreement is subject to, and qualified in its entirety by reference to, all the provisions of the Fiscal Agency Agreement, including the definitions therein of certain terms.

The Issuer may, from time to time, re-open one or more Series and issue Additional Notes (as defined below) with the same terms (including maturity and interest payment terms but excluding original issue date and public offering price) as Notes issued on an earlier date; provided that a Series of Notes may not comprise both Notes in bearer form and Notes in registered form. After such Additional Notes are issued they will be fungible with the previously issued Notes to the extent specified in the applicable Final Terms (except that any such Additional Notes offered and sold in compliance with Regulation S will have temporary CUSIP, ISIN and Common Code numbers during a 40-day distribution compliance period commencing on the date of issuance of such Additional Notes), provided further that if the Additional Notes are not fungible with the earlier Notes for United States federal income tax purposes, the Additional Notes will have a separate CUSIP number. Each such Series may contain one or more Tranches having identical terms, including the original issue date and the public offering price; provided that a Tranche of Notes may not comprise both Notes in bearer form and Notes in registered form.

Each Note will be unsecured and will be either a senior or a subordinated debt obligation. Notes which are senior debt obligations will rank equally with all other unsecured and unsubordinated obligations of the Issuer thereof. Notes which are subordinated debt obligations will rank junior in right of payment to all senior indebtedness as specified in the applicable Final Terms, which will set forth the precise terms of such subordination. Notes which are subordinated debt obligations will rank junior in right of payment to all senior indebtedness as specified in the applicable Final Terms, which will set forth the precise terms of such subordination.

The Final Terms relating to a Tranche of Notes issued by the Issuer will describe the following terms: (i) the currency or composite currency in which the Notes of such Tranche will be denominated (each such currency or composite currency, a "**Specified Currency**") and, if other than the Specified Currency, the currency or composite currency in which payments on the Notes of such Series will be made (and, if the Specified Currency or currency or composite currency of payment is other than U.S. Dollars, certain other terms relating to such Notes (a "**Foreign Currency Note**") and such Specified Currency or such currency or composite currency of payment); (ii) whether such Notes are Fixed Rate Notes or Floating Rate Notes (including whether such Notes are Regular Floating Rate Notes, Floating Rate/Fixed Rate Notes or Inverse Floating Rate Notes, each as defined below); (iii) the price at which such Notes will be issued (the "**Issue Price**"); (iv) the date on which such Notes will be issued (the "**Original Issue Date**"); (v) the date on which such Notes will mature; (vi) whether such notes are senior or subordinated and, if subordinated, the terms of the subordination; (vii) if such Notes are Fixed Rate Notes, the rate per annum at which such Notes will bear interest, if any; (viii) if such Notes are Floating Rate Notes, the base rate (the "**Base Rate**"), the initial interest rate (the "**Initial Interest Rate"**), the minimum interest rate (the "**Minimum Interest Rate**") (provided that if no Minimum Interest Rate is specified or if indicated that the Minimum Interest Rate is "not applicable," the Minimum Interest Rate shall be zero), the maximum interest rate (the "**Maximum Interest Rate**"), the Interest Payment Dates, the period to maturity of the instrument, obligation or index with respect to which the Calculation Agent will calculate the interest rate basis or bases (the "**Index Maturity**"), the Spread and/or Spread Multiplier (all as defined below), if any and any other terms relating to the particular method of calculating the interest rate for such Notes; (ix) if such Notes are Indexed Notes, the terms relating to the particular Notes; (x) if such Notes are Dual Currency Notes (as defined below), the terms relating to the particular Notes; (xi) if such Notes are Amortizing Notes (as defined below), the amortization schedule and any other terms relating to the particular Notes; (xii) whether such Notes may be redeemed at the option of the Issuer, or repaid at the option of the holder, prior to its stated maturity as described under "Optional Redemption" and "Repayment at the Noteholders' Option; Repurchase" below and, if so, the provisions relating to such redemption or repayment, including, in the case of any Original Issue Discount Notes, the information necessary to determine the amount due upon redemption or repayment; (xiii) any relevant tax consequences associated with the terms of the Notes which have not been described under "Taxation—United States Federal Income Taxation" below; (xiv) if such Notes are Additional Notes, a description of the original issue date and aggregate principal amount of the prior Tranche of Notes having terms (other than the original issue date and public offering price) identical to such Additional Notes; and (xv) any other terms of such Notes not inconsistent with the provisions of the Fiscal Agency Agreement. In addition, each Final Terms with respect to a Tranche of Notes will identify the Dealer(s) participating in the distribution of such Notes. See "Plan of Distribution." Each Final Terms relating to Notes will be in, or substantially in, the relevant forms included under "Form of Final Terms" below.

If any Notes are to be issued as Foreign Currency Notes, the applicable Final Terms will specify the currency or currencies, which may be composite currencies, in which the purchase price of such Notes are to be paid by the purchaser, and the currency or currencies, which may be composite currencies, in which the principal at maturity or earlier redemption, premium, if any, and interest, if any, with respect to such Notes may be paid, if applicable, along with any other terms relating to the non-U.S. Dollar denomination. See "Special Provisions Relating to Foreign Currency Notes."

Subject to such additional restrictions as are described under "Special Provisions Relating to Foreign Currency Notes," Notes of each Tranche will mature on a day specified in the applicable Final Terms, as selected by the initial purchaser and agreed to by the Issuer. In the event that such maturity date of any Notes or any date fixed for redemption or repayment of any Notes (collectively, the "**Maturity Date**") is not a Business Day (as defined below), principal and interest payable at maturity or upon such redemption or repayment will be paid on the next succeeding Business Day with the same effect as if such Business Day were the Maturity Date. No interest shall accrue for the period from and after the Maturity Date to such next succeeding Business Day. Except as may be specified in the applicable Final Terms and except for Indexed Notes, all Notes will mature at par.

In the case of Fixed Rate Notes, the applicable Final Terms will specify the yield as of the Original Issue Date. The yield is calculated at the Original Issue Date on the basis of the Issue Price. It is not an indication of future yield.

"**Business Day**" means, unless otherwise specified herein and in the applicable Final Terms, any day other than a Saturday or Sunday or any other day on which banking institutions are generally authorized or obligated by law or regulation to close in (i) the principal financial center of the country in which the Issuer is incorporated, (ii) the principal financial center of the country of the currency in which the Notes are denominated (if the Note is denominated in a Specified Currency other than Euro) and (iii) any additional financial center specified in the applicable Final Terms (as the case may be); provided, however, that with respect to Notes denominated in Euro, such day is a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System is open.

Forms of Notes

Bearer Notes

If specified in the applicable Final Terms, Notes of each Tranche will be in bearer form ("**Bearer Notes**") and will initially be represented by one or more temporary global Notes or permanent global Notes, without interest coupons attached and, in the case of definitive Notes, will be serially numbered and will:

(i) if any such global Note is intended to be issued in NGN form, as stated in the applicable Final Terms, be delivered to a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank S.A./N.V. as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**") (each an "**ICSD**" and together the "**ICSDs**");

(a) records of the ICSDs. The principal amount and/or number of each Note represented by the global Note shall be the amount from time to time entered in the records of both ICSDs, provided, however, that the aggregate principal amount of Notes represented by a global Note shall be as set forth on the face of such note. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the principal amount and/or number of each Note represented by the global Note and, for these purposes, a statement (which statement shall be made available to the bearer upon request) issued by an ICSD stating the principal amount and/or number of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time;

(b) on any redemption or payment of an installment or interest being made in respect of, or purchase and cancellation of, any of the Notes represented by such global Note the Issuer shall procure that details of any redemption, payment, or purchase and cancellation (as the case may be) in respect of the global Note shall be entered pro rata in the records of the ICSDs and, upon any such entry being made, the principal amount and/or number of the Notes recorded in the records of the ICSDs and represented by the global Note shall be reduced by the aggregate principal amount and/or number of the Notes so redeemed or purchased and cancelled or by the aggregate amount of such installment so paid; and

(ii) if any such global Note is to be issued in classic global note form ("**CGN**"), be delivered to a common depositary (the "**Common Depositary**") for Euroclear and Clearstream, Luxembourg or any other recognized or agreed clearing system.

Bearer Notes in definitive form will be issued with coupons attached. Except as set out below, title to Bearer Notes and any coupons will pass by delivery. The Issuer, the Fiscal and Paying Agent and any paying agent may deem and treat the bearer of any Bearer Note or coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding sentence. For so long as any of the Notes are represented by a global Note, each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular principal amount of Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes except in the case of manifest error) shall be treated by the Issuer, the Fiscal and Paying Agent and any paying agent as the holder of such principal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, the right to which shall be vested, as against the Issuer, the Fiscal and Paying Agent and any paying agent solely in the bearer of the relevant global Note in accordance with and subject to its terms (and the expressions "**Noteholder**" and "**Holder of Notes**" and related expressions shall be construed accordingly). Notes which are represented by a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be.

References herein to "**Bearer Notes**" shall, except where otherwise indicated, include interests in a temporary or permanent global Note as well as definitive Notes and any coupons attached thereto.

The applicable Final Terms will specify whether (i) United States Treasury Regulation §1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form as such rules for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended) (the "**TEFRA C Rules**"), (ii) United States Treasury Regulation §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form as such rules for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended) (the "**TEFRA D Rules**") or (iii) if the Notes do not have a maturity of more than 365 days (including unilateral rights to rollover or extend), neither the TEFRA C Rules nor the TEFRA D Rules, are applicable to the Notes. If so specified in the applicable Final Terms, in the case of a Bearer Note to which the TEFRA D Rules have not been specified to apply, the Bearer Notes may be represented upon issue by one or more permanent global Notes.

Each Bearer Note having a maturity of more than 365 days (including unilateral rights to rollover or extend) and interest coupons pertaining to such Note, if any, will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code."

In general, Bearer Notes that are subject to the TEFRA C Rules or the TEFRA D Rules may not be offered, sold or delivered within the United States or to United States persons. In particular, if the applicable Final Terms specify that the TEFRA D Rules apply, the Bearer Notes may not be delivered, offered, sold or resold, directly or indirectly, in connection with their original issuance or during the Restricted Period (as defined below), in the United States (as defined below) or to or for the account of any United States person (as defined below), other than to certain persons as provided under United States Treasury Regulations. An offer or sale will be considered to be made to a person within the United States if the offeror or seller has an address within the United States for the offeree or purchaser with respect to the offer or sale. In addition, any underwriters, agents and dealers will represent that they have procedures reasonably designed to ensure that their employees or agents who are directly engaged in selling Bearer Notes are aware of the restrictions on the offering, sale, resale or delivery of Bearer Notes.

As used herein, "**United States**" means the United States (including the States and the District of Columbia), its territories and its possessions. "**United States person**" means (i) a citizen or individual resident of the United States, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States, any state thereof or the District of Columbia or (iii) an estate or a trust the income of which is subject to U.S. federal income taxation regardless of its source. "**Restricted Period**" with respect to each Tranche of Notes means the period which begins on the earlier of the settlement date (or the date on which the Issuer receives the proceeds of the sale of Bearer Notes of such Tranche), or the first date on which the Bearer Notes of such Tranche are offered to persons other than the Dealers, and which ends 40 days after the settlement date (or the date on which the Issuer receives the proceeds of the sale of such Bearer Notes); provided that with respect to a Bearer Note held as part of an unsold allotment or subscription, any offer or sale of such Bearer Note by the Issuer or any Dealer shall be deemed to be during the Restricted Period. An "**Ownership Certificate**" is a certificate (in a form to be provided), signed or sent by the beneficial owner of the relevant Bearer Note or by a financial institution or clearing organization through which the beneficial owner holds the Bearer Note providing certification that the beneficial owner is not a United States person or person who has purchased for resale to any United States person as required by United States Treasury Regulations.

Unless otherwise specified in the applicable Final Terms, each Bearer Note will be represented initially by a temporary global Note, without interest coupons which will (a) if the temporary global Note is intended to be issued in NGN form, as stated in the applicable Final Terms, be delivered on or prior to the Original Issue Date of the Tranche of Notes to a Common Safekeeper for Euroclear and Clearstream, Luxembourg or (b) if the temporary global Note is to be issued in CGN form, be delivered on or prior to the Original Issue Date of the Tranche of Notes to a Common Depositary for Euroclear and Clearstream, Luxembourg, or any other recognized or agreed clearing system in the case of a temporary global Note issued in CGN form. Upon deposit of each such temporary global Note, Euroclear or Clearstream, Luxembourg, as the case may be, will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid. The interests of the beneficial owner or owners in a temporary global Note will be exchangeable after the expiration of the Restricted Period (the "**Exchange Date**") for an interest in a permanent global Note which will (a) if the permanent global Note is intended to be issued in NGN form, as stated in the applicable Final Terms, be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg or (b) if the permanent global Note is not intended to be issued in NGN form, be delivered to a Common Depositary for Euroclear and Clearstream, Luxembourg, for credit to the account designated by or on behalf of the beneficial owner thereof, or for definitive Bearer Notes or definitive Registered Notes, as provided in the applicable Final Terms; provided, however, that such exchange will be made only upon receipt of Ownership Certificates in the case of Bearer Notes to which the TEFRA D Rules have been specified to apply.

If so specified in the applicable Final Terms, in the case of a Bearer Note to which the TEFRA D Rules have not been specified to apply, the Bearer Notes may be represented upon issue by one or more permanent global Notes.

Registered Notes

If specified in the applicable Final Terms, Notes of each Tranche will be Registered Notes. The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States, will be represented by a Regulation S Global Note. Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, beneficial interests in a Regulation S Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person and such Regulation S Global Note will bear a legend regarding such restrictions on transfer.

The Registered Notes of each Tranche may only be offered and sold in the United States or to U.S. persons in private transactions to QIBs. The Registered Notes of each Tranche sold to QIBs will be represented by a Rule 144A Global Note.

Registered Global Notes will either (i) be deposited with a custodian for, and registered in the name of a nominee of DTC, (ii) be deposited with a common depositary for, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg, as specified in the applicable Final Terms (and in either case the "**Register**"). Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

The Rule 144A Global Note will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will be made to the person shown on the Register as the registered holder of the Registered Global Notes. None of the Issuer, any paying agent or any Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will be made to the persons shown on the Register on the relevant Record Date (as defined below) immediately preceding the due date for payment in the manner provided in that paragraph.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without interest coupons, receipts or talons attached only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) in the case of Notes registered in the name of a nominee for DTC, either DTC has notified the Issuer that it is unwilling or unable to continue to act as depositary for the Notes and no alternative clearing system is available or DTC has ceased to constitute a clearing agency registered under the Exchange Act, (ii) in the case of Notes registered in the name of a nominee for a common depositary for Euroclear and Clearstream, Luxembourg, the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of fourteen days (other than by reason of holiday, statutory or otherwise) or have announced an intention to permanently cease business or have in fact done so and, in any such case, no successor clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Registered Global Note in definitive form.

In the event of the occurrence of an Exchange Event, DTC, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than ten days after the date of receipt of the first relevant notice by the Registrar.

Exchange and Transfer of Notes

A temporary global Note will be exchangeable in whole but not in part for definitive Bearer Notes (i) if Euroclear and/or Clearstream, Luxembourg or any other agreed clearing system, as applicable, has informed the Issuer that it has or they have, as the case may be, ceased or will cease to act as the clearing system(s) in respect of the relevant temporary global Note or, (ii) if required by applicable law; but only, in each case, in the case of Bearer Notes to which the TEFRA D Rules have been specified to apply, on or after the Exchange Date and upon delivery of Ownership Certificates. No definitive Bearer Note will be delivered in or to the United States or to a United States person, except as specifically provided by applicable United States Treasury Regulations. In the event that the relevant temporary global Note is not, in the case of (i) or (ii) above, duly exchanged for definitive Bearer Notes then the terms of such temporary global Note provide for relevant account holders with Euroclear and Clearstream, Luxembourg and any other agreed clearing system, as applicable, to be able to enforce against the Issuer all rights which they would have had if they had been holding definitive Bearer Notes of the relevant value at the time of such event. Payments by the Issuer to the relevant account holders will be considered as payments to the relevant Noteholder and operate as full and final discharge to the Issuer in this respect.

A permanent global Note will be exchangeable in whole but not in part for definitive Bearer Notes if Euroclear and/or Clearstream, Luxembourg or any other agreed clearing system, as applicable, has informed the Issuer that it has or they have, as the case may be, ceased or will cease to act as the clearing system(s) in respect of the relevant permanent global Note. In order to make such request the holder must, not less than 45 days before the date on which delivery of definitive Bearer Notes is required, deposit the relevant permanent global Note with the Fiscal and Paying Agent at its specified office. No definitive Bearer Note will be delivered in or to the United States or to a United States person, except as specifically provided by applicable United States Treasury Regulations. In the event that the relevant permanent global Note is not, in the case of (i) or (ii) above, duly exchanged for definitive Bearer Notes then the terms of such permanent global Note provide for relevant account holders with Euroclear and Clearstream, Luxembourg and any other agreed clearing system as applicable, to be able to enforce against the Issuer all rights which they would have had if they had been holding definitive Bearer Notes of the relevant value at the time of such event. Payments by the Issuer to the relevant account holders will be considered as payments to the relevant Noteholder and operate as full and final discharge to the Issuer in this respect.

Registered Global Notes exchangeable for definitive Notes at the option of the Noteholders in circumstances other than in the limited circumstances, shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination).

If specified in the applicable Final Terms, and subject to the terms of the Fiscal Agency Agreement, definitive Bearer Notes (along with all unmatured coupons, and all matured coupons, if any, in default) will be exchangeable at the option of the holder into Registered Notes of any authorized denominations of like tenor and in an equal aggregate principal amount, in accordance with the provisions of the Fiscal Agency Agreement at the office of the Registrar or at the office of any Transfer Agent outside the United States designated by the Issuer for such purpose. Definitive Bearer Notes surrendered in exchange for Registered Notes after the close of business at any such office (i) on or after any record date for the payment of interest (a "**Regular Record Date**") on a Registered Note on an Interest Payment Date and before the close of business at such office on the date prior to the relevant Interest Payment Date, or (ii) on or after any record date to be established for the payment of defaulted interest on a Registered Note ("**Special Record Date**") and before the opening of business at such office on the related proposed date for payment of defaulted interest, shall be surrendered without the coupon relating to such date for payment of interest. Definitive Bearer Notes will be exchangeable for definitive Bearer Notes in other authorized denominations, in an equal aggregate principal amount, in accordance with the provisions of the Fiscal Agency Agreement at the specified office of the Fiscal and Paying Agent.

Registered Notes will be exchangeable for Registered Notes in other authorized denominations, in an equal aggregate principal amount upon surrender of any such Notes to be exchanged at the offices of the Registrar or any transfer agent designated by the Issuer for such purpose. Registered Notes will not be exchangeable for Bearer Notes. Registered Notes may be presented for registration of transfer at the offices of the Registrar or any transfer agent designated by the Issuer and for such purpose. No service charge will be made for any registration of transfer or exchange of Notes but the Issuer may require payment of a sum sufficient to cover any transfer taxes payable in connection therewith. Except as described above, Bearer Notes and any coupons appertaining thereto will be transferable by delivery. See "Forms of Notes—Bearer Notes."

The Issuer shall not be required (i) to register the transfer of or exchange Notes to be redeemed for a period of fifteen calendar days preceding the first publication of the relevant notice of redemption, or if Registered Notes are outstanding and there is no publication, the mailing of the relevant notice of redemption, (ii) to register the transfer of or exchange any Registered Note selected for redemption or surrendered for optional repayment, in whole or in part, except the unredeemed or unpaid portion of any such Registered Note being redeemed or repaid, as the case may be, in part, (iii) to exchange any Bearer Note selected for redemption or surrendered for optional repayment, except that such Bearer Note may be exchanged for a Registered Note of like tenor, provided that such Registered Note shall be simultaneously surrendered for redemption or repayment, as the case may be, or (iv) to register transfer of or exchange any Notes surrendered for optional repayment, in whole or in part.

Payments and Paying Agents

Principal and premium, if any, and interest, if any, payable on a Bearer Note represented by a temporary global Note or any portion thereof in respect of an Interest Payment Date will be paid in the Specified Currency (unless otherwise specified in the applicable Final Terms) by the relevant Paying Agent to each of Euroclear and Clearstream, Luxembourg, as the case may be, with respect to that portion of such temporary global Note held for its account (upon presentation to the Paying Agent of the temporary global Note, if the temporary global Note is not issued in NGN form) and, in the case of a Note to which the TEFRA D Rules have been specified to apply, upon delivery of an Ownership Certificate signed by Euroclear or Clearstream, Luxembourg, as the case may be, dated no earlier than such Interest Payment Date, which certificate must be based on Ownership Certificates provided to Euroclear or Clearstream, Luxembourg, as the case may be, by its member organizations. Each of Euroclear and Clearstream, Luxembourg, as the case may be, will in such circumstances credit any principal and interest received by it in respect of such temporary global Note or any portion thereof to the accounts of the beneficial owners thereof.

Principal and premium, if any, and interest, if any, payable on a Bearer Note represented by a permanent global Note in respect of an Interest Payment Date will be paid in the Specified Currency (unless otherwise specified in the applicable Final Terms) by the relevant Paying Agent to each of Euroclear and Clearstream, Luxembourg, as the case may be, with respect to that portion of such permanent global Note held for its account (upon presentation to the Paying Agent of the permanent global Note if the permanent global Note is not issued in NGN form). Each of Euroclear and Clearstream, Luxembourg will in such circumstances credit any principal and interest received by it in respect of such permanent global Note to the respective accounts of the beneficial owners of such permanent global Note at maturity, redemption or repayment or on such Interest Payment Date, as the case may be. If a Registered Note is issued in exchange for a permanent global Note after the close of business at the office or agency where such exchange occurs (a) on or after any Regular Record Date and before the opening of business at such office or agency on the relevant Interest Payment Date, or (b) on or after any Special Record Date and before the opening of business at such office or agency on the related proposed date for payment of defaulted interest, any interest or defaulted interest, as the case may be, will not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of such Registered Note, but will be payable on such Interest Payment Date or proposed date for payment, as the case may be, only to Euroclear and Clearstream, Luxembourg, and Euroclear and Clearstream, Luxembourg will in such circumstances credit any such interest to the account of the beneficial owner of such permanent global Note on such Regular Record Date or Special Record Date, as the case may be. Payment of principal and of premium, if any, and any interest due at maturity, redemption or repayment (in the event, with respect to payment of interest, that any such maturity date or redemption or repayment date is other than an Interest Payment Date) in respect of any permanent global Note will be made to Euroclear and Clearstream, Luxembourg in immediately available funds.

Payments of principal and of premium, if any, and interest on definitive Bearer Notes will be made in immediately available funds in the Specified Currency (unless otherwise specified in the applicable Final Terms), subject to any applicable laws and regulations, only against presentation and surrender of such Note and any coupons at the specified office of the Fiscal and Paying Agent or, at the option of the holder, by wire transfer of immediately available funds to an account maintained by the payee with a bank located outside the United States if appropriate wire instructions have been received by the Fiscal and Paying Agent not less than 10 calendar days prior to an applicable payment date. No payment with respect to any Bearer Note will be made at any office or agency of the Issuer in the United States or by wire transfer to an account maintained with a bank located in the United States, except as may be permitted under United States federal tax laws and regulations then in effect. Notwithstanding the foregoing, payments of principal and of premium, if any, and interest on Bearer Notes denominated and payable in U.S. Dollars will be made at the office of the paying agent of the Issuer, in the Borough of Manhattan, The City of New York, if and only if (i) payment of the full amount thereof in U.S. Dollars at all offices or agencies outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions and (ii) such paying agent in the Borough of Manhattan, The City of New York, under applicable law and regulations, would be able to make such payment.

Payment of principal and of premium, if any, and interest on Registered Notes at maturity or upon redemption or repayment will be made in immediately available funds in the Specified Currency (unless otherwise specified in the applicable Final Terms) against presentation of such Note at the office of the relevant Paying Agent. Payment of interest on Registered Notes will be made to the person in whose name such Note is registered at the close of business on the Regular Record Date next preceding the Interest Payment Date by wire transfer to an account selected by the person entitled thereto if appropriate wire instructions have been received by the relevant Paying Agent not less than 10 calendar days prior to the applicable payment date; provided, however, that (i) if the Issuer fails to pay such interest on such Interest Payment Date, such defaulted interest will be paid to the person in whose name such Note is registered at the close of business on the Special Record Date and (ii) interest payable at maturity, redemption or repayment will be payable to the person to whom principal shall be payable. The first payment of interest on any Registered Note originally issued between a Regular Record Date and an Interest Payment Date will be made on the Interest Payment Date following the next succeeding Regular Record Date to the registered owner on such next Regular Record Date. Interest rates and interest rate formulae are subject to change by the Issuer from time to time but no such change will affect any Note theretofore issued. Unless otherwise specified in the applicable Final Terms, the Interest Payment Dates and the Regular Record Dates for Fixed Rate Notes shall be as described below under "**Fixed Rate Notes**." The Interest Payment Dates for Floating Rate Notes shall be as indicated in the applicable Final Terms and in such Note, and, unless otherwise specified in the applicable Final Terms, each Regular Record Date for a Registered Floating Rate Note will be the calendar day (whether or not a Business Day) next preceding each Interest Payment Date.

Payments of principal, interest and any other amount in respect of the Registered Notes will, in the absence of provision to the contrary, be made to the person shown on the Register on the relevant Record Date as the registered holder of the Registered Notes. None of the Issuer, any paying agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. Payments in respect of Registered Notes represented by Registered Global Notes shall be made to the person shown on the Register at the close of business on the first Business Day prior to the Entitlement date (the "**Record Date**"). For definitive Notes, the Record Date shall be considered as the close of business on the fifteenth Business Day before the Entitlement date.

Pursuant to the Fiscal Agency Agreement, the Issuer has initially designated Citibank, N.A., London Branch as its Paying Agent. So long as any Notes are listed and/or admitted to trading on or by any stock exchange, competent authority and/or market, there will at all times be a paying agent with a specified office in each location required by the rules and regulations of the relevant stock exchange(s), competent authority(ies) and/or market(s). So long as any Notes are listed and/or admitted to trading on or by any stock exchange, competent authority and/or market and the rules of such exchange, competent authority and/or market so require, the Issuer will notify the holders of its Notes in the manner specified under "**Notices**" below in the event that the Issuer appoints a paying agent with respect to such Notes other than the Paying Agent designated as such in this Prospectus or in the applicable Final Terms.

All moneys paid by the Issuer to any paying agent for the payment of any amounts payable on any Notes which remain unclaimed at the end of three years after such amounts shall have become due and payable shall be repaid to the Issuer and the holders of the Notes shall thereafter look only to the Issuer for payment. The Notes shall become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) after the Relevant Date therefor.

"**Entitlement**" is defined to include any distribution of cash or securities, being the payment due date, as determined by the issue specific terms, for cash or the settlement date for securities.

"**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of moneys payable has not been duly received by the Fiscal and Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the holders of the Notes as described under "**Notices**" below.

Payments – Renminbi Notes

This Section (*Payments – Renminbi Notes*) shall apply to all Renminbi Notes.

(a) *Payments of USD Equivalent*: Notwithstanding the foregoing, if by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuer is not able, or it would be impracticable for it, to satisfy payments of principal or interest (in whole or in part) in respect of the Renminbi Notes when due in Renminbi to an account maintained in Hong Kong, the Issuer may, on giving not less than eight Business Days or more than 30 Business Days' irrevocable notice to the holders prior to the due date for payment, settle any such payment (in whole or in part) in U.S. dollars on the due date at the USD Equivalent of any such Renminbi denominated amount.

(b) Payments of the USD Equivalent of the relevant Renminbi amount, determined in accordance with this Section, will be made by credit or transfer to a U.S. dollar account (or any other account to which U.S. dollars may be credited or transferred) specified by the payee, provided, however, that no payment will be made by transfer to an account in the United States.

(c) For the purpose of this Section (*Payments – Renminbi Notes*):

"**CNY Calculation Agent**" means the agent appointed from time to time by the Issuer for the determination of the Spot Rate or identified as such in the relevant Final Terms.

"**CNY Dealer**" means an independent foreign exchange dealer of international repute active in the CNY exchange market in Hong Kong.

"**Governmental Authority**" means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of Hong Kong.

"**Illiquidity**" means the general CNY exchange market in Hong Kong becomes illiquid as a result of which the Issuer cannot obtain sufficient CNY in order to satisfy its obligation to pay interest and principal (in whole or in part) in respect of the Notes as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two CNY Dealers.

"**Inconvertibility**" means the occurrence of any event that makes it impossible for the Issuer to convert any amount due in respect of the Notes in the general CNY exchange market in Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after July 25, 2016 and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

"**Non-transferability**" means the occurrence of any event that makes it impossible for the Issuer to deliver CNY between accounts inside Hong Kong or from an account inside Hong Kong to an account outside Hong Kong or from an account outside Hong Kong to an account inside Hong Kong, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation is enacted after July 25, 2016 and it is impossible for the Issuer, due to an event beyond its control, to comply with such law, rule or regulation).

"**PRC**" means the People's Republic of China which, for the purpose of this Section, shall exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan.

"**Rate Calculation Business Day**" means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for general business (including dealings in foreign exchange) in London, Hong Kong and New York City.

"**Rate Calculation Date**" means the day which is three Rate Calculation Business Days before the due date of the relevant amount under this Section.

"**Renminbi**", "**RMB**" or "**CNY**" means the official currency of the PRC.

"**Spot Rate**" means, for a Rate Calculation Date, the spot CNY/USD exchange rate for the purchase of U.S. dollars with Renminbi, for settlement in two Business Days, in the over-the-counter Renminbi exchange market in Hong Kong, as determined by the CNY Calculation Agent at or around 11:00 a.m. (Hong Kong time) on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the CNY Calculation Agent will determine the spot rate at or around 11:00 a.m. (Hong Kong time) on the Rate Calculation Date as the most recently available CNY/USD official fixing rate for settlement on the due date for payment reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.

"**USD Equivalent**" means the Renminbi amount converted into U.S. dollars using the Spot Rate for the relevant Rate Calculation Date.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Section (*Payments – Renminbi Notes*) by the CNY Calculation Agent, will (in the absence of fraud, gross negligence or willful default) be binding on the Issuer, the Agents and all holders of Notes.

Registrar, Transfer Agent, Calculation Agent and Authenticating Agent

Pursuant to the Fiscal Agency Agreement, the Issuer has initially designated Citibank, N.A., London Branch as Registrar and Transfer Agent in respect of the Notes. For so long as any Notes are listed and/or admitted to trading on or by any stock exchange, competent authority and/or market, the Issuer will maintain a transfer agent with a specified office in each location required by the rules and regulations of the relevant stock exchange, competent authority and/or market. Any initial designation by the Issuer of the Registrar or a Transfer Agent may be rescinded at any time. The Issuer may at any time designate additional Transfer Agents with respect to the Notes. So long as any Notes are listed and/or admitted to trading on or by any stock exchange, competent authority and/or market and the rules of such exchange, competent authority and/or market so require, the Issuer will notify the holders of its Notes in the manner specified under "Notices" below in the event that the Issuer appoints a Registrar or Transfer Agent with respect to such Notes other than the Registrar and Transfer Agents designated as such in this Prospectus or in the applicable Final Terms.

Pursuant to the Fiscal Agency Agreement and unless otherwise specified in the applicable Final Terms, the Issuer has also initially designated Citibank, N.A., London Branch as calculation agent in respect of the Notes (in such capacity and including any successor calculation agent appointed thereunder, the "**Calculation Agent**"), and as authenticating agent in respect of the Notes.

Optional Redemption

Each applicable Final Terms will indicate either that the relevant Tranche of Notes of a Series cannot be redeemed prior to maturity (other than as provided under "Redemption Prior to Maturity Solely for Taxation Reasons" below) or that the Notes will be redeemable at the option of the Issuer, and such Final Terms shall specify the price at which such Notes are to be redeemed (which price shall in no event be less than 100% of the outstanding principal amount of the Notes to be redeemed), including, but not limited to, any USD Make Whole Amount or Non-USD Make Whole Amount, in each case as defined below (the "**Optional Redemption Price**") and the relevant date upon which such Notes will be so redeemed (each such date, an "**Issuer Optional Redemption Date**"); provided, however, that Notes denominated in currencies other than U.S. Dollars may be subject to different restrictions on redemption as set forth under "Special Provisions Relating to Foreign

Currency Notes—Minimum Denominations, Restrictions on Maturities, Repayment and Redemption" herein. Notice of any redemption to holders of Bearer Notes shall be published as described under "Notices" below once in each of three successive calendar weeks, the first publication to be not less than 30 nor more than 60 calendar days prior to the Issuer Optional Redemption Date. Notice of any redemption to holders of Registered Notes shall be provided as described under "Notices" below at least 10 and not more than 60 calendar days prior to the Issuer Optional Redemption Date.

Optional Redemption by Issuer in Foreign Currency

The "**Non-USD Make Whole Amount**" per Note shall be an amount equal to the greater of (i) 100% of the principal amount of the Notes and (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon (exclusive of interest accrued to the date of redemption) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Benchmark Yield plus an amount of basis points to be specified in the applicable Final Terms, plus, in each case, accrued interest thereon to the date of redemption and any Additional Amounts payable with respect thereto. The "**Benchmark Yield**" shall be the yield to maturity at the Redemption Calculation Date of a benchmark security selected by the Issuer with a constant maturity (as compiled and published in a publicly available source of market data selected by the Issuer) most nearly equal to the period from the Issuer Optional Redemption Date to the Maturity Date; provided, however, that if the period from the Issuer Optional Redemption Date to the Maturity Date is not equal to the constant maturity of such benchmark security for which a weekly average yield is given, the Benchmark Yield shall be obtained by a linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of such benchmark security for which such yields are given, except that if the period from the Issuer Optional Redemption Date to the Maturity Date is less than one year, the weekly average yield on such actually traded benchmark security adjusted to a constant maturity of one year shall be used. "**Redemption Calculation Date**" means the sixth Business Day prior to the date on which the Notes are redeemed pursuant to this section.

Optional Redemption by Issuer in USD

The "**USD Make Whole Amount**" per Note shall be an amount equal to the greater of (i) 100% of the principal amount of the Notes and (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon (exclusive of interest accrued to the date of redemption) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus an amount of basis points to be specified in the applicable Final Terms, plus, in each case, accrued interest thereon to the date of redemption and any Additional Amounts payable with respect thereto.

On and after the redemption date, interest on the Notes or any portion of the Notes called for redemption will cease to accrue (unless the Issuer defaults in the payment of the redemption price and accrued interest). On or before the redemption date, the Issuer will deposit with the relevant Paying Agent funds sufficient to pay the redemption price and accrued interest, through the redemption date, on the Notes subject to redemption. If the redemption date falls after a record date but on or prior to the corresponding interest payment date, the Issuer will pay accrued interest to the holder of record on the corresponding record date, which may or may not be the person who will receive payment of the redemption price (which will exclude such accrued interest). If less than all the Notes are to be redeemed, the Notes to be redeemed that are not held through DTC will be selected by the relevant Paying Agent by lot pro rata, or by such other method as the relevant Paying Agent shall deem fair and appropriate, and the Notes to be redeemed that are held through DTC will be redeemed on a pro rata pass-through distribution of principal basis.

"**Comparable Treasury Issue**" means the United States Treasury security or securities selected by an Independent Investment Banker as having an actual or interpolated maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of the Notes.

"**Comparable Treasury Price**" means, with respect to any redemption date, (A) the average, as calculated by the Issuer, of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (B) if the Issuer obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

"**Independent Investment Banker**" means one of the Reference Treasury Dealers appointed by the Issuer.

"**Reference Treasury Dealer Quotations**" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Issuer, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuer by such Reference Treasury Dealer at 3:30 p.m. New York time on the third business day preceding such redemption date.

"**Treasury Rate**" means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity or interpolated (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"**Reference Treasury Dealer**" means each of the Dealers specified in the applicable Final Terms, or their respective affiliates or successors which are primary U.S. government securities Dealers, and no less than two other leading primary U.S. government securities Dealers in the City of New York reasonably designated by the Issuer; provided, however, that if any of the foregoing or their affiliates shall cease to be a primary U.S. government securities dealer in the City of New York (a "Primary Treasury Dealer"), the Issuer shall substitute therefor another Primary Treasury Dealer.

Repurchase

The Issuer may at any time purchase Notes at any price in the open market or otherwise.

Redemption Prior to Maturity Solely for Taxation Reasons

The Issuer may at its election, subject to applicable Chilean law, redeem any Series of the Notes in whole, but not in part, upon giving not less than 10 nor more than 60 days' notice to the holders of the Notes of such Series, at their principal amount outstanding, plus Additional Amounts (as defined in "—Payment of Additional Amounts"), if any, together with accrued but unpaid interest to the date fixed for redemption, if the Issuer certifies to the Fiscal and Paying Agent and any other relevant Paying Agent immediately prior to the giving of such notice that (A) the Issuer has or will become obligated to pay Additional Amounts with respect to such Series of Notes (in excess of the 4.0% withholding tax payable on payments of interest on such Series of Notes) as a result of any change in or amendment to the laws, regulations or rulings of a Relevant Taxing Jurisdiction (as defined below), or any change in the application, administration or official interpretation of such laws, regulations or rulings, or any execution of, or amendment to, any treaty or treaties affecting taxation to which a Relevant Taxing Jurisdiction is a party, which change or amendment occurs after the later of the date of issuance of such Series of Notes and the date a Relevant Taxing Jurisdiction becomes a Relevant Taxing Jurisdiction, and (B) the Issuer has determined in good faith that such obligation cannot be avoided by the Issuer taking reasonable measures available to the Issuer; provided, however, that no such notice of redemption shall be given earlier than 60 days prior to the earliest date on which the Issuer would be obligated to pay such Additional Amounts if a payment in respect of any such Series of Notes were then due. For the avoidance of doubt, a reasonable measure shall not include changing the Issuer's jurisdiction of organization or the location of its principal executive office or incurring any cost or expense that the Issuer deems in good faith to be material.

Before giving notice of redemption, the Issuer shall deliver to the Fiscal and Paying Agent and any other relevant Paying Agent an officers' certificate stating that the Issuer is entitled to effect such redemption in accordance with the terms set forth in the Fiscal Agency Agreement and setting forth in reasonable detail a statement of the facts relating thereto. The statement will be accompanied by a written opinion of counsel to the effect that the Issuer has become obligated to pay the Additional Amounts as a result of a change or amendment described above.

Interest and Interest Rates

General

Each Note will bear interest at either:

(a) a fixed rate; or

(b) a floating rate determined by reference to an interest rate basis, which may be adjusted by a Spread and/or Spread Multiplier (as defined below). Any Floating Rate Note may also have either or both of the following:

  (i) a maximum interest rate limitation, or ceiling, on the rate at which interest may accrue during any interest period; and

(ii) a minimum interest rate limitation, or floor, on the rate at which interest may accrue during any interest period, provided that if no minimum interest rate is specified or if the Final Terms indicate that the minimum interest rate is "not applicable," then the minimum interest rate shall be zero.

The applicable Final Terms will designate:

(a) a fixed rate per annum, in which case such Notes will be "**Fixed Rate Notes**"; or

(b) one or more of the following interest rate bases as applicable to such Notes, in which case such Notes will be "**Floating Rate Notes**":

(i) the CD Rate, in which case such Notes will be "**CD Rate Notes**,"

(ii) the Commercial Paper Rate, in which case such Notes will be "**Commercial Paper Rate Notes**";

(iii) the Federal Funds Rate, in which case such Notes will be "**Federal Funds Rate Notes**";

(iv) EURIBOR, in which case such Notes will be "**EURIBOR Notes**";

(v) SOFR Arithmetic Mean or SOFR Compound, in which case such Notes will be "**SOFR Notes**";

(vi) the Treasury Rate, in which case such Notes will be "**Treasury Rate Notes**";

(vii) the Prime Rate, in which case such Notes will be "**Prime Rate Notes**"; or

(viii) such other interest rate basis or formula as is set forth in such Final Terms.

Each Note will bear interest from its date of issue or from the most recent date to which interest on such Note has been paid or duly provided for, at the annual rate, or at a rate determined pursuant to an interest rate formula, stated herein. Interest will accrue on a Note until the principal thereof is paid or made available for payment.

Interest will be payable on each Interest Payment Date and at maturity or on redemption or repayment, if any, except for:

(a) certain Original Issue Discount Notes; and

(b) Notes originally issued between a Regular Record Date and an Interest Payment Date.

The first payment of interest on any Registered Note originally issued between a Regular Record Date and an Interest Payment Date will be made on the Interest Payment Date following the next succeeding Regular Record Date. Such interest will be payable by the Issuer to the registered owner on such next Regular Record Date.

Interest will be payable on a Registered Note on each Interest Payment Date to the person in whose name such Note is registered at the close of business on the Regular Record Date next preceding the Interest Payment Date; provided, however, that:

(i) if the Issuer fails to pay such interest on such Interest Payment Date, such defaulted interest will be paid to the person in whose name such Registered Note is registered at the close of business on the record date to be established for the payment of defaulted interest; and

(ii) interest payable at maturity, redemption or repayment will be payable to the person to whom principal shall be payable.

Unless otherwise specified in the applicable Final Terms:

(a) for Fixed Rate Notes, the Interest Payment Dates and any Regular Record Dates shall be as described below under "Fixed Rate Notes"; and

(b) for Floating Rate Notes:

(i) the Interest Payment Dates shall be as indicated in the applicable Final Terms and in such Note; and

(ii) any Regular Record Date will be the calendar day (whether or not a Business Day) next preceding each Interest Payment Date.

"**Spread**" means the number of basis points expressed as a percentage (one basis point equals one-hundredth of a percentage point) that the Calculation Agent will add or subtract from the related Interest Rate Basis or Bases applicable to a Floating Rate Note.

"**Spread Multiplier**" means the percentage of the related Interest Rate Basis or Bases applicable to a Floating Rate Note by which the Calculation Agent will multiply such Interest Rate Basis or Bases to determine the applicable interest rate on such Floating Rate Note.

Fixed Rate Notes

General. Each Fixed Rate Note will bear interest at the annual rate specified in the Note and in the applicable Final Terms (the "**Fixed Rate of Interest**"). Interest on the Fixed Rate Notes will be paid on the dates specified in the applicable Final Terms (each, a "**Fixed Interest Payment Date**"). The Regular Record Dates for Fixed Rate Notes in registered form will be on the dates specified in the applicable Final Terms. In the event that any Fixed Interest Payment Date or Maturity Date for any Fixed Rate Note is not a Business Day, interest on such Fixed Rate Note will be paid on the next succeeding Business Day without additional interest. If interest is required to be calculated for a period other than a Fixed Interest Period (as defined below), such interest shall be calculated by applying the Fixed Rate of Interest to each Specified Denomination of the Notes of such Series, multiplying such sum by the applicable Fixed Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards, or otherwise in accordance with applicable market convention.

Day Count Fraction. Unless otherwise indicated in the applicable Final Terms, "**Fixed Day Count Fraction**" means:

(1) in the case of Notes denominated in a currency other than U.S. Dollars, "**Actual/Actual (ICMA)**," meaning:

(a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Fixed Interest Payment Date (or, if none, the interest commencement date (the "**Interest Commencement Date**") (as specified in the applicable Final Terms)) to (but excluding) the relevant payment date (the "**Calculation Period**") is equal to or shorter than the Determination Period (as defined below) during which the Calculation Period ends, the number of days in such Calculation Period divided by the product of (1) the number of days in such Determination Period and (2) the number of determination dates (each, a "**Determination Date**") (as specified in the applicable Final Terms) that would occur in one calendar year; or

(b) in the case of Notes where the Calculation Period is longer than the Determination Period during which the Calculation Period ends, the sum of:

(i) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and

(ii) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(2) in the case of Notes denominated in U.S. Dollars "**30/360**," meaning the number of days in the period from and including the most recent Fixed Interest Payment Date (or, if none, the Interest Commencement Date (as specified in the

applicable Final Terms)) to but excluding the relevant payment date (such number of days being calculated on the basis of a year of 360 days with twelve 30-day months) divided by 360.

Where:

"**Determination Period**" means the period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date (as specified in the applicable Final Terms) or the final Fixed Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

"**Fixed Interest Period**" means the period from (and including) a Fixed Interest Payment Date (or, if none, the Interest Commencement Date (as specified in the applicable Final Terms)) to (but excluding) the next (or first) Fixed Interest Payment Date.

"**sub-unit**" means, with respect to any currency other than Euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to Euro, means one cent.

Floating Rate Notes

General. Floating Rate Notes generally will be issued as described below. Each applicable Final Terms will specify the following terms with respect to which such Floating Rate Note is being delivered:

(a) whether such Floating Rate Note is a Regular Floating Rate Note, a Floating Rate/Fixed Rate Note or an Inverse Floating Rate Note, each as defined below;

(b) the Interest Rate Basis or Bases, Initial Interest Rate, Interest Reset Dates, Interest Reset Period, Regular Record Dates (if any) and Interest Payment Dates;

(c) the Index Maturity;

(d) the Spread and/or Spread Multiplier, if any;

(e) the maximum interest rate and minimum interest rate, if any (provided that if no minimum interest rate is specified or if the Final Terms indicate that the minimum interest rate is "not applicable," then the minimum interest rate shall be zero); and

The Issuer may change the Spread, Spread Multiplier, Index Maturity and other variable terms of the Floating Rate Notes from time to time. However, no such change will affect any Floating Rate Note previously issued or as to which an offer has been accepted by the Issuer.

The interest rate in effect on each day shall be:

(a) if such day is an Interest Reset Date, the interest rate determined on the Interest Determination Date immediately preceding such Interest Reset Date; or

(b) if such day is not an Interest Reset Date, the interest rate determined on the Interest Determination Date immediately preceding the next preceding Interest Reset Date.

Regular Floating Rate Note; Floating Rate/Fixed Rate Note; Inverse Floating Rate Note

The Interest Rate Basis applicable to each Regular Floating Rate Note, Floating Rate/Fixed Rate Note and Inverse Floating Rate Note may be subject to a Spread or Spread Multiplier, provided that the interest rate on an Inverse Floating Rate Note will not be less than zero.

Regular Floating Rate Note. A Regular Floating Rate Note will bear interest at the rate determined by reference to the applicable Interest Rate Basis. The rate at which interest shall be payable shall be reset as of each Interest Reset Date commencing on the Initial Interest Reset Date. However:

(a) the interest rate in effect for the period from the Original Issue Date to the Initial Interest Reset Date will be the Initial Interest Rate; and

(b) the interest rate in effect for the ten calendar days immediately prior to a Maturity Date shall be that in effect on the tenth calendar day preceding such Maturity Date, unless otherwise specified in the applicable Final Terms.

Floating Rate/Fixed Rate Note. A Floating Rate/Fixed Rate Note will initially bear interest at the rate determined by reference to the applicable Interest Rate Basis. The rate at which interest shall be payable shall be reset as of each Interest Reset Date commencing on the Initial Interest Reset Date. However:

(a) the interest rate in effect for the period from the Original Issue Date to the Initial Interest Reset Date will be the Initial Interest Rate;

(b) the interest rate in effect for the 10 calendar days immediately prior to the fixed rate commencement date shall be that in effect on the tenth calendar day preceding the fixed rate commencement date, unless otherwise specified in the applicable Final Terms; and

(c) the interest rate in effect commencing on, and including, the fixed rate commencement date to the Maturity Date shall be the Fixed Interest Rate, if such rate is specified in the applicable Final Terms, or if no such Fixed Interest Rate is so specified and the Floating Rate/Fixed Rate Note is still outstanding on such day, the interest rate in effect thereon on the day immediately preceding the fixed rate commencement date.

Inverse Floating Rate Note. An Inverse Floating Rate Note will bear interest equal to the Fixed Interest Rate specified in the related Final Terms minus the rate determined by reference to the Interest Rate Basis. The rate at which interest is payable shall be reset as of each Interest Reset Date commencing on the Initial Interest Reset Date. However:

(a) the interest rate in effect for the period from the Original Issue Date to the Initial Interest Reset Date will be the Initial Interest Rate; and

(b) the interest rate in effect for the ten calendar days immediately prior to a Maturity Date shall be that in effect on the tenth calendar day preceding such Maturity Date, unless otherwise specified in the applicable Final Terms.

Interest Rate Bases

Each Floating Rate Note will have one or more of the following interest rate bases, as specified in the Final Terms:

(a) the CD Rate;

(b) the Commercial Paper Rate;

(c) the Federal Funds Rate;

(d) EURIBOR or a successor or replacement thereof;

(e) SOFR Arithmetic Mean or SOFR Compound, or a successor or replacement thereof;

(f) the Treasury Rate;

(g) the Prime Rate;

(h) the lowest of two or more Interest Rate Bases; or

(i) such other rate specified in the applicable Final Terms.

Date of Interest Rate Change

The interest rate on each Floating Rate Note may be reset daily, weekly, monthly, quarterly, semi-annually or annually, as specified in the applicable Final Terms (this period is the "**Interest Reset Period**" and the first day of each Interest Reset Period is the "**Interest Reset Date**").

If an Interest Reset Date for any Floating Rate Note falls on a day that is not a Business Day, it will be postponed to the following Business Day, except that if that Business Day is in the next calendar month, the Interest Reset Date will be the immediately preceding Business Day.

How Interest Is Calculated

General. Unless otherwise specified in the applicable Final Terms, the Calculation Agent will be the calculation agent for each Series of Floating Rate Notes. Floating Rate Notes will accrue interest from and including the original issue date or the last date to which the Issuer has paid or provided for interest, to but excluding the applicable Interest Payment Date, as described below, or the Maturity Date, as the case may be. However, in the case of Registered Notes that are Floating Rate Notes on which the interest rate is reset daily or weekly, each interest payment will include interest accrued from and including the date of issue or from but excluding the last Regular Record Date on which, unless otherwise specified in the applicable Final Terms, interest has been paid, through and including the Regular Record Date next preceding the applicable Interest Payment Date, and provided further that the interest payments on Floating Rate Notes made on the Maturity Date will include interest accrued to but excluding such Maturity Date.

Day Count Fraction. The amount of interest (the "**Interest Amount**") payable on any Series of Floating Rate Notes shall be calculated with respect to each Specified Denomination of such Floating Rate Notes of such Series for the relevant Interest Reset Period. Each Interest Amount shall be calculated by applying the relevant Interest Rate Basis, Spread and/or Spread Multiplier to each Specified Denomination and multiplying such sum by the applicable Floating Day Count Fraction.

"**Floating Day Count Fraction**" means, in respect of the calculation of the Interest Amount for any Interest Reset Period:

(a) if "**Actual/Actual**" or "**Actual/Actual (ISDA)**" is specified in the applicable Final Terms, the actual number of days in the Interest Reset Period divided by 365 (or, if any portion of that Interest Reset Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Reset Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Reset Period falling in a non-leap year divided by 365);

(b) if "**Actual/365 (Fixed)**" is specified in the applicable Final Terms, the actual number of days in the Interest Reset Period divided by 365;

(c) if "**Actual/360**" is specified in the applicable Final Terms, the actual number of days in the Interest Reset Period divided by 360;

(d) if "**30/360**," "**360/360**" or "**Bond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Reset Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \text{ x } (Y2 - Y1)] + [30 \text{ x } (M2 - M1)] + (D2 - D1)}{0}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Reset Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Reset Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Reset Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Reset Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Reset Period, unless such number is 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Reset Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

(e) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Reset Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Reset Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Reset Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Reset Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Reset Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Reset Period, unless such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Reset Period, unless such number would be 31, in which case D2 will be 30; and

(f) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of days in the Interest Reset Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Interest Reset Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day of the Interest Reset Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Interest Reset Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Reset Period falls;

"D1" is the first calendar day, expressed as a number, of the Interest Reset Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Interest Reset Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

Unless otherwise specified in the applicable Final Terms, the Day Count Fraction in respect of the calculation of the Interest Amount on any Floating Rate Note will (a) in the case of a Note denominated in U.S. Dollars be Actual/360 or (b) in the case of a Note denominated in any other Specified Currency, be Actual/Actual. Notes for which the interest rate may be calculated with reference to two or more Interest Rate Bases will be calculated in each period by selecting one such Interest Rate Basis for such period. For these calculations, the interest rate in effect on any Interest Reset Date will be the new reset rate.

The Calculation Agent will round all percentages resulting from any calculation of the rate of interest on a Floating Rate Note, to the nearest 1/100,000 of 1% (0.0000001), with five one-millionths of a percentage point rounded upward (e.g., 9.876545% (or 0.09876545) would be rounded to 9.87655% (or 0.0987655)) and the Calculation Agent will round all currency amounts used in or resulting from any calculation to the nearest one-hundredth of a unit (with 0.005 of a unit being rounded upward).

The Calculation Agent will promptly, and no later than the fourth Business Day, notify the Fiscal Agent and the Issuer of each determination of the interest rate. The Calculation Agent will also notify the relevant stock exchange, competent authority and/or market (in the case of Notes that are listed or admitted to trading on or by a stock exchange, competent authority and/or market) and the relevant paying agents of the interest rate, the interest amount, the interest period and the Interest Payment Date related to each Interest Reset Date as soon as such information is available, and no later than the first Business Day of the interest period. The relevant paying agents will make such information available to the holders of Notes. The Fiscal and Paying Agent will, upon the request of the holder of any Floating Rate Note, provide the interest rate then in effect and, if determined, the interest rate which will become effective as a result of a determination made with respect to the most recent Interest Determination Date relating to such Note.

So long as any Notes are listed on or by any exchange, competent authority and/or market and the rules of such exchange(s), competent authority(ies) and/or market(s) so require, the Issuer shall maintain a calculation agent for the Notes, and the Issuer will notify the holders of its Notes in the manner specified under "Notices" below in the event that the Issuer appoints a calculation agent with respect to such Notes other than the Calculation Agent or the calculation agent designated as such in the applicable Final Terms.

When Interest Is Paid

The Issuer will pay interest on Floating Rate Notes on the dates specified in the applicable Final Terms. Each such date upon which the Issuer is required to pay interest is an "**Interest Payment Date**." The Issuer will also pay interest on the relevant Floating Rate Notes at the Maturity Date.

If an Interest Payment Date (other than the Maturity Date) for a Floating Rate Note falls on a day that is not a Business Day, the Issuer will postpone payment of interest to the following Business Day at which time the Issuer will pay additional interest that has accrued up to but excluding such following Business Day, except that if that Business Day would fall in the next calendar month, the Interest Payment Date will be the immediately preceding Business Day.

If the Maturity Date for a Floating Rate Note falls on a day that is not a Business Day, the Issuer will make the payment on the next Business Day, without additional interest.

Date of Interest Rate Determination

The interest rate for each Interest Reset Period commencing on the Interest Reset Date will be the rate determined on the relevant Interest Determination Date for such Interest Reset Date for the relevant type of Floating Rate Note, as set forth in the applicable Final Terms.

Types of Floating Rate Notes

CD Rate Notes

Each CD Rate Note will bear interest at a specified rate that will be reset periodically based on the CD Rate and any Spread and/or Spread Multiplier.

"**CD Rate**" means, with respect to any Interest Determination Date, the rate on that Interest Determination Date for negotiable certificates of deposit having the specified Index Maturity as published in H.15(519) under the heading "**CDs (secondary market)**."

The following procedures will apply if the rate cannot be set as described above:

(a) If the rate is not published in H.15(519) prior to 3:00 p.m., New York City time, on the Interest Determination Date, then the CD Rate will be the rate for negotiable certificates of deposit having the specified Index Maturity as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "CDs (secondary market)."

(b) If the rate is not yet published in H.15(519), H.15 Daily Update or another recognized electronic source by 3:00 p.m., New York City time, on the Interest Determination Date, the CD Rate will be the average of the secondary market offered rates, as of 10:00 a.m., New York City time, of three leading non-bank dealers of negotiable U.S. Dollar certificates of deposit in The City of New York selected by the Issuer for negotiable certificates of deposit of major money market banks with a remaining maturity closest to the specified Index Maturity in a denomination of US$5,000,000.

(c) If fewer than three dealers are providing quotes, the rate will be the same as the rate used in the prior interest period.

"**H.15(519)**" means the publication entitled "**Statistical Release H.15(519), Selected Interest Rates**," or any successor publication published by the Federal Reserve.

"**H.15 Daily Update**" means the daily update of H.15(519), available through the web site of the Federal Reserve at http://www.federalreserve.gov/releases/h15/update/default.htm, or any successor service.

Commercial Paper Rate Notes

Each Commercial Paper Rate Note will bear interest at a specified rate that will be reset periodically based on the Commercial Paper Rate and any Spread and/or Spread Multiplier.

"**Commercial Paper Rate**" means, with respect to any Interest Determination Date, the Money Market Yield of the rate on that Interest Determination Date for commercial paper having the specified Index Maturity as published in H.15 under the heading "**Commercial Paper Nonfinancial**."

"**H.15**" means the publication entitled "Statistical Release H.15, Selected Interest Rates," or any successor publication published by the Board of Governors of the United States Federal Reserve System.

"**H.15 Daily Update**" means the daily update of H.15, available through the world-wide-web site of the Board of Governors of the United States Federal Reserve System at http://www.federalreserve.gov/releases/h15, or any successor service.

The following procedures will apply if the rate cannot be set as described above:

(a) If the rate is not published in H.15 prior to 3:00 p.m., New York City time, on the Interest Determination Date, then the Commercial Paper Rate will be the Money Market Yield of the rate for commercial paper having the specified Index Maturity as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "**Commercial Paper Nonfinancial**."

(b) If the rate is not published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 p.m., New York City time, on the Interest Determination Date, the Commercial Paper Rate will be the Money Market Yield of the average for the offered rates, as of 11:00 a.m., New York City time, on that Interest Determination Date, of three leading dealers of commercial paper in The City of New York selected by the Issuer or its designee (which may be an affiliate of the Issuer) for commercial paper having the specified Index Maturity placed for an industrial issuer whose bond rating is "AA," or the equivalent, by a nationally recognized rating agency.

(c) If fewer than three dealers are providing quotes, the rate will be the same as the rate used in the prior interest period.

"**Money Market Yield**" means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360 \qquad \times 100}{360 - (D \times M)}$$

where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and "M" refers to the actual number of days in the period for which interest is being calculated.

Federal Funds Rate Notes

Each Federal Funds Rate Note will bear interest at a specified rate that will be reset periodically based on the Federal Funds Rate and any Spread and/or Spread Multiplier.

"**Federal Funds Rate**" means, with respect to any Interest Determination Date, unless otherwise specified in any applicable Final Terms, the rate on specified dates for federal funds published in H.15 prior to 11:00 a.m., New York City time, under the heading "**Federal Funds Effective**," as such rate is displayed on Reuters Screen FEDFUNDS1 Page (or any other pages as may replace such pages on such service).

The following procedures will apply if the rate cannot be set as described above:

(a) If the rate does not appear on Reuters Screen FEDFUNDS1 Page (or any other pages as may replace such pages on such service) or is not published in H.15 prior to 11:00 a.m., New York City time, on the Interest Determination Date, then the Federal Funds Rate will be the rate on such Interest Determination Date published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "**Federal Funds (Effective)**."

(b) If the rate does not appear on Reuters Screen FEDFUNDS1 Page (or any other pages as may replace such pages on such service) or is not published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 p.m., New York City time, on the Interest Determination Date, the Federal Funds Rate will be the average of the rates, as of 11:00 a.m., New York City time, on that Interest Determination Date, for the last transaction in overnight federal funds arranged by three leading brokers of federal funds transactions in The City of New York selected by the Issuer or its designee (which may be an affiliate of the Issuer).

(c) If fewer than three brokers are providing quotes, the rate will be the same as the rate used in the prior interest period.

EURIBOR Notes

Each EURIBOR Note will bear interest at a specified rate that will be reset periodically based on EURIBOR and any Spread and/or Spread Multiplier.

"**EURIBOR**" means the European Interbank Offered Rate and, with respect to each Interest Determination Date, the rate for deposits in Euro having the Index Maturity beginning on the relevant Interest Reset Date that appears on the Designated EURIBOR Page as of 11:00 a.m., Brussels time, on that Interest Determination Date.

The following procedures will apply if the rate cannot be set as described above:

(a) If such rate does not appear on the Designated EURIBOR Page as of 11:00 a.m., Brussels time, on the related Interest Determination Date, then the Issuer or its designee (which may be an affiliate of the Issuer) will request the principal offices of four major banks (one of which may be an affiliate of the Calculation Agent) in the Euro-zone selected by the Issuer or its designee and identified to the Calculation Agent, to provide such bank's offered quotation to prime banks in the Euro-zone interbank market for deposits in Euro having the Index Maturity beginning on the relevant Interest Reset Date as of 11:00 a.m., Brussels time, on such Interest Determination Date and in a Representative Amount. If at least two quotations are provided, EURIBOR for that date will be the average (if necessary rounded upwards) of the quotations.

(b) If fewer than two quotations are provided, EURIBOR will be the average (if necessary rounded upwards) of the rates quoted by major banks (which may include an affiliate of the Calculation Agent) in the Euro-zone, selected by the Issuer or its designee, at approximately 11:00 a.m., Brussels time, on the Interest

Determination Date for loans in Euro to leading European banks for a period of time corresponding to the Index Maturity beginning on the relevant Interest Reset Date and in a Representative Amount.

(c) If no rates are quoted by major banks, the rate will be the same as the rate used for the prior interest period.

"**Designated EURIBOR Page**" means Capital Markets Report Screen EURIBOR01 of Reuters, or any other page as may replace such page on such service.

Notwithstanding any other provision herein, if in the Calculation Agent's opinion, or in the opinion of the other party responsible for the calculation of EURIBOR as specified in the relevant Final Terms, as applicable, there is any uncertainty between two or more alternative courses of action in making any determination or calculation, the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent, as applicable, in writing as to which alternative course of action to adopt. If the Calculation Agent, as applicable, is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent, as applicable, shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

Notwithstanding any other provision herein, neither the Calculation Agent, the Fiscal Agent or the Paying Agent shall be obliged to concur with the Issuer, in respect of any changes made which, in the sole opinion of the Calculation Agent, the Fiscal Agent or the Paying Agent (as applicable), would have the effect of (i) exposing the Calculation Agent, the Fiscal Agent or the Paying Agent (as applicable) to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protections, of the Calculation Agent, the Fiscal Agent or the Paying Agent (as applicable) in the Fiscal and Paying Agency Agreement and/or the term and conditions of the Notes.

SOFR Notes

Each SOFR Note will bear interest at a specified rate that will be reset periodically based on one of SOFR Arithmetic Mean or SOFR Compound, as specified in the applicable Final Terms (or any applicable SOFR Replacement), in each case plus the Spread and/or Spread Multiplier (if any, as specified in the applicable Final Terms), subject to the SOFR Replacement Provisions specified below.

If SOFR Arithmetic Mean ("**SOFR Arithmetic Mean**") is specified as applicable in the applicable Final Terms, the rate of interest for each interest period shall be based on the arithmetic mean of the SOFR rates for each day during the period, as calculated by the Calculation Agent, where the SOFR rate on the SOFR Rate Cut-Off Date shall be used for the days in the period from and including the SOFR Rate Cut-Off Date to, but excluding, the Interest Payment Date. For these purposes, SOFR in respect of any calendar day which is not a U.S. Government Securities Business Day shall, subject to the preceding provision, be deemed to be SOFR in respect of the U.S. Government Securities Business Day immediately preceding such calendar day.

If SOFR Compound ("**SOFR Compound**") is specified in the applicable Final Terms, the rate of interest for each interest period shall be based on the value of the SOFR rates for each day during the period, compounded daily, as calculated by the Calculation Agent. Where not otherwise specified for in the applicable Final Terms, in calculating SOFR Compound the SOFR Rate Cut-Off Date shall be the fourth U.S. Government Securities Business Day prior to the Maturity Date or, if the Notes are to be redeemed prior to the Maturity Date, such earlier date on which the Notes become due and payable.

In connection with the SOFR Compound definition above, one of the following formulas will be specified in the applicable Final Terms:

(a) *"SOFR Compound with Lookback"*

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_{i-xUSBD}\times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

"**d**" means the number of calendar days in the relevant interest period;

"**d_0**" for any interest period, means the number of U.S. Government Securities Business Days in the relevant interest period;

"**i**" means a series of whole numbers from one to d_0, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant interest period;

"**Lookback Days**" means the number of U.S. Government Securities Business Days specified in the applicable Final Terms;

"**n_i**" for any U.S. Government Securities Business Day i, means the number of calendar days from, and including, such U.S. Government Securities Business Day i up to, but excluding, the following U.S. Government Securities Business Day;

"**$SOFR_{i\text{-}xUSBD}$**" means for any U.S. Government Securities Business Day i that is a SOFR Interest Reset Date, SOFR in respect of the U.S. Government Securities Business Day falling a number of U.S. Government Securities Business Days prior to that day i equal to the number of Lookback Days; provided, however that where a SOFR Rate Cut-Off Date applies, the SOFR with respect to any SOFR Interest Reset Date in the period from and including, the SOFR Rate Cut-Off Date to, but excluding, the corresponding Interest Payment Date of an interest period, will be the SOFR with respect to the $SOFR_{i\text{-}xUSBD}$ Interest Reset Date coinciding with the SOFR Rate Cut-Off Date for such interest period;

(b) *"SOFR Compound with Observation Period Shift"*

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right]\times\frac{360}{d}$$

where:

"**d**" means the number of calendar days in the relevant Observation Period;

"**d_0**" for any Observation Period, means the number of U.S. Government Securities Business Days in the relevant Observation Period;

"**i**" means a series of whole numbers from one to d_0, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Observation Period;

"**n_i**" for any U.S. Government Securities Business Day i in the relevant Observation Period, means the number of calendar days from, and including, such U.S. Government Securities Business Day i up to, but excluding, the following U.S. Government Securities Business Day;

"**Observation Period**" means, in respect of each interest period, the period from, and including, the date that is a number of U.S. Government Securities Business Days equal to the Observation Shift Days preceding the first date in such interest period to, but excluding, the date that is a number of U.S. Government Securities Business Days equal to the number of Observation Shift Days, preceding the Interest Payment Date for such interest period;

"**Observation Shift Days**" means the number of U.S. Government Securities Business Days specified in the applicable Final Terms;

"**$SOFR_i$**" means for any U.S. Government Securities Business Day i in the relevant Observation Period, is equal to SOFR in respect of that day i.

(c) "*SOFR Compound with Payment Delay*"

$$\left[\prod_{i=1}^{d_0}\left(1+\frac{SOFR_i \times n_i}{360}\right)-1\right] \times \frac{360}{d}$$

where:

"**d**" means the number of calendar days in the relevant Interest Accrual Period;

"**d0**" for any Interest Accrual Period, means the number of U.S. Government Securities Business Days in the relevant Interest Accrual Period;

"**i**" means a series of whole numbers from one to do, each representing the relevant U.S. Government Securities Business Days in chronological order from, and including, the first U.S. Government Securities Business Day in the relevant Interest Accrual Period;

"**Interest Accrual Periods**" means each period from, and including, an Interest Accrual Period End Date (or in the case of the first Interest Accrual Period, the Interest Commencement Date) to, but excluding, the next Interest Accrual Period End Date (or, in the case of the final Interest Accrual Period, the Maturity Date or, if the Issuer elects to redeem the notes prior to the Maturity Date, the Redemption Date);

"**Interest Accrual Period End Dates**" shall have the meaning specified in the applicable Final Terms;

"**Interest Payment Dates**" shall be the dates occurring the number of Business Days equal to the Interest Payment Delay following each Interest Accrual Period End Date; provided that the Interest Payment Date with respect to the final Interest Accrual Period will be the Maturity Date or, if the Issuer elects to redeem the notes prior to the Maturity Date, the Redemption Date;

"**Interest Payment Delay**" means the number of U.S. Government Securities Business Days specified in the applicable Final Terms;

"**Interest Payment Determination Dates**" shall be the Interest Accrual Period End Date at the end of each Interest Accrual Period; provided that the Interest Payment Determination Date with respect to the final Interest Accrual Period will be the SOFR Rate Cut-Off Date;

"$\mathbf{n_i}$" for any U.S. Government Securities Business Day i, means the number of calendar days from, and including, such U.S. Government Securities Business Day i up to, but excluding, the following U.S. Government Securities Business Day;

"$\mathbf{SOFR_i}$" means for any U.S. Government Securities Business Day i that is a SOFR Interest Reset Date, SOFR in respect of this SOFR Interest Reset Date; provided, however that where a SOFR Rate Cut-Off Date applies, the SOFR with respect to any SOFR Interest Reset Date in the period from and including, the SOFR Rate Cut-Off Date to, but excluding, the corresponding Interest Payment Date of an interest period, will be the SOFR with respect to the SOFR Interest Reset Date coinciding with the SOFR Rate Cut-Off Date for such interest period;

(d) "*SOFR Index with Observation Period Shift*"

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}}-1\right)x\ \left(\frac{360}{d_c}\right)$$

"**SOFR Index**" with respect to any U.S. Government Securities Business Day, means:

(1) the SOFR Index value as published by the SOFR Administrator as such index appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on such U.S. Government Securities Business Day (the "**SOFR Determination Time**"); provided that:

(2) if a SOFR Index value does not so appear as specified in (1) above at the SOFR Determination Time, then:

(i) if a SOFR Transition Event and its related SOFR Replacement Date have not occurred with respect to SOFR, then Compounded SOFR shall be the rate determined pursuant to the "SOFR Index Unavailable" provisions; or

(ii) if a SOFR Transition Event and its related SOFR Replacement Date have occurred with respect to SOFR, then Compounded SOFR shall be the rate determined pursuant to the "SOFR Replacement Provisions."

"**SOFR $\text{Index}_{\text{Start}}$**" means the SOFR Index value for the date that is two U.S. Government Securities Business Days preceding the first date of the relevant interest period.

"**SOFR $\text{Index}_{\text{End}}$**" means the SOFR Index value for the date that is two U.S. Government Securities Business Days preceding the Interest Payment Date relating to such interest period.

"**d_c**" means the number of calendar days from (and including) SOFR $\text{Index}_{\text{Start}}$ to (but excluding) SOFR $\text{Index}_{\text{End}}$ (the number of calendar days in the applicable Observation Period).

"**SOFR Administrator**" means the FRBNY (or a successor administrator of SOFR).

"**SOFR Administrator's Website**" means the website of the FRBNY, or any successor source.

"**Observation Period**" means in respect of each interest period, the period from, and including, the date two U.S. Government Securities Business Days preceding the first date in such interest period to, but excluding, the date two U.S. Government Securities Business Days preceding the Interest Payment Date for such interest period.

In connection with the definition of SOFR Arithmetic Mean, and the SOFR Compound formulas described above, "**SOFR**" means the rate determined by the Calculation Agent, as the case may be, in accordance with the following provisions:

(a) the secured overnight financing rate for trades made on the Interest Determination Date corresponding to the related SOFR Interest Reset Date that appears at approximately 3:00 p.m. (New York City time) (the "**SOFR Determination Time**") on the Federal Reserve Bank of New York's Website on the immediately following U.S. Government Securities Business Day, as such rate is reported on the Bloomberg Screen SOFRRATE Page for such SOFR Interest Reset Date or, if no such rate is reported on the Bloomberg Screen SOFRRATE Page, then the secured overnight financing rate that is reported on the Reuters Page USDSOFR= or, if no such rate is reported on the Reuters Page USDSOFR=, then the secured overnight financing rate that appears at approximately 3:00 p.m. (New York City time) on the Federal Reserve Bank of New York's Website on such SOFR Interest Reset Date (the "**SOFR Screen Page**"); or

(b) if the rate specified in (a) above does not so appear, and the Issuer determines that a SOFR Transition Event and its related SOFR Replacement Date have not occurred, the secured overnight financing rate published on the Federal Reserve Bank of New York's Website for the first preceding U.S. Government Securities Business Day for which the secured overnight financing rate was published on the Federal Reserve Bank of New York's Website; and

(c) if we determine on or prior to the relevant SOFR Reference Time, that a SOFR Transition Event and its related SOFR Replacement Date have occurred with respect to the relevant reference rate, then the provisions set forth in "SOFR Replacement Provisions" below will thereafter apply to all determinations of the interest rate on the Notes for each interest period during the floating rate period.

In connection with the SOFR provisions above, the following definitions apply:

"**Bloomberg Screen SOFRRATE Page**" means the Bloomberg screen designated "SOFRRATE" or any successor page or service.

"**Reuters Page USDSOFR=**" means the Reuters page designated "USDSOFR=" or any successor page or service.

"**SOFR Interest Reset Date**" means each U.S. Government Securities Business Day in the relevant interest period or observation period, as the case may be.

"**SOFR Rate Cut-Off Date**" means, if applicable, the date that is the specified U.S. Government Securities Business Day, or such other date as is specified in the applicable Final Terms, prior to the Interest Payment Date in respect of the relevant interest period or such other date specified in the applicable Final Terms; for the avoidance of doubt, the SOFR Rate Cut-Off Date can be zero or none, in which case no SOFR Rate Cut-Off Date is applicable.

"**SOFR Reference Time**" with respect to any determination of the SOFR Benchmark means (1) if the SOFR Benchmark is Compounded SOFR, the SOFR Determination Time, and (2) if the SOFR Benchmark is not Compounded SOFR, the time determined by the Issuer or its designee, after consulting with the Issuer and giving effect to the SOFR Replacement Conforming Changes.

"**U.S. Government Securities Business Day**" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (SIFMA) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

Notwithstanding anything to the contrary in the documentation relating to the Notes, If the Issuer, in its sole discretion, its designee (which may be an affiliate of the Issuer), after consultation with the Issuer, or the Calculation Agent, after consultation with the Issuer, determines on or prior to the relevant SOFR Reference Time, with respect to a Series of SOFR Notes, that a SOFR Transition Event and its related SOFR Replacement Date have occurred on any date, the SOFR Replacement will replace the then-current SOFR Benchmark for all purposes relating to such SOFR Notes in respect of such determination on such date and all determinations on all subsequent dates.

SOFR Index Unavailable

If a SOFR $\text{Index}_{\text{Start}}$ or SOFR $\text{Index}_{\text{End}}$ is not published on the associated Interest Determination Date and a SOFR Transition Event and its related SOFR Replacement Date have not occurred with respect to SOFR, "Compounded SOFR" means, for the applicable Interest Period for which such index is not available, the rate of return on a daily compounded interest investment calculated in accordance with the formula for SOFR Averages, and definitions required for such formula, published on the SOFR Administrator's Website at https://www.newyorkfed.org/markets/treasury-reporeference-rates-information as of the date hereof.. For the purposes of this provision, references in the SOFR Averages compounding formula and related definitions to "calculation period" shall be replaced with "Observation Period" and the words "that is, 30-, 90-, or 180- calendar days" shall be removed. If the daily SOFR ("**SOFR_i**") does not so appear for any day, "i" in the Observation Period, SOFR_i for such day "i" shall be SOFR published in respect of the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator's Website.

SOFR Replacement Provisions

In connection with the implementation of a SOFR Replacement, the Issuer or its designee (which may be an affiliate of the Issuer), after consulting with the Issuer, will have the right to make SOFR Replacement Conforming Changes from time to time.

Any determination, decision or election that may be made by the Issuer or its designee pursuant to the benchmark transition provisions set forth herein, and any decision to take or refrain from taking any action or any selection:

(a) will be conclusive and binding absent manifest error;

(b) if made by the Issuer, will be made in its sole discretion;

(c) if made by the Issuer's designee, will be made after consultation with the Issuer, and the Issuer's designee will not make any such determination, decision or election to which the Issuer objects; and

(d) notwithstanding anything to the contrary in the Fiscal Agency Agreement or the SOFR Notes, shall become effective without consent from the holders of the SOFR Notes or any other party.

If the Calculation Agent fails to make any determination, decision or election that it is required to make under the terms of the SOFR Notes, then the Issuer or its designee (which may an affiliate of the Issuer), after consulting with the Issuer, will make that determination, decision or election on the same basis as described above.

As used in this Prospectus with respect to any SOFR Transition Event and its related SOFR Replacement Date:

"**SOFR Benchmark**" means, initially, SOFR or such benchmark in respect of Floating Rate Notes as specified in the applicable Final Terms; provided that if the Issuer or its designee determines on or prior to the SOFR Reference Time that a Benchmark Transition Event and its related SOFR Replacement Date have occurred with respect to SOFR (or the published daily SOFR used in the calculation thereof) or the then-current SOFR Benchmark, then "SOFR Benchmark" means the applicable SOFR Replacement.

"**SOFR Replacement**" means the first alternative set forth in the order below that can be determined by the Issuer or its designee as of the SOFR Replacement Date.

(1) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current SOFR Benchmark for the applicable Corresponding Tenor (if any) and (b) the SOFR Replacement Adjustment;

(2) the sum of: (a) the ISDA Fallback Rate and (b) the SOFR Replacement Adjustment; or

(3) the sum of: (a) the alternate rate of interest that has been selected by the Issuer or its designee, after consulting with the Issuer, as the replacement for the then-current SOFR Benchmark for the applicable Corresponding Tenor (if any) giving due consideration to any industry-accepted rate of interest as a replacement for the then-current SOFR Benchmark for U.S. dollar-denominated floating rate notes at such time and (b) the SOFR Replacement Adjustment.

"**SOFR Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Issuer or its designee, after consulting with the Issuer, as of the SOFR Replacement Date:

(1) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted SOFR Replacement;

(2) if the applicable Unadjusted SOFR Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(3) the Spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer or its designee, after consulting with the Issuer, giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current SOFR Benchmark with the applicable Unadjusted SOFR Replacement for U.S. dollar-denominated Floating Rate Notes at such time.

"**SOFR Replacement Conforming Changes**" means, with respect to any SOFR Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer or its designee, after consulting with the Issuer, decides may be appropriate to reflect the adoption of such SOFR Replacement in a manner substantially consistent with market practice (or, if the Issuer or its designee, after consulting with the Issuer, decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer or its designee, after consulting with the Issuer, determines that no market practice for use of the SOFR Replacement exists, in such other manner as the Issuer or its designee, after consulting with the Issuer, determines is reasonably necessary).

"**SOFR Replacement Date**" means the earliest to occur of the following events with respect to the then-current SOFR Benchmark (including the daily published component used in the calculation thereof):

(1) in the case of clause (1) or (2) of the definition of "SOFR Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the SOFR Benchmark permanently or indefinitely ceases to provide the SOFR Benchmark (or such component); or

(2) in the case of clause (3) of the definition of "SOFR Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the SOFR Replacement Date occurs on the same day as, but earlier than, the SOFR Reference Time in respect of any determination, the SOFR Replacement Date will be deemed to have occurred prior to the SOFR Reference Time for such determination.

"**SOFR Transition Event**" means the occurrence of one or more of the following events with respect to the then-current SOFR Benchmark (including the daily published component used in the calculation thereof):

(1) a public statement or publication of information by or on behalf of the administrator of the SOFR Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the SOFR Benchmark (or such component), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark (or such component); or

(2) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Benchmark (or such component), the central bank for the currency of the SOFR Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the SOFR Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the SOFR Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the SOFR Benchmark, which states that the administrator of the SOFR Benchmark (or such component) has ceased or will cease to provide the SOFR Benchmark (or such component) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark (or such component); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Benchmark announcing that the SOFR Benchmark is no longer representative.

"**Unadjusted SOFR Replacement**" means the SOFR Replacement excluding the SOFR Replacement Adjustment.

Treasury Rate Notes

Each Treasury Rate Note will bear interest at a specified rate that will be revised periodically based on the Treasury Rate and any Spread and/or Spread Multiplier.

"**Treasury Rate**" means, with respect to any Interest Determination Date, the rate for the most recent auction of direct obligations of the United States ("**Treasury bills**") having the specified Index Maturity as it appears under the caption "**INVEST RATE**" on either Reuters Screen USAUCTION10 Page or Reuters Screen USAUCTION11 Page (or any other pages as may replace such pages on such service).

The following procedures will apply if the rate cannot be set as described above:

(a) If the rate is not so published by 3:00 p.m., New York City time, on the Interest Determination Date, the rate will be the auction average rate for such Treasury bills (expressed as a bond equivalent, on the basis of a year of 365 or 366 days as applicable, and applied on a daily basis) for such auction as otherwise announced by the U.S. Department of the Treasury.

(b) If the results of the auction of Treasury bills are not so published by 3:00 p.m., New York City time, on the Interest Determination Date, or if no such auction is held, the Treasury Rate will be the rate (expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) on such Interest Determination Date of such Treasury bills having the specified Index Maturity as published in H.15 under the caption "**U.S. Government Securities/Treasury Bills/Auction high**."

(c) If such rate is not so published in H.15 by 3:00 p.m., New York City time, on the related Interest Determination Date, the rate on such Interest Determination Date of such Treasury bills will be as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "**U.S. Government Securities/Treasury Bills/Auction high**."

(d) If such rate is not yet published in H.15, H.15 Daily Update or another recognized electronic source, then the Treasury Rate will be a yield to maturity (expressed as a bond equivalent on the basis of a year of 365 or 366 days, as applicable, and applied on a daily basis) of the average of the secondary market bid rates as of approximately 3:30 p.m., New York City time, on the Interest Determination Date, of three leading primary U.S. government securities dealers in The City of New York selected by the Calculation Agent for the issue of Treasury bills with a remaining maturity closest to the specified Index Maturity.

(e) If fewer than three dealers are providing quotes, the rate will be the same as the rate used in the prior interest period.

Prime Rate Notes

Each Prime Rate Note will bear interest at a specified rate that will be reset periodically based on the Prime Rate and any Spread and/or Spread Multiplier.

"**Prime Rate**" means, with respect to any Interest Determination Date, unless otherwise specified in any applicable Final Terms, the rate set forth on that Interest Determination Date in H.15 under the heading "**Bank Prime Loan**."

The following procedures will apply if the rate cannot be set as described above:

(a) If the rate is not published in H.15 by 3:00 p.m., New York City time, on the Interest Determination Date, then the Prime Rate will be the rate as published on such Interest Determination Date in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate under the caption "Bank Prime Loan."

(b) If the rate is not published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 p.m., New York City time, on the Interest Determination Date, then the Prime Rate will be the average (rounded upwards, if necessary, to the next higher one-hundred thousandth of a percentage point) of the rates publicly announced by each bank on the Reuters Screen USPRIME1 Page as its prime rate or base lending rate for that Interest Determination Date.

(c) If fewer than four, but more than one, rates appear on the Reuters Screen USPRIME1 Page, the Prime Rate will be the average of the prime rates (quoted on the basis of the actual number of days in the year divided by a 360-day year) as of the close of business on the Interest Determination Date by four major money center banks in The City of New York selected by the Issuer.

(d) If fewer than two rates appear, the Prime Rate will be determined based on the rates furnished in The City of New York by the appropriate number of substitute banks or trust companies organized and doing business under the laws of the United States, or any State thereof, having total equity capital of at least US$500 million and being subject to supervision or examination by a Federal or State authority, as selected by the Issuer.

(e) If no banks are providing quotes, the rate will be the same as the rate used for the prior interest period.

Indexed Notes

Notes may be issued with the principal amount payable at maturity or interest to be paid thereon, or both, to be determined with reference to the price or prices of specified commodities or stocks, indices, formulae or other assets or bases of reference as may be specified in such Note and the applicable Final Terms ("**Indexed Notes**"). Holders of such Indexed Notes may receive a principal amount on the Maturity Date that is greater than or less than the face amount of the Indexed Notes, or an interest rate that is greater than or less than the stated interest rate on the Indexed Notes, or both, depending upon the structure of the Indexed Note and the relative value on the Maturity Date or at the relevant Interest Payment Date, as the case may be, of the specified indexed item. Information as to the method for determining the principal amount payable on the Maturity Date, the currency base rate (the "**Currency Base Rate**"), the manner of determining the interest rate, the determination agent (the "**Determination Agent**"), certain historical information with respect to the specified indexed item and tax considerations associated with an investment in Indexed Notes will be set forth in the applicable Final Terms.

A separate prospectus comprising the relevant Note will be used for the documentation of an issuance of Indexed Notes, including, but not limited to a discussion of market and settlement disruptions and adjustments. For further information regarding certain risks inherent in Indexed Notes, see "Risk Factors—Risk Factors in Respect of the Issuer—Indexed Notes." Indexed Notes will not be admitted to trading on the Luxembourg Stock Exchange's regulated market.

Dual Currency Notes

In general, "**Dual Currency Notes**" refer to Notes as to which the Issuer is permitted under certain specified circumstances to pay principal, premium, if any, and/or interest, in more than one currency or composite currency. The terms of any Dual Currency Notes will be as set forth in the applicable Final Terms related to any such Notes, including the face amount currency (the "**Face Amount Currency**"), the option value calculation agent (the "**Option Value Calculation Agent**"), the optional payment currency (the "**Optional Payment Currency**"), the option election date(s) (the "**Option Election Date(s)**"), and the designated exchange rate (the "**Designated Exchange Rate**").

For further information regarding certain risks inherent in Notes denominated in currencies other than U.S. Dollars, see "Risk Factors—Exchange rate risk and exchange controls."

Amortizing Notes

Amortizing Notes are Fixed Rate Notes for which payments combining principal and interest are made in installments over the life of the Note ("**Amortizing Notes**"). Unless otherwise specified herein and in the applicable Final Terms, interest on each Amortizing Note will be computed on the basis of a 360-day year of twelve 30-day months. Payments with respect to Amortizing Notes will be applied first to interest due and payable thereon and then to the reduction of the unpaid principal amount thereof. Further information concerning specific terms of any issue of Amortizing Notes, including the amortization schedule (the "**Amortization Schedule**"), will be provided in the applicable Final Terms. A table setting forth repayment information in respect of each Amortizing Note will be included in the applicable Final Terms and set forth on such Notes.

Original Issue Discount Notes

Original Issue Discount Notes are Notes issued at more than a *de minimis* discount from the principal amount payable at maturity. Certain additional considerations relating to Original Issue Discount Notes may be described in the applicable Final Terms relating thereto.

Additional Notes

The Issuer may issue Notes from time to time having terms identical to a prior Tranche of Notes but for the original issue date and the public offering price ("**Additional Notes**"). Any such Additional Notes that are Regulation S Global Notes will be issued in the form of a temporary global Note which will be exchangeable for a beneficial interest in a permanent global Note on or after the Exchange Date specified in the applicable Final Terms relating to such Additional Notes. Additional Notes may be issued prior to or after the Exchange Date relating to such prior Tranche of Notes of the same Series. In the event Additional Notes are issued prior to the Exchange Date for the prior Tranche, the Exchange Date relating to such prior Tranche shall be moved to a date not earlier than 40 calendar days after the original issue date of the related Additional Notes; provided, however, in no event shall the Exchange Date for a Tranche of Notes be extended to a date more than 160 calendar days after the date such Tranche was issued. Once any Additional Notes have been issued, whether Regulation S Global Notes or Rule 144A Global Notes, such Additional Notes together with each prior and subsequent Tranche of Notes of the same Series, shall constitute one and the same Series of Notes for all purposes to the extent specified in the applicable Final Terms (except that any such Additional Notes offered and sold in compliance with Regulation S will have temporary CUSIP, ISIN and Common Code numbers during a 40-day distribution compliance period commencing on the date of issuance of such Additional Notes); provided, however, that in the case of Regulation S Global Notes, or Notes to which the TEFRA D Rules apply, such consolidation of Additional Notes issued after the Exchange Date will occur only following the exchange of interests in the temporary global Note for interests in the permanent global Note upon receipt of certificates described below; and provided further that if the Additional Notes are not fungible with the earlier Notes for United States federal income tax purposes, the Additional Notes will have a separate CUSIP number. The Final Terms relating to any Additional Notes will set forth matters related to the issuance, exchange and transfer of Additional Notes, including identifying the prior Tranche of Notes, their original issue date and aggregate principal amount. Any Additional Notes that are Bearer Notes will be subject to the same restrictions as are set forth under "**Forms of Notes—Bearer Notes**" above.

Other Provisions

Any provisions with respect to Notes, including without limitation the determination of an Interest Rate Basis, the specification of an Interest Rate Basis, calculation of the interest rate applicable to a Floating Rate Note, its Interest Payment Dates or any other matter relating thereto may be modified by the terms specified under "**Other Provisions**" on the face thereof, if so specified on the face thereof or in the applicable Final Terms.

Covenants

The Issuer has agreed to restrictions on its activities for the benefit of holders of each Series of Notes. The following restrictions will apply separately to each Series of Notes:

Consolidation, Merger, Sale or Conveyance

The Issuer may not consolidate with or merge into any other corporation or convey or transfer all or substantially all of its properties and assets to any person, unless:

(i) the successor corporation shall (a) be organized and existing under the laws of the Republic of Chile, the United States (or any state thereof or the district of Columbia) or any country that is a member of the Organisation for Economic Co-operation and Development (OECD), and (b) expressly assume, by a supplemental Fiscal Agency Agreement, executed and delivered to the Fiscal and Paying Agent, the due and punctual payment of the principal of (and premium, if any) and interest on all the outstanding Notes and the performance of every covenant in the Fiscal Agency Agreement on the part of the Issuer to be performed or observed;

(ii) immediately after giving effect to such transaction, no Event of Default shall have happened and be continuing; and

(iii) The Issuer shall have delivered to the Fiscal and Paying Agent an officers' certificate and an opinion of counsel stating that such consolidation, merger, conveyance or transfer and such supplemental Fiscal Agency Agreement comply with the foregoing provisions relating to such transaction.

In case of any such consolidation, merger, conveyance or transfer such successor corporation will succeed to and be substituted for the Issuer as obligor on each Series of Notes with the same effect as if it had issued such Series of Notes. Upon the assumption of its obligations by any such successor corporation in such circumstances subject to certain exceptions, the Issuer will be discharged from all obligations under the Notes and the Fiscal Agency Agreement.

Periodic Reports

The Fiscal Agency Agreement provides that if the Issuer is not required to file with the Securities and Exchange Commission information, documents, or reports pursuant to Section 13 or Section 15(d) of the Exchange Act, the Issuer shall make available, upon request, to any holder of the Notes, any owner of a beneficial interest in any Note or any prospective purchaser designated by a holder or owner of a beneficial interest in any Note, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Events of Default

An "Event of Default," with respect to each Series of Notes is defined in the Fiscal Agency Agreement as:

(i) The Issuer's default in the payment of any principal of any of the Notes of such Series, when due and payable, whether at maturity or otherwise; or

(ii) The Issuer's default in the payment of any interest or any Additional Amounts when due and payable on any of the Notes of such Series and the continuance of such default for a period of 30 days; or

(iii) The Issuer's default in the performance or observance of any other covenant or obligation of the Issuer in the Notes of such Series or the Fiscal Agency Agreement, not otherwise expressly defined as an Event of Default in (i) or (ii) above, and the continuance of such default for more than 60 days after written notice of such default has been received by the Issuer from the Fiscal and Paying Agent or the holders of at least 25% in aggregate principal amount of the Notes of such Series outstanding specifying such default and requiring it to be remedied and stating that such notice is a "Notice of Default"; or

(iv) if the Issuer or any of its Significant Subsidiaries fails to pay the principal of, or interest on, Relevant Indebtedness (as defined below) having a total principal amount exceeding US$100,000,000 (or its equivalent in any other currency or currencies) when due (whether at maturity, upon redemption or acceleration or otherwise), if such default shall continue for more than the originally applicable period of grace, if any, and in each case all such Indebtedness shall have been declared due and payable; or

(v) the entry of a final order for relief against the Issuer under any Bankruptcy Law by a court or regulatory entity having jurisdiction in the premises adjudging the Issuer as bankrupt or insolvent, or the entry of such an order by such a court or regulatory entity appointing under any Bankruptcy Law a receiver, liquidator or trustee of the Issuer or of all or substantially all of its property or ordering the winding up or liquidation of its affairs, and in each case the continuance of any such order unstayed and in effect for a period of 90 consecutive days; or

(vi) the consent by the Issuer to the institution of bankruptcy or insolvency proceedings against it, or the filing by it of a petition seeking reorganization or relief with respect to its debts, in each case under any Bankruptcy Law, or the consent by it to the appointment under any Bankruptcy Law of a receiver, liquidator or trustee of the Issuer or of all or substantially all of its property.

The term "**Bankruptcy Law**" as used in this Section means (i) articles 120 et seq. of the Chilean Banking Law (D.F.L. 3 of 1997, as amended), (ii) the Chilean Law No. 20,720 on "*Reorganización y Liquidación de Activos de Empresas y Personas*" (The "**Law No. 20,720**") or (iii) any other applicable law that amends, supplements or supersedes the Chilean Banking Law and/or the Law No. 20,720, and any applicable bankruptcy, insolvency, reorganization or other similar law of any applicable jurisdiction.

For purposes of the above, "Relevant Indebtedness" means, with respect to any person (without duplication) (a) any liability of such person (1) for borrowed money or due and payable under any reimbursement obligation relating to a letter of credit, or (2) evidenced by a bond, note, debenture or other similar securities (other than a trade payable or a current liability arising in the ordinary course of business or a performance bond or similar obligation); and (b) any liability of others described in the preceding clause (a) that the person has guaranteed; provided that the term "Relevant Indebtedness" will not include any of the following liabilities or obligations incurred by the Issuer or any of its subsidiaries: (1) any deposits with or funds collected by the Issuer or any of its subsidiaries (but not other funds borrowed by the Issuer or any of its subsidiaries), (2) any check, note, certificate of deposit, draft or bill of exchange, issued, accepted or endorsed by the Issuer or any of its subsidiaries, (3) any transaction in which the Issuer or any of its subsidiaries act solely in a fiduciary or agency capacity, (4) any agreement to purchase or repurchase securities or loans or currency or to participate in loans, and (5) letters of credit to the extent they are issued or confirmed by the Issuer or any of its subsidiaries. For the purpose of determining any particular amount of Relevant Indebtedness under this definition, guarantees of (or obligations with respect to letters of credit or financial bonds supporting) Relevant Indebtedness otherwise included in the determination of such amount shall also not be included.

The term "**Significant Subsidiary**" as used in this Section means a Subsidiary of the Issuer organized under the laws of the Republic of Chile which would be a "significant subsidiary" within the meaning of Rule 1-02 under Regulation S-X promulgated by the SEC in effect on the date of this Prospectus assuming for purposes of that definition that the Issuer is the registrant referred to in such definition, except that for purposes of the calculation under Rule1-02 under Regulation S-X all references therein to (i) "any of" and ";or" shall be changed to "each of" and "and" respectively and (ii) 10 percent shall be changed to 20 percent.

If an Event of Default described in paragraph (iv) above has occurred and is continuing with respect to any Series of Notes, such Event of Default will be automatically rescinded and annulled once the default triggering such Event of Default pursuant to clause (iv) is remedied or cured by the Issuer or waived by the holders of the relevant Indebtedness; provided that no declaration of acceleration has been made and is continuing with respect to such Series of Notes as a result of such Event of Default. No such rescission and annulment will affect any subsequent Event of Default or impair any right consequent thereto.

The Fiscal Agency Agreement provides that if an Event of Default with respect to any Series of Notes described in paragraphs (i), (ii), (iii) and (iv) above occurs and is continuing with respect to the Notes of any Series, then and in each and every such case, unless the principal of all the Notes of such Series shall have already become due and payable, the holders of not less than 25% in aggregate principal amount of the Notes of such Series then outstanding hereunder (each such Series acting as a separate class), by notice in writing to the Issuer and to the Fiscal and Paying Agent, may declare the principal amount of all the Notes of such Series then outstanding and all accrued interest thereon to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in the Fiscal Agency Agreement or in the Notes of such Series contained to the contrary notwithstanding. If an Event of Default described in paragraph (v) or (vi) of the above occurs and is continuing with respect to any Series of Notes, then the principal amount of such Notes then outstanding and all accrued interest thereon shall, without any notice to the Issuer or any other act on the part of the Fiscal and Paying Agent or any holder of such Notes, become and be immediately due and payable.

At any time after such a declaration of acceleration has been made with respect to the Notes of such Series and before a final judgment for payment of the money due has been obtained, the holders of a majority in aggregate principal amount of the outstanding Notes of such Series, by written notice to the Issuer and the Fiscal and Paying Agent, may rescind and annul such declaration and its consequences if: (1) the Issuer has paid or deposited with the Fiscal and Paying Agent a sum sufficient to pay: (i) all overdue installments of interest on the outstanding Notes of such Series, (ii) the principal of (and premium, if any, on) any outstanding Notes of such Series which have become due otherwise than by such declaration of acceleration, and interest thereon at the rate or rates prescribed therefor by the terms of the Notes of such Series, to the extent that payment of such interest is lawful, (iii) interest upon overdue installments of interest at the rate or rates prescribed therefor by the terms of the Notes of such Series, to the extent that payment of such interest is lawful, and all sums paid or advanced by the Fiscal and Paying Agent hereunder and the reasonable compensation, expenses, disbursements and advances of the Fiscal and Paying Agent, its agents and counsel and all other amounts due the Fiscal and Paying Agent under Section 11(a); and (2) all Events of Default with respect to such Series of Notes, other than the nonpayment of the principal of the Notes of such Series which have become due solely by such acceleration, have been cured or waived. No such rescission shall affect any subsequent default or impair any right consequent thereon.

Notes owned by the Issuer or any of its subsidiaries shall not be deemed to be outstanding for purposes of declaring the acceleration of the Notes.

Payment of Additional Amounts

The Issuer is required to make all payments in respect of each Series of Notes free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, fines, penalties, assessments or other governmental charges (or interest on those taxes, duties, fines, penalties, assessments or other governmental charges) (collectively, "Taxes") imposed, levied, collected, withheld or assessed by, within or on behalf of the Republic of Chile (or any political subdivision or governmental authority thereof or therein having power to tax), (in the event of a transaction permitted under "—Covenants—Consolidation, Merger, Sale or Conveyance") any jurisdiction where a successor corporation of the Issuer is incorporated or considered to be a resident, if other than the Republic of Chile (or any political subdivision or governmental authority thereof or therein having power to tax), or any other jurisdiction from or through which the Issuer (or a successor) makes any payment under a Series of Notes (or any political subdivision or governmental authority thereof or therein having power to tax) (each, a "Relevant Taxing Jurisdiction"), unless such withholding or deduction is required by law. In that event the Issuer will pay to the Holders of such Series of Notes, or the relevant Paying Agent, as the case may be, such additional amounts ("**Additional Amounts**") as may be necessary to ensure that the net amounts received by the Holders of such Series of Notes after such withholding or deduction shall not be less than the amounts of principal, interest and premium, if any, which would have been received in respect of such Series of Notes in the absence of such withholding or deduction, except that no such Additional Amounts shall be payable in respect of any Note:

(i) in the case of payments for which presentation of such Note is required, presented for payment more than 30 days after the later of:

  (a) the date on which such payment first became due, and

  (b) if the full amount payable has not been received in the place of payment by the relevant Paying Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Holders by the relevant Paying Agent, except to the extent that the Holder would have been entitled to such Additional Amounts on presenting such Note for payment on the last day of such period of 30 days;

(ii) for any estate, inheritance, gift, sales, transfer, excise, personal property or similar Taxes;

(iii) held by or on behalf of a Holder who is liable for Taxes imposed in respect of such Note by reason of such Holder (or fiduciary, settlor, beneficiary, member or shareholder of, or possessor of power over the relevant Holder, if the relevant Holder is an estate, a nominee, a trust, a partnership, a limited liability company or a corporation) or a beneficial owner of the Note having some present or former direct or indirect connection with the Relevant Taxing Jurisdiction imposing such Taxes, other than the mere holding of such Note or the receipt of payments or the enforcement of rights in respect thereto;

(iv) for any Taxes which are payable other than by deduction or withholding from payments of principal of, or interest or premium on the Notes;

(v) with respect to Taxes imposed on a payment to a Holder that would not have been imposed but for the failure of the Holder or a beneficial owner of the Note to comply with any certification, documentation, information or other reporting requirements concerning the nationality, residence, identity or connection with a Relevant Taxing Jurisdiction or to make other similar claim for exemption to a Relevant Taxing Jurisdiction, if compliance is required by statute or by regulation of a Relevant Taxing Jurisdiction as a precondition to relief or exemption from such Taxes;

(vi) for any Taxes which would have been avoided by a Holder presenting the relevant Note (if presentation is required) or requesting that such payment be made to another Paying Agent in a member state of the European Union;

(vii) for any Taxes imposed under sections 1471-1474 of the Internal Revenue Code of 1986, as amended (the "**Code**"), any current or future regulations thereunder or interpretations thereof, any agreements entered into pursuant to section 1471(b) of the Code, any intergovernmental agreement entered into (or treated as being in effect) in connection with the implementation of such sections of the Code, and any fiscal or regulatory legislation, rules, or official practices adopted pursuant to any such intergovernmental agreement;

(viii) with respect to any payment on a Note to a Holder who is a fiduciary, a partnership, a limited liability company or other than the sole beneficial owner of that payment to the extent that payment would be required by the laws of the applicable Relevant Taxing Jurisdiction to be included in the income, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, a member of that partnership, an interest holder in that limited liability company or a beneficial owner who would not have been entitled to the Additional Amounts had that beneficiary, settlor, member, interest holder or beneficial owner been the Holder;

(ix) for any Taxes imposed by the United States or any political subdivision or governmental authority thereof or therein having power to tax; or

(x) any combination of (i) through (ix) above.

References to principal, interest, premium or other amounts payable in respect of any Series of Notes also refer to any Additional Amounts that may be payable. In the event that Additional Amounts actually paid with respect to the Notes described above are based on rates of deduction or withholding of Taxes in excess of the appropriate rate applicable to the Holder of such Notes, and, as a result thereof such Holder or beneficial owner of the Notes is entitled to make claim for a refund or credit of such excess from the authority imposing such Taxes (or actually receives a refund), then such Holder or beneficial owner shall, by accepting such Notes or an interest therein, be deemed to have assigned and transferred all right, title, and interest to any such claim for a refund or credit of such excess (or any such refund received) to the Issuer.

The Issuer will pay when due any present or future stamp, transfer, court or documentary taxes or any other excise or property taxes, charges or similar levies imposed by the Republic of Chile (or any political subdivision or governmental authority thereof or therein having power to tax) or a jurisdiction where a successor corporation of the Issuer is incorporated or considered to be a resident, if other than the Republic of Chile (or any political subdivision or governmental authority thereof or therein having power to tax) with respect to the initial execution, delivery or registration of each Series of Notes or any other document or instrument relating thereto, except as described in the Fiscal Agency Agreement with respect to transfer or exchange of the Notes.

Modification of Fiscal Agency Agreement and Notes

The Fiscal Agency Agreement may be amended by the Issuer and the Fiscal and Paying Agent, without the consent of the holder of any Note of a Series for the purposes, among others, of curing any ambiguity, or of correcting or supplementing any defective or inconsistent provisions contained therein, to effect any assumption of the Issuer's obligations thereunder and under the Notes of a Series under the circumstances described under "—Covenants—**Consolidation, Merger, Sale or Conveyance**," to change the paying agent if such change is made to avoid or mitigate the Issuer's obligation to pay Additional Amounts with respect to any Series of Notes, or in any other manner which the Issuer and the Fiscal and Paying Agent may deem necessary or desirable or which, in the sole judgment of the Issuer, does not adversely affect in any material respect the interests of the holders of Notes of such Series outstanding on the date of such amendment. Nothing in the Fiscal Agency Agreement prevents the Issuer and the Fiscal and Paying Agent from amending the Fiscal Agency Agreement in such a manner as to only have a prospective effect on Notes issued on or after the date of such amendment.

Modifications and amendments to the Fiscal Agency Agreement and, to the terms of the Notes of a Series may also be made, and future compliance therewith or past Events of Default by the Issuer may be waived, by holders of a majority in aggregate principal amount of the Notes of such Series (or, in each case, such lesser amount as shall have acted at a meeting of holders of such Notes, as described below), provided, however, that no such modification or amendment to the Fiscal Agency Agreement, or to the terms of the Notes of a Series may, without the consent of the holders of each Note of such Series directly and adversely affected thereby:

(a) change the stated maturity of the principal of any Note of such Series or extend the scheduled date for payment of interest or Additional Amounts thereon;

(b) reduce the principal amount of any Note of such Series or reduce the stated rate of interest or Additional Amounts payable thereon or the amount payable thereon in the event of redemption or acceleration (or in the case of Original Issue Discount Notes, change the amount that would be due and payable upon an acceleration thereof);

(c) change the currency of payment of principal of, or any other amounts payable on, any Note of such Series;

(d) change the place where payment of principal of or interest on the Notes of any Series is made to the registered holder(s) of such Notes;

(e) amend the contractual right in the Notes of any Series to institute suit for any payment on or with respect to the Notes of such Series on or after the respective due dates provided for in such Notes;

(f) reduce the above-stated percentage of the principal amount of Notes of such Series, the consent of whose holders is necessary to modify or amend the Fiscal Agency Agreement, the terms of the Notes or reduce the percentage of Notes of such Series required for the taking of action or the quorum required at any such meeting of holders of Notes of such Series; or

(g) amend the foregoing requirements to reduce the percentage of outstanding Notes of such Series necessary to waive any future compliance or past default.

The persons entitled to vote a majority in principal amount of the Notes of a Series outstanding shall constitute a quorum at a meeting of Noteholders of such Series except as hereinafter provided. In the absence of such a quorum, a meeting of Noteholders called by the Issuer shall be adjourned for a period of not less than 10 days, and in the absence of a quorum at any such adjourned meeting, the meeting shall be further adjourned for another period of not less than 10 days, at which further adjourned meeting persons entitled to vote 25% in principal amount of Notes of a Series at the time outstanding shall constitute a quorum. Except for modifications or amendments in (a) to (f) above which require the consent of the holders of each Note of such series directly and adversely affected thereby, any modifications, amendments or waivers to the Fiscal Agency Agreement, the terms of the Notes of a Series at a meeting of Noteholders require a favorable vote of holders of the lesser of (i) a majority in principal amount of the outstanding Notes of such Series or (ii) a majority of the principal amount of Notes of such Series represented and voting at the meeting. Any such modifications, amendments or waivers will be conclusive and binding on all holders of Notes of such Series, whether or not they have given such consent or were present at such meeting and whether or not notation of such modifications, amendments or waivers is made upon the Notes, and on all future holders of Notes of such Series. Any instruments given by or on behalf of any holder of a Note of a Series in connection with any consent to any such modification, amendment or waiver will be irrevocable once given and will be conclusive and binding on all subsequent holders of such Note.

Replacement of Notes and Coupons

Any Notes or coupons that become mutilated, destroyed, lost or stolen or are apparently destroyed, lost or stolen will be replaced by the Issuer at the expense of the holder upon delivery of the Notes or coupons or satisfactory evidence of the destruction, loss or theft thereof to the Issuer and the Fiscal and Paying Agent. In each case, an indemnity satisfactory to the Issuer and the Fiscal and Paying Agent may be required at the expense of the holder of such Note or coupon before a replacement Note or coupon will be issued. For so long as the Notes are listed or admitted to trading on or by any other stock exchange, competent authority and/or market and the rules of such stock exchange(s), competent authority(ies) and/or market(s) so require, a noteholder shall be able to obtain a replacement Note or coupon at the offices of the paying agent located in each location required by the rules and regulations of such stock exchange(s), competent authority(ies) and/or market(s).

Applicable Law

The Fiscal Agency Agreement and the Notes will be governed by, and construed in accordance with, the laws of the State of New York, United States of America.

Notices

All notices concerning the Notes shall be published on the Luxembourg Stock Exchange's website, www.luxse.com, if and for so long as the Notes are listed on the Luxembourg Stock Exchange and for so long as the rules of the Luxembourg Stock Exchange so require. Any notice so given will be deemed to have been validly given on the date of such publication (or, if published more than once, on the date of the first such publication).

Notices to holders of Registered Notes will also be given by mailing such notices to each holder by first class mail, postage prepaid, at the respective address of each holder as that address appears upon the books of the Registrar.

Notwithstanding anything else in this section, notices to holders of Notes in temporary or permanent global form shall only be given through Euroclear, Clearstream, Luxembourg, and/or another clearing system, as the case may be (irrespective of whether such Notes are Bearer Notes or Registered Notes).

So long as no definitive Bearer Notes or definitive Registered Notes are in issue in respect of a particular Series, there may, so long as the global Note(s) for such Series is or are held in its or their entirety on behalf of DTC, Euroclear and/or Clearstream, Luxembourg, and/or another clearance system, as the case may be, and the Notes for such Series are not listed and/or admitted to trading on a stock exchange, competent authority and/or market, or if so listed or admitted to trading, for so long as the relevant stock exchange, competent authority and/or market so permits, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to DTC, Euroclear, Clearstream, Luxembourg and/or such other clearance system for communication by them to the holders of the Notes. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to DTC, Euroclear, Clearstream, Luxembourg and/or such other clearance system.

Notices to be given by a Noteholder shall be in writing and given by lodging the same, together with the related Note or Notes, with the Fiscal and Paying Agent. While any Notes are represented by a global Note, such notice may be given by a Noteholder to the Fiscal and Paying Agent via Euroclear, Clearstream, Luxembourg, and/or such other clearance system, as the case may be, in such manner as the Fiscal and Paying Agent and Euroclear, Clearstream, Luxembourg and/or such other clearance system may approve for this purpose.

If the Notes are no longer listed on the Luxembourg Stock Exchange, unless otherwise indicated, notices to holders of Bearer Notes will be valid if published (i) in a leading daily English language newspaper with general circulation in Europe, or (iii) so long as the Notes are listed on any other securities exchange, such newspaper or website as the rules of such exchange may require.

Consent to Service

The Issuer has designated Cogency Global Inc., presently located at 122 East 42nd Street, 18th Floor, New York, New York 10168, as authorized agent for service of process in any legal action or proceeding arising out of or relating to the Fiscal Agency Agreement or the Notes brought in any federal or state court in the Borough of Manhattan, the City of New York, State of New York.

Consent to Jurisdiction

(a) The Issuer irrevocably consents to the exclusive jurisdiction of any court of the State of New York or any United States Federal court sitting, in each case, in the Borough of Manhattan, The City of New York, New York, United States of America, and any appellate court from any thereof, and waives any immunity from the jurisdiction of such courts over any suit, action or proceeding that may be brought by the Fiscal and Paying Agent or a holder in connection with the Fiscal Agency Agreement or the Notes. The Issuer irrevocably waives, to the fullest extent permitted by law, any objection to any suit, action or proceeding that may be brought in connection with the Fiscal Agency Agreement or the Notes in such courts on the grounds of venue or on the ground that any such suit, action or proceeding has been brought in an inconvenient forum. The Issuer agrees that final judgment in any such suit, action or proceeding brought in such court shall be conclusive and binding upon the Issuer and may be enforced in any court to the jurisdiction of which the Issuer is subject by a suit upon such judgment; provided that service of process is effected upon the Issuer in the manner provided by the Fiscal Agency Agreement. Notwithstanding the foregoing, any suit, action or proceeding brought in connection with the Fiscal Agency Agreement or the Notes against the Issuer may be instituted in any competent court in the Republic of Chile.

(b) The Issuer agrees that service of all writs, process and summonses in any suit, action or proceeding brought in connection with the Fiscal Agency Agreement or the Notes against the Issuer in any court of the State of New York or any United States Federal court sitting, in each case, in the Borough of Manhattan, The City of New York, may be made upon Cogency Global Inc., presently located at 122 East 42nd Street, 18th Floor, New York, New York 10168.

(c) Nothing in this Section shall affect the right of any party to serve legal process in any other manner permitted by law or affect the right of any party to bring any action or proceeding against any other party or its property in the courts of other jurisdictions.

Judgment Currency

The Issuer agrees, to the fullest extent that it may effectively do so under applicable law, that (a) if for the purpose of obtaining judgment in any court it is necessary to convert the sum due in respect of the principal of, or premium or interest, if any, on the Notes of any Series (the "**Required Currency**") into a currency in which a judgment will be rendered (the "**Judgment Currency**"), the rate of exchange used shall be the rate at which, in accordance with normal banking procedures, the Fiscal and Paying Agent could purchase the Required Currency with the Judgment Currency and (b) its obligations under the Fiscal Agency Agreement to make payments in the Required Currency (i) shall not be discharged or satisfied by any tender, or any recovery pursuant to any judgment (whether or not entered in accordance with subsection (a)), in any currency other than the Required Currency, except to the extent that such tender or recovery shall result in the actual receipt, by the payee, of the full amount of the Required Currency expressed to be payable in respect of such payments, (ii) shall be enforceable as an alternative or additional cause of action for the purpose of recovering in the Required Currency the amount, if any, by which such actual receipt shall fall short of the full amount of the Required Currency so expressed to be payable and (iii) shall not be affected by judgment being obtained for any other sum due under the Fiscal Agency Agreement.

FORM OF FINAL TERMS

[**MIFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MIFIR product governance /Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the issuer has determined the classification of the Notes as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

FINAL TERMS NO. [●]
Dated [●]

[BANCO DE CRÉDITO E INVERSIONES][BANCO DE CRÉDITO E INVERSIONES, acting through its Miami branch] (the "Issuer")
LEI (Legal Entity Identifier): 549300E9E5Y3PKW24142
ISSUE OF MEDIUM TERM NOTES
[●]% [Fixed Rate][Floating Rate] Notes Due [●]

Series No.: [●]

PART A - CONTRACTUAL TERMS

This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8.4 of the Prospectus Regulation and must be read in conjunction with the base prospectus dated July 19, 2024 [and the supplement(s) to it dated [●]] ([collectively,] the "**Base Prospectus**"). Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. [The Base Prospectus has been, and these Final Terms will be, published on the website of the Luxembourg Stock Exchange (www.luxse.com).]

1. <u>General Information</u>:

(i)	Series Number:	[●]
(ii)	Tranche Number:	[●] [*If fungible with an existing Series, provide details of that Series, including the date on which the Notes become fungible*]
(iii)	Trade Date:	[●]
(iv)	Settlement Date (Original Issue Date):	[●]
(v)	Maturity Date:	[●]
(vi)	Specified Currency:	[●]
(vii)	Principal Amount (in Specified Currency):	[●]
(viii)	Dealer's Discount or Commission:	[●]
(ix)	Price to Public (Issue Price):	[●]
(x)	Ranking:	[Senior][Subordinated]
(xi)	Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on [●] at [●] per cent of their nominal amount. [*For Renminbi Notes only*: The terms set forth under "Description of the Notes—Payments—Renminbi Notes" [do not] apply. [*If the terms set forth under "Description of the Notes—Payments—Renminbi Notes" are applicable*: The Issuer may settle payments due in Renminbi (in whole or in part) in U.S. dollars on the due date at the U.S. Dollar Equivalent or any such Renminbi amount in the circumstances described under "Description of the Notes—Payments–Renminbi Notes."]]

[*For non-U.S. dollar denominated Notes only*: The provisions set out in "Special Provisions Relating to Foreign Currency Notes—Payments on Foreign Currency Notes" [do not] apply. [*If the provisions set out in "Special Provisions Relating to Foreign Currency Notes—Payments on Foreign Currency Notes" are applicable*: Payments of principal and interest in respect of Notes denominated in a Specified Currency other than U.S. dollars will be made in the Specified Currency unless the holder of such Notes elects to receive payments in U.S. dollars in accordance with the provisions set out in "Special Provisions Relating to Foreign Currency Notes—Payments on Foreign Currency Notes."]]

[*For non-U.S. dollar denominated Notes where the Specified Currency (a) is unavailable due to imposition of exchange controls or other circumstances beyond the Issuer's control or (b) is no longer used by the government of the country issuing such Specified Currency*: The provisions set out in "Special Provisions Relating to Foreign Currency Notes—Changing the Specified Currency of Foreign Currency Notes" [do not] apply. [*If the provisions set out in "Special Provisions Relating to Foreign Currency Notes—Changing the Specified Currency of Foreign Currency Notes" are applicable*: The Issuer may settle any payment due in respect of the Notes in a currency other than the Specified Currency on the due date for such payment in the circumstances described in "Special Provisions Relating to Foreign Currency Notes—Changing the Specified Currency of Foreign Currency Notes."]]

2.	**Payment of Additional Amounts:**	[Applicable/Not applicable]
3.	**Authorization/Approval:**	
(i)	Date Board approval for issuance of Notes obtained:	[●] [Not applicable]
4.	**Fixed Rate Notes Only Interest Rate:**	[Applicable/Not applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
(i)	Fixed Interest Rate:	[●]
(ii)	Interest Payment Period:	[Annual] [Semi-Annual] [Quarterly] [Monthly]
(iii)	Fixed Interest Payment Dates:	Each [●], commencing [●]
(iv)	Day Count Fraction:	[30/360] *[in the case of Notes denominated in U.S. Dollars]* [Actual/Actual (ICMA)] *[in the case of Notes denominated in a currency other than U.S. Dollars]*
(v)	Regular Record Dates (if any):	[The 15th calendar day prior to each Interest Payment Date] [The business day prior to each Interest Payment Date][relevant only to Registered Notes] [Not applicable]

(vi)	Determination Dates:	[Each [●]] [Not applicable] [relevant only to Registered Notes]
(vii)	Interest Commencement Date:	[●] [Not applicable]

5. <u>Floating Rate Notes Only Interest Rate</u>: [Applicable/Not applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*

(i)	Interest Calculation:	[Regular Floating Rate] [Floating Rate/Fixed Rate] [Inverse Floating Rate]
(ii)	Interest Rate Basis:	[CD Rate] [Commercial Paper Rate] [Federal Funds Rate] [EURIBOR] [SOFR Arithmetic Mean] [SOFR Compound with Lookback] [SOFR Compound with Observation Period Shift] [SOFR Compound with Payment Delay] [SOFR Index with Observation Period Shift] [Treasury Rate] [Prime Rate]
(iii)	Spread (Plus or Minus):	[plus/minus [●]%]
(iv)	Spread Multiplier:	[●]
(v)	Index Maturity:	[●] Months
(vi)	Maximum Interest Rate:	[●]
(vii)	Minimum Interest Rate:	[●][Not applicable] (*if no minimum interest rate is specified or if the Final Terms indicate that the minimum interest rate is "not applicable," then the minimum interest rate shall be zero*)
(viii)	Interest Payment Period:	[Daily/Monthly/Quarterly/Semi-annually]
(ix)	Interest Payment Date:	Each [list interest payment dates]
(x)	Initial Interest Rate Per Annum:	To be determined [●] Business Days prior to the Original Issue Date based upon [interest rate basis plus/minus the spread amount]
(xi)	Interest Reset Periods and Dates:	[Daily/monthly/quarterly/semi-annually] on each Interest Payment Date
(xii)	Interest Determination Date:	[●] Business Days prior to each Interest Reset Date
(xiii)	Regular Record Dates (if any):	[The 15th calendar day prior to each Interest Payment Date] [The business day prior to each Interest Payment Date][relevant only to Registered Notes][Not applicable]
(xiv)	Day Count Fraction:	[Actual/Actual] [Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/360] [30/360] [360/360] [Bond Basis] [30E/360] [Eurobond Basis] [30E/360 (ISDA)]
(xv)	Lookback Days:	[●] U.S. Government Securities Business Days [*include for SOFR Compound with Lookback Notes*]
(xvi)	Observation Shift Days:	[●] U.S. Government Securities Business Days *[include for SOFR Index with Observation Period Shift and SOFR Compound with Observation Period Shift Notes]*

(xvii)	Interest Accrual Period End Dates	[●] [*Include for SOFR Compound with Payment Delay Notes*]
(xviii)	Interest Payment Delay:	[●] U.S. Government Securities Business Days [*Include for SOFR Compound with Payment Delay Notes*]
(xix)	Index Determination Date:	The date that is [●] U.S. Government Securities Business Days preceding the first date of the relevant interest period. *[Include for SOFR Index with Observation Period Shift Notes]*
(xx)	SOFR Rate Cut-Off Date:	[●] [*Include for SOFR Compound Notes*]
(xxi)	Calculation Agent:	[Fiscal and Paying Agent] [Other][if Other, insert name]

6. Repayment and Redemption:

(i)	Issuer Optional Redemption Date:	[Applicable/Not Applicable][if applicable, provide date]
(ii)	Redemption Price:	[●]
(iii)	Make Whole Redemption:	[Applicable/Not applicable] [if applicable, specify agent calculating the Make Whole Amount][if applicable, specify spread]
(iv)	Calculation Agent:	[Applicable/Not Applicable] [Fiscal and Paying Agent] [Other]

7. Indexed Notes:

(i)	Currency Base Rate:	[●]
(ii)	Determination Agent:	[●]

8. Renminbi Notes:

(i)	Spot Rate:	[Applicable/Not applicable]
(ii)	CNY Calculation Agent:	[Applicable/Not applicable][Fiscal and Paying Agent] [Other]

9. Form of Notes:

(i)	Temporary global Note to permanent global Note:	[Applicable/Not applicable]
(ii)	Permanent global Note:	[Applicable/Not applicable][Bearer/Registered]
(iii)	Bearer Note:	[Applicable/Not applicable]
(iv)	Registered Notes:	[Applicable/Not applicable]
(v)	New global Note:	[Applicable/Not applicable]
(vi)	Exchange of temporary global Notes into definitive Bearer Notes:	[Not applicable][Specify Exchange Date]

(vii) Exchange of permanent global Notes into definitive Bearer Notes:	[Not applicable][Specify Exchange Date]
(viii) Exchange of definitive Bearer Notes into Registered Notes:	[Not applicable][Specify Exchange Date]
(ix) Exchange of Registered Notes into Registered Notes in other authorized denominations:	[Not applicable][Specify Exchange Date]
10. <u>U.S. Selling Restrictions</u>:	[Rule 144A restrictions on transfers and Regulation S Compliance Category 2]; [TEFRA C/TEFRA D/TEFRA not applicable]
11. <u>Distribution</u>:	[Rule 144A/Regulation S]
12. <u>Denominations</u>:	The Notes will be available in denominations of [●] and integral multiples of [●] in excess thereof.
13. <u>Managers</u>:	[●]: [●](*List all Managers (legal names)* (*List amount*)
(i) The Notes are being purchased[, on a several and not joint basis,] by the following financial institutions (each a "Manager" and collectively, the "Managers") in the respective amounts set forth next to the name of each Manager pursuant to a Terms Agreement between Issuer and the Managers dated [●], executed under the Dealer Agreement. To the extent that any of the Managers are not named as Dealers in the Dealer Agreement, Banco de Crédito e Inversiones has appointed them as Dealers thereunder for this transaction pursuant to the relevant Terms Agreement.	Total: [●]
(ii) Stabilizing manager(s):	[●][Not applicable]

Part B Other Information

1. Admissions to Listing and Trading:

[(i) Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to listing on the Official List of the Luxembourg Stock Exchange on or about [●].]

[(ii) Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market on or about [●].]

[(iii) *Other admissions to listing and trading (including, but not limited to, the Euro MTF) to be specified if applicable*]

Estimated expenses related to the admission to trading: [●][Not applicable]

2. Ratings:

The Notes to be issued [have been][are expected to be] rated:

(i)	Moody's:	[●][Not applicable] [(*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider*)]
(ii)	Standard & Poor's:	[●][Not applicable] [(*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider*)]
(iii)	Fitch:	[●][Not applicable] [(*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider*)]
(iv)	[Other]:	[●][*Insert the full legal name of credit rating agency*] [(*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider*)] [[*Insert the full legal name of credit rating agency*] is [not] incorporated in the European Union [or][and] registered under Regulation (EC) No 1060/2009, as amended by Regulation (EC) No 513/2011.]

The Notes to be issued are not expected to be rated: [●][Not applicable]

3. Use and Estimated Net Amount of Proceeds:

Use and estimated net amount of proceeds of the Issue: [●]

[*If applicable, indicate use of part or all of the net proceeds of the Issue for the financing or refinancing of Eligible Projects.*] [*(Description of the Eligible Projects in an easily analyzable, concise and comprehensible form)*]

4. Interests of Natural and Legal Persons Involved in the Issue:

[●]/[So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The Dealers and their affiliates have engaged, and/or may in the future engage, in investment banking and/or commercial banking transactions with, and/or may perform other services for, the Issuer and its affiliates in the ordinary course of business.]

5. Fixed Rate Notes Only Yield:

(i)	Indication of yield as of the Original Issue Date:	[●][Not applicable]

6. Operational Information:

(i)	[Temporary] ISIN:	[●] [*If fungible with an existing Series, provide details of the temporary ISIN*]
(ii)	[Temporary] CUSIP:	[●] [*If fungible with an existing Series, provide details of the temporary CUSIP*]
(iii)	[Temporary] Common Code:	[●] [*If fungible with an existing Series, provide details of the temporary Common Code*]
(iv)	CFI:	[Not applicable] [●] [*If the CFI is not required, requested or available, it should be specified to be "Not Applicable"*]

(v)	FISN:	[Not applicable] [●] [*If the FISN is not required, requested or available, it should be specified to be "Not Applicable*"]
(vi)	Book-entry Clearing Systems:	[Euroclear Bank S.A./N.V.][Clearstream Banking, *société anonyme*][Clearstream Banking AG, Frankfurt][The Depository Trust Company]
(vii)	Book-entry Record-Keeping:	[The Depositary Trust Company][●][*address of the entity responsible for book-entry record-keeping*]
(viii)	Names and addresses of additional Paying Agent(s) (if any):	[Not applicable] [●]
(ix)	[Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank (ECB) being satisfied that Eurosystem eligibility criteria have been met.]//[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognized as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank (ECB) being satisfied that Eurosystem eligibility criteria have been met.]]

TAXATION

General

The following discussion summarizes certain Chilean tax and United States federal income tax consequences to beneficial owners arising from the acquisition, ownership and disposition of the Notes. This overview does not purport to be a comprehensive description of all potential Chilean tax and United States federal income tax considerations that may be relevant and is not intended as tax advice to any particular investor. This overview does not describe any tax consequences arising under the laws of any state, locality or other taxing jurisdiction other than Chile and the United States.

The United States and Chile have signed an income tax treaty that was ratified by both countries and entered into force on December 19, 2023. With respect to taxes withheld at source, the tax treaty will have effect for amounts paid or credited on or after Febrary 1, 2024. For all other taxes, the treaty will have effect for taxable periods beginning on or after January 1, 2024. The treaty does not reduce the 4.0% withholding tax that currently applies, as "sole tax," to payments of interest or premium, if any, made to a Foreign Holder (as defined below) in respect of the Notes (other than Notes issued by the Miami branch of the Bank).

Investors should consult their own tax advisors as to the Chilean, United States or other tax consequences of the acquisition, ownership and disposition of the Notes, including, in particular, the application of the tax considerations discussed below to their particular situations, as well as the application of state, local, foreign or other tax laws.

Chilean Taxation

The following is a general overview of the principal consequences under Chilean tax law with respect to an investment in the Notes made by a Foreign Holder (as defined below). It is based on the tax laws of Chile as in effect on the date of this Prospectus, including the tax reform enacted by Law No. 21,210 published in the Official Gazette of Chile on February 2, 2020, as well as regulations, rulings and decisions of Chile available on or before such date and now in effect. All of the foregoing is subject to change. Under Chilean law, provisions contained in statutes such as tax rates applicable to foreign investors, the computation of taxable income for Chilean purposes and the manner in which Chilean taxes are imposed and collected may be amended only by another law. In addition, the Chilean tax authorities enact rulings and regulations of either general or specific application and interpret the provisions of Chilean tax law. Chilean tax law may not be assessed retroactively against taxpayers who act in good faith relying on such rulings, regulations or interpretations, but Chilean tax authorities may change their rulings, regulations or interpretations prospectively. For purposes of this overview, the term "Foreign Holder" means either (1) in the case of an individual, a person who is not resident or domiciled in Chile (for purposes of Chilean taxation, (a) an individual holder is resident in Chile if he or she has remained in Chile, uninterruptedly or not, for more than 183 days within any twelve month period and (b) an individual is domiciled in Chile if he or she resides in Chile with the actual or presumptive intent of staying in Chile (such intention to be evidenced by circumstances such as the acceptance of employment in Chile or the relocation of one's family to Chile)); or (2) in the case of a legal entity, a legal entity that is not organized under the laws of Chile, unless the Notes are assigned to a branch or a permanent establishment of such entity in Chile.

Under the Chilean Income Tax Law (the "**Income Tax Law**"), payments of interest or premium, if any, made to a Foreign Holder in respect of the Notes (other than Notes issued by the Miami branch of the Bank, as discussed below) will generally be subject to a Chilean withholding tax currently at the rate of 4.0% as "sole tax." Under existing Chilean law and regulations, a Foreign Holder will not be subject to any Chilean taxes in respect of payments of principal made by us with respect to the Notes. We have agreed, subject to specific exceptions and limitations, to pay to the holders of the Notes Additional Amounts in respect of the taxes described above in order that the interest and premium, if any, the Foreign Holder receives, net of withholding taxes, equals the amount which would have been received by such Foreign Holder in the absence of such taxes. If the Issuer pays additional amounts in respect of such Chilean withholding taxes, any refunds of such taxes will be for the account of the Issuer.

The Income Tax Law provides that a Foreign Holder is subject to income tax on its Chilean source income. For this purpose, Chilean source income means earnings from activities performed in Chile or from the sale, disposition or other transactions in connection with assets or goods located in Chile (in the case of interest, such income is considered Chilean source if the debtor's domicile is in Chile (including permanent establishments located in other countries)). Pursuant to the Income Tax Law, capital gains earned by a Foreign Holder on the sale or disposition of a note issued outside of Chile by a Chilean company would not be deemed as Chilean-sourced income. Therefore, any capital gains realized on the sale or other disposition by a Foreign Holder of the Notes issued abroad generally will not be subject to any Chilean taxes (except that any premium payable on redemption of the Notes would be treated as interest and subject to the Chilean interest withholding tax, as described above).

A Foreign Holder will not be liable for estate, gift, inheritance or similar taxes with respect to its holdings unless Notes held by a Foreign Holder are either located in Chile at the time of such Foreign Holder's death, or, if the Notes are not located in Chile at the time of a Foreign Holder's death, if such Notes were purchased or acquired with cash obtained from Chilean sources. A Foreign Holder will not be liable for Chilean stamp, registration or similar taxes.

The issuance of the Notes by the Bank is subject to a 0.8% stamp tax which is payable by us, for term debt exceeding a 12-month repayment period. If the stamp tax is not paid when due, inflation adjustments, interest and fines could apply to us. Until such tax (and any penalty) is paid, Chilean courts will not enforce any action with respect to the Notes. We have agreed, subject to specific exceptions and limitations, to pay any present or future stamp, court or documentary taxes that arise in the Republic of Chile from the initial execution, delivery or registration of the Notes or any other document or instrument in relation thereto. See "Description of the Notes—Payment of Additional Amounts."

Notes issued by the Miami Branch of the Bank.

Although from a Chilean legal standpoint the Bank and its Miami branch are one and the same legal entity, based on Chilean IRS Ruling No. 3,064 of 1997, solely for purposes of Chilean tax laws, the tax domicile of the issuer of the Notes issued by the Miami branch under this program will be deemed to be that of the Miami branch, as if the Miami branch were a separate entity. For this reason, and if Notes were to be issued by the Bank, acting through its Miami branch, and solely for Chilean tax purposes: (i) interest accrued on the Notes will not be regarded as of a Chilean source and, for that reason, interest paid to the investors by the Bank, acting through its Miami branch, will not be subject to Chilean withholding tax, and (ii) no other tax will be levied on the issuance of the Notes by the Bank, acting through its Miami Branch; provided, however, that such issuance or execution takes place outside of the territory of the Republic of Chile.

Based on the foregoing, under current Chilean laws and regulations, no income, stamp or other taxes, levies, imposts, deductions, charges, compulsory loans or withholdings shall be imposed, assessed or levied on the investors by Chile or any political subdivision or taxing authority thereof or therein either:

(a) on or by virtue of the execution, delivery or performance by the Bank, acting through its Miami Branch, of the Notes or any other documents to be furnished thereunder, and,

(b) on any payment to be made by the Bank, acting through its Miami Branch, to the investors under the Notes.

Notwithstanding the foregoing, if the Miami branch of the Bank is closed, dissolved or liquidated, then (1) the obligations under the Notes shall be deemed to be accounted for by the Bank in Chile, and consequently a stamp tax would be triggered at a rate of 0.8% on the then outstanding principal amount of the Notes; and (2) payments of interest made by the Bank from Chile to a Foreign Holder will be subject to Chilean withholding tax at an effective rate of 4.0%, while payments of all other obligations (excluding principal) made by the Bank from Chile may be subject to Chilean withholding tax at an effective rate of up to 35.0%.

United States Federal Income Taxation

The following is an overview of certain United States federal income tax consequences, as of the date hereof, of the acquisition, ownership and disposition of Notes by United States Holders and Non-United States Holders (each as defined below).

This overview deals only with Notes that are held as capital assets, and does not represent a detailed description of the United States federal income tax consequences applicable to you if you are subject to special treatment under the United States federal income tax laws, including if you are:

- a dealer or broker in securities or currencies;
- a financial institution;
- a regulated investment company;

- a real estate investment trust;
- a tax-exempt organization;
- an insurance company;
- a person holding the Notes as part of a hedging, integrated, conversion or constructive sale transaction or a straddle;
- a trader in securities that has elected the mark-to-market method of accounting for your securities;
- a partnership or other pass-through entity for United States federal income tax purposes;
- a United States Holder whose "functional currency" is not the U.S. dollar;
- a "controlled foreign corporation" or "passive foreign investment company"; or
- a United States expatriate.

This overview is based upon provisions of the Code, final, temporary and proposed United States Treasury regulations, administrative pronouncements and rulings, judicial decisions and the income tax treaty between the United States and Chile (the "Treaty"), all as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in United States federal income tax consequences different from those summarized below.

The discussion below assumes that all Notes issued under this program will be classified for United States federal income tax purposes as our indebtedness and you should note that in the event of an alternative characterization, the tax consequences would differ from those discussed below. In addition, Bearer Notes are subject to special tax rules that are not addressed in this discussion. Furthermore, the discussion assumes that for any Notes issued by the Issuer through its branch office in Miami, the interest and any OID (as defined below) with respect to such Notes will be treated as United States source income. We will summarize any special United States federal tax considerations relevant to a particular issue of the Notes in the applicable Final Terms.

If a partnership (or other entity or arrangement treated as a partnership for United States federal income tax purposes) holds Notes, the tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. If you are a partnership or a partner of a partnership considering an investment in the Notes, you should consult your tax advisors.

This discussion does not contain a detailed description of all the United States federal income tax consequences that may be relevant to you in light of your particular circumstances and does not address the Medicare contribution tax on net investment income, any alternative minimum tax consequences, the special timing rules prescribed under Section 451(b) of the Code, United States federal estate and gift taxes or the effects of any state, local or non-United States tax laws. If you are considering the purchase of Notes, you should consult your own tax advisors concerning the particular United States federal income tax consequences to you of the purchase, ownership and disposition of the Notes, as well as the consequences to you arising under other United States federal tax laws and the laws of any other taxing jurisdiction.

As used herein, "**United States Holder**" means a beneficial owner of a Note that is for United States federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or any other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to United States federal income taxation regardless of its source; or
- a trust if it (1) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (2) has a valid election in

effect under applicable United States Treasury regulations to be treated as a United States person.

As used herein, "**Non-United States Holder**" means a beneficial owner of a Note that is neither a United States Holder nor a partnership (or other entity or arrangement treated as a partnership for United States federal income tax purposes).

Consequences to United States Holders

Payments of Interest

Except as set forth below, interest on a Note (which includes any Chilean tax withheld and Additional Amounts paid in respect thereof) will generally be taxable to you as ordinary income at the time it is paid or accrued in accordance with your method of accounting for United States federal income tax purposes.

Subject to certain conditions and limitations (including a minimum holding period requirement), Chilean withholding taxes on interest may be treated as foreign taxes eligible for credit against your United States federal income tax liability. Interest income (including any Additional Amounts) and any OID on a Note issued through our head office in Chile generally will be considered foreign source income and, for purposes of the United States foreign tax credit, generally will be considered "passive category" income. However, as mentioned above, for any Notes issued through our Miami branch, this discussion assumes that interest and any OID with respect to such Notes will be treated as United States source income. Consequently, you may not be able to claim a credit for any Chilean tax imposed upon payments with respect to Notes issued through our Miami branch unless such credit can be applied (subject to applicable limitations) against tax due on other income treated as derived from foreign sources. In addition, United States Treasury regulations addressing foreign tax credits (the "**Foreign Tax Credit Regulations**") impose additional requirements for foreign taxes to be eligible for a foreign tax credit, and there can be no assurance that those requirements will be satisfied if you do not elect to apply benefits under the Treaty. The U.S. Department of the Treasury and the Internal Revenue Service ("IRS") are considering proposing amendments to the Foreign Tax Credit Regulations. In addition, recent notices from the IRS provide temporary relief by allowing taxpayers that comply with applicable requirements to apply many aspects of the foreign tax credit regulations as they previously existed (before the release of the current Foreign Tax Credit Regulations) for taxable years ending before the date that a notice or other guidance withdrawing or modifying the temporary relief is issued (or any later date specified in such notice or other guidance). Instead of claiming a foreign tax credit, you may be able to deduct Chilean withholding taxes on interest in computing your taxable income, subject to generally applicable limitations under United States law (including that a United States Holder is not eligible for a deduction for otherwise creditable foreign income taxes paid or accrued in a taxable year if such United States Holder claims a foreign tax credit for any foreign income taxes paid or accrued in the same taxable year). The rules governing the foreign tax credit and deductions for foreign taxes are complex. You are urged to consult your tax advisors regarding the Foreign Tax Credit Regulations (and the related temporary relief in the IRS notices) and the availability of the foreign tax credit or a deduction under your particular circumstances.

Original Issue Discount

If you own Notes issued with original issue discount ("**OID**" and such Notes, "**Original Issue Discount Notes**"), you will be subject to special tax accounting rules, as described in greater detail below. In that case, you should be aware that you generally must include OID in gross income (as ordinary income), as it accrues in accordance with a constant yield method described below, regardless of your method of tax accounting and often in advance of the receipt of cash attributable to that income. However, you generally will not be required to include separately in income cash payments received on the Notes, even if denominated as interest, to the extent those payments do not constitute "qualified stated interest," as defined below. Notice will be given in the applicable Final Terms when we determine that a particular Note will be an Original Issue Discount Note.

Additional OID rules applicable to Foreign Currency Notes are described under "—Foreign Currency Notes" below.

A Note with an "issue price" that is less than its stated redemption price at maturity (the sum of all payments to be made on the Note other than "qualified stated interest") generally will be issued with OID in an amount equal to that difference if that difference is at least 0.25% of the stated redemption price at maturity multiplied by the number of complete years to maturity or, in the case of an Amortizing Note, the weighted average maturity. The "issue price" of each Note in a particular offering will be the first price at which a substantial amount of that particular offering is sold to the public for cash (excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriter, placement agent or wholesaler). The term "qualified stated interest" means stated interest that is unconditionally payable in cash or in property, other than debt instruments of the issuer, and meets all of the following conditions:

- it is payable at least once per year;
- it is payable over the entire term of the Note; and
- it is payable at a single fixed rate or, subject to certain conditions, a rate based on one or more interest indices.

We will give you notice in the applicable Final Terms when we determine that a particular Note will bear interest that is not qualified stated interest.

If you own a Note issued with de minimis OID, which is discount that is not OID because it is less than 0.25% of the stated redemption price at maturity multiplied by the number of complete years to maturity (or, in certain cases, the weighted average maturity), you generally must include the de minimis OID in income at the time principal payments on the Notes are made in proportion to the amount paid. Any amount of de minimis OID that you have included in income will be treated as capital gain.

Certain of the Notes may contain provisions permitting them to be redeemed prior to their stated maturity at our option and/or at your option. Original Issue Discount Notes containing those features may be subject to rules that differ from the general rules discussed herein. If you are considering the purchase of Original Issue Discount Notes with those features, you should carefully examine the applicable Final Terms and should consult your own tax advisors with respect to those features since the tax consequences to you with respect to OID will depend, in part, on the particular terms and features of the Notes.

If you own Original Issue Discount Notes with a maturity upon issuance of more than one year, you generally must include OID in income in advance of the receipt of some or all of the related cash payments using the "constant yield method" described in the following paragraphs.

The amount of OID that you must include in income if you are the initial holder of an Original Issue Discount Note is the sum of the "daily portions" of OID with respect to the Note for each day during the taxable year or portion of the taxable year in which you held that Note ("**accrued OID**"). The daily portion is determined by allocating to each day in any "accrual period" a pro rata portion of the OID allocable to that accrual period. The "accrual period" for an Original Issue Discount Note may be of any length and may vary in length over the term of the Note, provided that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs on the first day or the final day of an accrual period. The amount of OID allocable to any accrual period other than the final accrual period is an amount equal to the excess, if any, of:

- the Note's "adjusted issue price" at the beginning of the accrual period multiplied by its yield to maturity, determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period, over
- the aggregate of all qualified stated interest allocable to the accrual period.

OID allocable to a final accrual period is the difference between the amount payable at maturity, other than a payment of qualified stated interest, and the adjusted issue price at the beginning of the final accrual period. Special rules will apply for calculating OID for an initial short accrual period. The "adjusted issue price" of a Note at the beginning of any accrual period is equal to its issue price increased by the accrued OID for each prior accrual period, determined without regard to the amortization of any acquisition or bond premium, as described below, and reduced by any payments previously made on the Note other than a payment of qualified stated interest. Under these rules, you generally will have to include in income increasingly greater amounts of OID in successive accrual periods.

Floating Rate Notes are subject to special OID rules. In the case of an Original Issue Discount Note that is a Floating Rate Note, the "yield to maturity" and "qualified stated interest" will be determined solely for purposes of calculating the accrual of OID as though the Note will bear interest in all periods at a fixed rate generally equal to the rate that would be applicable to interest payments on the Note on its date of issue or, in the case of certain Floating Rate Notes, the rate that reflects the yield to maturity that is reasonably expected for the Note. Additional rules may apply if either:

- the interest on a Floating Rate Note is based on more than one interest index; or
- the principal amount of the Note is indexed in any manner.

The discussion above generally does not address Notes providing for contingent payments. You should carefully examine the applicable Final Terms regarding the United States federal income tax consequences of the ownership and disposition of any Notes providing for contingent payments.

You may elect to treat all interest on any Note as OID and calculate the amount includible in gross income under the constant yield method described above. For purposes of this election, interest includes stated interest, acquisition discount, OID, *de minimis* OID, market discount, *de minimis* market discount and unstated interest, as adjusted by any amortizable bond premium or acquisition premium. You should consult with your own tax advisors about this election.

Short-Term Notes

In the case of Notes having a term of one year or less after taking into account the last possible date the Notes could be outstanding under their terms ("**Short-Term Notes**"), all payments, including all stated interest, will be included in the stated redemption price at maturity and will not be qualified stated interest. As a result, you will generally be taxed on the discount instead of stated interest. The discount will be equal to the excess of the stated redemption price at maturity over the issue price of a Short-Term Note, unless you elect to compute this discount using tax basis instead of issue price. In general, cash method United States Holders of Short-Term Notes are not required to include accrued discount in their income currently unless they elect to do so, but may be required to include stated interest in income as the income is received. United States Holders that report income for United States federal income tax purposes on the accrual method and certain other United States Holders are required to accrue discount on Short-Term Notes (as ordinary income) on a straight-line basis, unless an election is made to accrue the discount according to a constant yield method based on daily compounding. If you are not required, and do not elect, to include discount in income currently, any gain you realize on the sale, exchange, retirement or other taxable disposition of a Short-Term Note will generally be ordinary income to you to the extent of the discount accrued by you through the date of the sale, exchange, retirement or other taxable disposition. In addition, if you do not elect to currently include accrued discount in income, you may be required to defer deductions for a portion of your interest expense with respect to any indebtedness attributable to the Short-Term Notes.

Market Discount

If you purchase a Note (other than a Short-Term Note) for an amount that is less than its stated redemption price at maturity (or, in the case of an Original Issue Discount Note, its adjusted issue price), the amount of the difference generally will be treated as "market discount" for United States federal income tax purposes, unless that difference is less than a specified *de minimis* amount. Under the market discount rules, you will be required to treat any principal payment on, or any gain on the sale, exchange, retirement or other taxable disposition of, a Note as ordinary income to the extent of the market discount that you have not previously included in income and are treated as having accrued on the Note at the time of the payment or disposition. Any amount treated as ordinary income pursuant to the market discount rules should be treated as foreign source income for Notes issued through our head office in Chile or United States source income for Notes issued through our Miami branch.

In addition, you may be required to defer, until the maturity of the Note or its earlier disposition in a taxable transaction, the deduction of all or a portion of the interest expense on any indebtedness attributable to the Note. You may elect, on a Note-by-Note basis, to deduct the deferred interest expense in a tax year prior to the year of disposition. You should consult your own tax advisors before making this election.

Any market discount will be considered to accrue ratably during the period from the date of acquisition to the maturity date of the Note, unless you elect to accrue on a constant-yield method. You may elect to include market discount in income currently as it accrues, on either a ratable or constant-yield method, in which case the rule described above regarding deferral of interest deductions will not apply. Special rules will apply in determining the accrual of market discount for Amortizing Notes. An election to accrue market discount on a current basis will apply to all debt instruments acquired with market discount that you acquire on or after the first day of the first taxable year to which the election applies. The election may not be revoked without the consent of the IRS.

Acquisition Premium, Amortizable Bond Premium

If you purchase an Original Issue Discount Note for an amount that is greater than its adjusted issue price but equal to or less than the sum of all amounts payable on the Note after the purchase date other than payments of qualified stated interest, you will be considered to have purchased that Note at an "acquisition premium." Under the acquisition premium rules, the amount of OID that you must include in gross income with respect to the Note for any taxable year will be reduced by the portion of the acquisition premium properly allocable to that year.

If you purchase a Note (including an Original Issue Discount Note) for an amount in excess of the sum of all amounts payable on the Note after the purchase date other than qualified stated interest, you will be considered to have purchased the Note with "amortizable bond premium" and, if it is an Original Issue Discount Note, you will not be required to include any OID in income. You generally may elect to amortize the premium over the remaining term of the Note on a constant-yield method as an offset to interest when includible in income under your regular accounting method. If you elect to amortize the premium, you must reduce your tax basis in a Note by the amount of the premium amortized during your holding period. In addition, if the Note has an optional redemption feature, special rules will apply that may reduce, eliminate or defer the amount of bond premium that you may amortize. If you do not elect to amortize bond premium, that premium will decrease the gain or increase the loss you would otherwise recognize on retirement or other disposition of the Note. An election to amortize bond premium applies to all taxable debt obligations held by you at the beginning of the first taxable year to which the election applies or thereafter acquired, and may be revoked only with the consent of the IRS.

Sale, Exchange, Retirement or other Taxable Disposition of Notes

Your adjusted tax basis in a Note will, in general, be your cost for that Note, increased by OID, market discount or any discount with respect to a Short-Term Note that you previously included in income, and reduced by any amortized premium and any cash payments on the Note other than qualified stated interest. Upon the sale, exchange, retirement or other taxable disposition of a Note, you will recognize gain or loss equal to the difference between the amount you realize upon the sale, exchange, retirement or other taxable disposition (less an amount equal to any accrued but unpaid qualified stated interest, which will be taxable as interest income to the extent not previously included in income) and your adjusted tax basis in the Note. Except as described above with respect to Short-Term Notes or market discount, or with respect to gain or loss attributable to changes in exchange rates as discussed below with respect to Foreign Currency Notes, that gain or loss will be capital gain or loss and will generally be long-term capital gain or loss if you have held the Note for more than one year at the time of the sale, exchange, retirement or other taxable disposition. Long-term capital gains of non-corporate holders (including individuals) are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Except as described above with respect to market discount, gain or loss recognized by you on the sale, exchange, retirement or other taxable disposition of a Note will generally be treated as United States source gain or loss (although if you elect to apply benefits under the Treaty, you may be able to treat any premium paid upon a redemption of a Note as foreign source income). Consequently, you may not be able to claim a foreign tax credit for any Chilean tax imposed upon a disposition of a Note unless such credit can be applied (subject to applicable limitations) against tax due on other income treated as derived from foreign sources. However, pursuant to the Foreign Tax Credit Regulations, unless you elect to apply benefits under the Treaty, any such Chilean tax would generally not be a foreign income tax eligible for a foreign tax credit (regardless of any other income that you may have that is derived from foreign sources). In such case, the non-creditable Chilean tax may reduce the amount realized on the sale, exchange, retirement or other taxable disposition of the Note. As discussed above, however, recent notices from the IRS provide temporary relief by allowing taxpayers that comply with applicable requirements to apply many aspects of the foreign tax credit regulations as they previously existed (before the release of the current Foreign Tax Credit Regulations) for taxable years ending before the date that a notice or other guidance withdrawing or modifying the temporary relief is issued (or any later date specified in such notice or other guidance). If a Chilean tax is imposed on the the sale, exchange, retirement or other taxable disposition of a Note and you apply such temporary relief, such Chilean tax may be eligible for a foreign tax credit or deduction, subject to the applicable conditions and limitations. You are urged to consult your tax advisors regarding the Foreign Tax Credit Regulations (and the related temporary relief in the IRS notices) and the availability of the foreign tax credit or a deduction under your particular circumstances.

Foreign Currency Notes

Payments of Interest

If you receive payments of qualified stated interest made in a currency other than U.S. dollars ("**foreign currency**") and you use the cash basis method of accounting for United States federal income tax purposes, you will be required to include in income the U.S. dollar value of the amount received, determined by translating the foreign currency received at the spot rate for such foreign currency on the date such payment is received regardless of whether the payment is in fact converted into U.S. dollars. You will not recognize exchange gain or loss with respect to the receipt of such payment.

If you use the accrual method of accounting for United States federal income tax purposes, you may determine the amount of income recognized with respect to such interest in accordance with either of two methods. Under the first method, you will be required to include in income for each taxable year the U.S. dollar value of the interest that has accrued during such year, determined by translating such interest at the average rate of exchange for the period or periods during which such interest accrued or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within the taxable year. Under the second method, you may elect to translate interest income at the spot rate on:

- the last day of the accrual period,
- the last day of the taxable year if the accrual period straddles your taxable year, or
- the date the interest payment is received if such date is within five business days of the end of the accrual period.

If you make such election, then you must apply it consistently to all debt instruments from year to year and cannot change the election without the consent of the IRS.

In addition, if you use the accrual method of accounting, upon receipt of an interest payment on a Note (including, upon the sale or other disposition of a Note, the receipt of proceeds that include amounts attributable to accrued interest previously included in income), you will recognize exchange gain or loss in an amount equal to the difference between the U.S. dollar value of such payment (determined by translating the foreign currency received at the spot rate for such foreign currency on the date such payment is received) and the U.S. dollar value of the interest income you previously included in income with respect to such payment. Any such exchange gain or loss will be treated as ordinary income or loss and generally will be United States source gain or loss.

Original Issue Discount

OID on a Note that is also a Foreign Currency Note will be determined for any accrual period in the applicable foreign currency and then translated into U.S. dollars, in the same manner as interest income accrued by a holder on the accrual basis, as described above. You will recognize exchange gain or loss, which is generally United States source ordinary income or loss, when OID is paid (including, upon the sale or other disposition of a Note, the receipt of proceeds that include amounts attributable to OID previously included in income) to the extent of the difference between the U.S. dollar value of such payment (determined by translating the foreign currency received at the spot rate for such foreign currency on the date such payment is received) and the U.S. dollar value of the accrued OID (determined in the same manner as for accrued interest). For these purposes, all receipts on a Note will be viewed:

- first, as the receipt of any qualified stated interest payments called for under the terms of the Note,
- second, as receipts of previously accrued OID (to the extent thereof), with payments considered made for the earliest accrual periods first, and
- third, as the receipt of principal.

Market Discount and Bond Premium

You will accrue market discount on Foreign Currency Notes in the foreign currency. The amount of market discount on Foreign Currency Notes includible in income will generally be determined by translating the market discount determined in the foreign currency into U.S. dollars at the spot rate on the date the Foreign Currency Note is retired or otherwise disposed of. If you have elected to accrue market discount currently, then the amount which accrues is determined in the foreign currency and then translated into U.S. dollars on the basis of the average exchange rate in effect during the accrual period. You will recognize exchange gain or loss, which is generally United States source ordinary income or loss, with respect to market discount which is accrued currently using the approach applicable to the accrual of interest income as described above.

Bond premium on a Foreign Currency Note will be computed in the applicable foreign currency. If you have elected to amortize the premium, the amortizable bond premium will reduce interest income in the applicable foreign currency. At the time bond premium is amortized, exchange gain or loss, which is generally United States source ordinary income or loss, will be realized based on the difference between spot rates at such time and the time of acquisition of the Foreign Currency Note.

Sale, Exchange, Retirement or other Taxable Disposition of Foreign Currency Notes

Upon the sale, exchange, retirement or other taxable disposition of a Foreign Currency Note, you will recognize gain or loss equal to the difference between the amount realized upon the sale, exchange, retirement or other taxable disposition (less an amount equal to any accrued and unpaid qualified stated interest, which will be treated as a payment of interest for

United States federal income tax purposes) and your adjusted tax basis in the Foreign Currency Note. Your initial tax basis in a Foreign Currency Note generally will be your U.S. dollar cost. If you purchased a Foreign Currency Note with foreign currency, your cost generally will be the U.S. dollar value of the foreign currency amount paid for such Foreign Currency Note determined at the time of such purchase. If your Foreign Currency Note is sold, exchanged, retired or disposed of for an amount denominated in foreign currency, then your amount realized generally will be based on the spot rate of the foreign currency on the date of the sale, exchange, retirement or other disposition. If you are a cash method taxpayer and the Foreign Currency Notes are traded on an established securities market for United States federal income tax purposes, foreign currency paid or received is translated into U.S. dollars at the spot rate on the settlement date of the purchase or sale. An accrual method taxpayer may elect the same treatment with respect to the purchase and sale of Foreign Currency Notes traded on an established securities market, provided that the election is applied consistently.

Except as described above with respect to Short-Term Notes or market discount, and subject to the foreign currency rules discussed below, any gain or loss recognized upon the sale, exchange, retirement or other taxable disposition of a Foreign Currency Note will be capital gain or loss and will generally be long-term capital gain or loss if at the time of the sale, exchange, retirement or other taxable disposition, the Foreign Currency Note has been held for more than one year. Long-term capital gains of non-corporate holders (including individuals) are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Except as described above with respect to market discount, gain or loss recognized by you on the sale, exchange, retirement or other taxable disposition of a Foreign Currency Note will generally be treated as United States source gain or loss (although if you elect to apply benefits under the Treaty, you may be able to treat any premium paid upon a redemption of a Foreign Currency Note as foreign source income). Consequently, you may not be able to claim a foreign tax credit for any Chilean tax imposed upon a disposition of a Foreign Currency Note unless such credit can be applied (subject to applicable limitations) against tax due on other income treated as derived from foreign sources. However, pursuant to the Foreign Tax Credit Regulations, unless you elect to apply benefits under the Treaty, any such Chilean tax would generally not be a foreign income tax eligible for a foreign tax credit (regardless of any other income that you may have that is derived from foreign sources). In such case, the non-creditable Chilean tax may reduce the amount realized on the sale, exchange, retirement or other taxable disposition of the Foreign Currency Note. As discussed above, however, recent notices from the IRS provide temporary relief by allowing taxpayers that comply with applicable requirements to apply many aspects of the foreign tax credit regulations as they previously existed (before the release of the current Foreign Tax Credit Regulations) for taxable years ending before the date that a notice or other guidance withdrawing or modifying the temporary relief is issued (or any later date specified in such notice or other guidance). If a Chilean tax is imposed on the the sale, exchange, retirement or other taxable disposition of a Foreign Currency Note and you apply such temporary relief, such Chilean tax may be eligible for a foreign tax credit or deduction, subject to the applicable conditions and limitations. You are urged to consult your tax advisors regarding the Foreign Tax Credit Regulations (and the related temporary relief in the IRS notices) and the availability of the foreign tax credit or a deduction under your particular circumstances.

A portion of your gain or loss with respect to the principal amount of a Foreign Currency Note may be treated as exchange gain or loss. Exchange gain or loss will be treated as ordinary income or loss and generally will be United States source gain or loss. For these purposes, the principal amount of the Foreign Currency Note is your purchase price for the Foreign Currency Note calculated in the foreign currency on the date of purchase, and the amount of exchange gain or loss recognized is equal to the difference between (i) the U.S. dollar value of the principal amount determined at the spot rate on the date payment is received or the Foreign Currency Note is disposed of (or deemed disposed of) and (ii) the U.S. dollar value of the principal amount determined at the spot rate on the date you acquired the Foreign Currency Note (or are deemed to acquire the Foreign Currency Note). The amount of exchange gain or loss realized on the disposition of the Foreign Currency Note (with respect to both principal and accrued interest) will be limited to the amount of overall gain or loss realized on the disposition of the Foreign Currency Note.

Exchange Gain or Loss with Respect to Foreign Currency

Your tax basis in the foreign currency received as interest on a Foreign Currency Note, or on the sale, exchange, retirement or other taxable disposition of a Foreign Currency Note, will be the U.S. dollar value thereof at the spot rate in effect on the date the foreign currency is received. Any gain or loss recognized by you on a sale, exchange or other taxable disposition of the foreign currency will be ordinary income or loss and generally will be United States source gain or loss.

Certain Payment Elections

If so specified in the applicable Final Terms for a Foreign Currency Note, a holder may elect subsequent to the issuance thereof to have future payments under such Note paid in U.S. dollars or we may elect for such Note to be redenominated in Euro. United States Holders considering the purchase of any such Foreign Currency Notes should carefully examine the applicable Final Terms and should consult their own tax advisors regarding the United States federal income tax consequences of the ownership and disposition of such Foreign Currency Notes.

Dual Currency Notes

If so specified in an applicable Final Terms relating to a Foreign Currency Note, we may have the option to make all payments of principal and interest scheduled after the exercise of such option in a currency other than the specified currency. Applicable United States Treasury regulations generally (i) apply the principles contained in the regulations governing contingent payment debt instruments to Dual Currency Notes in the "predominant currency" of the Dual Currency Notes and (ii) apply the rules discussed above with respect to Foreign Currency Notes with OID for the translation of interest and principal into U.S. dollars. If you are considering the purchase of Dual Currency Notes, you should carefully examine the applicable Final Terms and should consult your own tax advisors regarding the United States federal income tax consequences of the ownership and disposition of such Notes.

Reportable Transactions

Treasury regulations issued under the Code meant to require the reporting of certain tax shelter transactions could be interpreted to cover transactions generally not regarded as tax shelters, including certain foreign currency transactions. Under the Treasury regulations, certain transactions are required to be reported to the IRS, including, in certain circumstances, a sale, exchange, retirement or other taxable disposition of a Foreign Currency Note or foreign currency received in respect of a Foreign Currency Note to the extent that such sale, exchange, retirement or other taxable disposition results in a tax loss in excess of a threshold amount, which differs depending on the status of the United States Holder. If you are considering the purchase of Foreign Currency Notes, you should consult with your own tax advisors to determine the tax return obligations, if any, with respect to such an investment, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

Indexed Notes and Other Notes Providing for Contingent Payments

The tax treatment of a United States Holder that owns Indexed Notes or Notes that otherwise provide for contingent payments will depend on factors including the specific index or indices used to determine any indexed payments on the Notes and the amount and timing of any contingent payments of principal and interest. United States Holders of such Notes may be required to accrue interest income in respect of such Notes on a constant-yield basis at a yield determined at the time of their issuance, and adjustments to such accruals may be required when any contingent payments are made. United States Holders considering the purchase of Indexed Notes or Notes that provide for contingent payments should carefully examine the applicable Final Terms and should consult their own tax advisors regarding the United States federal income tax consequences of the ownership and disposition of such Notes.

Specified Foreign Financial Assets

Individual United States Holders that own "specified foreign financial assets" with an aggregate value in excess of $50,000 on the last day of the taxable year or $75,000 at any time during the taxable year are generally required to file an information statement along with their tax returns, currently on IRS Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer that are not held in accounts maintained by financial institutions. Higher reporting thresholds apply to certain individuals living abroad and to certain married individuals. Regulations extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on certain objective criteria. United States Holders who fail to report the required information could be subject to substantial penalties. In addition, the statute of limitations for assessment of tax would be suspended, in whole or in part. You are urged to consult your tax advisors regarding the application of these rules to your investment in the Notes, including the application of the rules to your particular circumstances.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to payments of interest and principal on the Notes, accruals of OID (if any) and the proceeds of the sale or other taxable disposition of a Note paid to you (unless you establish that you are an exempt recipient). A backup withholding tax may apply to such payments if you fail to provide a taxpayer identification number and a certification that you are not subject to backup withholding or if you fail to report in full dividend and interest income.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your United States federal income tax liability provided the required information is timely furnished to the IRS.

Consequences to Non-United States Holders

United States Federal Withholding Tax

Subject to the discussions of backup withholding and FATCA below, payments of interest (which, for purposes of the discussion of Non-United States Holders, includes any OID) on Notes issued through our head office in Chile will not be subject to United States federal withholding tax.

Subject to the discussions of backup withholding and FATCA below, payments of interest on Notes issued through our Miami branch will not be subject to United States federal withholding tax under the "portfolio interest rule," provided that:

- interest paid on the Notes is not effectively connected with your conduct of a trade or business in the United States;
- you do not actually or constructively own 10% or more of the total combined voting power of all classes of our voting stock within the meaning of the Code and applicable United States Treasury regulations;
- you are not a controlled foreign corporation that is actually or constructively related to us through stock ownership;
- the interest is not considered contingent interest under Section 871(h)(4)(A) of the Code and the United States Treasury regulations thereunder; and
- either (a) you provide your name and address on an applicable IRS Form W-8, and certify, under penalties of perjury, that you are not a United States person as defined under the Code or (b) you hold your Notes through certain foreign intermediaries and satisfy the certification requirements of applicable United States Treasury regulations. Special certification rules apply to Non-United States Holders that are pass-through entities rather than corporations or individuals.

If you cannot satisfy the requirements described above, payments of interest made to you on Notes issued through our Miami branch will be subject to a 30% United States federal withholding tax, unless you provide the applicable withholding agent with a properly executed:

- IRS Form W-8BEN or Form W-8BEN-E (or other applicable form) claiming an exemption from or reduction in withholding under the benefit of an applicable income tax treaty; or
- IRS Form W-8ECI (or other applicable form) certifying that interest paid on the Notes is not subject to withholding tax because it is effectively connected with your conduct of a trade or business in the United States (as discussed below under "—United States Federal Income Tax").

United States Federal Income Tax

If you are engaged in a trade or business in the United States and interest on the Notes is effectively connected with the conduct of that trade or business (and, if required by an applicable income tax treaty, is attributable to a United States permanent establishment or fixed base), then you generally will be subject to United States federal income tax on that interest on a net income basis in the same manner as if you were a United States person as defined under the Code (although you will be exempt from the 30% United States federal withholding tax described above for Notes issued through our Miami branch, provided the certification requirements discussed above in "—United States Federal Withholding Tax" are satisfied). In addition, if you are a foreign corporation, you may be subject to a branch profits tax equal to 30% (or a lower applicable income tax treaty rate) of your effectively connected earnings and profits, subject to adjustments.

Subject to the discussion of backup withholding below, any gain realized on the sale, exchange, retirement or other taxable disposition of a Note generally will not be subject to United States federal income tax unless:

- the gain is effectively connected with your conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a United States permanent establishment or fixed base), in which case such gain generally will be subject to United States federal income tax (and possibly branch profits tax) in the same manner as effectively connected interest as described above; or

- you are an individual who is present in the United States for 183 days or more in the taxable year of that disposition and certain other conditions are met, in which case, unless an applicable income tax treaty provides otherwise, you generally will be subject to a 30% United States federal income tax on any gain recognized, which may be offset by certain United States source losses.

Information Reporting and Backup Withholding

Generally, the amount of interest (including any OID) paid to you with respect to Notes issued through our Miami branch and the amount of tax, if any, withheld with respect to those payments will be reported to the IRS. Copies of the information returns reporting such interest payments and any withholding may also be made available to the tax authorities in the country in which you reside under the provisions of an applicable income tax treaty or agreement. You generally will not be subject to any other information reporting or backup withholding with respect to payments of interest and principal on the Notes or the proceeds of a sale or other taxable disposition of the Notes. If, however, amounts are paid within the United States or through certain United States-related financial intermediaries, information reporting and backup withholding may apply unless you certify to the applicable withholding agent under penalties of perjury that you are a Non-United States Holder (and the applicable withholding agent does not have actual knowledge or reason to know that you are a United States person as defined under the Code), or you otherwise establish an exemption.

Backup withholding is not an additional tax and any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your United States federal income tax liability provided the required information is timely furnished to the IRS.

FATCA

Under Sections 1471 through 1474 of the Code (such Sections commonly referred to as "**FATCA**"), certain entities in a broadly defined class of foreign financial institutions ("**FFIs**") may be subject to a 30% United States withholding tax on certain United States source payments made to the FFI (whether such FFI is the beneficial owner or an intermediary) unless the FFI is a "participating FFI," which is generally defined as an FFI that (i) enters into an agreement with the IRS pursuant to which it agrees to comply with a complicated and expansive reporting regime, (ii) complies with the requirements of an intergovernmental agreement entered into by the United States and another jurisdiction regarding the implementation of FATCA (an "**IGA**") or (iii) is otherwise deemed compliant with or exempt from FATCA.

The FATCA legislation also contains complex provisions requiring certain participating FFIs to withhold on certain "foreign passthru payments" made to FFIs that are not participating FFIs or otherwise exempt from FATCA withholding and to holders that fail to provide the information required by FATCA. Although the definition of a "foreign passthru payment" is still reserved under current regulations, the term generally refers to payments that are from non-United States sources but that are "attributable to" certain United States payments. Debt obligations giving rise to foreign passthru payments will generally not be subject to withholding tax under FATCA if such obligations are issued on or prior to the date which is six months after the publication of final regulations defining the term foreign passthru payment. In addition, if applicable, withholding on foreign passthru payments would not be required with respect to payments made before the date which is two years after the publication of final regulations defining the term foreign passthru payment. It is unclear whether or to what extent payments on the Notes would be considered foreign passthru payments that are subject to withholding under FATCA.

However, interest (including any OID) with respect to Notes issued through our Miami branch will be treated as United States source income that is potentially subject to the 30% FATCA withholding tax if paid to an FFI (as described above). The 30% FATCA withholding tax may also apply to any such payments that are made to a "non-financial foreign entity" (as specifically defined in the Code and whether such non-financial foreign entity is the beneficial owner or an intermediary) which does not provide sufficient documentation, typically on IRS Form W-8BEN-E, evidencing either (i) an exemption from FATCA, or (ii) adequate information regarding certain substantial United States beneficial owners of such entity (if any). If an interest payment is both subject to withholding under FATCA and subject to the withholding tax discussed above under "—Consequences to Non-United States Holders—United States Federal Withholding Tax," an applicable withholding agent may credit the withholding under FATCA against, and therefore reduce, such other withholding tax. While withholding under FATCA would also have applied to payments of gross proceeds from the sale or other taxable disposition of the Notes issued through our Miami branch, proposed United States Treasury regulations (upon which taxpayers may rely until final regulations are issued) eliminate FATCA withholding on payments of gross proceeds entirely.

On March 5, 2014, the United States and Chile entered into an IGA to implement the foregoing requirements. The IGA is intended to result in the automatic exchange of tax information through reporting by FFIs to the IRS. Prospective investors should consult their tax advisors regarding the application of the FATCA rules to an investment in the Notes.

The Proposed Financial Transactions Tax

The European Commission has published a proposal (the "Commission's Proposal") for a Directive for a common financial transactions tax ("FTT") in Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain (the "participating Member States"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes in certain circumstances.

Under the Commission's Proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT remains subject to negotiation between the participating Member States and the legality of the proposal is uncertain. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and/or certain of the participating Member States may decide to withdraw. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

United Kingdom Provision of Information Requirements

The comments below are of a general nature and are based on current UK tax law as applied in England and published practice of HM Revenue & Customs ("HMRC"), the UK tax authorities. Such law may be repealed, revoked or modified and such practice may not bind HMRC and/or may change (in each case, possibly with retrospective effect), resulting in UK tax consequences different from those discussed below. The comments below deal only with UK rules relating to information that may need to be provided to HMRC in connection with the Notes. They do not deal with any other UK tax consequences of acquiring, owning or disposing of the Notes. Each prospective investor should seek advice based on its particular circumstances from an independent tax adviser.

Information relating to the Notes may be required to be provided to HMRC in certain circumstances. This may include (but is not limited to) information relating to the value of the Notes, amounts paid or credited with respect to the Notes, details of the holders or the beneficial owners of the Notes (or the persons for whom the Notes are held), details of the persons who exercise control over entities that are, or are treated as, holders of the Notes, details of the persons to whom payments derived from the Notes are or may be paid and information and documents in connection with transactions relating to the Notes. Information may be required to be provided by, amongst others, the Issuer, the holders of the Notes, persons by or through whom payments derived from the Notes are made or credited or who receive such payments (or who would be entitled to receive such payments if they were made), persons who effect or are a party to transactions relating to the Notes on behalf of others and certain registrars or administrators. Accordingly, in order to enable these requirements to be met, holders of the Notes may be required to provide information to the Issuer or to other persons. In certain circumstances, the information obtained by HMRC may be exchanged with tax authorities in other countries.

The above overview is not intended to constitute a complete analysis of all tax consequences relating to the ownership of Notes. Prospective purchasers of Notes should consult their own tax advisors concerning the tax consequences of their particular situations.

CERTAIN ERISA CONSIDERATIONS

The following is an overview of certain considerations associated with the purchase of the Notes by (i) "employee benefit plans" within the meaning of Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA") that are subject to Title I of ERISA, (ii) plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the Code or provisions under any other U.S. or non-U.S. federal, state, local or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, "Similar Laws"), and (iii) entities whose underlying assets are considered to include the assets of any of the foregoing described in clauses (i) and (ii) (each of the foregoing described in clause (i), (ii) and (iii) referred to herein as a "Plan").

General Fiduciary Matters

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (a "Covered Plan") and prohibit certain transactions involving the assets of a Covered Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such a Covered Plan or the management or disposition of the assets of such a Covered Plan, or who renders investment advice for a fee or other compensation to such a Covered Plan, is generally considered to be a fiduciary of the Covered Plan. In considering an investment in the Notes of a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Law relating to a fiduciary's duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Laws.

Prohibited Transaction Issues

Section 406 of ERISA and Section 4975 of the Code prohibit Covered Plans from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest," within the meaning of ERISA, or "disqualified persons," within the meaning of Section 4975 of the Code, unless an exemption is available. A party in interest or disqualified person who engaged in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, the fiduciary of the Covered Plan that engaged in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and the Code. The acquisition and/or holding of the Notes by a Covered Plan with respect to which the Issuer, a Dealer or any of their respective affiliates is considered to be a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and held in accordance with an applicable statutory, class or individual prohibited transaction exemption. Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may apply depending in part on the type of Covered Plan fiduciary making the decision to acquire a Note and the circumstances under which that decision is made. Included among these exemptions are: Prohibited Transaction Class Exemption ("PTCE") 91-38 (relating to transactions involving bank collective investment funds), PTCE 84-14 (relating to transactions effected by a "qualified professional asset manager"), PTCE 90-1 (relating to transactions involving insurance company pooled separate accounts), PTCE 95-60 (relating to transactions involving insurance company general accounts), PTCE 96-23 (relating to transactions determined by an in-house asset manager), and limited exemptions provided by Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code for the purchase and sale of the Notes and related lending transactions, provided that neither the Issuer, any Dealer nor any of their respective affiliates has or exercises any discretionary authority or control or render any investment advice with respect to the assets of the Covered Plan involved in the transaction and provided further that the Covered Plan pays no more, and receives no less, than adequate consideration in connection with the transaction. Fiduciaries of a Covered Plan considering acquiring and/or holding Notes in reliance on these or any other exemption should carefully review the exemption in consultation with its legal advisors to ensure it is applicable. There can be no assurance that any of the foregoing exemptions or any other exemption will be available with respect to the purchase and holding of Notes, or that all of the conditions of any such exemption will be satisfied.

Plans such as non-U.S. plans, governmental plans and certain church plans, while not necessarily subject to the fiduciary responsibility provisions of Title I of ERISA or the prohibited transaction provisions of Title I of ERISA and Section 4975 of the Code, may nevertheless be subject to Similar Laws. Fiduciaries of any such Plans should consult with their legal advisors before purchasing or holding the Notes to determine the need for, and the availability of, any exemptive relief under any applicable Similar Law.

By acceptance of a Note (or any interest therein), each purchaser and subsequent transferee of a Note will be deemed to have represented and warranted that either (i) no portion of the assets used by such purchaser or transferee to acquire or hold the Notes (or any interest therein) constitutes assets of any Plan or (ii) the purchase and holding of the Notes (or any interest therein) by such purchaser or transferee will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a similar violation under any applicable Similar Laws.

The foregoing discussion is general in nature and is not intended to be all inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the Notes on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any Similar Laws to such investment and whether an exemption would be applicable to the purchase and holding of the Notes.

Purchasers of the Notes have the exclusive responsibility for ensuring that their purchase and holding of the Notes complies with the fiduciary responsibility rules of ERISA and does not violate the prohibited transaction rules of ERISA, the Code or applicable Similar Laws. Neither this discussion nor anything provided in this Prospectus is, or is intended to be, investment advice directed at any potential Plan purchaser or at Plan purchasers generally and such purchasers of any Notes (or interests therein) should consult and rely on their own counsel and advisers as to whether an investment in the Notes is suitable for the Plan.

SPECIAL PROVISIONS RELATING TO FOREIGN CURRENCY NOTES

General

Unless otherwise specified in the applicable Final Terms, the following provisions shall apply to Foreign Currency Notes which are in addition to, and to the extent inconsistent therewith replace, the description of general terms and provisions of the Notes set forth elsewhere in this Prospectus.

Payments on Foreign Currency Notes

Purchasers are required to pay for the Notes in the currency specified in the applicable Final Terms. In certain jurisdictions, there may be limited facilities for conversion of home currencies into foreign currencies, and vice versa. In addition, in certain jurisdictions, many banks may not offer foreign currency denominated checking or savings account facilities.

Payment of principal, premium, if any, and interest, if any, on each Note will be made in immediately available funds in the Specified Currency unless otherwise specified in the applicable Final Terms and except as provided under "—Changing the Specified Currency of Foreign Currency Notes."

If so provided in the applicable Final Terms, a holder of the equivalent of US$1,000,000 or more aggregate principal amount of a definitive Registered Note denominated in a Specified Currency other than U.S. Dollars may elect subsequent to the issuance thereof that future payments be converted, or not be converted, as the case may be, at the Market Exchange Rate to U.S. Dollars by transmitting a written request for such payments to the relevant Paying Agent on or prior to the Regular Record Date or at least 16 days prior to maturity or earlier redemption or repayment, as the case may be. Such request shall include appropriate payment instructions and shall be in writing (mail or hand delivered) or by cable, telex or facsimile transmission. A holder may elect to receive all future payments of principal, premium, if any, and interest in either the Specified Currency or in U.S. Dollars, as specified in the written request, and need not file a separate election for each payment. Such election will remain in effect until revoked by a subsequent election made in the manner and at the times prescribed in this paragraph. Owners of beneficial interests in permanent global Notes or holders of definitive Bearer Notes should contact their broker or nominee to determine whether and how an election to receive payment in either U.S. Dollars or the Specified Currency may be made.

The **"Market Exchange Rate"** means, as of any time of determination which shall be two business days prior to payment date the Specified Currencies other than U.S. Dollars to U.S. dollar exchange rate as quoted by the Exchange Rate Agent for similar client driven orders.

All determinations made by the Exchange Rate Agent shall be at its sole discretion and, in the absence of demonstrable error, shall be conclusive for all purposes and binding on holders of the Notes and the Exchange Rate Agent shall have no liability therefor. Under no circumstances shall Bci bear any responsibility for losses incurred by a holder due to fluctuations in the Market Exchange Rate.

Specific information about the Specified Currency in which a particular Foreign Currency Note is denominated will be set forth in the applicable Final Terms. Any information therein concerning exchange rates is furnished as a matter of information only and should not be regarded as indicative of the range of or trends in fluctuations in currency exchange rates that may occur in the future.

Minimum Denominations, Restrictions on Maturities, Repayment and Redemption

General. Notes denominated in Specified Currencies other than U.S. Dollars shall have such minimum denominations and be subject to such restrictions on maturities, repayment and redemption as are set forth below or as are set forth in the applicable Final Terms in the event different restrictions on minimum denominations, maturities, repayment and redemption may be permitted or required from time to time by any relevant central bank or equivalent governmental body, however designated, or by such laws or regulations as are applicable to the Notes or the Specified Currency. Certain restrictions related to the distribution of Notes denominated in Specified Currencies other than U.S. Dollars are set forth under "Plan of Distribution" in this Prospectus. Any other restrictions applicable to Notes denominated in Specified Currencies other than U.S. Dollars will be set forth in the applicable Final Terms relating to such Notes.

Minimum Denominations. Unless permitted by then current laws, regulations and directives, Notes (including Notes denominated in Sterling) in respect of which the issue proceeds are received by the Issuer in the UK and which have a maturity of less than one year will only be issued if (a) the redemption value of each such Note is at least £100,000 as determined at the time of issuance or an amount of equivalent value denominated wholly or partly in a currency other than Sterling, (b) no part of any Note may be transferred unless the redemption value of that part is at least £100,000, or such an equivalent amount, and (c) such Notes are issued to a limited class of professional investors, unless the relevant Note(s) can be issued and sold without contravention of Section 19 of the FSMA. See "Plan of Distribution."

Restrictions on Maturities, Repayment and Redemption. All Notes (irrespective of the Specified Currency in which they are denominated) will comply with applicable legal, regulatory and/or central bank requirements in respect of minimum required maturities and limitations on redemption by the Issuer or holder of such Note.

Redenomination

The Issuer may, without the consent of holders of Notes denominated in a Specified Currency of a member state of the European Union, which on or after the issue date of such Notes participates in the European Economic and Monetary Union, on giving at least 30 days' prior notice (the "**Redenomination Notice**") to the holders of such Notes and on prior notice to the Fiscal and Paying Agent, and Euroclear, Clearstream, Luxembourg and/or any other relevant clearing system, elect that, with effect from the date specified in the Redenomination Notice (the "**Redenomination Date**"), such Notes shall be redenominated in Euro.

The election will have effect as follows:

(a) the Notes shall be deemed to be redenominated into Euro in the denomination of €0.01 with a nominal amount for each Note equal to the nominal amount of that Note in the Specified Currency, converted into Euro at the Established Rate (defined below); provided that, if the Issuer determines after consultation with the Fiscal and Paying Agent that the then market practice in respect of the redenomination into Euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the holders of Notes, any stock exchange on which the Notes may be listed, the Fiscal and Paying Agent and the relevant paying agents of such deemed amendments;

(b) save to the extent that an Exchange Notice (defined below) has been given in accordance with paragraph (d) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which coupons are presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest €0.01;

(c) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued, subject to compliance with all applicable laws and regulations, at the expense of the Issuer in the denominations of €1,000, €10,000, €100,000 and (but only to the extent of any remaining amounts less than €1,000 or such smaller denominations as the relevant Paying Agent may approve) €0.01 and such other denominations as the Issuer shall determine and notify to the Noteholders;

(d) if issued prior to the Redenomination Date, all unmatured coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "**Exchange Notice**") that replacement Euro-denominated Notes and coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes so issued will also become void on that date although such Notes will continue to constitute valid exchange obligations of the Issuer. New Euro-denominated Notes and coupons, if any, will be issued in exchange for Notes and coupons, if any, denominated in the Specified Currency in such manner as the relevant Paying Agent may specify and as shall be notified to the holders of Notes in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;

(e) after the Redenomination Date, all payments in respect of the Notes and the coupons, if any, including payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in Euro as though references in the Notes to the Specified Currency were to Euro. Payments will be made in Euro by credit or transfer to a Euro account outside the United States (or any other account to which Euro may be credited or transferred) specified by the payee;

(f) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Fixed Interest Rate to each Specified Denomination, multiplying such sum by the applicable Fixed Day Count Fraction specified in the applicable Final Terms, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention;

(g) if the Notes are Floating Rate Notes, the applicable Final Terms will specify any relevant changes to the provisions relating to interest; and

(h) such other changes shall be made as the Issuer may decide, after consultation with the relevant Paying Agent and the Calculation Agent (if applicable), and as may be specified in the Redenomination Notice, to conform them to conventions then applicable to instruments denominated in Euro.

"**Established Rate**" means the rate for the conversion of the Specified Currency (including compliance with rules relating to rounding in accordance with applicable European Union regulations) into Euro established by the Council of European Union pursuant to Article 109L(4) of the treaty establishing the European Communities, as amended by the Treaty on European Union.

"**sub-unit**" means, with respect to any Specified Currency other than Euro, the lowest amount of such Specified Currency that is available as legal tender in the country of such Specified Currency and, with respect to Euro, means one cent.

Changing the Specified Currency of Foreign Currency Notes

Unless otherwise specified in the Final Terms, payments of principal, premium, if any, and interest, if any, on any Note denominated in a Specified Currency other than U.S. Dollars shall be made in U.S. Dollars if, on any payment date, such Specified Currency (a) is unavailable due to imposition of exchange controls or other circumstances beyond the Issuer's control or (b) is no longer used by the government of the country issuing such Specified Currency or for the settlement of transactions by public institutions in that country or within the international banking community. Such payments shall be made in U.S. Dollars on such payment date and on all subsequent payment dates until such Specified Currency is again available or so used as determined by such Issuer.

Amounts so payable on any such date in such Specified Currency shall be converted into U.S. Dollars at a rate determined by the Exchange Rate Agent (as defined below) on the basis of the most recently available Market Exchange Rate. The "**Exchange Rate Agent**" at the date of this Prospectus is Citibank, N.A., London Branch. Any payment required to be made on Foreign Currency Notes denominated in a Specified Currency that is instead made in U.S. Dollars under the circumstances described above will not constitute a default of any obligation of the Issuer under such Notes.

The provisions of the two preceding paragraphs shall not apply in the event of the introduction in the country issuing any Specified Currency of the Euro pursuant to the entry of such country into European Economic and Monetary Union. In such an event, payments of principal, premium, if any, and interest, if any, on any Note denominated in any such Specified Currency shall be effected in Euro at such time as is required by, and otherwise in conformity with, legally applicable measures adopted with reference to such country's entry into the European Economic and Monetary Union.

BOOK-ENTRY CLEARANCE SYSTEMS

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear, Clearstream, Luxembourg or CBF (together, the "**Clearing Systems**") currently in effect. The information in this section concerning the Clearing Systems has been accurately reproduced and far as the Issuer is aware and able to ascertain from information published by such third-party Clearing Systems, no facts have been omitted that would render the reproduced information inaccurate or misleading. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Issuer nor any other party to the Fiscal Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.*

Book-Entry Systems

DTC

DTC has advised the Issuer that it is a limited purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to section 17A of the Exchange Act. DTC holds securities that its participants ("**Participants**") deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations ("**Direct Participants**"). DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC System is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**").

Under the rules, regulations and procedures creating and affecting DTC and its operations (the "**Rules**"), DTC makes book-entry transfers of Registered Notes among Direct Participants on whose behalf it acts with respect to Notes accepted into DTC's book-entry settlement system ("**DTC Notes**") as described below and receives and transmits distributions of principal and interest on DTC Notes. The Rules are on file with the Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Notes ("**Owners**") have accounts with respect to the DTC Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Notes through Direct Participants or Indirect Participants will not possess Registered Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Notes.

Purchases of DTC Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Notes on DTC's records. The ownership interest of each actual purchaser of each DTC Note ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Notes are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Notes, except in the event that use of the book-entry system for the DTC Notes is discontinued.

To facilitate subsequent transfers, all DTC Notes deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of DTC Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the DTC Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to DTC Notes. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the DTC Notes will be made to DTC. DTC's practice is to credit Direct Participants' accounts on the due date for payment in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the due date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Issuer, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

Under certain circumstances, including if there is an Event of Default under the Notes, DTC will exchange the DTC Notes for definitive Registered Notes, which it will distribute to its Participants in accordance with their proportionate entitlements and which, if representing interests in a Rule 144A Global Note, will be legended as set forth under "Transfer and Selling Restrictions."

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Notes to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Notes, will be required to withdraw its Registered Notes from DTC as described below.

Euroclear, Clearstream, Luxembourg and CBF

Euroclear, Clearstream, Luxembourg and CBF each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear, Clearstream, Luxembourg and CBF provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear, Clearstream, Luxembourg and CBF also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear, Clearstream, Luxembourg and CBF have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear, Clearstream, Luxembourg and CBF customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear, Clearstream, Luxembourg and CBF is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Book-Entry Ownership of and Payments in Respect of DTC Notes

The Issuer may apply to DTC in order to have any Tranche of Notes represented by a Registered Global Note accepted in its book-entry settlement system. Upon the issue of any such Registered Global Note, DTC or its custodian will credit, on its internal book-entry system, the respective principal amounts of the individual beneficial interests represented by such Registered Global Note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such a Registered Global Note will be limited to Direct Participants or Indirect Participants, including the respective depositories of Euroclear and Clearstream, Luxembourg. Ownership of beneficial interests in a Registered Global Note accepted by DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Registered Global Note accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Note. In the case of any payment in a currency other than U.S. dollars, payment will be made to the Exchange Agent on behalf of DTC or its nominee and the Exchange Agent will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Registered Global Note in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' account.

Transfers of Notes Represented by Registered Global Notes

Transfers of any interests in Notes represented by a Registered Global Note within DTC, Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States require that certain persons take physical delivery of notes in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form. However, as discussed above, such exchanges will generally not be available. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by a Registered Global Note accepted by DTC to pledge such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon the ability to exchange such Notes for Notes in definitive form. The ability of any holder of Notes represented by a Registered Global Note accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under "Transfer and Selling Restrictions," cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the relevant Paying Agent and any custodian ("**Custodian**") with whom the relevant Registered Global Notes have been deposited.

On or after the Original Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream, Luxembourg and Euroclear and transfers of Notes of such Series between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream, Luxembourg or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Transfers of interests in the relevant Registered Global Notes will be effected through the Registrar, the relevant Paying Agent and the Custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The notes will be delivered on a free delivery basis and arrangements for payment must be made separately. However, in the case of transfers within DTC or within Euroclear or Clearstream, Luxembourg, transfers can be made on a delivery versus payment basis.

DTC, Clearstream, Luxembourg and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of DTC, Clearstream, Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuer, the Agents nor any Dealer will be responsible for any performance by DTC, Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

PLAN OF DISTRIBUTION

Under the terms of the Dealer Agreement, we may offer the Notes through the Dealers, each of which has agreed to use its reasonable efforts to solicit offers to purchase the Notes. The Dealers may solicit offers to purchase the Notes through one or more of their affiliates or selling agents. Any agreement of the Dealers to solicit offers to purchase the Notes or to purchase Notes as principal is subject to the satisfaction of the conditions precedent set forth in the Dealer Agreement. In the Dealer Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Program and the issue of Notes under the Program and to indemnify the Dealers against certain liabilities, including liabilities under the Securities Act, incurred by them in connection therewith.

We will pay each Dealer through which we sell Notes such commission as we and the applicable Dealer may agree at the time of sale. In addition, we may appoint Dealers in addition to the Dealers that are initially party to the Dealer Agreement. The commission will be specified in the applicable Final Terms. We will have the sole right to accept offers to purchase Notes and may reject any proposed purchase of Notes, in whole or in part, whether placed directly by us or one of our affiliates or through the Dealers. Each Dealer will have the right, in its discretion reasonably exercised without advising us, to reject any proposed purchase of Notes through that Dealer in whole or in part. We may also sell Notes to the Dealers, as principals, at a negotiated discount, for resale to investors or to another broker-dealer — acting as principal for purposes of resale — at varying prices related to prevailing market prices at the time of resale to be determined by the Dealers, or if specified in the applicable Final Terms, at a fixed offering price. Notes may be distributed on a syndicated basis, in which case the applicable Final Terms will identify the Dealers constituting the syndicate, or on a non-syndicated basis. We have also reserved the right to sell Notes directly on our own behalf, in which case no commission will be payable to the Dealers. We may terminate the Program at any time.

In connection with an offering of the Notes, one or more Dealers designated as Managers in the relevant Final Terms will initially propose to offer the Notes for resale at the issue price that appears in the relevant Final Terms. After the initial offering, the relevant Managers may change the offering price and any other selling terms. Managers may offer and sell Notes through certain of their affiliates.

In connection with any offering of Notes, the Managers may purchase and sell such Notes in the open market. These transactions may include short sales, purchases to cover positions created by short sales and stabilizing transactions.

Short sales involve the sale by a Manager of a greater principal amount of Notes than it is required to purchase in the offering. A Manager may close out any short position by purchasing Notes in the open market. A short position is more likely to be created if a Manager is concerned that there may be downward pressure on the price of the Notes in the open market prior to the completion of the offering.

Stabilizing transactions consist of various bids for or purchases of the Notes made by a Manager in the open market prior to the completion of the offering.

Purchases to cover a short position and stabilizing transactions may have the effect of preventing or slowing a decline in the market price of the Notes. Additionally, these purchases may stabilize, maintain or otherwise affect the market price of the Notes. As a result, the price of the Notes may be higher than the price that might otherwise exist in the open market. However, there is no assurance that the Managers will undertake stabilization transactions. If the Managers engage in stabilizing or short-covering transactions, they may discontinue them at any time, and if begun, must be brought to an end after a limited period. Any over-allotment stabilizing and short- covering transaction must be conducted by the relevant managers, or persons acting on their behalf, in accordance with applicable laws. These transactions may be effected in the over-the-counter market or otherwise.

Some of the Dealers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. If any of the Managers or their affiliates has a lending relationship with the Issuer, certain of those Managers or their affiliates routinely hedge, and certain other of those Managers or their affiliates may hedge, their credit exposure to the Issuer consistent with customary risk management policies. Typically, such Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's securities, including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of any issuance of Notes. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

In connection with the issue of any Tranche of Notes under the Program, the Dealer or Dealers (if any) named as the stabilizing manager(s) in the applicable Final Terms (the "Stabilizing Managers") (or persons acting on their behalf) may over-allot Notes, or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager(s) (or persons acting on their behalf) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than 30 days after the date on which the Issuer received the proceeds of the relevant Tranche of Notes or no later than 60 days after the date of the allotment of the relevant Tranche of Notes, whichever is earlier.

Delivery of Notes

Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in one business day, unless the parties to any such trade expressly agree otherwise. The applicable Final Terms may provide that the original issue date for the Notes may be more than one scheduled business day after the trade date for those Notes. Accordingly, in such a case, if you wish to trade those Notes on any date prior to the business day before the original issue date for those Notes, you will be required, by virtue of the fact that those Notes initially are expected to settle in more than one scheduled business day after the trade date for those Notes, to make alternative settlement arrangements to prevent a failed settlement.

TRANSFER AND SELLING RESTRICTIONS

The Dealers have, in the Dealer Agreement, agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Description of the Notes.*" In the Dealer Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Program and the issue of Notes under the Program and to indemnify the Dealers for certain liabilities incurred by them in connection therewith.

Transfer Restrictions

As a result of the following restrictions, purchasers of Notes in the United States are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Notes. Each purchaser of Registered Notes or person wishing to transfer an interest from one Registered Note to another or from global to definitive form or vice versa, will be required to acknowledge, represent and agree as follows (terms used in this paragraph that are defined in Rule 144A or in Regulation S are used herein as defined therein):

(a) that either: (i) it is a QIB, purchasing (or holding) the Notes for its own account or for the account of one or more QIBs and it is aware that any sale to it is being made in reliance on Rule 144A or (ii) it is outside the United States and is not a U.S. person;

(b) that the Notes are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes have not been and will not be registered under the Securities Act or any other applicable U.S. State securities laws and may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;

(c) that, unless it holds an interest in a Regulation S Global Note, the applicable distribution compliance period has elapsed and it is a person located outside the United States or is not a U.S. person, if in the future it decides to resell, pledge or otherwise transfer the Notes or any beneficial interests in the Notes, it will do so only (i) to the Issuer or any affiliate thereof, (ii) inside the United States to a person whom the seller reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A and which takes delivery in the form of an interest in the Rule 144A Global Note, (iii) outside the United States in compliance with Rule 903 or Rule 904 under the Securities Act, (iv) pursuant to another available exemption from registration under the Securities Act or (v) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable U.S. State securities laws;

(d) that it will, and will require each subsequent holder to, notify any purchaser of the Notes from it of the resale restrictions referred to in paragraph (c) above, if then applicable;

(e) that Notes initially offered in the United States to QIBs will be represented by one or more Rule 144A Global Notes, and that Notes offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Notes;

(f) that the Notes, other than the Regulation S Global Notes, will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (A) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) PURCHASING THE NOTES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS; (B) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE NOTES EXCEPT IN ACCORDANCE WITH THE FISCAL AGENCY AGREEMENT AND OTHER THAN (1) TO THE ISSUER OR ANY AFFILIATE THEREOF, (2) INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A

TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, (3) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT, (4) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND ANY OTHER JURISDICTION; AND (C) IT AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144A UNDER THE SECURITIES ACT FOR RESALE OF THIS NOTE."

THIS LEGEND CAN ONLY BE REMOVED AT THE OPTION OF THE ISSUER.

(g) if it is outside the United States and is not a U.S. person, that if it should resell or otherwise transfer the Notes prior to the expiration of the 40-day distribution compliance period which commences upon completion of distribution of all the Notes of the Tranche of which the Notes being resold or otherwise transferred forms a part of the offering and the closing date with respect to the original issuance of the Notes), it will do so only (i) outside the United States in compliance with Rule 903 or 904 under the Securities Act and (ii) in accordance with all applicable U.S. State securities laws; and it acknowledges that the Regulation S Global Notes will bear a legend to the following effect unless otherwise agreed to by the Issuer:

"THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE FISCAL AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF FORTY DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART";

(h) that either: (i) no portion of the assets used by it to purchase or hold the Notes (or any interest therein) constitutes assets of any (a) employee benefit plan subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), (b) plan, individual retirement account or other arrangement that is subject to section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or the provisions of any other U.S. or non-U.S. federal, state, local or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, "**Similar Laws**"), or (c) entity whose underlying assets are considered to include the assets of any of the foregoing described in clauses (a) and (b) immediately above or (ii) the purchase and holding of the Notes (or any interest therein) by such purchaser will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a similar violation under any applicable Similar Laws:

"EACH PURCHASER OR TRANSFEREE OF THIS NOTE OR ANY INTEREST HEREIN WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT EITHER (I) NO PORTION OF THE ASSETS USED BY IT TO ACQUIRE OR HOLD THIS NOTE (OR ANY INTEREST HEREIN) CONSTITUTES ASSETS OF ANY (A) EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE I OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), (B) PLAN, INDIVIDUAL RETIREMENT ACCOUNT OR OTHER ARRANGEMENT THAT IS SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") OR THE PROVISIONS OF ANY OTHER U.S. OR NON-U.S. FEDERAL, STATE, LOCAL OR OTHER LAWS OR REGULATIONS THAT ARE SIMILAR TO SUCH PROVISIONS OF ERISA OR THE CODE (COLLECTIVELY, "SIMILAR LAWS"), OR (C) ENTITY WHOSE UNDERLYING ASSETS ARE CONSIDERED TO INCLUDE THE ASSETS OF ANY OF THE FOREGOING DESCRIBED IN CLAUSES (A) AND (B) OR (II) THE ACQUISITION AND HOLDING OF THIS NOTE (OR ANY INTEREST HEREIN) BY SUCH PURCHASER OR TRANSFEREE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE OR A SIMILAR VIOLATION UNDER ANY APPLICABLE SIMILAR LAW;

(i) that the Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the Issuer; and if it is acquiring any Notes as a fiduciary or agent for one or more accounts it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

No sale of Legended Notes in the United States to any one purchaser will be for less than US$100,000 (or its foreign currency equivalent) principal amount and no Legended Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least US$100,000 (or its foreign currency equivalent) of Registered Notes.

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

In connection with any Notes which are offered or sold outside the United States in reliance on the safe harbor from the registration requirements of the Securities Act provided under Regulation S ("**Regulation S Notes**"), each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it will not offer, sell or deliver such Regulation S Notes (a) as part of their distribution at any time or (b) otherwise until forty days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Regulation S Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Program will be required to agree, that it will send to each dealer to which it sells any Regulation S Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, U.S. persons.

Until forty days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Dealers, directly or through their respective U.S. broker dealer affiliates, may arrange for the resale of Notes to QIBs pursuant to Rule 144A and each such purchaser of Notes is hereby notified that the Dealers may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. The minimum aggregate principal amount of Notes which may be purchased by a QIB pursuant to Rule 144A is US$100,000 (or the approximate equivalent thereof in any other Specified Currency). To the extent that the Issuer is not subject to or does not comply with the reporting requirements of section 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, the Issuer has agreed to furnish to holders of Notes and to prospective purchasers designated by such holders, upon request, such information as may be required by Rule 144A(d)(4) so long as the Notes are considered "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act.

Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by United States Treasury Regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder, including the TEFRA D Rules.

The applicable Final Terms will specify whether the TEFRA C Rules or the TEFRA D Rules are applicable to the Bearer Notes, or whether neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

In the case of Bearer Notes to which the TEFRA D Rules have been specified to apply, the Notes may not be delivered, offered, sold or resold, directly or indirectly, in connection with their original issuance or during the Restricted Period in the United States to or for the account of any United States person, other than to certain persons as provided under United States Treasury Regulations. An offer or sale will be considered to be made to a person within the United States if the offeror or seller has an address within the United States for the offeree or purchaser with respect to the offer or sale. In addition, each Dealer has represented and agreed (and each further Dealer appointed under the Program will be required to represent and agree) that:

(a) except to the extent permitted under the TEFRA D Rules, (i) it has not offered or sold, and during the Restricted Period will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (ii) such Dealer has not delivered and will not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the Restricted Period;

(b) it has and throughout the Restricted Period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the Restricted Period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D Rules;

(c) if such Dealer is a United States person, it represents that it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance and, if such Dealer retains Notes in bearer form for its own account, it will only do so in accordance with the requirements of United States Treasury Regulation §1.163-5(c)(2)(i)(D)(6); and

(d) with respect to each affiliate (if any) that acquires from such Dealer Notes in bearer form for the purposes of offering or selling such Notes during the Restricted Period, such Dealer either (i) hereby represents and agrees on behalf of such affiliate (if any) to the effect set forth in sub-paragraphs (a), (b) and (c) of this paragraph or (ii) agrees that it will obtain from such affiliate (if any) for the benefit of the Issuer the representations and agreements contained in sub-paragraphs (a), (b) and (c) of this paragraph.

Where the TEFRA C Rules are specified in the applicable Final Terms as being applicable to any Tranche of Bearer Notes, such Notes must be issued and delivered outside the United States and its possessions in connection with their original issuance. Accordingly, each Dealer has represented and agreed (and each additional Dealer appointed under the Program will be required to represent and agree) in respect of such Notes that it has not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, any such Notes within the United States or its possessions in connection with the original issuance. Further, each Dealer has represented and agreed (and each further Dealer appointed under the Program will be required to represent and agree) in connection with the original issuance of such Notes in bearer form, that it has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if such Dealer or such purchaser is within the United States or its possessions and will not otherwise involve the U.S. office of such Dealer in the offer and sale of such Notes.

Each Dealer has agreed, and each further Dealer appointed under the Program will be required to agree, that it has not entered and will not enter into any contractual arrangements with respect to the distribution or delivery of Notes except with its affiliates (if any) or with the prior written consent of the Issuer.

Each Bearer Note having a maturity of more than 365 days (including unilateral rights to rollover) and interest coupons pertaining to such Note, if any, will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code."

Each issuance of Indexed Notes shall be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree as a term of the issuance and purchase of such Notes, which additional selling restrictions shall be set out in the applicable Final Terms.

European Economic Area

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II or (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by the PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

United Kingdom

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the UK PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes included in this offering in circumstances in which Section 21(1) of the FSMA does not apply to the Bank;

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes included in this offering in, from or otherwise involving the UK; and

(c) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Bank.

France

Each of the Dealers and the Issuer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has only offered or sold and will only offer or sell, directly or indirectly, any Notes in France pursuant to an exemption under Article 1(4) of the Prospectus Regulation and under Article L.411-2 1 of the *French Code monétaire et financier*, and it has only distributed or caused to be distributed and will only distribute or cause to be distributed in France, the Prospectus, the relevant Final Terms or any other offering material relating to the Notes, to qualified investors as defined in Article 2(e) of the Prospectus Regulation and in Article L.411-2 1°of the *French Code monétaire et financier*, and it has only distributed or caused to be distributed and will only distribute or cause to be distributed in France, the Prospectus, the relevant Final Terms or any other offering material relating to the Notes, to qualified investors as defined in Article 2(e) of the Prospectus Regulation and in Article L.411-2 of the French Code *monétaire et financier*.

This Prospectus has not been submitted to the clearance procedure of the AMF.

Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation. Any offer, sale or delivery of the Notes in the Republic of Italy or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy must be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 and Legislative Decree No. 385 of 1 September 1993, as amended; and

(ii) in compliance with any other applicable laws and regulations.

Please note that, in accordance with Article 100-bis of the Financial Services Act, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the rules on offers of securities to be made to the public provided under the Financial Services Act and the Regulation 11971/1999. Failure to comply with such rules may result, inter alia, in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the Notes for any damages suffered by the investors.

The Netherlands

Each Dealer has represented and agreed, and each further Dealer will be required to represent and agree, that any Notes with a maturity of less than twelve months and a denomination of less than Euro 50,000 will only be offered in the Netherlands to professional market parties as defined in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and the decrees issued pursuant thereto.

Japan

The Notes have not been and will not be registered pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act. Accordingly, none of the Notes nor any interest therein may be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any "resident" of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan in effect at the relevant time.

People's Republic of China

Each Dealer has represented and agreed and each further Dealer appointed under the Program will be required to represent and agree that it has not offered or sold and will not offer or sell any of the Notes, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws or other relevant regulations of the PRC.

Hong Kong

Each Dealer:

(a) has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes, except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (the "SFO"), other than (i) to "professional investors" as defined in the SFO and any rules made thereunder; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the laws of Hong Kong) (the "CO") or which do not constitute an offer to the public within the meaning of the CO; and

(b) has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made thereunder.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Program will be required to acknowledge, that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Australia

No placement document, prospectus, product disclosure statement or other disclosure document (including as defined in the Corporations Act 2001 (Cth) ("Corporations Act")) has been or will be lodged with the Australian Securities and Investments Commission ("ASIC") or any other governmental agency, in relation to the offering. This Prospectus does not constitute a prospectus, product disclosure statement or other disclosure document for the purposes of Corporations Act, and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act. No action has been taken which would permit an offering of the Notes in circumstances that would require disclosure under Parts 6D.2 or 7.9 of the Corporations Act.

The Notes may not be offered for sale, nor may application for the sale or purchase or any Notes be invited in Australia (including an offer or invitation which is received by a person in Australia) and neither this Prospectus nor any other offering material or advertisement relating to the Notes may be distributed or published in Australia unless, in each case:

(a) the aggregate consideration payable on acceptance of the offer or invitation by each offeree or invitee is at least A$500,000 (or its equivalent in another currency, in either case, disregarding moneys lent by the person offering the Notes or making the invitation or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or 7.9 of the Corporations Act;

(b) the offer, invitation or distribution complied with the conditions of the Australian financial services license of the person making the offer, invitation or distribution or an applicable exemption from the requirement to hold such license;

(c) the offer, invitation or distribution complies with all applicable Australian laws, regulations and directives (including, without limitation, the licensing requirements set out in Chapter 7 of the Corporations Act);

(d) the offer or invitation does not constitute an offer or invitation to a person in Australia who is a "retail client" as defined for the purposes of Section 761G of the Corporations Act; and

(e) such action does not require any document to be lodged with ASIC or the ASX.

Switzerland

This Prospectus does not constitute an offer to the public or a solicitation to purchase or invest in any Notes. No Notes have been offered or will be offered to the public in Switzerland, except that offers of Notes may be made to the public in Switzerland at any time under the following exemptions under the Swiss Financial Services Act ("FinSA"):

(a) to any person which is a professional client as defined under the FinSA;

(b) to fewer than 500 persons (other than professional clients as defined under the FinSA), subject to obtaining the prior consent of Dealers for any such offer; or

(c) in any other circumstances falling within Article 36 FinSA in connection with Article 44 of the Swiss Financial Services Ordinance,

provided that no such offer of Notes shall require the Company or any Dealer to publish a prospectus pursuant to Article 35 FinSA.

The Notes have not been and will not be listed or admitted to trading on a trading venue in Switzerland.

Neither this document nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to the FinSA and neither this document nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Dubai International Financial Centre

This document relates to an Exempt Offer in accordance with the Markets Law, DIFC Law No. 1 of 2012, as amended. This document is intended for distribution only to persons of a type specified in the Markets Law, DIFC Law No. 1 of 2012, as amended. It must not be delivered to, or relied on by, any other person. The Dubai Financial Services Authority (DFSA) has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this document. The securities to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this document you should consult an authorized financial advisor.

In relation to its use in the DIFC, this document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

United Arab Emirates

The Notes have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the Dubai International Financial Centre) other than in compliance with the laws of the United Arab Emirates (and the Dubai International Financial Centre) governing the issue, offering and sale of securities. Further, this prospectus does not constitute a public offer of securities in the United Arab Emirates (including the Dubai International Financial Centre) and is not intended to be a public offer. This Prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority, Financial Services Regulatory Authority (FSRA) or the Dubai Financial Services Authority.

Brazil

The offer and sale of the Notes have not been and will not be registered with the Brazilian Securities Commission (Comissão de Valores Mobiliários, or "CVM") and, therefore, will not be carried out by any means that would constitute a public offering in Brazil under CVM Resolution No. 160, dated 13 July 2022, as amended, or unauthorized distribution under Brazilian laws and regulations. The Notes will be authorized for trading on organized non-Brazilian securities markets and may only be offered to Brazilian Professional Investors (as defined by applicable CVM regulation), who may only acquire the Notes through a non-Brazilian account, with settlement outside Brazil in non-Brazilian currency. The trading of these Notes on regulated securities markets in Brazil is prohibited.

Peru

The Notes and the information contained in this Prospectus and any Final Terms are not being publicly marketed or offered in Peru and will not be distributed or caused to be distributed to the general public in Peru. Peruvian securities laws and regulations on public offerings will not be applicable to the offering of the Notes and therefore, the disclosure obligations set forth therein will not be applicable to the Issuer or the sellers of the Notes before or after their acquisition by prospective investors. The Notes and the information contained in this Prospectus and any Final Terms have not been and will not be reviewed, confirmed, approved or in any way submitted to the Superintendencia del Mercado de Valores (Peruvian capital market regulator) (the "SMV") nor have they been registered with the SMV's Securities Market Public Registry (Registro Público del Mercado de Valores). Accordingly, the Notes cannot be offered or sold within Peruvian territory except to the extent any such offering or sale qualifies as a private offering under Peruvian law and regulations and complies with the provisions on private offerings set forth therein.

Chile

The Notes have not and will not be registered under the Chilean securities market law, as amended, of Chile with the CMF, and accordingly, they may not be offered or sold to persons in Chile, except in circumstances that do not constitute a public offering under Chilean laws and regulations.

Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus or the applicable Final Terms (including any amendment thereto and hereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

If applicable, pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this Program.

Germany

Each Dealer has agreed that it is aware of the fact that no German selling prospectus (*Verkaufsprospekt*) has been or will be published with respect to the Program and that such Dealer will comply with the Securities Selling Prospectus Act (the "**SSPA**") of the Federal Republic of Germany (*Wertpapierverkaufsprospektgesetz*). In particular, each Dealer has undertaken not to engage in public offering (*öffentliches Anbieten*) or other selling activities in the Federal Republic of Germany with respect to any Notes issued under the Program otherwise than in accordance with the SSPA and any other legislation replacing or supplementing the SSPA and all other applicable laws and regulations.

Mexico

The Notes have not been and will not be registered with the Mexican National Securities Registry (Registro Nacional de Valores) maintained by the Mexican National Banking and Securities Commission (Comisión Nacional Bancaria y de Valores, or the "CNBV"), and therefore, may not be offered or sold publicly in Mexico or otherwise be subject to intermediation activities in Mexico, however, the notes may only be offered and sold in Mexico on a private placement basis to investors that qualify as institutional or qualified investors pursuant to the private placement exemption set forth in Article 8 of the Mexican Securities Market Law (Ley del Mercado de Valores) and regulations thereunder. The information contained in this Prospectus is solely our responsibility and has not been reviewed or authorized by the CNBV and may not be publicly distributed in Mexico. In making an investment decision, all investors, including any Mexican investor, who may acquire notes from time to time, must rely on their own examination of the Issuer and the terms of this Program and the Notes, including the merits and risks involved.

General

Each Dealer has represented and agreed and each further Dealer appointed under the Program will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other additional restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

LEGAL MATTERS

Certain legal matters of U.S. law will be passed upon for us by Simpson Thacher & Bartlett LLP, New York, New York and for the Dealers by Cleary Gottlieb Steen & Hamilton LLP, New York, New York. Certain matters of Chilean law will be passed upon for us by Dentons Servicios Legales Limitada, Santiago, Chile, and for the Dealers by Carey y Cia. Ltda., Santiago, Chile.

INDEPENDENT AUDITORS

The audited consolidated financial statements as of and for the years ended December 31, 2023, 2022 and 2021 included in this Prospectus have been audited by KPMG Auditores Consultores Ltda., independent auditors, as stated in their report appearing herein.

KPMG Auditores Consultores Ltda. is member to the Colegio de Contadores de Chile AG, the professional body of auditors in Chile. The business address of KPMG Auditores Consultores Ltda. is located at Avda. Presidente Riesco 5685, piso 21, Las Condes, Santiago Chile.

GENERAL INFORMATION

1. The Bank is registered in Chile and identified with registration (tax identification) number 97,006,000-6.

2. The Notes have been accepted for clearing and settlement through Euroclear, Clearstream Luxembourg and DTC. The Common Code for the Bearer Notes, together with the relevant ISIN Code or CUSIP number for the Registered Notes, will be contained in the Final Terms relating thereto.

3. There has been no material adverse change in the prospects of the Issuer since December 31, 2023.

4. The Issuer has appointed Citibank, N.A., London Branch as its Fiscal and Paying Agent, Paying Agent, Transfer Agent and Registrar. The Issuer reserves the right to vary such appointment.

5. The Issuer is involved in routine litigation and other proceedings in the ordinary course of business. The Issuer is not engaged in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which we are aware) which might have or have had during the 12 months prior to the date of this Prospectus a material adverse effect on our financial position or profitability.

6. There has been no significant change in our financial performance or financial position since December 31, 2023.

7. So long as Notes are outstanding and listed on the Luxembourg Stock Exchange, and the rules of the Luxembourg Stock Exchange so require, the Issuer will make available copies of its by-laws, latest annual report, annual financial statements and any quarterly interim financial statements, as well as this Prospectus and any supplements to this Prospectus, each Final Terms and the Fiscal Agency Agreement, free of charge, at the specified office of the Paying Agent in Luxembourg during normal business hours.

8. In connection with the offering, the Agents are not acting for anyone other than the Issuer and will not be responsible to anyone other than the Issuer for providing the protections afforded to their clients nor for providing advice in relation to the offering.

9. As of the date of this Prospectus, there were no material contracts that are reasonably likely to have a material effect on the Issuer.

10. There are no potential conflicts of interest between any duties to the bank by any of the members of either the directive board or management in respect of their private or other duties.

11. We have approved the establishment of this program through a resolution of our executive committee dated July 21, 2016.

12. This Prospectus will be made available at https://www.bci.cl/investor-relations/informacion-programa-emtn/files/bci-final-prospectus, and at https://www.luxse.com/issuer/BancCredInver/81972.

CLEARING SYSTEMS

The relevant Final Terms will specify which clearing system or systems (including DTC, Clearstream, Luxembourg and/or Euroclear) had/have accepted the relevant Notes for clearance and provide any further appropriate information.

DOCUMENTS ON DISPLAY

So long as Notes are capable of being issued under the Program, copies of the following documents will be available from the Issuer and from the specified office of the Fiscal and Paying Agent for the time being in London:

(a) the by-laws (with an English translation where applicable) of the Issuer;

(b) the Issuer's audited consolidated financial statements as of and for the years ended December 31, 2021 and 2022;

(c) the Issuer's audited consolidated financial statements as of and for the years ended December 31, 2022 and 2023;

(d) the Issuer's unaudited interim consolidated financial statements as of March 31, 2024 and for the three months ended March 31, 2023 and 2024;

(e) the forms of the Notes;

(f) a copy of this Prospectus; and

(g) any future supplements to this Prospectus and Final Terms to this Prospectus.

Copies of these documents are available on our website at www.bci.cl. Any information contained or accessible through our website is not part of this Prospectus.

ANNEX A

SIGNIFICANT DIFFERENCES BETWEEN CHILEAN GAAP AND IFRS

Chilean banks prepare their financial statements in accordance with the Compendium of Accounting Standards (the "**Compendium**") as prescribed by the Financial Market Commission (*Comisión para el Mercado Financiero*) ("**CMF**"), which absorbed the former Superintendency of Banks and Financial Institutions (*Superintendencia de Bancos e Instituciones Financieras*) ("**SBIF**"). The Compendium requires the application of Chilean Financial Information Standards as prescribed by the *Colegio de Contadores de Chile A.G.* (Chilean Institute of Accountants), which are generally consistent with the International Financial Reporting Standards ("**IFRS**") as issued by International Accounting Standards Boards ("IASB"), with certain modifications introduced by the former SBIF. The financial statements have not been prepared in accordance with IFRS (or IFRS as adopted pursuant to the procedure of Article 3 of Regulation (EC) No 1606/2002). There may be material differences in the financial statements had they been prepared in accordance with IFRS (or IFRS as adopted pursuant to the procedure of Article 3 of Regulation (EC) No 1606/2002).

The Compendium differs in certain significant respects from IFRS (such differences being equivalent to those between the Compendium and IFRS as adopted pursuant to the procedure of Article 3 of Regulation (EC) No. 1606/2002). Such differences might be material to the financial information contained in this Prospectus. An overview of the significant differences is presented below. We have made no attempt to identify or quantify the impact of those differences. In making an investment decision investors must rely upon their own examination of the Bank, the terms of this Prospectus and the financial information contained herein. Potential investors should consult their own professional advisors for an understanding of the differences between the Compendium and IFRS, and how those differences might affect the financial information contained herein.

This overview should not be taken as exhaustive of all differences between the Compendium and IFRS. No attempt has been made to identify all disclosure, presentation or classification differences that would affect the manner in which transactions or events are presented in the Financial Statements, including the notes thereto.

Set forth below is a description of the significant differences between the Compendium and its applicable accounting rules as of and for the year ended December 31, 2022, and IFRS (such differences being equivalent to those between the Compendium and IFRS as adopted by the European Union).

a) Allowances for credit losses

According to both Chilean Bank GAAP and IFRS, allowances for credit losses are calculated using expected loss models. The main difference between Chilean Bank GAAP and IFRS 9 regarding allowances for credit losses is that allowances for credit losses under Chilean Bank GAAP are calculated using expected loss models based on specific guidelines set by the CMF. The models adopted with IFRS 9 use an expected loss approach, however these are not in accordance with specific guidelines under Chilean Bank GAAP given by the CMF. The CMF has not yet adopted IFRS 9 for allowances for credit losses.

b) Additional Provisions for Loans

In conformity with the standards issued by the CMF, the Bank has made additional provisions on its loan portfolio to hedge against the risk of unpredictable adverse economic fluctuations that may affect the macroeconomic environment or the situation in a specific economic sector. The additional provisions should always be based on general provisions on commercial, mortgage or consumer loans, or on identified segments of commercial, mortgage or consumer loans. Under IFRS, additional provisions for loans are not allowed.

c) Derivative and hedging accounting

In accordance with Chilean Bank GAAP, financial instruments that have an embedded derivative that should, but which is not possible to, be valued separately are to be measured at their fair value, with changes in fair value accounted for as profit or loss in the income statement. In accordance with IFRS, an entity can elect to designate a financial liability in the scope of IFRS 9 as at fair value through profit or loss (even though the instrument would not meet the definition of held for trading). This option is available as noted under the section below detailing irrevocable options for hybrid financial liabilities (which include embedded derivatives). In accordance with Chilean Bank GAAP, variations in the fair value hedge related to an asset, liability or an unrecognized firm commitment could be due to a change in interest rates for fixed rate loans, foreign currency, equity and commodity prices. Any profits or losses on both hedging instrument and hedged item shall be accounted for as profit or loss in the income statement in each accounting period. In accordance with IFRS, if the hedged item is an equity instrument accounted for at its fair value through other comprehensive income, any variation in the fair value of the hedging instrument should also be accounted for in other comprehensive income with no subsequent reclassification. Dividend income is recognized in profit or loss.

d) Suspension of Income Recognition on Accrual Basis

Under Chilean Bank GAAP, financial institutions must suspend recognition of income on an accrual basis in their statements of income when any installment of the loan has been past due for over 90 days. Interest income is recognized only when the income is effectively received. IFRS 9 does not allow the suspension of accrual of interest on financial assets for which an impairment loss has been determined. Under IFRS 9, interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for financial assets that have subsequently become credit-impaired (or "Stage 3"), for which interest revenue is calculated by applying the effective interest rate to their amortized cost (i.e., net of expected credit loss provision). Off-balance interests are recorded as interest income only if the related payments are received.

e) Write-offs and Account Receivables

Chilean Bank GAAP requires companies to establish deadlines for the write-off of loans and accounts receivable. IFRS does not require any such deadline for write-offs. A write-off due to impairment would be recorded, if and only if, all efforts at collection for the full or partial loan or accounts receivable had been exhausted. Accordingly, this difference does not materially impact the Audited Consolidated Financial Statements.

f) Assets Received in Lieu of Payment

Chilean Bank GAAP requires that the initial value of assets received in lieu of payment be the value agreed upon with a debtor as a result of the loan settlement or the value awarded in an auction, as applicable. These assets are required to be written off one year after their acquisition, if the assets have not been previously disposed of. IFRS requires that assets received in lieu of payment be initially accounted for at fair value. Subsequently, asset valuation depends on the classification provided by the entity for that type of asset. No deadline is established for charging-off an asset.

g) Provisions for Country Risk and for Contingent Loan Risk

Under Chilean Bank GAAP, the Bank provisions for country risk to cover the risk taken when holding or committing resources with any foreign country. These allowances are established in accordance with country risk classifications established by the CMF and, therefore, are not in accordance with IFRS. Also under Chilean Bank GAAP, the Bank can establish allowances related to the undrawn available credit lines and contingent loans in accordance with the CMF. Under IFRS 9, provisions for contingent loans are calculated based on expected credit loss.

h) Provisions for Minimum Dividends

Article No.79 in Chile's Law of Public Companies establishes that, unless different from the adopted in the meeting and by the issued shares unanimously, public companies will have to distribute annually as dividend in cash to its shareholders, proportionally of its shares or the proportion established by the by-laws at least the 30% of liquid gains of each year, except when accumulated losses coming from previous year are to be absorbed. Minimum dividends are accounted for net of the portion of the provisional dividends that has been approved during the course of the year and are registered in the line item "Provisions" with a debit to the account "Provisions for minimum dividends" in equity.

i) Re-recognition of Written-off Transactions

In accordance with Chilean Bank GAAP, written-off loans that are renegotiated should be re-recognized when they are upgraded from the impaired loan portfolio classification. IFRS does not provide specific guidance on the timing of recognizing recoveries of amounts previously written off. Entities generally may apply any of the following criteria: (i) re-recognition when cash is received, (ii) when recovery is virtually certain or (iii) an alternative probability-based approach.

ANNEX B

SIGNIFICANT DEPARTURES FROM INTERNATIONAL STANDARDS ON AUDITING

The audits to the financial statements for banks in Chile are performed in accordance with General Accepted Auditing Standards in Chile ("**Chilean GAAS**") issued by the *Colegio de Contadores de Chile A.G.* (Chilean Institute of Accountants). The International Auditing Standards ("**ISAs**") are issued by the International Auditing and Assurance Standards Board (IAASB) and are used for banks in the European Union countries in accordance with Regulation (EU) 537/2014. In general terms, both sets of standards are similar in several aspects that auditors are required to consider to perform their audits to financial statements. The principal differences between Chilean GAAS and ISAs are the following:

a) Audit Report

Under Chilean GAAS, key audit matters are not required to be described on the audit report to the financial statements, which are required to be described under ISAs.

b) Group Reporting and Use of another auditor

Under Chilean GAAS, when there is more than one firm auditing a group of companies, the principal auditor for the group is not required to assume responsibilities for the whole group of companies and can limit its scope, referencing the other auditors in the audit report. Under ISAs, the principal auditor is responsible for the entire group of companies reported upon and cannot reference another auditor's report.

c) Going concern considerations

Under Chilean GAAS, the assessment period as to the ability of the entity to continue as a going concern is one year from the date of the statement of financial position. Under ISAs, the assessment period as to the ability of the entity to continue as a going concern is considered to be minimally one year but is not limited to one year from the date of the statement of financial position.

d) Internal control over financial reporting

Under Chilean GAAS, internal control issues are classified in three categories: material weakness; significant deficiency; and deficiency. Under ISAs, internal control issues are classified in two categories: significant deficiency; and deficiency.

Under Chilean GAAS, internal control deficiencies at the level of significant deficiency and material weakness must be communicated in writing to those charged with corporate governance. Additionally, unless the circumstances warrant otherwise, significant deficiencies and material weaknesses communicated to those charged with corporate governance are also communicated to management in writing. Other deficiencies in internal control may be communicated to management in writing or verbally.

Under ISAs, significant deficiencies in internal control must be communicated in writing to those charged with corporate governance. Communication of significant deficiencies in internal control to management is required in writing unless it would be inappropriate to communicate with management under the circumstances. The communication of other deficiencies in internal control may be communicated to management verbally.

e) Documentation and retention of working papers

Chilean GAAS requires working papers to be retained for six years, compared to the five-year term required by ISAs.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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Interim Consolidated Financial Statements

As of March 31, 2024 and December 31, 2023 and for the periods ended March 31, 2024 and 2023

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BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of March 31, 2024 and December 31, 2023
(In millions of Chilean pesos - MCh$)

	Note	March 31, 2024	December 31, 2023
		MCh$	MCh$
ASSETS			
Cash and bank deposits	7	**4,386,690**	**3,619,715**
Transactions in the course of collection	7	**613,917**	**475,440**
Financial assets held for trading at fair value through profit or loss		**8,464,562**	**7,088,697**
Financial derivative contracts	8	7,328,143	6,000,937
Debt financial instruments	8	1,065,764	974,506
Other	8	70,655	113,254
Financial assets not held for trading mandatorily measured at fair value through profit or loss	9	**60,212**	**58,963**
Financial assets at fair value through profit or loss	10	**-**	**-**
Financial assets at fair value through other comprehensive income		**8,832,713**	**8,991,137**
Debt financial instruments	11	8,832,713	8,991,137
Other	11	-	-
Financial derivative contracts for accounting hedge	12	**2,172,154**	**1,999,433**
Financial assets at amortized cost		**58,078,730**	**53,769,837**
Rights for reverse repurchase agreements and securities lending	13	219.716	207,114
Debt securities	13	5.478.883	4,322,383
Loans and advances to banks	13	919.784	680,190
Loans and receivables from customers - Commercial	13	34.307.720	31,940,712
Loans and receivables from customers - Mortgage	13	14.277.801	13,740,355
Loans and receivables from customers - Consumer	13	2.874.826	2,879,083
Investments in companies	14	**184,094**	**163,136**
Intangible assets	15	**463,102**	**446,546**
Property and equipment	16	**265,209**	**253,614**
Right-of-use assets	17	**133,969**	**143,886**
Current tax assets	18	**168,887**	**159,318**
Deferred tax assets	18	**538,257**	**492,461**
Other assets	19	**1,957,661**	**1,592,985**
Non-current assets and disposal groups held for sale	20	**43,629**	**45,985**
TOTAL ASSETS		**86,363,786**	**79,301,153**

The accompanying notes Nos, 1 to 49 are an integral part of these Interim Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of March 31, 2024 and December 31, 2023
(In millions of Chilean pesos - MCh$)

	Note	March 31, 2024 MCh$	December 31, 2023 MCh$
LIABILITIES			
Transactions in the course of payment	7	**569,499**	**429,959**
Financial liabilities held for trading at fair value through profit or loss	21	**6,992,853**	**5,625,481**
Financial derivative contracts	21	6,992,853	5,625,481
Other	21	-	-
Financial liabilities designated at fair value through profit or loss	10	**-**	**-**
Financial derivative contracts for accounting hedge	12	**2,555,274**	**2,535,841**
Financial liabilities at amortized cost		**64,369,814**	**59,937,499**
Deposits and other on-demand liabilities	22	26,945,987	23,810,298
Deposits and other term deposits	22	19,190,646	18,442,271
Liabilities for repurchase agreements and securities lending	22	706,726	706,623
Bank borrowings	22	7,069,167	7,125,985
Debt financial instruments issued	22	8,522,237	8,112,510
Other financial liabilities	22	1,935,051	1,739,812
Lease liabilities	17	**118,581**	**129,349**
Regulatory capital financial instruments issued	23	**2,044,735**	**1,551,291**
Provisions for contingencies	24	**136,171**	**199,775**
Provisions for dividends, payment of interests and revaluation of regulatory capital financial instruments issued	25	**273,297**	**204,740**
Special provisions for credit loss	26	**441,627**	**452,398**
Current taxes	18	**12,758**	**33,659**
Deferred taxes	18	**1,636**	**2,106**
Other liabilities	27	**2,295,438**	**2,131,679**
Liabilities included in disposal groups held for sale	20	**-**	**-**
TOTAL LIABILITIES		**79,811,683**	**73,233,777**
EQUITY			
Share capital	28	**5,383,715**	**5,383,715**
Reserves	28	**-**	**-**
Accumulated other comprehensive income	28	**551,113**	**204,352**
Items that will not be reclassified to profit or loss	28	675	395
Items that may be reclassified to profit or loss	28	550,438	203,957
Retained earnings from prior years	28	**682,468**	-
Profit for the period/year	28	**207,432**	**682,468**
Less: Provisions for dividends, payment of interests and revaluation of regulatory capital financial instruments issued	28	(274,499)	(204,740)
Owners of the bank	28	**6,550,229**	**6,065,795**
Non-controlling interests	28	**1,874**	**1,581**
TOTAL EQUITY		**6,552,103**	**6,067,376**
TOTAL LIABILITIES AND EQUITY		**86,363,786**	**79,301,153**

The accompanying notes Nos, 1 to 49 are an integral part of these Interim Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF INCOME
For the periods ended March 31, 2024 and 2023
(In millions of Chilean pesos - MCh$)

	Note	March 31,	
		2024	**2023**
		MCh$	**MCh$**
Interest income		1,076,700	952,636
Interest expenses		(610,271)	(574,272)
Net interest income	30	**466,429**	**378,364**
Inflation-indexation income		189,431	229,684
Inflation-indexation expenses		(72,563)	(131,233)
Net inflation-indexation income	31	**116,868**	**98,451**
Fee income		134,142	123,542
Fee expense		(44,656)	(42,083)
Net fee income	32	**89,486**	**81,459**
Finance income for:			
Financial assets and liabilities held for trading		116,824	(29,460)
Non-trading financial assets mandatorily measured at fair value through profit or loss		(5,787)	(6,341)
Financial assets and liabilities designated at fair value through profit or loss		-	-
Loss (income) arising from derecognition of financial assets and liabilities measured at amortized cost and financial assets measured at fair value through other comprehensive income		5,695	20
Foreign currency changes. Inflation-indexation, and hedge accounting		(105,969)	77,964
Reclassification of financial assets due to change in business model		-	-
Other finance income		-	-
Net finance income (expense)	33	**10,763**	**42,183**
Income from investments in companies	34	3,156	2,796
Income from non-current assets and disposal groups held for sale not admissible as discontinued operations	35	4,937	2,329
Other operating income	36	14,219	8,634
TOTAL OPERATING INCOME		**705,858**	**614,216**
Expenses for employee benefit obligations	37	(172,529)	(157,622)
Administrative expenses	38	(119,747)	(104,097)
Depreciation and amortization	39	(28,405)	(27,854)
Impairment of non-financial assets	40	-	-
Other operating expenses	36	(4,923)	729
TOTAL OPERATING EXPENSES		**(325,604)**	**(288,844)**
OPERATING INCOME BEFORE CREDIT LOSSES		**380,254**	**325,372**
Credit loss expense for:			
Provisions for credit loss of loans and advances to banks and loans and receivables from customers		(162,958)	(140,831)
Special provisions for credit loss		16,401	861
Recovery of written-off credits		23,944	19,424
Impairment due to credit loss of other financial assets at amortized cost and financial assets at fair value through other comprehensive income		3,681	(8,287)
Credit loss expense	41	**(118,932)**	**(128,833)**
OPERATING PROFIT		**261,322**	**196,539**
Profit from continuing operations before tax		**261,322**	**196,539**
Income tax	18	(53,860)	(25,593)
Profit from continuing operations after tax		**207,462**	**170,946**
Profit from discontinued operations before tax		**-**	**-**
Discontinued operations tax	42	-	-
Profit from discontinued operations after tax		**-**	**-**
CONSOLIDATED PROFIT FOR THE PERIOD		**207,462**	**170,946**
Attributable to:			
Owners of the Bank		207,432	170,910
Non-controlling interests		30	36
Earnings per share:			
Basic earnings		949	1,012
Diluted earnings		949	1,012

The accompanying notes Nos, 1 to 49 are an integral part of these Interim Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
For the periods ended March 31, 2024 and 2023
(In millions of Chilean pesos - MCh$)

	Note	March 31, 2024 MCh$	March 31, 2023 MCh$
CONSOLIDATED PROFIT FOR THE PERIOD		**207,462**	**170,946**
Other comprehensive income from the period:			
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS			
Remeasurements of defined benefit liability (asset) and actuarial results for other employee benefit plans	28	-	-
Changes in fair value of equity instruments at fair value through other comprehensive income	28	280	104
Movements in fair value of financial liabilities at fair value through profit or loss attributable to changes in the credit risk of the financial liability		-	-
Other		-	-
OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO INCOME BEFORE TAX		**280**	**104**
Income tax on other comprehensive income that will not be reclassified to profit or loss		**-**	-
TOTAL OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS AFTER TAX	**28**	**280**	**104**
ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS			
Changes in fair value of financial assets at fair value through other comprehensive income	28	955	80,144
Translation differences for foreign operations	28	280,993	(118,858)
Hedge of net investments in foreign operations		-	**-**
Cash flow hedges	28	59,767	(78,468)
Undesignated items of accounting hedge instruments		-	-
Other		-	**-**
OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS BEFORE TAX	**28**	**341,715**	**(117,182)**
Income tax on other comprehensive income that may be reclassified to profit or loss	**28**	**4,766**	**262**
TOTAL OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS AFTER TAX	**28**	**346,481**	**(116,920)**
TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD		**346,761**	**(116,816)**
COMPREHENSIVE INCOME FOR THE CONSOLIDATED PERIOD		**554,223**	**54,130**
Attributable to:			
Owners of the Bank		554,193	54,094
Non-controlling interests		30	36

The accompanying notes Nos, 1 to 49 are an integral part of these Interim Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the periods ended March 31, 2024 and 2023 and December 31, 2023
(In millions of Chilean pesos - MCh$)

	Equity attributable to owners													Non-controlling interests	Total equity
				Accumulated other comprehensive income					Total	Retained earnings					
	Share capital	Reserves	Re-measurement of net defined benefit liabilities (assets)	Net changes in fair value of equity instruments at fair value through other comprehensive income	Changes in fair value of financial assets at fair value through other comprehensive income	Translation differences for foreign operations	Cash flow hedges	Income tax		Retained earnings	Profit for the year/ period	Provision for minimum dividends	Total		
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Closing balances as of December 31, 2022	4,225,332	(26,640)	(132)	(50)	(641,186)	385,370	140,908	117,301	**2,211**	-	820,822	(246,247)	**4,775,478**	1,323	**4,776,801**
Effects of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing balances as of December 31, 2022	**4,225,332**	**(26,640)**	**(132)**	**(50)**	**(641,186)**	**385,370**	**140,908**	**117,301**	**2,211**	**-**	**820,822**	**(246,247)**	**4,775,478**	**1,323**	**4,776,801**
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	820,822	(820,822)	-	-	-	-
Other equity movements	-	-	-	-	-	-	-	-	-	-	-	-	-	(57)	**(57)**
Provision for payment of ordinary share dividends	-	-	-	-	-	-	-	-	-	-	-	(51,273)	**(51,273)**	-	**(51,273)**
Subtotal of transactions with the owners in the period	**4,225,332**	**(26,640)**	**(132)**	**(50)**	**(641,186)**	**385,370**	**140,908**	**117,301**	**2,211**	**820,822**	**-**	**(297,520)**	**4,724,205**	**1,266**	**4,725,471**
Profit for the year/period	-	-	-	-	-	-	-	-	-	-	170,910	-	**170,910**	36	**170,946**
Other comprehensive income	-	-	-	104	80,144	(118,858)	(78,468)	262	**(116,816)**	-	-	-	**(116,816)**	-	**(116,816)**
Subtotal comprehensive income	**-**	**-**	**-**	**104**	**80,144**	**(118,858)**	**(78,468)**	**262**	**(116,816)**	**-**	**170,910**	**-**	**54,094**	**36**	**54,130**
Closing balance as of March 31, 2023	**4,225,332**	**(26,640)**	**(132)**	**54**	**(561,042)**	**266,512**	**62,440**	**117,563**	**(114,605)**	**820,822**	**170,910**	**(297,520)**	**4,778,299**	**1,302**	**4,779,601**
Effects of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as of March 31, 2023	**4,225,332**	**(26,640)**	**(132)**	**54**	**(561,042)**	**266,512**	**62,440**	**117,563**	**(114,605)**	**820,822**	**170,910**	**(297,520)**	**4,778,299**	**1,302**	**4,779,601**
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other equity movements	-	-	-	-	-	-	-	-	-	-	-	-	-	212	**212**
Common shares subscribed and fully paid	617,457	-	-	-	-	-	-	-	-	-	-	-	**617,457**	-	**617,457**
Common shares issued with release of capitalization payment	540,926	26,640	-	-	-	-	-	-	-	(567,566)	-	-	-	-	-
Payment of ordinary share dividends	-	-	-	-	-	-	-	-	-	(253,256)	-	246,247	**(7,009)**	-	**(7,009)**
Provision for payment of ordinary share dividends	-	-	-	-	-	-	-	-	-	-	-	(153,467)	**(153,467)**	-	**(153,467)**
Subtotal of transactions with the owners in the period	**5,383,715**	**-**	**(132)**	**54**	**(561,042)**	**266,512**	**62,440**	**117,563**	**(114,605)**	**-**	**170,910**	**(204,740)**	**5,235,280**	**1,514**	**5,236,794**
Profit for the year/period	-	-	-	-	-	-	-	-	-	-	511,558	-	**511,558**	67	**511,625**
Other comprehensive income	-	-	91	382	49,973	192,327	111,554	(35,370)	**318,957**	-	-	-	**318,957**	-	**318,957**
Subtotal comprehensive income	**-**	**-**	**91**	**382**	**49,973**	**192,327**	**111,554**	**(35,370)**	**318,957**	**-**	**511,558**	**-**	**830,515**	**67**	**830,582**
Closing balance as of December 31, 2023	**5,383,715**	**-**	**(41)**	**436**	**(511,069)**	**458,839**	**173,994**	**82,193**	**204,352**	**-**	**682,468**	**(204,740)**	**6,065,795**	**1,581**	**6,067,376**
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	682,468	(682,468)	-	-	-	-
Other equity movements	-	-	-	-	-	-	-	-	-	-	-	-	-	263	**263**
Provision for payment of interest on bonds with no fixed maturity date	-	-	-	-	-	-	-	-	-	-	-	(7,529)	**(7,529)**	-	**(7,529)**
Provision for payment of ordinary share dividends	-	-	-	-	-	-	-	-	-	-	-	(62,230)	**(62,230)**	-	**(62,230)**
Subtotal of transactions with the owners in the period	**5,383,715**	**-**	**(41)**	**436**	**(511,069)**	**458,839**	**173,994**	**82,193**	**204,352**	**682,468**	**-**	**(274,499)**	**5,996,036**	**1,844**	**5,997,880**
Profit for the period	-	-	-	-	-	-	-	-	-	-	**207,432**	-	**207,432**	**30**	**207,462**
Other comprehensive income	-	-	-	280	955	280,993	59,767	4,766	**346,761**	-	-	-	**346,761**	-	**346,761**
Subtotal comprehensive income	-	-	-	**280**	**955**	**280,993**	**59,767**	**4,766**	**346,761**	-	**207,432**	-	**554,193**	**30**	**554,223**
Closing balance as of March 31, 2024	**5,383,715**	**-**	**(41)**	**716**	**(510,114)**	**739,832**	**233,761**	**86,959**	**551,113**	**682,468**	**207,432**	**(274,499)**	**6,550,229**	**1,874**	**6,552,103**

The accompanying notes Nos, 1 to 49 are an integral part of these Interim Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
For the periods ended March 31, 2024 and 2023
(In millions of Chilean pesos - MCh$)

	Note	March 31,	
		2024	2023
		MCh$	MCh$
A) CASH FLOWS FROM OPERATING ACTIVITIES			
CONSOLIDATED PROFIT BEFORE TAX FOR THE PERIOD		**261,322**	**196,539**
Debit (credit) to profit or loss that do not represent movements in cash flows			
Depreciation and amortization	39	28,405	27,854
Impairment of non-financial assets	40	-	-
Provisions for credit loss		146,557	139,970
Adjustment to market value of financial instruments		(20,176)	(11,271)
Net loss on investment in companies	34	(3,156)	(2,796)
Net loss on sale of assets received in payment	35	(485)	(603)
Net loss on sale of property and equipment	35	(202)	(115)
Net gain on sale of property and equipment	35	-	-
Write-off of assets received in payment	35	1,260	565
Net interest income	30	(466,429)	(378,364)
Net inflation-indexation income	31	(116,868)	(98,451)
Net fee income	32	(89,486)	(81,459)
Other debit (credit) that do not represent movements in cash flows		112,013	119,102
Changes due to increases/decreases in operating assets and liabilities:			
(Increase) decrease in loans and advances to banks		(239,497)	147,373
(Increase) decrease in loans and receivables from customers		(2,951,578)	527,259
(Increase) decrease in financial investments		621,760	(302,227)
Increase (decrease) in other on-demand liabilities		3,135,537	(1,012,898)
Increase (decrease) in repurchase agreements and securities lending		(789)	537,689
Increase (decrease) in deposits and other term deposits		728,543	557,337
Increase (decrease) in bank borrowings		(47,511)	(59,902)
Increase (decrease) in other financial liabilities		181,897	(818,051)
Loans from the Central Bank of Chile (long-term)		12,223	6,708
Repayment of loans from the Central Bank of Chile (long term)		-	-
Long-term foreign loans		(22,801)	-
Repayment of long-term foreign loans		-	(77,570)
Income tax		(26,472)	(32,243)
Interest and inflation-indexation received		1,266,131	1,182,320
Interest and inflation-indexation paid		(682,834)	(705,505)
Fees received	32	134,142	123,542
Fees paid	32	(44,656)	(42,083)
Total net cash (used in) from operating activities		**1,916,850**	**(57,280)**
B) CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of investments in companies	14	(14,148)	-
Sale of investments in companies	14	-	-
Dividends received from investments in companies	14	-	-
Acquisition of property and equipment	16	(12,907)	(3,878)
Sale of property and equipment		-	1,745
Acquisition of intangible assets	15	(50,832)	(14,978)
Sale of intangible assets		-	-
Sale of goods received in payment or awarded		5,182	2,343
Net increase (decrease) in other assets and liabilities		193,811	(568,390)
Total net cash from (used in) investing activities		**121,106**	**(583,158)**

The accompanying notes Nos, 1 to 49 are an integral part of these Interim Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
For the periods ended March 31, 2024 and 2023
(In millions of Chilean pesos - MCh$)

	Note	March 31, 2024 MCh$	March 31, 2023 MCh$
C) CASH FLOWS FROM FINANCING ACTIVITIES			
Attributable to interest of the owners:			
Issue of letters of credit		-	-
Redemption and payment of interest / principal of letters of credit		(200)	(525)
Issuance of current bonds		152,353	194,040
Redemption and payment of interest / principal of current bonds		(190,212)	(48,948)
Issue of mortgage bonds		-	-
Redemption and payment of interest / principal of mortgage bonds		-	-
Payment of interest / principal of lease liabilities		(446)	(709)
Issue of subordinated bonds		-	-
Payment of interest and principal of subordinated bonds		(7,078)	(6,820)
Issue of bonds with no fixed maturity date		491,140	-
Redemption and payment of interest on bonds with no fixed maturity date		-	-
Issue of preferred shares		-	-
Redemption of preference shares and payment of preference share dividends		-	-
Increase in share capital for the issuance of ordinary shares		-	-
Payment of ordinary shares dividends	28	-	-
Attributable to non-controlling interests:			
Dividend payment and/or withdrawals of share capital related to subsidiaries corresponding to non-controlling interest		-	-
Total net cash used in financing activities		**445,557**	**137,038**
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS FOR THE PERIOD ENDED		**1,713,930**	**(744,378)**
EFFECT OF EXCHANGE RATE FLUCTUATIONS		**769,583**	**240,978**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**4,837,252**	**7,309,538**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**7**	**7,320,765**	**6,806,138**

The accompanying notes Nos, 1 to 49 are an integral part of these Interim Consolidated Financial Statements

NOTE 1 – REPORTING ENTITY

a) The Bank

Banco de Crédito e Inversiones (hereinafter "BCI" or "the Bank") is a company incorporated in Chile, regulated by the Financial Market Commission, hereinafter the "CMF". In accordance with the amendments to the General Banking Law under Law No. 21,130, which defines this commission as regulatory entity from June 1, 2019 (Official Gazette Publication No. 42,343 of Thursday, May 2, 2019). Its registered office is at Avenida El Golf 125, in the municipality of Las Condes. The Interim Consolidated Financial Statements as of March 31, 2024 and December 31, 2023 and the periods ended March 31, 2024 and 2023, include the Bank and its subsidiaries detailed in the following paragraph as well as the Miami Branch. The Bank is involved in all the businesses and operations that the General Banking Law allows it, such as personal, corporate, and real estate banking, large and medium-sized companies banking, private banking, and asset management services.

NOTE 2 – BASIS OF ACCOUNTING

a) Basis of preparation of the financial statements

These Interim Consolidated Financial Statements have been prepared in accordance with the Compendium of Accounting Standards for Banks (CNCB) and instructions issued by the Financial Market Commission (hereinafter "CMF"), a regulatory body that in accordance with Law No. 21,000 that " Creates the Financial Market Commission", provides in number 6 of article 5 that the Financial Market Commission may "set the standards for the preparation and presentation of the annual reports, balance sheets, statements of financial position and other financial statements of the regulated entities and determine the principles to which they must keep their accounting and in everything that is not treated by it if it does not contradict their instructions, they must adhere to the generally accepted accounting policies, which correspond to the technical standards issued by Colegio de Contadores de Chile AG, matching the International Financial Reporting Standards (IFRS) agreed upon by the International Accounting Standards Board (IASB). In case of discrepancies between the International Financial Reporting Standards (IFRS) and the accounting policies issued by the CMF in its Compendium of Accounting Standards for Banks and Instructions, the latter will prevail.

The notes to the Interim Consolidated Financial Statements contain additional information to that presented in the Interim Consolidated Statements of Financial Position, the Interim Consolidated Statements of Income, the Interim Consolidated Statements of Other Comprehensive Income, the Interim Consolidated Statements of Changes in Equity and the Interim Consolidated Statements of Cash Flows.

b) Controlled entities (subsidiaries)

The Interim Consolidated Financial Statements as of March 31, 2024 and December 31, 2023 and the periods ended March 31, 2024 and 2023, include the financial statements of the Bank and the controlled companies (subsidiaries), Control is obtained when the Bank is exposed, or has the right to variable returns from its involvement with the investee and has the ability to influence those returns through its power over the investee.

Specifically, the Bank controls an investee only if it meets the following elements:

I. Power over the investee (that is, it has rights that give it the current ability to direct the relevant activities of the investee)
II. exposure, or right., to variable returns from its involvement with the investee; and
III. ability to use its power over the investee to influence the amount of the investor's returns.

When the Bank has less than most of the voting rights over an investee; but such voting rights are sufficient to have the practical ability to direct the relevant activities unilaterally, then it will be concluded that the Bank has control. The Bank considers all relevant factors and circumstances in assessing whether the voting rights are sufficient to obtain control, these include:

- The size of the Bank's voting rights relative to the size and dispersion of holdings of the other vote holders.
- The potential voting rights held by the investor, other vote holders or other parties.
- Rights arising from other contractual arrangements.
- Any additional facts and circumstances that indicate the investor has or does not have. The current ability to direct the relevant activities at the time those decisions need to be made, including voting patterns at previous shareholders' meetings.

The Bank reassesses whether it has control over an investee when the facts or circumstances indicate that there are changes in one or more of the control elements listed above.

Loss of control generates de-recognition of assets and liabilities of the former subsidiary in the Interim Consolidated Statements of Financial Position and the recognition of the loss or gain associated with the loss of control.

The Interim Consolidated Financial Statements consider the separate (stand-alone) financial statements of the Bank and of the companies included in the consolidation and include the necessary adjustments and reclassifications to standardize the accounting policies and valuation criteria applied by the Bank, together with the elimination of all balances and transactions between the consolidated companies.

Additionally, the participation of third parties in the equity of the consolidated Bank is presented as "non-controlling interest" in the Interim Consolidated Statements of Financial Position. Their share of profits for the period is presented as "Profit attributable to non-controlling interest" in the Interim Consolidated Statements of Income for the period ended.

The following table shows the composition of the entities over which the Bank can exercise control, therefore, they are part of the scope of consolidation:

Entities controlled by the Bank	Interest %			
	Direct		Indirect	
	2024	2023	2024	2023
	%	%	%	%
BCI Asset Management Administradora General de Fondos S.A.	99.90	99.90	0.10	0.10
BCI Asesoría Financiera S.A.	99.00	99.00	1.00	1.00
BCI Corredor de Bolsa S.A.	99.95	99.95	0.05	0.05
BCI Corredores de Seguros S.A.	99.00	99.00	1.00	1.00
BCI Factoring S.A.	99.97	99.97	0.03	0.03
BCI Securitizadora S.A.	99.90	99.90	-	-
Banco de Crédito e Inversiones Miami Branch	100.00	100.00	-	-
Servicio de Normalización y Cobranza, Normaliza S.A.	99.90	99.90	0.10	0.10
BCI Securities INC.	99.90	99.90	0.10	0.10
BCI Corredores de Bolsa de Productos S.A.	99.00	99.00	1.00	1.00
BCI Financial Group. Inc. and Subsidiaries	100.00	100.00	-	-
Servicios Financieros y Administración de Créditos Comerciales S.A.	99.98	99.98	0.02	0.02
Administradora de Tarjetas Servicios Financieros Limitada	99.99	99.99	0.01	0.01
SSFF Corredores de Seguros y Gestión Financiera Limitada	99.00	99.00	1.00	1.00
Servicios y Cobranzas SEYCO Limitada	99.00	99.00	1.00	1.00
BCI Perú S.A.	99.99	99.99	-	-

The lines of business of the entities controlled by the Bank are as follows:

BCI Asset Management Administradora de Fondos S.A., was incorporated by public deed dated January 7, 1988. Its line of business is the management all types of mutual funds, investment funds and individual portfolios regulated by Law 20,712, including the development of plans voluntary pension savings and collective voluntary pension savings, other supplementary activities authorized by the CMF through Circular No. 1,566 of 2001, and the administration of third-party investment funds and portfolios, authorized by Circular No. 1,897 of 2008.

BCI Asesoría Financiera S.A. was incorporated as a closely held shareholders' corporation via public deed dated October 23, 1992. Its line of business is the provision of advisory on the study, analysis, evaluation, and search for alternative sources of financing, the restructuring of liabilities, the negotiations to acquire, capitalize, sell, or merge companies, the issuance and placement of bonds and debentures, and the placement of funds in the capital market.

BCI Corredor de Bolsa S.A. was incorporated by public deed dated July 24, 1987. Its line of business is the intermediation and brokerage of securities, and in general all those activities permitted by law in its capacity as stockbroker.

BCI Corredores de Seguros S.A. was incorporated by public deed dated January 15, 1997. Its line of business is the remunerated brokerage of general and life insurance contracts with any insurance company located in the country, and the provision of advice and services related to contracting insurance policies.

BCI Factoring S.A. was incorporated by public deed dated December 13, 1994. Its lines of business is the provision of all types of factoring services, being able to purchase and discount documents, bills of exchange and. In general, develop and exploit the factoring business. Under its different forms and types. Invest, reinvest and acquire quotas, shares or rights, in all types of movable, tangible or intangible property, real estate and in companies, whether civil, commercial, communities or absorptions and in all class of titles or transferable securities, manage and exploit said goods in any capacity and receive their benefits.

BCI Securitizadora S.A. was incorporated as a shareholders' corporation. As stated in a public deed dated March 1, 2001. Its line of business is the acquisition of credits referred to in Article No. 135 of Law No. 18,045 or the regulations that substitute, replace, or complement it, and the issuance of debt securities, short or long term, originating for each issue, the formation of equity separate from the common equity of the company, which is under the supervision of the Financial Market Commission.

Banco de Crédito e Inversiones Miami Branch is a branch of Banco de Crédito e Inversiones. Incorporated in the state of Florida in the United States of America. The company was initially authorized to operate as an international banking agency by the Department of Banking and Finance of the State of Florida on May 10, 1999. The Branch is not a separate legal entity, it conducts banking activities that provide a full range of banking services to national and foreign individuals and legal entities, mainly from Latin America.

Servicio de Normalización y Cobranza, Normaliza S.A. is a closely held shareholder's corporation. Incorporated via public deed dated June 8, 1990, and its line of business is the provision of out-of-court collection services. On its own or on behalf of third parties of any document representing liabilities, as well as the background check of natural persons or legal entities and the delivery of commercial reports and any other business that the partners agree to perform.

BCI Securities INC. a subsidiary incorporated in the state of Florida in the United States on July 6, 2011. The company's line of business is the purchase and sale of shares, mutual funds, corporate debt, United States government bonds, sovereign debt and call and put options for its clients residing primarily in South America. The Company may establish network agreements with banks, savings banks or savings and credit cooperatives. This investment was authorized by the Financial Market Commission on January 10, 2013, and by the Central Bank of Chile on February 21, 2013. It began operations on March 1, 2016.

BCI Corredores de Bolsa de Productos S.A. was incorporated by public deed on April 16, 2015. The company's purpose is the intermediation of products, understanding as such, what is stated in articles 4th and 5th of Law No. 19 .920. In his capacity as a stockbroker of products, including the purchase or sale of products on the stock market on its own with the intention of transferring rights over them, the brokering of off-exchange products, and the supplementary activities authorized by the Financial Market Commission, for which it may perform all acts and enter into all contracts and transactions typical of brokers of products. In accordance with the current regulations or those that will be put into force in the future.

BCI Financial Group. Inc. and Subsidiaries, parent company of City National Bank (CNB), acquired in 2015, CNB is a financial institution incorporated in 1946 based on the city of Miami, which offers a wide range of financial products, including real estate, commercial and retail banking to more than 61,000 customers, with 32 branches distributed in four Florida counties. Also, during 2017, the Financial Market Commission approved the lease transaction operations through a new subsidiary of CNB on March 10, 2017, through letter No. 02751 issued by this regulatory body. The new subsidiary of CNB is a corporation that started operations on June 28, 2017, under the business name City National Capital Finance Inc. (CNCF). On August 1, 2018, the subsidiary City National Capital Finance. Inc. (CNCF) changed its business name to BCI CAPITAL. Inc.

Servicios Financieros y Administración de Créditos Comerciales S.A. acquired in December 2018**,** was incorporated as a limited liability company via public deed dated November 4, 1997, and has been subject to various modifications. Its current line of business is /i/ the issuance of credit cards and the performance of activities complementary to said specific line of business authorized by the Financial Market Commission, or the body that succeeds it in its attributions and competences, by means of a general standard to credit card issuers, and /ii/ the granting of general loans as a subsidiary of a bank.

Administradora de Tarjeta Servicios Financieros Limitada, acquired in December 2018, was incorporated as a shareholders' corporation via public deed dated August 6, 1998, and has been subject to various modifications. Its current line of business is the provision of services and the development of all type of activities related to the operation of debit, credit and payment cards with provision of funds, issued in accordance with the Compendium of Financial Regulations of the Central Bank of Chile and other applicable regulations. Including but not limited to: /i/ the provision of services linked to the physical issuance of credentials or any other material and immaterial support of all types of payment cards; /ii/ the provision, maintenance and administration of computer channels and systems for the issuance and operation and /iii/ all other types of related, supplementary, required or convenient activities for the issuance or operation of payment cards. To the extent that said services and activities do not involve settlement and/or payment of benefits owed to affiliated entities for the use of said instruments.

Servicios y Cobranzas SEYCO Limitada, acquired in December 2018, was incorporated as a limited liability company via public deed dated December 31, 2010, and has been subject to various modifications.

Its current line of business is: /a/ the provision of prejudicial and judicial collection services regarding all types of payment obligations, whatever their cause or origin; /b/ the provision of collection and payment services in general, including, but not limited to, the collection and payment on behalf of third parties of the payment of all types of accounts and obligations; /c/ the provision of custody services for all types of documents and administrative procedures in general; / d / the provision of marketing services, programming or execution of campaigns, preparation of databases, in all its forms and by all existing means or that in the future will be created for that purpose, all insofar as it is conducive, necessary or recommended for the proper provision of credit collection services; /e/ the provision of services for the collection, storage, custody, administration, processing, studies and analysis of data, background and/or information of any type that is related, comes from, has been provided or is necessary for the development of the services of credit collection, whatever the element or support material of the same, and /f/ acquire or acquire interest in other companies, subject to the requirements and limitations established in the current regulations.

All the activities outlined in the line of business may be performed by the company, by itself or through third parties, by contracting or subcontracting them. For the fulfillment of its purpose. The company may execute all the necessary contracts for the indicated purposes or for the development of its business.

SSFF Corredores de Seguros y Gestión Financiera Limitada, acquired in December 2018, was incorporated as a limited liability company via public deed dated November 17, 2004, and has been subject to various modifications. Its current line of business is /a/ the remunerated intermediation of general and life insurance policies with any national insurance company based in the country and the advisory services inherent to this type of contract with respect to all types of natural persons and legal entities, Notwithstanding the foregoing, the company may perform activities such as home assistance, route and travel assistance, legal and medical assistance, extended warranty regarding goods and services sold or provided by third parties and of a similar nature; /b/ provide pension advisory service, in accordance with the provisions of Decree Law No.3,500, subject to the provisions of article 70 bis of the General Banking Law, or the one that succeeds or replaces it. For the fulfillment of its purpose, the company may execute all the necessary contracts for the indicated purposes, the development of its business or trade or the investment of the funds available to the company.

Banco BCI Perú S.A. was incorporated via public deed dated September 14, 2021, In the Republic of Peru and registered with the Registry of Legal Entities of Lima and Callao on September 28, 2021. Likewise, on August 20, 2021, the Superintendence of Banking, Insurance and Pension Fund Administrators through SBS Resolution No. 02454-2021 authorized the incorporation of the banking company called Banco BCI Perú. The line of business of Banco BCI Perú will be operating as a bank in accordance with the provisions of the General Laws of the Financial System (LGSF) and other applicable regulations.

The Bank may carry out all operations and provide all services through the corresponding modalities and forms that are applicable, as established in the legal provisions that regulate banking companies in Peru.

And without this reference being limiting, it may carry out the operations and provide the services indicated in articles 221 and 283 of the LGSF, as well as in the amending or substituting provisions of said rule. Likewise, it may perform all those operations and services authorized or that may be developed according to its uses, practices and customs that are applicable to banking companies in Peru, including operations of derivative financial products for hedging and/or negotiation purposes, with the prior authorization of the Superintendence of Banking, Insurance and Pension Fund Administrators (SBS).

Additionally, the Bank may enter into other acts and supplementary and related contracts related to the operations it enters into or in which it participates, as well as all acts and contracts that are required for its proper functioning and operation.

i. Entities consolidated by the Bank through other considerations:

Despite not holding the majority of the voting rights and/or not having any interest, the following companies have been consolidated on the basis that the Bank, directly or through some of its subsidiaries, has some type of influence over them:

Entities consolidated by the Bank through other considerations:	Interest %			
	Direct		Indirect	
	2024	2023	2024	2023
	%	%	%	%
BCI Activos Inmobiliarios Fondo de Inversión Privado (1)	40.00	40.00	-	-
Fondo de Inversión Privado BCI LMV II (2)	100.00	100.00	-	-
Incentivos y Promociones Limitada (3)	EE	EE	EE	EE

(1) Fund in which the subsidiary BCI Asset Management Administradora General de Fondos SA has influence and/or control.
(2) Fund that has been organized and constituted by the subsidiary BCI Asset Management Administradora General de Fondos SA, which manages it in itsentirety.
(3) Structured Entity (EE) in charge of promoting credit and debit card products. The Bank has no interest in said company and does not exercise control; however. Its revenue depends on the Bank.

c) Associates and joint arrangements

Associates are those entities in which the Bank has significant influence, but no control. Significant influence is the power to participate in financial and operating policy decisions, but not control or joint control over those policies.

A joint arrangement is an arrangement in which there is joint control, which exists only when the strategic decisions of the activities, both financial and operating, require the unanimous consent of the parties sharing control. Investments in joint arrangements may be classified as a business or as a joint operation.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e., joint ventures) have rights to the assets, and obligations for the liabilities, related to the arrangement.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e., participants in a joint venture) have rights to the net assets of the arrangement.

Investments in associates and joint ventures are accounted for using the equity method and are initially recognized at cost, and their carrying amount is increased or decreased to recognize the corresponding share of profit or loss for the period ended and in comprehensive income. The dividends received are recognized by reducing the investment.

If the acquisition cost is less than the fair value of the net assets of the acquired associate. The difference is recognized directly in profit or loss and is presented under Other Gains (Losses). Investments in associates and joint ventures are presented in the Interim Statements of Financial Position under the item "Investment in companies". Only if the investor has incurred legal or constructive obligations or has made payments on behalf of the associate or the joint venture, should recognize a liability, otherwise, leaving the investment at zero until the moment it generates profits that reverse the negative equity generated previously as a result of the losses generated. Otherwise, a liability is not recognized, but the investment is also left at zero,

The following entities are considered "Associates":

Company	Interest %	
	2024	2023
	%	%
Redbanc S.A.	12.71	12.71
Combanc S.A.	13.30	13.30
Transbank S.A.	8.72	8.72
Servicio de Infraestructura de Mercado OTC S.A.	13.61	13.61
Administrador Financiero del Transantiago S.A.	20.00	20.00
Centro de Compensación Automatizado S.A.	33.33	33.33
Sociedad Interbancaria de Depósitos de Valores S.A.	7.03	7.03
Pagos y Servicios S.A.	49.90	49.90

The following entities are considered "Joint Ventures":

Company	Interest %	
	2024	2023
	%	%
Servipag Ltda.	50.00	50.00
Artikos Chile S.A.	50.00	50.00

For companies in which they have less than 20% interest, the Bank appoints a director on the board of such companies, which is why Management has concluded that it has significant influence over them.

d) Equity instruments for minority investments in companies

This caption includes those entities in which the Bank has no control or significant influence, includes minority permanent investments in companies in the country and abroad that are recorded and presented subsequent to the initial recognition at fair value, with the variations recognized in Other Comprehensive Income in accordance with IFRS 9.

As of March 31, 2024 and December 31, 2023. The Bank presents shares in BLADEX.

Additionally, the Bank presents other equity instruments for minority investments at their acquisition cost less any impairment in accordance with IFRS 9, considering that the cost is a reasonable approximation of the fair value.

As of March 31, 2024 and December 31, 2023, the Bank presents the following investments in other companies: SWIFT, FHLB and FRB shares.

e) Basis of consolidation

These Interim Consolidated Financial Statements comprise the Financial Statements of the Bank and subsidiaries as of March 31, 2024 and December 31, 2023.

The Financial Statements of the subsidiaries (including the entities controlled by the Bank through other considerations) have been standardized in accordance with the standards established in the Compendium of Accounting Standards for Banks and Instructions issued by the CMF.

The uniformity of accounting policies also includes investments recognized under the equity method.

Intra-group balances and unrealized gains or losses arising from intra-group transactions between entities included in the consolidation are eliminated during the preparation of these Interim Consolidated Financial Statements. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Bank's interest in these companies.

The translation of the financial statements of the companies with a functional currency other than the Chilean peso is performed as follows:

- **a.** Assets and liabilities, using the exchange rate effective at the reporting date.
- **b.** Items in the statements of income and comprehensive income, using the average monthly exchange rate (unless this average is not a reasonable approximation of the cumulative effect of the exchange rates existing on the dates of the transactions, in which case the exchange rate at the date of each transaction is used).
- **c.** The equity is maintained at the historical exchange rate at the date of its acquisition or approval, and the retained earnings according to letter b above.
- **d.** The exchange differences arising from the translation of the financial statements are recorded in the caption "Profit (loss) on accumulated adjustment for translation difference" in the Consolidated Statements of Other Comprehensive Income for the year ended.
- **e.** Non-controlling interest

The non-controlling interest represents the portion of gains or losses and net assets, of which, directly or indirectly, the Bank does not own. The non-controlling interest is presented separately in the Interim Consolidated Statements of Income for the period ended, Consolidated Statements of Other Comprehensive Income for the year ended and the Consolidated Statements of Financial Position.

f. Functional currency

The Bank has determined the Chilean peso (Ch$) as its functional and presentation currency, as well as all the Group entities, except for the subsidiaries BCI Financial Group. Inc., and Subsidiaries and BCI Securities INC., which have determined the US dollar as their functional currency as well as BCI Peru, which uses the Peruvian sol as its functional currency.

All information presented in Chilean pesos has been rounded to the nearest million.

g. Foreign currency transactions

Balances and transactions in currencies other than the Chilean peso are considered “foreign currency.” Transactions performed by each entity in a currency other than its functional currency are recorded at the exchange rates at the dates of the transactions. During the period, differences between the exchange rate accounted for and that effective at the following collection or payment date are recognized as exchange differences in the Consolidated Statements of Income for the period ended.

Exchange differences arising on translation of foreign currency balances into the functional currency are recorded in the account "Net foreign exchange result" in the Consolidated Statements of Income for the period ended.

As of March 31, 2024 and December 31, 2023, the Bank's foreign currency assets and liabilities are presented at their equivalent value in Chilean pesos, calculated at the exchange rate of Ch$982.28 as of March 31, 2024 and Ch$874.50 as of December 31, 2023.

h. Business segments

The Bank's business segments are determined based on the different business units, considering the following:

(i) That it engages in business activities from which it may earn revenue and incur expenses (including transactions with other components of the same entity).
(ii) whose operating income (loss) is reviewed on a regular basis by the unit's highest authority in making operating decisions. To decide on the resources that should be assigned to the segment and evaluate its performance; and
(iii) in relation to which differentiated financial information is available.

These business units deliver products and services subject to different risks and returns and, therefore, the Bank's key decision-making bodies evaluate their performance separately.

i. Classification and measurement of financial instruments

Financial instruments are classified and measured in accordance with International Financial Reporting Standard 9 (IFRS 9) – Financial Instruments, which established a guide for financial information on financial assets and financial liabilities that will present relevant and useful information to users of the financial statements for its evaluation of the amounts, timing, and uncertainty of an entity's future cash flows.

j. Classification of financial assets

Financial assets are classified into a measurement category based on both the Bank's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

In accordance with IFRS 9, the business models are:

a) Holding assets to collect contractual cash flows: Financial assets held in the business model whose objective is to hold assets to collect contractual cash flows are managed to produce cash flows by collecting contractual payments over the life of the instrument. The business model may be to hold assets to collect cash flows, even if the entity sells financial assets whether there has been an increase in the assets’ credit risk; and for sales made to manage credit concentration risk.

b) Holding assets to collect contractual cash flows and sell financial assets: Financial assets under this business model achieve the objective by collecting contractual cash flows and selling financial assets, which implies a higher frequency and value of sales than the previous business model.

c) Other business models: the financial assets held in this business are intended to generate cash flows through the sale of the assets. The Bank makes decisions based on the fair values of the assets and manages the assets to realize those fair values.

The evaluation of the contractual cash flows determines if the cash flows of the financial asset meet the SPPI criterion (solely payments of principal and interests), i.e., if the contractual terms of the financial asset generate. On specific dates, cash flows of cash that are solely payments of principal and interest. Principal is the fair value of financial assets at initial recognition, and interest is consideration for the time value of money. The credit risk associated with the outstanding principal, and may also include liquidity risk, administrative expenses, and profit margin.

For the classification process, the Bank performs the SPPI test, which assesses the contractual term to identify if it meets the SPPI criteria, i.e., The contract is a basic lending arrangement, the Bank applies judgment and considers relevant factors such as the currency in which the financial asset is denominated and the period for which the interest rate is set.

The business model refers to how the Bank manages its financial assets to generate cash flows. The Bank determined its business model in the initial application of IFRS 9 at the level that best reflects how it manages the groups of financial assets to achieve its business objective.

The Banks' business model is not assessed instrument by instrument, but at a higher level of aggregate portfolio and is based on observable factors such as: the performance of financial assets. The risk that affects performance and the expected frequency, value, and time of sales.

i. Classification of financial liabilities

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

ii. Reclassification

The reclassification of financial assets is required when, and only when. The objective of the Bank's business model to manage these financial assets changes, financial liabilities cannot be reclassified.

iii. Initial Measurement

At initial recognition, financial assets and financial liabilities are measured at the transaction price, i.e., the fair value of the consideration given or received (IFRS 13). In the case of financial instruments that are not at fair value through profit or loss, transaction costs are directly attributable to the acquisition or issue of the financial asset or financial liability.

iv. Subsequent measurement of financial assets

After initial recognition, the Bank shall measure a financial asset at:

a) Financial assets at amortized cost (CA)

Financial assets that are held in a business model to collect contractual cash flows and contain contractual terms that give rise to cash flows that are SPPI on specific dates, are measured at amortized cost.

The effective interest method is used in calculating the amortized cost of a financial asset or financial liability and in allocating and recognizing interest income or interest expense in profit or loss during the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the expected useful life of the financial asset or financial liability to the gross carrying amount of a financial asset or the amortized cost of a financial liability.

The caption financial assets at amortized cost presents the following:

- Rights for repurchase agreements and securities lending
- Debt financial instruments
- Loans and advances to banks
- Loans and receivables from customers

b) Financial assets at fair value through other comprehensive income (FVOCI)

- Debt financial instruments

Financial assets that are debt instruments held in a business model that is achieved through collection of contractual cash flows and sale, and that contain contractual terms that give rise to cash flows that are SPPI on specific dates, are measured at FVOCI, Subsequently, they are re-measured at fair value and changes in them (except those related to impairment. Interest income and foreign currency gains and losses) are recognized in other comprehensive income, until the assets are sold. At the time of disposal. The accumulated gains, and losses in OCI are recognized in the statements of income.

- Equity financial instruments

For certain equity instruments. The Bank may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of the instrument, except for dividend income that is recognized in profit or loss. Gains or losses on the derecognition of these equity instruments are not transferred to profit or loss.

c) Financial asset held for trading at fair value through profit or loss (FVPL)

Includes financial assets whose business model aims at generating benefits through purchases and sales or generate short-term profit or loss, Financial assets that do not contain contractual terms that give rise to cash flows that are SPPI on specific dates, or if the financial assets, is not held in a business model that is (i) a business to collect the contractual cash flows or (ii) a business model that is achieved by collecting the contractual cash flows and selling them.

Gains and losses are recognized in the statement of income under financial income for financial assets held for trading at fair value.

- Derivative financial instruments

Derivative financial instruments are also classified under financial assets at fair value through profit or loss, which include foreign currency forwards and Unidades de Fomento, interest rate futures, currency and interest rate swaps, currency options and interest rate and other derivative financial instruments, are initially recognized in the Consolidated Statements of Financial Position at their fair value (including transaction costs), except for those classified as level 3 of the hierarchy (when applicable), and subsequently measured at its fair value. The fair value is obtained from market quotations, cash flow discount models and option valuation models, as appropriate. Derivative contracts are reported as an asset when their fair value is positive and as a liability when it is negative, in the line “Financial derivative contracts” under the caption financial assets held for trading at fair value through profit or loss.

The purpose of the credit valuation adjustment (CVA) is to determine the expected losses due to counterparty risk in OTC derivative contracts. The CVA of a derivative is defined as the difference between the value of the derivative free of counterparty risk (equivalent to the original derivative but without risk of default by any of the parties) and the value of the risky derivative (which corresponds to the original derivative, which has an inherent risk) that considers the possibility of default by the counterparty. In this way, the CVA of a client can be obtained from the expected exposure (EE) due to counterparty risk (how much is expected to lose) and the expected loss rate (EP) associated with the default of the counterparty.

The valuation adjustment due to the existence of the bid-offer spread in the financial instrument markets that is applied to all financial instruments that are recognized at their market value both under normal market conditions and under financial stress conditions, is based on the best practices. The recommendations of the Basel Committee and the requirements of the CMF and the Central Bank of Chile.

In order to carry out the bid-offer adjustment to the valuation of financial instruments belonging to Banco de Crédito e Inversiones own portfolios, the following methodology was established:

i. Define condition of market makers or customer of the Bank

On an annual basis, the condition of the Bank will be redefined to be considered market makers (the Bank must be among the 4 main market operators) or clients in each of the financial products that it operates.

This will be done with information from the two main brokers in the national market: Tradition and ICAP.

ii. Condition of market makers

For products (markets) where the Bank is a liquidity provider, they will be valued at mid-price and no bid-offer adjustment will be made to their valuation.

iii. Condition of customer

For products (markets) where the Bank is considered that the Bank is a requestor of instruments of a different nature, they will be valued at mid-price and the bid-offer adjustment will be made to their valuation or they will be valued at bid if there are liquid peaks.

The Bank also makes an adjustment associated with the FVA (Funding Valuation Adjustment) financing risk was added, which captures the financing differential of unsecured derivatives above the risk-free rate and other technical considerations.

iv. Subsequent measurement of financial liabilities

After initial recognition, the Bank will measure a financial liability at amortized cost.

v. Derecognition of financial assets and liabilities

Financial assets are derecognized when, and only when:

- The contractual rights to the cash flows of the financial asset expire, or
- The Bank transfers substantially all the risks and rewards of ownership of the financial asset, and therefore the Bank derecognizes the financial asset and separately recognizes the rights and obligations created or retained in the transfer.

In some cases, the Bank enters into transactions for which it retains the contractual rights to receive the cash flows of the financial asset, but assumes the contractual obligation to pay the cash flows in an agreement that meets all the required conditions, that is, the Bank only transfers amounts collected from original assets, the sale or pledge of original assets is prohibited, and the Bank is required to remit the cash flows collected without significant delay.

When a financial asset is sold and the Bank agrees to buy it (or an asset that is substantially the same) at a fixed price at a future date, the Bank continues to recognize the financial assets in full in the interim statements of financial position, because it retains substantially all risks and rewards of ownership, the cash consideration received is recognized as a financial asset, and a financial liability is recognized for the obligation to pay the repurchase price.

Financial liabilities are derecognized when, and only when, they are discharged, canceled, or expire.

vi. Impairment of a financial asset according to IFRS 9

The Bank applies the value impairment requirements for the recognition and measurement of a loss allowance to financial assets according to the model of "expected credit losses" (ECL) to assets financial assets measured at amortized cost and fair value through other comprehensive income (FROCI), excluding loans ("Loans and advances to banks" and "Loans and receivables from customers commercial, residential and consumer "), of the caption "Financial assets at amortized cost", or on “Contingent Loans”, since the criteria for these issues are dealt with in accordance with Chapters B-1 on provisions for credit loss B-3 on contingent loans of the Compendium of Accounting Standards for Banks, respectively.

The new model uses a dual measurement approach, whereby the loss margin is measured as:

- 12-month expected credit losses.
- Lifetime expected credit losses.

The measurement basis depends on whether there has been a significant increase in credit risk since initial recognition, in accordance with changes in credit quality since initial recognition. IFRS 9 describes a “three-stage” impairment model according to the following table:

Change in credit quality since initial recognition		
Stage 1	**Stage 2**	**Stage 3**
Initial recognition	Significant increase in credit risk since initial recognition	Credit-impaired assets
12-month ECL	Lifetime ECL	Lifetime ECL

At the end of each reporting period, the Bank assessed whether the credit risk of financial instruments has increased significantly since initial recognition or whether an asset is considered credit-impaired and, consequently, is classified as a financial instrument at the respective stage:

- Stage 1: Financial assets that have not significantly increased their credit risk with respect to their assessment at origination, 12-month ECL are recognized.

- Stage 2: When a Financial asset has shown a significant increase in credit risk since origination, the Bank records an allowance for lifetime ECL, Loans in this stage also include facilities, where the credit risk has improved, and the loan has been returned to stage 2.

- Stage 3: Financial instruments that are considered to be in default are included in this stage, Similar to stage 2, the allowance for credit losses is made on the basis of the expected credit losses over the life of the instrument.

The Bank considers reasonable and supportable information that is available without undue cost or effort and that may affect the credit risk in a financial instrument, including forward-looking information to determine a significant increase in credit risk since initial recognition. Forward-looking information includes past events, current conditions, and forecast of future economic conditions (macroeconomic data).

Credit risk assessment and forward-looking information (including macroeconomic factors), includes quantitative and qualitative information based on the Bank's historical experience, some examples are:

i. Financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligations.
ii. An actual or expected internal credit rating downgrade for the borrower or a behavioral rating downgrade.
iii. An actual or expected significant change in the operating results of the borrower.
iv. IV, Significant increases in credit risk on other financial instruments of the same borrower.
v. Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.
vi. Reductions in financial support from a parent entity or other affiliate.
vii. Expected changes in loan documentation, including expected breach of contract that may lead to covenant waivers or amendments, interest rate step-ups, requiring additional collateral or guarantees, or other changes in the contractual framework of the instrument.

I. Measurement of expected credit losses

ECLs are a probability-weighted estimate of credit losses, i.e., the present value of all cash shortfalls.

A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. The three main components for measuring the ECL are:

PD: The probability of default is an estimate of the likelihood of default over a particular time horizon, A default can only occur at a certain time during the evaluated period if the operation has not previously been derecognized and is still in the portfolio.

LGD: The loss given default that arises in the event that a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, even from the realization of any collateral.

EAD: Exposure at default is an estimate of exposure at a future default date, considering expected changes in exposure after the reporting date, including repayments of principal and interest, whether contractually scheduled or otherwise. The expected withdrawal of the committed facilities and accrued interest for late payments.

To measure 12-month and lifetime ECL, cash shortfalls are identified as follows:

- 12-month expected credit losses: the portion of lifetime expected credit losses that represents expected credit losses that result from default events on a financial instrument that are possible within 12 months after the reporting date.

- Lifetime expected credit losses: the expected credit losses that result from all possible default events during the expected useful life of a financial instrument.

A financial asset is assessed at each reporting date to determine whether there is objective evidence of impairment. Such asset is impaired if there is objective evidence that one or more events have had a future negative effect on the asset.

An impairment loss in respect of financial assets measured at amortized cost is calculated as the difference between the carrying amount of the asset and the present value of the estimated cash flows, discounted at the effective interest rate.

An impairment loss in respect of a financial asset at fair value through other comprehensive income is calculated by reference to its fair value.

All impairment losses are recognized in the Interim Consolidated Statements of Income. Any accumulated loss in relation to a financial asset at fair value through other comprehensive income previously recognized in equity, is transferred to the Interim Consolidated Statements of Income.

An impairment loss is reversed only if it can be related objectively to an event occurring after it was recognized. The reversal of an impairment loss cannot exceed the carrying amount that could have been obtained had no impairment loss been recognized for that asset in prior periods. The reversal is recognized in profit or loss for the period, except for financial assets at fair value through other comprehensive income, in which case the accumulated impairment loss recognized in other comprehensive income will be reclassified from equity to profit or loss as a reclassification adjustment, even if the financial asset has not been derecognized.

k. Operations with reverse repurchase, repurchase and securities lending agreements

Reverse repurchase agreement operations are performed as a form of investment. Under these agreements, financial instruments are purchased, which are included as assets in the caption “Repurchase agreements and securities lending”, which are measured according to the agreed interest rate.

Repurchase agreements are also performed as a form of financing. In this regard, investments that are sold subject to a repurchase obligation and that serve as collateral for the operation, are part of their respective captions "financial assets at fair value through profit or loss" or "financial assets at fair value through other comprehensive income-”

l. Financial derivative contracts for accounting hedges

The Bank has chosen to continue using the guidelines of IAS 39 for hedge accounting. If the derivative instrument is classified for hedge accounting purposes, it can be: (1) a fair value hedge of existing assets or liabilities or firm commitments, or (2) a cash flow hedge related to existing assets or liabilities or expected transactions, A hedging relationship for hedge accounting purposes shall meet all the following conditions: (a) at the inception of the hedge, there is formal designation and documentation of the hedging relationship; (b) the hedge is expected to be highly effective; (c) the effectiveness of the hedge can be reasonably measured and (d) the hedge is highly effective relative to the hedged risk on a continuous basis throughout the hedging relationship.

When a derivative hedge the exposure to changes in the fair value of an existing asset or liability, the latter is recognized at its fair value in relation to the specific hedged risk. The gain or loss from re-measuring the fair value, both hedged item and of the hedging derivative, are recognized in profit or loss for the period.

If the hedged item in a fair value hedge is a firm commitment, changes in the fair value of the commitment with respect to the hedged risk are recognized as an asset or liability with effect on profit or loss for the period. The gain or loss from re-measuring the hedging instrument at fair value are recognized in profit or loss the period. When an asset or liability is acquired as a result of the commitment, the initial recognition of the acquired asset or liability is adjusted to incorporate the cumulative change in the fair value measurement of the firm commitment that was recognized in the Interim Consolidated Statements of Financial Position.

When a derivative hedge the exposure to changes in the cash flows of existing assets or liabilities or expected transactions, the effective portion of the changes in fair value with respect to the hedged risk is recognized in equity. Any ineffective portion is recognized directly in profit or loss for the period.

The amounts recognized directly in equity are accounted for in profit or loss in the same periods in which hedged assets or liabilities affect profit or loss.

When a fair value hedge of interest rates is made for a portfolio and the hedged item is a currency amount rather than individual assets or liabilities. The gains or losses from the fair value measurement of both the hedged portfolio and of the hedging derivative, are recognized with effect to profit or loss for the period, but the measurement at fair value of the hedged portfolio is presented in the Interim Consolidated Statements of Financial Position under the captions "Other assets" or "Other liabilities", depending on the hedged portfolio position at a point in time.

m. Loans and receivables from customers (loans and advances)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not intend to sell immediately or in the short term.

Loans and receivables are initially measured at fair value plus direct transaction costs and subsequently measured at amortized cost using the effective interest rate method. These include commercial and foreign trade loans, consumer, and mortgage loans, among others.

i. Lease agreements:

Receivables from lease agreements, included in the caption "Loans and receivables from customers", correspond to the periodic rental payments of agreements that meet the requirements to be classified as finance leases and are presented at their present value.

ii. Factoring operations:

The Bank, through its subsidiary BCI Factoring SA, performs operations with its customers, whereby it receives invoices and other commercial papers representing the credit with or without recourse to the transferor, paying the transferor a percentage of the total amount's receivable from the debtor for the transferred documents.

n. Provisions for credit loss of loans and contingent loans

The allowances required to cover the risk of credit losses have been established following the standards and instructions issued by the CMF.

Loans are recorded net of such allowances or showing the deduction. In the case of the provisions for contingent loans, they are presented as liabilities in the "Allowances" caption.

The Bank and its subsidiaries use models or methods, based on the individual and group analysis of the debtors, which were approved by the Board of Directors to establish the loan allowances indicated in the Compendium of Accounting Standards of the Financial Market Commission.

i. Allowances for individual assessment:

The individual assessment of debtors is necessary when dealing with clients that, due to their size, complexity, or exposure level, required to be known and analyzed in detail.

Naturally, the analysis of debtors should focus on their capacity and willingness to meet their credit obligations, through sufficient and reliable information, and must also analyze their credits in terms of guarantees, terms, interest rates, currency, adjustability, etc.

For establishing the allowance, debtors and their operations related to loans and receivables and contingent loans must be classified in the corresponding categories, with the prior assignment to one of the following three portfolio categories: normal, substandard, and non-performing.

- Regular and substandard performance portfolios:

The regular performance portfolio includes those debtors whose payment ability allows them to meet their obligations and commitments, and according to the assessment of their economic-financial situation, it is not expected that this condition will change. The classifications assigned to this portfolio are categories A1 to A6.

The substandard portfolio will include debtors with financial difficulties or a significant deterioration of their ability to pay and on which reasonable doubt exists as to the repayment of principal and interest in the contractual terms agreed, showing low margins to meet their short-term financial obligations.

This portfolio also includes debtors, which recently have shown delinquency (payments overdue) in excess of thirty days. The classifications assigned to this portfolio are categories B1 to B4 of the rating scale.

As a result of the individual analysis of these debtors, they must be classified in the following categories; subsequently assigning them the probability of default and loss given default percentages that result in the subsequent loss percentage:

Type of portfolio	Debtor rating	Probability of default (PD) (%)	Loss given default (LGD) (%)	Expected loss (%)
Regular portfolio	A1	0.04	90.00	0.036000
	A2	0.10	82.50	0.082500
	A3	0.25	87.50	0.218750
	A4	2.00	87.50	1.750000
	A5	4.75	90.00	4.275000
	A6	10.00	90.00	9.000000
Substandard portfolio	B1	15.00	92.50	13.875000
	B2	22.00	92.50	20.350000
	B3	33.00	97.50	32.175000
	B4	45.00	97.50	43.875000

Provision on regular and substandard performance portfolios:

To determine the amount of the allowances that must be established for the regular and substandard performance portfolios. The exposure subject to provisions should first be estimated, to which the respective loss percentages (expressed in decimals) will comprise the probability of default (PD) and loss given default (LGD) established for the category within which the debtor and/or its qualified co-debtor is included, as applicable.

The exposure subject to provisions corresponds to loans plus contingent loans, less amounts that would be recovered by means of executing guarantees, Likewise, placement is understood as the carrying amount of the loans and receivables from the corresponding debtor, while for contingent loans. The value resulting from the application of the provisions stated in No. 3 of Chapter B-3 of the Compendium of Accounting Standards.

- Non-performing portfolio:

It includes debtors and their loans whose recovery is deemed to be remote, because their ability to pay is deteriorated or non-existent. Those debtors with clear indications of a possible bankruptcy are part of this portfolio, as well as those in which a forced restructuring of debts is necessary to avoid default and. In addition, any debtor whose repayment of principal and interest of a credit is overdue for a period equal or exceeding 90 days.

This portfolio comprises debtors from categories C1 to C6 of the classification scale established below and all loans, including 100% of the amount of contingent loans, held by those same debtors.

For purposes of establishing allowances on the non-performing portfolio, the use of allowance percentages that must be applied to the amount of the exposure is established, which corresponds to the sum of loans and contingent loans held by the same debtor. To apply this percentage, an expected loss rate must first be estimated, deducting from the amount of the exposure the amounts recoverable through the execution of the guarantees and, if there is specific background information that justifies it, also deducting the present value of the recoveries that can be obtained by exerting collection actions, net of the expenses associated with them. This loss rate must fall into one of the six categories defined according to the range of losses effectively expected by the Bank for all operations of the same debtor.

These categories, their range of loss as estimated by the Bank and the allowance percentages that should ultimately be applied on the amounts of the exposures, are indicated in the following table:

Type of portfolio	Risk Scale	Expected Loss Range	Allowance (%)
Non-performing portfolio	C1	Until 3 %	2
	C2	More than 3% up to 20%	10
	C3	More than 20% up to 30%	25
	C4	More than 30% up to 50%	40
	C5	More than 50% up to 80%	65
	C6	More than 80%	90

ii. Allowances for group assessment:

The group assessment is aimed at group commercial loan portfolios classified in the model of group, consumer, and home mortgage allowances.
For the determination of allowances of the group portfolio, groups of loans with homogeneous characteristics in terms of the type of debtor and agreed conditions are analyzed. In this way, allowances are established based on the expected losses derived from a certain probability of default (PD) and a percentage of severity of the loss, or loss given default (LGD), both parameters based on historical analysis and technically based estimates.

The amount of allowances to establish will be obtained by multiplying the total amount exposed in the respective group by the percentages of estimated default and loss given default.

a. Group commercial loans:

The Bank applies the standard model of allowances for commercial loans of the group portfolio, whether corresponds to commercial lease transactions, student loans or other types of commercial loans.

Commercial lease transactions

For these transactions, the allowance factor must be applied to the current value of the commercial lease transactions (including the purchase option) and will depend on the delinquency of each operation. The type of leased asset and the relationship, at the closing of each month, between the current value of each operation and the value of the leased asset (PVB), as indicated in the following tables:

Probability of Default (PD) applicable according to delinquency and type of asset (%)		
Past due days of the operation at the end of the month	Type of Good	
	Residential	Non-residential
0	0.79	1.61
01-29	7.94	12.02
30-59	28.76	40.88
60-89	58.76	69.38
Non-performing portfolio	**100.00**	**100.00**

Loss Given Default (LGD) applicable according to PVB tranche and type of asset (%)		
PVB = Current value of the operation / Value of the leased asset		
PVB Section	Residential	Non-residential
PVB <= 40%	0.05	18.20
40% < PVB <= 50%	0.05	57.00
50% < PVB <= 80%	5.10	68.40
80% < PVB <= 90%	23.20	75.10
PVB > 90%	36.20	78.90

The determination of the PVB ratio will be made considering the appraisal value, expressed in UF for residential and in pesos for non-residential, recognized at the time they corresponding loan is granted, taking into account possible situations that at that time may be causing transitory increases in the prices of the good.

Student loans

For these transactions, the allowance factor must be applied on the student loan and the exposure of the contingent loan, when applicable. The determination of said factor depends on the type of student loan and the demand for payment of principal or interest, at the end of each month. When payment is due, the factor will also depend on its delinquency.

For loan classification purposes, a distinction is made between those granted to finance higher education in accordance with Law No. 20,027 (CAE) and. On the other hand, CORFO-guaranteed loans, or other student loans.

Probability of Default (PD) applicable according to payment enforceability, delinquency, and type of loan (%)			
Presents enforceability of the payment of principal or interest at the end of the month	Days past due at the end of the month	Type of Student Loan	
		CAE	CORFO or other
Yes	0	5.20	2.90
	01-29	37.20	15.00
	30-59	59.00	43.40
	60-89	72.80	71.90
	Portfolio in Default	100.00	100.00
No	n/a	41.60	16.50

Loss given the Default (LGD) applicable according to payment enforceability and type of loan		
Presents enforceability of the payment of principal or interest at the end of the month	Type of Student Loan	
	CAE	CORFO or other
Yes	70.90	
No	50.30	45.80

Generic commercial loans and factoring

For factoring transactions and other commercial loans, the allowance factor, applicable to the amount of the loan and to the exposure of the contingent loan, will depend on the delinquency of each operation and the relationship that exists, at the end of each month, between the obligations that the debtor has with the bank and the value of the real guarantees that protect them (PTVG). As indicated in the following tables:

Probability of Default (PD) applicable according to delinquency and PTVG (%) tranche			
Days past due at the end of the month	With guarantee		Without guarantee
	PTVG<=100%	PGTV>100%	
0	1.86	2.68	4.91
01-29	11.60	13.45	22.93
30-59	25.33	26.92	45.30
60-89	41.31	41.31	61.63
Non-performing portfolio	100.00	100.00	100.00

Loss Given Default (PDI) applicable according to PTVG (%) tranche			
(With/without) guarantees	PTVG	Generic commercial transactions or factoring without recourse of the transferor	Factoring with recourse of the transferor
With guarantee	PTVG <= 60%	5.00	3.20
	60% < PTVG <= 75%	20.30	12.80
	75% < PTVG <= 90%	32.20	20.30
	90% < PTVG	43.00	27.10
Without guarantees		56.90	35.90

The guarantees used for purposes of calculating the PTVG ratio of this method may be specific or general. Including those that are simultaneously specific and general.

A guarantee may only be considered if, according to the respective hedge clauses, it was established in the first place in favor of the bank and only guarantees the debtor's credits with respect to which it is debited (not shared with other debtors). The invoices assigned in the factoring transactions, or the guarantees associated with the residential loans of the mortgage portfolio, regardless of their coverage clauses, will not be considered in the calculation.

To calculate the PTVG ratio. The following should be considered:

I. Transactions with specific guarantees: when the debtor granted specific guarantees. For generic commercial loans and factoring, the PTVG ratio is calculated independently for each guaranteed transaction, as the division between the amount of the loan and the contingent loan exposure and the value of the actual guarantee that covers.

II. Transactions with general guarantees: when the debtor granted general or general and specific guarantees, the Bank calculates the corresponding PTVG, jointly for all generic commercial loans and factoring and not included in i) above, as the result of the sum of the amounts of the loans and exposures of contingent loans and the general, or general and specific guarantees that, according to the scope of the remaining hedge clauses, protect the credits considered in the numerator of the aforementioned ratio.

The amounts of the guarantees used in the PTVG ratio described above must be determined according to:

- The last valuation of the guarantee, whether appraisal or fair value, depending on the type of real guarantee in question.

To determine the fair value. The criteria indicated in Chapter 7-12 of the Updated Compendium of Standards must be considered.

- Eventual situations that could be generating transitory increases in the values of the guarantees
- Limitations to the amount of hedge established in their respective clauses
- Provisions for deductible amount related to FOGAPE Covid-19 guarantees

To determine the specific provisions of the loans guaranteed by the FOGAPE Covid-19 guarantee, the expected losses shall be determined by estimating the risk of each operation, without considering the substitution of the credit quality of the guarantor, according to the corresponding individual or group analysis method, in accordance with the provisions of Chapter B-1 of the Compendium of Accounting Standards.

The loan amounts associated with such operations that had been written off must be added to the aforementioned expected losses, in accordance with the provisions established in Chapter B-2 of the Compendium.

Therefore, the total amount of expected losses resulting from the aggregate calculation of each group of operations, including the amounts written off for that group as indicated in the preceding paragraph, shall be compared to the corresponding total amount of deductible amount, and perform the following:

- Expected losses less than the deductible amount

When the expected losses of the operations of a group to which the same deductible amount percentage applies, determined according to the procedure indicated above, are less than or equal to the aggregate amount of the deductible amount, the provisions will be determined without considering the FOGAPE Covid-19 coverage, 19, i.e., without substituting the credit quality of the direct debtor for that of the guarantor.

- Expected losses greater than the deductible amount

When the expected losses of the operations of a group to which the same deductible amount percentage applies, determined according to the procedure indicated above, are greater than the aggregate amount of the deductible amount, the provisions will be determined using the substitution method provided in 4,1 letter a) of Chapter B-1 of the Compendium of Accounting Standards.

For these purposes, the proportion to be replaced will be the one that corresponds to the limits indicated in article 13 of the Regulations for the Administration of the Guarantee Fund for Small and Medium-sized Entrepreneurs, applicable to the COVID-19 Guarantee Lines.

Additionally, the ratio associated with the deductible amount resulting from multiplying the guaranteed amount of the corresponding group by the percentage of the applicable deductible amount shall be determined.

b. Consumer loans:

Group portfolio credit risk allowance model

According to chapter B-1 of the Compendium of Accounting Standards issued by the CMF. The credit risk allowance models are based on a look at expected losses, following "through the cycle" approach and not "at a point in time" approach.

These expected loss (EL) models are used to estimate future portfolio losses and are based on three fundamental components: Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). The final objective is to establish a sufficient level of allowances to cover future expected losses:

$$EL = Exposure * PD * LGD$$

The allowance models are organized according to segments, which are defined according to the types of debtors and the types of loans: Consumer, Commercial and mortgage. Reasonableness criteria prevail in this macro-segmentation, depending on how customers and products are managed from a commercial and risk point of view.

From these macro-segments, higher segmentation levels are generated to the extent that they improve the estimates of the parameters, and scores are given on these levels of segmentation to identify homogeneous groups of debtors, which allow better distribution of the risk in the customer portfolio.

Currently, the Bank makes an allowance using the maximum value between the result obtained by the standard matrix, the Compendium of Accounting Standards, chapter B-1, and the internal models.

As of March 31, 2024, the subsidiary Servicios Financieros y Administración de Créditos Comerciales S.A., performed a recalibration of its model of allowances for loan losses in the consumer loan portfolio to achieve higher coverage in the adequacy of allowances, in accordance with the requirements issued by the CMF. This change in the model estimate was approved by the Board of Directors in March 2024. The impact on profit or loss implied a higher expense in allowances for loan losses risk in the consumer loan portfolio of MCh$14,601.

c. Home mortgages:

The home mortgage loan portfolio includes loans that have the following characteristics: their destination is the financing of the acquisition, expansion, repair, or construction of a house. The debtor is the natural person who buys or owns the house, and the value of the mortgage guarantee covers all the loan.

The Bank uses the "Standard Method of Allowances for Mortgage Loans for Housing", which establishes the applicable allowance factors, represented by the expected loss on the amount of mortgage loans for housing, applied based on the delinquency of each loan and the ratio at the end of each month, between the amount of outstanding principal of each loan and the value of the mortgage guarantee (PVG) that covers it. As indicated in the following table:

Allowance factor applicable according to delinquency and PVG						
PVG Tranche	Concept	Days past due at the end of the month				Non-performing portfolio
		Current	01-29	30-59	60-89	
PVG≤ 40%	PD (%)	1.0916	21.3407	46.0536	75.1614	100.0000
	LGD (%)	0.0225	0.0441	0.0482	0.0482	0.0537
	EL (%)	0.0002	0.0094	0.0222	0.0362	0.0537
40%<PVG≤ 80%	PD (%)	1.9158	27.4332	52.0824	78.9511	100.0000
	LGD (%)	2.1955	2.8233	2.9192	2.9192	3.0413
	EL (%)	0.0421	0.7745	1.5204	2.3047	3.0413
80%<PVG≤ 90%	PD (%)	2.5150	27.9300	52.5800	79.6952	100.0000
	LGD (%)	21.5527	21.6600	21.9200	22.1331	22.2310
	EL (%)	0.5421	6.0496	11.5255	17.6390	22.2310
PVG>90%	PD (%)	2.7400	28.4300	53.0800	80.3677	100.0000
	LGD (%)	27.2000	29.0300	29.5900	30.1558	30.2436
	EL (%)	0.7453	8.2532	15.7064	24.2355	30.2436

Where:
PD = Probability of default
LGD = Loss given default
EL = Expected loss
LtV = Outstanding principal/Value of the mortgage guarantee

In the event that the same debtor maintains more than one home mortgage loan with the Bank and one of them is 90 days or more past due, all these loans will be assigned to the non-performing portfolio, calculating the allowances for each of them according to their respective percentages of PVG.

i. Loan write-off:

As a general rule, write-offs should be made when the contractual rights to the cash flows expire. In the case of loans, even if the foregoing does not occur, the corresponding asset balances will be written off in accordance with the provisions of title II of Chapter B-2 of the Compendium of Accounting Standards issued by the CMF.

The write-offs in question refer to the derecognition in the Interim Consolidated Statements of Financial Position of the asset corresponding to the respective transaction. Including, therefore, that part that may not be due if it were a credit payable in installments or payments, or a lease transaction (No partial write-offs exist).

Write-offs are always accounted for with a debit to the provisions for credit loss established. In accordance with the provisions of Chapter B-1 of the Compendium of Accounting Standards, regardless of the reason for which the write-off is made. Subsequent payments obtained from written-off operations will be recognized in the Interim Consolidated Statements of Income for the period as recoveries of written-off loans.

The write-offs of loans and receivables are performed on overdue, past due and current installments, and the period must be considered from the beginning of their delinquency, that is, performed when the delinquency period of an installment or portion of loan transaction reaches the write-off term. As provided below:

Type of loan	Term
Consumer loans – secured and unsecured	6 months
Other transactions - unsecured	24 months
Commercial loans - secured	36 months
Residential mortgage loans	48 months
Consumer lease agreement	6 months
Other non-real estate lease transactions	12 months
Real estate lease agreement (commercial or residential)	36 months

The term corresponds to the time elapsed from the date on which the payment of all or part of the past due liability became due.

ii. Recovery of written-off loans:

Recoveries of written-off loans are recognized in profit or loss as recoveries of written-off loans.

o. Fee income and expense

Fee income and expense are recognized in revenue according to the 5-step approach established by IFRS 15:

Step 1: Identify the contract with the customer;
Step 2: Identify the performance obligations in the contract;
Step 3: Determine the transaction price;
Step 4: Allocate the transaction price to the performance obligations of contracts;
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

p. Impairment

For the assets in the caption "Loans and receivables from customers". The impaired portfolio is defined according to Chapter B-2 of the Compendium of Accounting Standards issued by the CMF as "loans from debtors for which there is evidence that they will comply with any of their obligations in the agreed payment conditions, regardless of the possibility of recovering the amount owed by resorting to guarantees, through the period of judicial collection actions or agreeing on different conditions".

The policies on impairment measurement. Assessed on a monthly basis, consider the following criteria:

i. Addition to impaired portfolio:

Transactions included by credit risk rating classified as substandard in categories B3 and B4, and the non-perform portfolio are recorded in individually classified transactions.

The rest of the transactions are classified in groups and are added when they are:

- Credit transactions that are past due for a period greater than or equal to 90 days.
- Renegotiated transactions.
- 100% of the transactions associated with the customer are carried over to the impaired portfolio.

Operations linked to residential mortgage loans or loans to finance higher education are not included in Law N. 20027, which may be excluded as long as they do not present the conditions of non-compliance established in Circular No. 3454 of December 10, 2008.

The behavior in the financial system is not considered to determine the addition to the impaired portfolio.

Removal conditions

- Individual case: for having improved their risk rating over the B3 category of the individual classification.
- Group case:

a) Non-renegotiated transactions: credit transactions included in impaired portfolio may return to the normal portfolio, only if the transaction in question meets the following conditions:

  - Register at least six consecutive payments of principal and interest, paying them at maturity or within the next 30 days.
  - That it is up to date with all its obligations and has no other credit transaction in an impaired portfolio.
  - In any case, it must not record any delinquency in the rest of the financial system for the last 90 days (last three periods reported to the CMF at the date of consultation).

b) Renegotiated operations: may be removed from the impaired portfolio, only if the operation in question meets the following conditions:

  - Register at least six consecutive payments of principal and interest, paying them at maturity or within the next 30 days.
  - That it is up to date with all its obligations and has no other credit transaction in an impaired portfolio.
  - That it does not have another renegotiated transaction during the last nine months.
  - In any case. It must not record any delinquency in the rest of the financial system in the last 90 days (last three periods reported in the CMF at the date of consultation).

c) Renegotiated group portfolio from write-off: written-off commercial transactions that have been renegotiated, may be removed from the impaired portfolio, and added to the normal portfolio, only if the transaction in question meets the following conditions:

  - Payment of 30% of the originally renegotiated transaction (total balance of the renegotiated transaction) or that first six payments have been made, agreed in the renegotiated commercial transaction.
  - Be up to date with the principal and interest payments.
  - Have no other transaction in the impaired portfolio.
  - Register no delinquency in the rest of the financial system in the last 90 days.

ii. Non-financial assets:

The carrying amount of the Bank's non-financial assets, other than investment properties and deferred tax assets, is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indications exist, then the asset's recoverable amount is estimated. In the case of goodwill and intangible assets that have indefinite useful lives or not yet available for use, the recoverable amounts are estimated at each presentation date.

In accordance with IAS 36 "Impairment of Assets", the entity shall assess at the end of each reporting period whether there is any indication of impairment of its intangible assets with indefinite useful lives, as well as of the goodwill acquired in a business combination. On the other hand, the Financial Market Commission (CMF) requires that "the valuations of goodwill and other non-amortizable intangible assets must be supported by two reports issued by professionals independent of the bank and its external auditors. Both reports support the initial value of intangible assets and valuations as of December 31 of each year.

An impairment loss in relation to goodwill is not reversed. In relation to other assets, impairment losses recognized in prior periods are assessed at each reporting period whether there is any indication that the loss may have decreased or disappeared. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized.

On a quarterly basis, the Bank follows up on intangible assets and goodwill generated from the business combination of its subsidiaries BCI Servicios Financieros and City National Bank in Chile and the United States, respectively. As of December 31, 2023, a loss of MCh$2,530 was recorded in the Financial Services CGU, which arises from two concepts, the first equivalent to MCh$1,499 associated with the relationship with customers and the second associated with Goodwill of MCh$1,031 (see further detail in Note No. 15, letter b). As of December 31, 2022, the Bank recognized an impairment loss associated with goodwill assigned to the Financial Services CGU of MCh$20,442 (see further detail in Note No. 15, letter b).

q. Interest and inflation-indexation income and expense

Interest and inflation-indexation income and expenses are recognized in the Interim Consolidated Statements of Income based on the accrual principle using the effective interest method.

The effective interest rate is the discount rate that exactly matches the estimated cash flows receivable or payable over the expected life of the financial instrument (or, where appropriate, in a shorter period) with the net carrying amount of the financial asset or liability. To calculate the effective interest rate, the Bank determines the cash flows taking into account all the contractual conditions of the financial instrument, the calculation of said rate includes all commissions and other concepts paid or received that are part of it.

Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

However, in the case of past due loans and current loans with a high risk of irrecoverability, the prudent criterion of suspending the accrual of interest and inflation-indexation has been followed; and are recognized when received.

- Amount to be suspended:

The amount of income to be suspended on an accrual basis corresponds to that calculated between the date of suspension and the cut-off date of the Interim Consolidated Statements of Financial Position, which corresponds to the last day of the month.

- Suspension date:

The Bank will stop recognizing income on an accrual basis for the assets at amortized cost "Loans and advances to banks" and "Loans and receivables from customers" in the Interim Statement of Income, when the loan or one of its installments is 90 days past due.

The suspension of the recognition of income on an accrual basis implies that, from the date on which it must be suspended and until such loans are no longer in the impaired portfolio, the corresponding assets will not be increased with interest, inflation-indexation or fees in the Interim Consolidated Statements of Financial Situation and no income will be recognized for these concepts in the Interim Consolidated Statements of Income, unless they are actually received. In this regard, income actually received from interest, inflation-indexation or fees shall be recognized as indicated in Chapter C-3 of the CNCB.

For the determination of the gross assets on which the provisions for credit loss are calculated according to chapter B1, suspended interest, adjustments and commissions will not be included.

r. Intangible assets

i) Software

The software acquired by the Bank is recognized at cost, less accumulated amortization, and accumulated impairment losses.

Disbursements or expenses for internally developed software are recognized as assets when the Bank can demonstrate its intent and ability to complete its development and use it internally to generate future economic benefits, and the cost of completing its development can be measured reliably. The capitalization of internally developed software expenses includes all direct costs attributable to the development of the software and is amortized over its useful life. Internally developed software is recognized at capitalized cost less accumulated amortization and accumulated impairment losses.

The subsequent expenses of the recognized asset are capitalized only when the future economic benefits of the specific assets in the related areas increase. All other expenses are recognized in the Interim Consolidated Statements of Income.

Amortization is recognized on a straight-line basis in profit or loss considering the estimated useful life of the software from the date it is available for use, which is generally six years.

ii) Intangible assets acquired in business combinations

As a consequence of the purchase process of BCI Financial Group, Inc. and Subsidiaries that was completed in October 2015, the merger between City National Bank of Florida and Total Bank completed on June 15, 2018, and the acquisition of the credit card business from Walmart (Financial Services) that was completed on June 4, December 2018, amortizable intangible assets with an indefinite useful life were recognized, which originated during the Purchase Price Allocation (PPA) process. The Bank permanently assesses its intangible assets for impairment. In this regard and, in accordance with the CMF regulations of the Compendium of Accounting Standards, Chapter A-2 number 7, two independent consultants of the Bank and different from the external auditors reviewed the basis of is valuation during the 2019 financial year.

According to IFRS 3 "Business Combinations", for the acquisition of Total Bank the values were definitively determined on December 31, 2018, which were adjusted within the term established by the standard.

According to IFRS 3 "Business Combinations", for the acquisition of BCI Servicios Financieros the values were definitively determined on December 4, 2019, which were adjusted within the term established by the standard.

Amortizable intangible assets recognized their portion of amortization on a straight-line basis according to the estimated useful life.

iii) Goodwill

The goodwill arising from a business combination will be allocated from the date of acquisition to each of the cash-generating unit (CGU) or group of CGUs of the acquirer, which are expected to benefit from the synergies of the business combination, regardless of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

Goodwill is tested annually for impairment, and when circumstances indicate that it is carrying amount may be impaired.

Impairment losses in respect of goodwill is not reversed in future periods.

Intangible assets. Including goodwill, were subjected to impairment tests as indicated in IAS 36.

As of March 31, 2024, the assessed the impairment of its assets, reaching the conclusion that no impairment should be recorded on intangible assets and goodwill on such investments. As of December 31, 2023, the Bank's Management estimated the recoverable amount of its Financial Services CGU that records balances in intangible assets, resulting in the recognition of an impairment loss associated with goodwill and customer relationship assigned to this CGU. For further information, refer to note 15, letter c).

s. Business combinations

Business acquisitions are accounted by applying the acquisition method, the consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Company, the liabilities incurred by the acquirer to former owners of the acquiree, and the equity interests issued by the Company in exchange for control of the acquiree. Acquisition-related costs are recognized in profit or loss when incurred.

In a business acquisition, an independent specialist is used to determine the fair value of the net assets acquired and the identification of intangible assets is considered. For the valuation of these intangible assets identified in a business combination, cash flow projections are used based on the performance estimates of the acquiree.

At the acquisition date. The identifiable assets acquired, and liabilities assumed are recognized at fair value, except for the following:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit agreements are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19, respectively.
- liabilities or equity instruments related to share-based payment agreements of the acquiree, or share-based payment agreements of the company entered to replace the share-based payment agreements of the acquiree are measured in accordance with IFRS 2 at the date of acquisition; and
- the assets (or group of assets for disposal) that are classified as held for sale.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the equity interest previously held by the acquirer (if any) in the acquiree over the net amounts at the acquisition date of the identifiable assets acquired and liabilities assumed. If, after a reassessment, the acquisition-date net amounts of the identifiable assets acquired and liabilities assumed exceed the sum of the consideration transferred. The amount of any non-controlling interest in the acquiree, and the fair value of the interest previously owned by the acquirer in the acquiree (if any), such excess is immediately recognized in profit or loss as a gain from a bargain purchase.

Non-controlling interests that are present ownership interests and entitle their holders a share to a proportionate share of the entity's net assets in the event of liquidation may be measured initially, either at fair value or the proportionate share of non-controlling interests, of the recognized amounts of the acquiree's identifiable net asset.

The choice of measurement basis is made on a transaction-by-transaction basis.

Remeasurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which may not exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

t. Property and equipment

Items of property and equipment, excluding real estate, are measured at cost less accumulated depreciation and impairment losses.

The cost includes expenses that have been directly attributable to the acquisition of the asset and any other cost directly attributable to the process of bringing the asset to a working condition.

When part of an item of property and equipment has a different useful life. It is accounted for as a separate item (remodeling of real estate).

Depreciation is recognized in the Interim Consolidated Statements of Income based on the straight-line depreciation method over the useful lives of each part of an item of property and equipment. Leased assets are depreciated over the shorter of the lease period and their useful lives, unless it is certain that the Bank will obtain the property at the end of the lease period.

The estimated useful lives As of March 31, 2024 and December 31, 2023, are as follows:

	March 31, 2024	December 31, 2023
Buildings	50 years	50 years
Machinery and equipment	3 - 10 years	3 - 10 years
Facilities	7 - 10 years	7 - 10 years
Furniture and fixtures	7 years	7 years
Computing equipment	3 - 6years	3 - 6 years
Real estate improvements	10 years	10 years
Other property, plant, and equipment	3 - 6 years	3 - 6 years

u. Assets received in lieu of payment

They are classified under the caption "non-current assets and disposal groups held for sale", they are recorded at the lower of their foreclosure cost or the net realizable value, less regulatory write-offs required by the CMF and are presented net of allowances. Write-offs are required if the asset is not sold within 18 months of receipt.

v. Personnel benefits

i. Vacation:

The annual vacation cost is recognized on an accrual basis.

ii. Short term benefits:

The Bank contemplates an annual incentive plan for its employees for meeting objectives, consisting of a certain number or portion of monthly remuneration and is provisioned based on the estimated amount to be distributed.

iii. Severance indemnity payments:

The Bank and its subsidiaries have not agreed with their staff to make severance indemnity payments to all events, except for the subsidiaries BCI Servicios Financieros y Administración de Créditos Comerciales SA and BCI Administradora de Tarjeta Servicios Financieros Limitada, which have defined benefit plans in a collective agreement with part of their employees, these plans correspond to contracts with severance indemnity payments to all events, whose obligation is recorded at its actuarial value.

These companies recognize a provision (see note 37) to reflect the obligation to pay severance indemnity to employees who are entitled to receive this benefit in any event. This provision has been calculated using an actuarial methodology that considers estimates of staff turnover, discount rate, salary increase rate and mortality. The liability for employee benefits is presented at present value using the projected unit credit method. In accordance with the provisions of "IAS 19 Employee Benefits". Actuarial gains or losses related to experience adjustments and changes in variables are recognized as other comprehensive income and form part of the balance of Other Equity Reserves.

The cost of services for the current period is the increase in the present value of the defined benefit obligation, which occurs as a result of the services provided by employees in the current period.

The financial cost is the increase produced during a period in the present value of the obligations for defined benefits, as a result of the fact that such benefits are a period closer to their expiration.

A present obligation exists when, and only when. The Entity has no realistic alternative but to make the corresponding payments.

The assumptions used are the following:

Detail	Source
Mortality	Mortality tables "RV-2014" and "CB-2014" established by the Financial Market Commission (CMF) were used
Employee turnover	The historical turnover for executives in the collective agreement, voluntary resignation or company needs is 3.33%
Discount rate	The discount rate used to discount benefit payment flows for severance indemnity corresponded to a real annual rate of 3.47%. This rate corresponds to the 20-year BCU as of March 31, 2024. (Source: Central Bank)
Salary increases rate	The increase in salaries used for the projections, both for increase of the base salary and for total remuneration and corresponds to a real annual rate of 3.0%
Retirement	The retirement ages used to make the payment projections correspond to the minimum legal ages for retirement in Chile (DL,3500), ages that are generally used in the market, except when the reality of the company indicates otherwise. These ages correspond to 65 years for men and 60 years for women.

As of March 31, 2024, there are no experience adjustments or changes in variants. As of December 31, 2023, because of changes in variables, a release against other reserves was made of MCh$91.

w. Leases

On the commencement date of a lease, the Bank recognizes a right-of-use asset and a lease liability in accordance with the provisions of IFRS 16.

i) Right-of-use assets

The Bank leases a number of office and branch premises, which are necessary to perform its activities. Contract terms are individually negotiated and comprise a wide range of terms and conditions.

Leases are recognized, measured, and disclosed in accordance with IFRS 16 “Leases”. This requires that a right-of-use asset and its corresponding liability be determined at the date the asset is available for use. Each lease payment is distributed between the liability and interest. The financial interest is charged to the financial margin during the period of the lease. As well as the right-of-use asset, which is depreciated on a straight-line basis over the term of the contract.

The lease term includes the non-cancellable period established in the lease agreements, and generally have an automatic renewal clause, which are not included in the calculation of the financial liability. Additionally, each of the parties can terminate the agreement early, prior notice. For both concepts, only the current contractual period has been considered to calculate the impact of this new regulation. For lease agreements with an indefinite useful life. The Bank has determined to assign a useful life equal to the longest non-cancellable period of its lease contracts.

The present value of the lease payments is determined using the discount rate that represents the Bank's incremental rate at the commencement of the contracts, based on the duration of each of them from the initial date of application.

At the initial measurement, the Bank measures the right-of-use asset at cost. The rent of the lease contracts is agreed in UF (inflation-adjusted unit) and paid in Chilean pesos. In accordance with the provisions of Circular No. 3649 issued by the CMF, the monthly variation in UF that affects the contracts established in such monetary unit must be treated as a remeasurement, and therefore, the adjustments must be recognized as a modification to the obligation and at the same time the amount of the asset must be adjusted for the right of use assets.

Contracts whose non-cancellable period is equal to or less than 12 months are treated as short-term leases, and therefore the associated payments are recorded as a linear expense, any modification in the terms or rental fee is treated as a remeasurement of the lease.

The Bank has not entered into lease agreements with residual value guarantee clauses or variable lease payments.

The Bank applies IAS 36 “Impairment of assets” to determine whether the right-of-use asset is impaired and to account for any identified impairment losses.

As of March 31, 2024 and December 31, 2023 the Bank has not identified impairment in the value of assets for the right of use assets.

ii) Lease liability

The Bank measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease if that rate could be readily determined. If that rate cannot be readily determined, the Bank shall use the incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise payments for the right to use the underlying asset during the lease term that are not paid at the measurement date, which include (a) fixed payments, less any lease incentives receivable; (b) variable lease payments that depend on an index or rate. Initially measured using the index or rate at the commencement date; (c) amounts expected to be payable by the lessee under residual value guarantees; (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (e) payments for penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Bank measures the lease liability to recognize (a) interest on the lease liability; (b) lease payments made; and (c) remeasurements or modifications to the lease, and to reflect revised in-substance fixed lease payments.

The Bank remeasures the lease liability by discounting the revised lease payments, if, among others, (a) there is a change in the amounts expected to be payable under a residual value guarantee.

A lessee shall determine the lease payments to reflect the change in amounts expected to be payable under the residual value guarantee; (b) a change in future lease payments results from a change in an index or rate used to determine those payments.

The Bank remeasures the lease liability to reflect those revised lease payments only when there is a change in the cash flows. The Bank shall determine the revised lease payments for the remainder of the lease term based on the revised contractual payments.

As of January 1, 2019. The date of implementation of the standard. The Bank measured the lease liability at the present value of discounted lease payments using the lessee’s incremental borrowing rate.

x. Statements of cash flows

For the preparation of the Interim Consolidated Statements of Cash Flows, the indirect method has been used, in which, whereby taking profit or loss before tax for the period non-cash transactions are included, as well as income and expense associated with investing or financing cash flows.

For the preparation of the Interim Consolidated Cash Flow Statements, the following terms are used:

- Cash flows: inflows and outflows of cash and cash equivalents, understood as short-term, highly liquid investments with insignificant risk of changes in value, such as: deposits in the Central Bank of Chile, deposits in domestic banks and foreign deposits.

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

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

- Financing activities: are activities that result in changes in the size and composition of equity and liabilities that are not operating and investing activities.

y. Provisions and contingent liabilities

Provisions are liabilities of uncertain timing and amount; these provisions are recognized in the Interim Consolidated Statements of Financial Position when the following requirements are met collectively:

- A liability is a present obligation arising from past events, at the date of the Interim Consolidated Financial Statements, it is likely that the Bank or its subsidiaries will have to use an outflow of economic benefits to settle the obligation and the amount of these outflows can be measured reliably.

A contingent asset or liability is any obligation arising from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events occur not wholly within the control of the Bank.

The provisions (which are measured considering the best information available on the outcome of the event that gave rise to them and are remeasured at each period-end) are used to meet the specific obligations for which they were originally recognized, proceeding to their reversal, totally or partially, when said obligations cease to exist or decrease.

Provisions are classified according to the obligations hedged, and are as follows:

- Provisions for employee benefit obligations
- Provision for lawsuits and litigation
- Provisions for obligations of customer loyalty programs
- Provisions for operational risk
- Other provisions for other contingencies

Provisions for country risk for operations with foreign debtors

The Bank makes provisions for country risk in accordance with chapter B-6 of the CNCB to hedge the risk that has been assumed by maintaining or committing resources in a foreign country. Said provisions must be made based on the country ratings made by the Bank in accordance with the provisions of RAN 7-13 on country risk and country ratings.

Provisions for credit loss for contingent loans

Contingent loans correspond to transactions or commitments in which the Bank assumes a credit risk by committing itself to third parties in the event of a future event, to make a payment or disbursement that must be recovered from its customers.

To calculate the provisions as indicated in Chapter B-1 of the CNCB, the amount of the exposure to be considered shall be equivalent to the percentage of the amounts of the contingent loans and which is established in Chapter B-3 of the CNCB. As indicated below:

Type of contingent exposure:	FCC
Freely available, immediate payment revolving credit facility	10%
Contingent loans linked to the CAE	15%
Letters of credit for goods movement operations	20%
Other freely available revolving credit facilities	40%
Debt purchase commitments in local currency abroad	50%
Transactions related to contingent events	50%
Co-debtor and guarantees	100%
Other credit commitments	100%
Other contingent loans	100%

Provisions for operational risk

The Bank constitutes provisions for operational risk in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", in which losses due to operational risk events are recognized, including external costs and eventual pending losses with a direct relationship to the operational risk event as established by Chapter 21-8 of the RAN.

i. Additional allowances:

The CMF has defined those additional allowances are those not derived from the application of the portfolio assessment models of each bank or to compensate for their deficiencies and must be to protect against the risk of unpredictable economic fluctuations.

The additional allowances are established to protect against the risk of macroeconomic fluctuations to anticipate situations of reversal of expansionary economic cycles that. In the future, could result in a worsening of the conditions of the economic environment and. In this way, function as an anti-cyclical mechanism of accumulation of additional allowances when the scenario is favorable and the use or allocation to specific allowances when conditions deteriorate.

The Bank has formal criteria and procedures for their use and establishment for the determination of additional allowances, which are approved by the Board of Directors.

As of March 31, 2024 the Bank has a stock of additional allowances of MCh$365,536 (MCh$375,900 as of December 31, 2023), which were made to anticipate the potential impairment of the loan portfolios arising from the crisis generated by the Covid-19 pandemic. During 2023, Management proposed and the Executive Committee of the Board of Directors approved a plan to release additional allowances, performed during the last quarter of MCh$50,000 in the commercial portfolio, which is explained by our counter-cyclical model and which, together with the experts' analysis, indicate that the latent risk that justified making additional provisions in this portfolio has not materialized and is not expected to materialize.

These allowances are in accordance with the provisions of Number 10 of Chapter B-1 of the Compendium of Accounting Standards issued by the Financial Market Commission, which will be presented in liabilities in the caption "Special provisions for credit loss" (see note 26).

ii. Minimum allowances required for the normal individual portfolio:

The CMF has defined that the Bank must maintain a minimum allowance percentage of 0.50% on loans and contingent loans of the normal individual portfolio in accordance with the provisions of number 2.1.3 of Chapter B-1 of the Compendium of accounting Standards, which are presented in liabilities.

z. Use of estimates and judgments

In preparing these Interim Consolidated Financial Statements, the Bank's Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities. Income, and expenses. Actual results may differ from these estimates, which Management periodically evaluates and monitors.

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

Information about most significant areas of estimation of uncertainties and critical judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the Interim Consolidates Financial Statements is included in the following notes:

- Provisions for credit loss (notes 13 and 26)
- Impairment losses on certain assets (note 40)
- Valuation of financial instruments (notes 8,9, 10 and 11)
- Useful life of intangible assets and property and equipment (notes 15 and 16)
- Use of tax losses (note 18)
- Contingencies and commitments (note 29)
- Employee benefits (note 37)

aa. Income tax and deferred taxes

The determination of corporate income tax expense is made in accordance with IAS 12 and the Income Tax Law, whose legal rate is 27% for the general regime of art.14 letter A of the law, which both BCI and its subsidiaries in Chile follow.

The Bank recognizes, when appropriate, deferred tax assets and liabilities for the future estimates of the tax effects attributable to differences between the carrying amounts of assets and liabilities and their tax base.

Deferred tax assets/liabilities are measured, in accordance with current Chilean tax legislation, at the tax rates that are expected to be applied in the year in which the asset and/or liability are realized or settle. Future effects from changes in tax legislation or income tax rate are recognized in deferred tax starting from the date in which the law approving such changes is enacted or substantially enacted.

As of March 31, 2024 and December 31, 2023, the Bank has recognized net deferred tax assets and liabilities as Management has assessed that it expects to obtain taxable profit in the future that allow using existing temporary differences at each period-end.

Deferred tax assets and liabilities are offset in the Interim Statements of Financial Position, if there is a legally enforceable right to set off current tax assets against current tax liabilities, and only if these deferred taxes are related to income taxes corresponding to the same tax authority.

In February 2010, in Washington D.C., Chile and the United States of America entered into a tax treaty to avoid international double taxation, which was confirmed by the Chilean Congress in September 2015.

On December 19, 2023, the U.S. Treasury Department announced the entry into force of the treaty, indicating that the applicable procedures have been fulfilled. In Chile, the agreement was published in the official gazette on January 27, 2024, and is effective beginning in 2024.

bb. Dividends on ordinary shares

Dividends on ordinary shares are recognized in equity in the period in which they were approved by the Bank's Shareholders' Meeting.

The Bank recognizes in liabilities the share of profits for the period that will be distributed in compliance with the Law on Corporations, which establishes that at least 30% of the net income for the period will be distributed as a dividend, or in accordance with its dividend policy.

cc. Earnings per share

Basic earnings per share are determined by dividing net income attributable to the Bank for the period by the subscribed and fully-paid shares outstanding during the period.

Diluted earnings per share is determined similarly to basic earnings per share, but subscribed and fully-paid shares outstanding are adjusted for the potential dilutive effect of share options and convertible debt.

dd. Separate Equity performed by the subsidiary BCI Securitizadora SA

Securitization companies can acquire assets on behalf of the separate equities that support the issuance of securitized bonds. These assets must have similar characteristics and each issue will form a separate equity.

These assets can be from future cash flows (a "business plan" or future cash flows to be obtained from a specific asset or group of assets or company are securitized) or from an existing asset (a portfolio of receivables, mortgage loans, etc.).

The above distinction is relevant on how the Bank's debt should be accounted for; in the first case of future cash flows. It must be accounted for in Separate Equity and to the originator, and in the case of existing assets only in Separate Equity.

NOTE 3 – NEW ACCOUNTING PRONOUNCEMENTS ISSUED AND ADOPTED, OR ISSUED BUT NOT YET ADOPTED

Standards approved and/or amended by the International Accounting Standards Board (IASB)

a. The following new standards and interpretations and/or amendments have been adopted in these financial statements:

Amendments to IFRS	Mandatory implementation date
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2024. Early adoption is allowed
Liabilities for Leases in a Sale with Subsequent Lease (Amendments to IFRS 16)	Annual periods beginning on or after January 1, 2024. Early adoption is allowed
Non-Current Liabilities with Covenants (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2024.
Supplier Financing Agreements (Amendments to IAS 7 and IFRS 7)	Annual periods beginning on or after January 1, 2024 (Early adoption is allowed) and the amendments to IFRS 7 when applying the amendments to IAS 7.

Classification of Liabilities as Current or Non-Current (Amendment to IAS 1)

In order to promote uniformity of application and clarify the requirements for determining whether a liability is current or non-current. The International Accounting Standards Board has amended IAS 1, presentation of financial statements. As a result of this modification, banks must review their loan agreements to determine if their classification will change.

The amendments include the following:

- The right to defer cancellation must be substantiated: Current IAS 1 states that entities classify a liability as current when they do not have an unconditional right to defer cancellation of the liability for at least twelve months after the date of the reporting period. As part of its amendments. The IASB has removed the requirement that the right be unconditional and instead states that the right to defer cancellation must be substantiated and exist at the end of the reporting period.

- The classification of revolving credit lines may change: institutions classify a liability as non-current if they are entitled to defer its cancellation for at least twelve months from the end of the reporting period. Now, the IASB has clarified that the right to deferment exists only if the company meets the conditions specified in the loan agreement at the end of the reporting period, even if the lender does not verify compliance until a later date.

- Liabilities with equity cancellation characteristics: the amendments indicate that the cancellation of a liability includes the transfer of the entity's own equity instruments to the other party. The amendment clarifies how entities classify a liability that includes a conversion option of the other party, which could be recognized as equity or as a liability separately from the liability component in IAS 32 financial instruments: Presentation.

The amendment is effective, retroactively. For annual periods beginning on or after January 1, 2024. Early application is allowed. However, companies should consider including disclosures in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors in their subsequent annual financial statements.

The Bank's Management believes the application of this amendment had no impact on its interim consolidated financial statements.

Leasing Liabilities on a Sale with Subsequent Lease (Amendments to IFRS 16)

In September 2022, the International Accounting Standards Board issued amendments to IFRS 16 Leases – Lease Liabilities in a Subsequent Lease Sale, which establishes the requirements for how an entity should account for a subsequent leaseback sale after the transaction date.

While IFRS 16 includes requirements on how to account for a sale with subsequent leaseback on the date the transaction takes place, the Standard does not specify what the subsequent measurement of this transaction would look like. The amendments issued by the Board are in addition to the requirements set out in IFRS 16 for sales with subsequent leaseback, and which support the consistent application of the Standard.

The Bank's Management believes the application of this amendment had no impact on its interim consolidated financial statements.

Non-current liabilities with covenants (Amendments to IAS 1)

The International Accounting Standards Board (the Board) issued in October 2022 the amendment to IAS 1 presentation of financial statements. In which it states that only covenants that an enterprise must comply with at or before the reporting date affect the classification of a liability as current or non-current.

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

The Bank's Management believes the application of this amendment had no impact on its interim consolidated financial statements.

Supplier Financing Agreements (Amendments to IAS 7 and IFRS 7)

The International Accounting Standards Board issued in May 2023 amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures, which establish additional disclosure requirements to be incorporated in the notes. In relation to the Supplier Financing Agreements, which will complement the requirements currently established by IFRS and will provide information that will allow the Users (investors) assess the effects of these arrangements on the institution's liabilities and cash flows. As well as the institution's exposure to liquidity risk.

It incorporates a requirement to disclose the type and effect of non-monetary changes in the carrying amounts of financial liabilities that are part of a supplier financing agreement.

The incorporated amendments apply to vendor financing agreements that have all of the following characteristics:

- The financing provider pays the amounts that a company (the buyer) owes to its suppliers.

- The company agrees to pay under the terms and conditions of the agreements on the same date or a later date than its suppliers are paid.

- The company has extended payment terms or suppliers benefit from advance payment terms, compared to the due date of the payment of the corresponding invoice.

No changes are incorporated with respect to the classification and presentation of liabilities and related cash flows and do not apply to financing agreements related to accounts receivable or inventories.

The Bank's Management believes the application of this amendment had no impact on its interim consolidated financial statements.

b. The following new standards and interpretations have been issued but their implementation date is not yet in force:

Accounting pronouncements issued not yet in force

The following accounting statements issued are applicable to annual periods beginning after January 1, 2024, and have not been applied in the preparation of these Interim Consolidated Financial Statements. The Bank intends to adopt the accounting pronouncements that correspond to them on their respective dates of application and not in advance.

Amendments to IFRS	Mandatory implementation date
Sale or Contributions of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Effective date deferred indefinitely
Lack of Exchangeability (Amendment to IAS 21)	Annual periods beginning on or after January 1, 2025. Early adoption is permitted.

Sale or Contributions of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

On September 11, 2014, this amendment was issued which requires that, when transfers of subsidiaries are made to an associate or joint venture, the entire gain is recognized when the transferred assets meet the definition of "business" under IFRS 3 Business Combinations. The amendment establishes a strong pressure in the definition of "business" for recognition in results. The amendment also introduces new and unexpected postings for transactions that consider partial maintenance on assets that are not businesses.

The effective date of application of this amendment has been postponed indefinitely.

The Bank's Management has not determined the potential impact of the application of this amendment on its interim consolidated financial statements.

Lack of Exchangeability (Amendment to IAS 21)

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

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

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

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

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

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

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

The Bank's management has not determined the potential impact of the application of this amendment on its Interim Consolidated Financial Statements.

c. Standards and instructions issued by the CMF

General Standard No. 501: On January 8, 2024, the CMF established the minimum disclosures of the customary operation policies and regulates the public disclosure of transactions performed with related parties.

This standard will become effective beginning on September 1, 2024.

The Bank's Management believes the application of this standard had no effect on the Bank's Interim Consolidated Financial Statements.

General Standard No. 503: On January 12, 2024, the CMF established requirements for accrediting the suitability to perform the duties of stockbrokers, securities brokers, commodities brokers, general fund managers, fund unit trading agents, portfolio managers registered with the Register of Portfolio Managers held by the CMF and the entities providing investment advisory services, hereinafter "the entities", must accredit this circumstance through the mechanism established for this purpose by the stock exchanges pursuant to the provisions of Law No. 18. 045, which shall make compatible a high and homogeneous standard of requirements, an efficient cost for the market, and the continuous and normal operation of the accreditation process.

This standard became effective on January 13, 2024.

The Bank's Management believes the application of this standard had no effect on the Bank's Interim Consolidated Financial Statements.

Circular No. 2,343: On February 9, 2024, the CMF adjusted Chapter 21-11 of RAN that establishes the factors and methodology for the identification of systemically important banks. As a result of a review of the regulations and the process for identifying systemically important banks, the CMF requires more in depth detail for the sub-factors in Table 106, in addition to an adjustment to Table 11 and the R11 file on systemic importance, in order to improve the quality of the information.

The Bank's Management believes the application of this standard had no effect on the Bank's Interim Consolidated Financial Statements.

Circular No. 2,344: On February 9, 2024, the CMF adjusted instructions in Chapter 21-20 of the RAN 21-20 the purpose of which is to promote market discipline and financial transparency. By virtue of the questions raised by the industry, corrections and clarifications were performed to such Chapter in order to achieve consistency in the validation between the forms.

The Bank's Management believes the application of this standard had no effect on the Interim Consolidated Financial Statements.

Circular No. 2,346 On March 6, 2024, the CMF issued this new standard on the model of allowances for consumer loans. The new methodology is based on the identification of three risk factors for the probability of default parameter (delinquency in the bank at the close of the month of evaluation, delinquency in the system in any of the previous 3 months and having a mortgage loan in the system), whereas the loss given default considers the application based on two factors (having a mortgage loan in the system and the type of loan). This new methodology will be effective beginning in January 2025.

Management is assessing the potential impact of the application of this new methodology on its Interim Consolidated Financial Statements.

NOTE 4 – ACCOUNTING CHANGES

During the period ended March 31, 2024, there have been no changes in accounting policy compared to the prior year that significantly affect these Interim Consolidated Financial Statements.

NOTE 5 – SIGNIFICANT EVENTS

a) Agreement for the distribution of profits for the year 2023

On March 19, 2024, a Board of Directors meeting was held, where it was agreed to determine the distribution of the net profits obtained by the Bank in 2023, which was approved at the Ordinary Shareholders' Meeting held on April 9, 2024.

The approved subjects are the following: Distribute the balance of net profits amounting to Ch$682,467,865,539 (MCh$682,468), as follows:

- Distribute a dividend of Ch$1,000 per share among the total of 218,604,259 shares issued and registered in the Shareholders' Registry, which implies allocating for this purpose the sum of Ch$218,604,259,000 (MCh$218,604), i.e., 32.03% of the distributable net income for the year 2023; and
- Allocate the remaining balance of net income for the year, i.e., Ch$463,863,606,539 (MCh$ 463,864) recorded in the account "Prior year income pending allocation" to the accounts "Retained earnings from prior years" and "Earnings reserves" of Ch$136,493,573,108 (MCh$136,494) and Ch$327,370,033,431 (MCh$327,370), respectively.

b) Issue and placement of bonds

During period 2024, no subordinated bond issues or placements have been, made.

During period 2024, no Current Bonds issues in Chilean pesos were performed.

During period 2024, the following placements of Current Bonds in Chilean pesos were performed:

Series	Placement date	Nominal	Internal Return Rate (TIR) (%)	Due date
BBCIW50723	03-13-2024	4,000,000,000	6.28	07-01-2032

During period 2024, no Current Bonds issues in UF were performed.

During period 2024, the following placements of Current Bonds in UF were performed:

Series	Placement date	UF	Internal Return Rate (TIR) (%)	Due date
BBCIS30223	02-14-2024	970,000	3.13	02-01-2030
BBCIS40223	02-15-2024	100,000	3.09	02-01-2031
BBCIS50223	02-21-2024	30,000	3.26	02-01-2032
BBCIS50223	02-21-2024	35,000	3.26	02-01-2032
BBCIS50223	02-21-2024	85,000	3.26	02-01-2032
BBCIS50223	02-21-2024	20,000	3.26	02-01-2032
BBCIS50223	02-21-2024	500,000	3.26	02-01-2032
BBCIS40223	02-21-2024	665,000	3.23	02-01-2031
BBCIS40223	02-21-2024	500,000	3.23	02-01-2031
BBCIS50223	02-21-2024	300,000	3.26	02-01-2032

During period 2024, there have been no issues or placements of Current Bonds in Japanese Yen.

During period 2024, there have been no issues or placements of Current Bonds in Australian Dollars.

During period 2024, there have been no issues or placements of Current Bonds in Euros.

During period 2024, the following issues and placements of Current Bonds in U.S. dollars was performed:

Series	Placement date	US	Internal Return Rate (TIR) (%)	Due date
XS2764433640	02-15-2024	10,000,000.00	6.86%	02-15-2029
XS2764264433	02-16-2024	10,000,000.00	6.84%	02-16-2029
XS2765503144	02-16-2024	10,000,000.00	6.61%	02-16-2028

During period 2024, no Current Bond issues in Swiss francs was performed.

During period 2024, the following issue and placement of Bond with no fixed maturity in U.S. dollars:

Series	Date of issue	CHF	Internal Return Rate (TIR) (%)
US05890MAC73	02-08-2024	500,000,000	11.57%

a) Capital increase at Servicios Financieros y Administración de Créditos Comerciales S.A.

On January 4, 2024, a capital increase was authorized for Servicios Financieros y Administración de Créditos Comerciales S.A. of MCh$35,000.

b) Bonds with no fixed maturity date

On February 1, 2024, the Bank successfully completed the pricing agreement of bonds without fixed maturity date, to be issued in the international market, for US$500,000,000, at an annual rate of 8.75%. On February 8, 2024, the Bank successfully completed the placement of the bond in its entirety.

c) Definitive appointment of Ignacio Yarur Arrasate as a Director

At the Ordinary Shareholders' Meeting held on March 19, 2024, Ignacio Yarur Arrasate was appointed and finally confirmed as a Director of the Bank.

d) Capital increase BCI Securities

On March 26, 2024, the shareholders of BCI Securities agreed to a capital increase of MCh$5,152.

NOTE 6 – BUSINESS SEGMENTS

Pursuant to IFRS 8, the Bank has aggregated operating segments with similar economic characteristics based on the aggregation criteria indicated in the standard. Thus, a business segment comprises customers to whom a differentiated product offering is addressed, but who are homogeneous in terms that their performance is measured in a similar way and are therefore part of the same business segment. In general terms, such aggregation has no significant impact on understanding the nature and effects of the business activities in which the Bank engages and the economic environment in which it operates.

The segment report is presented by the Bank based on the defined business structure, which is aimed at optimizing customer service with products and services, according to their relevant commercial characteristics.

To reliably reflect the nature of the Bank's business in the segments in which it engages, the presentation of the note includes the following:

The result of the Balance Sheet management is assigned to the commercial segments according to the composition of assets and liabilities of each business.

Corporate expenses are assigned to commercial segments, based on assignment criteria for each of the units established as Corporate (Comptrollership, Accounting, General Management, among others).

A minimum provision adjustment is assigned to the segments according to the classification of the customers that originated them.

Voluntary (additional) provisions expense is allocated to the Commercial Segments: Consumer and Housing 100% to Individuals and Commercial based on the weight of the Commercial provisions stock of SMEs and Wholesale in the related period.

In June 2021, Private Banking was integrated into Investment & Finance Banking to deepen our business model and enhance investment opportunities. In this way, Private Banking was transferred from the Wholesale segment to the Finance segment.

The commercial structure is presented below, with the segments defined by the Bank:

Retail: serves natural persons. Its business units are: Personal and Premium.

SME: this segment includes companies with sales of up to UF 80,000 per year.

Wholesale: considers all companies with sales of more than UF 80,000 per year.

Finance: includes the intermediation of financial positions and the management of the Bank's own investment portfolio. It also considers high-net-worth clients and investors that require high-value financial services (Private Banking).

BCI Financial Group: corresponds to business and operations performed in the United States through City National Bank of Florida (CNB), which operates as an independent unit, under the supervision of Management Control.

Financial Services: corresponds to businesses associated with the issuance and operation of BCI Líder Mastercard and Presto credit cards, the origination of low and high-amount cash advances and personal insurance brokerage, among others, which operates as an independent unit, under the supervision of Management Control.

Other: this concept includes expenses and/or income, which due to their nature are not directly identified with the business segments and therefore are not assigned.

Allocation of results of subsidiaries by customer:

Consistent with its customer-focused strategy, management of the segments considers in each one the income and expenses generated in the subsidiaries as a result of the attention/provision of services to the Bank's customers in each segment. As well as the distribution desk results.

Allocation of balance sheet management result:

To consider in each segment all, the benefits and costs associated with serving its customers, the result for managing currency and term mismatches is distributed to the segments. In proportion to the assets and liabilities of each segment.

Allocation of expenses to commercial segments:

Own expenses: correspond to the expenses of the commercial units that are divided into direct business expenses (personnel expenses, customer service, extra expenses, materials, and supplies, among others) and intercommercial expenses, which are assigned to the business by survey or ABC (transactions).

Assigned expenses: expenses of support units (Operations, Risk, Management, etc.) that are assigned based on surveys (according to the services they provide to the business) or ABC (transactions).

Technological expenses: correspond to technological expenses, whether depreciation, recurring expenses (software, licenses, maintenance, etc.) and expenses for new projects, which are grouped into the different technological applications of the Bank, which have a defined allocation driver for the banks based on their use (ABC model).

These criteria have been applied for the periods ended March 31, 2024 and 2023.

The management of the commercial areas indicated above is measured with the concepts presented in this note, which is based on the accounting principles applied in the Interim Consolidated Statements of Income for the period.

a) Profit (loss) in 2024:

	As of March 31, 2024								
	Retail	SMEs	Wholesale	Finance	Total Segments	BCI Financial Group	Financial Services	Other	Total Consolidated
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Net interest and Inflation-indexation income	164,868	57,316	172,980	35,203	**430,367**	113,679	23,801	15,450	**583,297**
Net fee income	32,809	9,843	26,096	2,573	**71,321**	12,015	5,847	303	**89,486**
Other operating income	1,144	2,633	13,512	9,106	**26,395**	11,890	4,020	(12,386)	**29,919**
Total operating income	**198,821**	**69,792**	**212,588**	**46,882**	**528,083**	**137,584**	**33,668**	**3,367**	**702,702**
Provisions for credit risk	(46,437)	(10,491)	(23,627)	(1,228)	**(81,783)**	(6,432)	(30,640)	(77)	**(118,932)**
Net operating income	**152,384**	**59,301**	**188,961**	**45,654**	**446,300**	**131,152**	**3,028**	**3,290**	**583,770**
Total operating expenses	(96,072)	(35,115)	(45,588)	(19,266)	**(196,041)**	(83,315)	(22,907)	(23,341)	**(325,604)**
OPERATING INCOME (LOSS)	**56,312**	**24,186**	**143,373**	**26,388**	**250,259**	**47,837**	**(19,879)**	**(20,051)**	**258,166**
Income from investments in companies									3,156
Profit before tax									**261,322**
Income tax									(53,860)
CONSOLIDATED PROFIT FOR THE PERIOD ENDED									**207,462**

	As of March 31, 2024							
	Retail	SMEs	Wholesale	Finance	Total Segments	BCI Financial Group	Financial Services	Total Consolidated
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS	**14,403,395**	**2,668,737**	**13,416,750**	**29,607,789**	**60,096,671**	**25,747,047**	**520,068**	**86,363,786**
Loans and receivables from customers (1)	14,480,415	2,663,325	13,481,673	4,878,980	**35,504,393**	17,314,989	481,888	**53,301,270**
LIABILITIES	**8,147,155**	**2,542,729**	**12,412,224**	**32,967,307**	**56,069,415**	**23,314,325**	**427,943**	**79,811,683**
On-demand and term deposits (2)	6,853,417	2,285,919	11,309,306	4,965,494	**25,414,136**	20,719,592	2,905	**46,136,633**
EQUITY								**6,552,103**

(1) Corresponds to loans receivable from customers plus loans and advances to banks, without deducting their corresponding allowances.

(2) Corresponds to deposits and other on-demand liabilities and deposits and other term deposits.

b) Profit (loss) in 2023:

	As of March 31, 2023								
	Retail	SMEs	Wholesale	Finance	Total Segments	BCI Financial Group	Financial Services	Other	Total Consolidated
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Net interest and Inflation-indexation income	127,589	47,218	130,528	26,436	331,771	114,547	26,047	4,450	**476,815**
Net fee income	35,104	7,833	22,567	1,732	67,236	7,424	6,959	(160)	**81,459**
Other operating income	857	3,022	12,955	23,773	40,607	8,085	3,454	1,000	**53,146**
Total operating income (loss)	**163,550**	**58,073**	**166,050**	**51,941**	**439,614**	**130,056**	**36,460**	**5,290**	**611,420**
Provisions for credit risk	(64,263)	(10,896)	(13,010)	(5,413)	(93,582)	(7,573)	(40,600)	12,922	**(128,833)**
Net operating income	**99,287**	**47,177**	**153,040**	**46,528**	**346,032**	**122,483**	**(4,140)**	**18,212**	**482,587**
Total operating expenses	(94,950)	(32,320)	(46,507)	(17,703)	(191,480)	(63,094)	(19,734)	(14,536)	**(288,844)**
OPERATING INCOME (LOSS)	**4,337**	**14,857**	**106,533**	**28,825**	**154,552**	**59,389**	**(23,874)**	**3,676**	**193,743**
Income from investments in companies									2,796
Profit before tax									**196,539**
Income tax									(25,593)
CONSOLIDATED PROFIT FOR THE PERIOD ENDED									**170,946**

	As of March 31, 2023							
	Retail	SMEs	Wholesale	Finance	Total Segments	BCI Financial Group	Financial Services	Total Consolidated
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS	**14,183,248**	**2,855,638**	**11,454,453**	**27,820,339**	**56,313,678**	**20,804,106**	**588,591**	**77,706,375**
Loans and receivables from customers (1)	13,751,255	2,754,766	10,980,269	4,538,808	**32,025,098**	13,663,298	595,146	**46,283,542**
LIABILITIES	**8,075,340**	**2,478,506**	**10,143,658**	**32,629,690**	**53,327,194**	**19,110,388**	**489,192**	**72,926,774**
On-demand and term deposits (2)	6,926,742	2,214,376	9,262,352	5,964,902	**24,368,372**	17,569,526	2,784	**41,940,682**
EQUITY								**4,779,601**

(1) Corresponds to loans receivable from customers plus loans and advances to banks, without deducting their corresponding allowances.

(2) Corresponds to deposits and other on-demand liabilities and deposits and other term deposits.

c) In addition, the Bank presents, as required by IFRS 8, information on revenues from its products and/or services, on the countries in which it obtains revenues and holds assets, on the most significant customers, regardless of whether this information is used by Management in making decisions on operations. Information on revenues and assets by country is presented below:

	As of March 31, 2024			
	Chile	United States	Peru	Consolidated Total
	MCh$	MCh$	MCh$	MCh$
Total operating income	574,930	136,361	(8,589)	**702,702**
Assets	54,759,874	31,210,725	393,187	**86,363,786**

	As of March 31, 2023			
	Chile	United States	Peru	Consolidated Total
	MCh$	MCh$	MCh$	MCh$
Total operating income	451,828	158,255	1,337	**611,420**
Assets	52,572,762	25,007,890	125,723	**77,706,375**

NOTE 7 – CASH AND CASH EQUIVALENTS

a) The detail of the balances included under cash and cash equivalents as of March 31, 2024 and 2023 and December 31, 2023, and reconciliation with the Consolidated Statements of Cash Flows at the end of each period, is as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$	March 31, 2024 MCh$
Cash and bank deposits			
Cash	418,036	529,748	428,503
Deposits in the Central Bank of Chile (i)	955,604	1,398,521	1,008,523
Deposits in foreign central banks	2,595,480	1,885,178	1,725,256
Deposits in local banks	5,613	6,704	8,974
Deposits in foreign banks	411,957	720,433	448,459
Subtotal - Cash and bank deposits	**4,386,690**	**4,540,584**	**3,619,715**
Transactions in the course of collection or payment (ii)	44,418	(171,655)	45,481
Other cash equivalents (iii)	2,889,657	2,437,209	1,172,056
Total cash and cash equivalent	**7,320,765**	**6,806,138**	**4,837,252**

(i) The level of funds in cash and in the Central Bank of Chile responds to regulations on reserve requirements that the bank must maintain as a monthly average.

(ii) Transactions in the course of collection or payment correspond to transactions in which the settlement that will increase or decrease the funds in the Central Bank of Chile or in foreign banks is pending, normally within 12 or 24 working hours, which are detailed as follows.

(iii) Refers to instruments that meet the criteria to be considered as "cash equivalent" as defined by IAS 7, that is, for classification as "cash equivalent", investments in debt financial instruments must be short-term and highly liquid with an original maturity 90 days or less from the date of acquisition, that are readily convertible to known amounts of cash from the date of initial investment, and that are subject to an insignificant risk of changes in value.

b) The detail of the balances of operations with settlement in progress as of March 31, 2024 and December 31, 2023 ais as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$	March 31, 2024 MCh$
Assets			
Notes payable to other banks (exchange)	46,889	57,669	47,685
Transfer of current funds receivable	567,028	825,360	427,755
Subtotal – assets	**613,917**	**883,029**	**475,440**
Liabilities			
Transfer of funds in process to be delivered	569,499	1,054,684	429,959
Subtotal - liabilities	**569,499**	**1,054,684**	**429,959**

NOTE 8 – FINANCIAL ASSETS HELD FOR TRADING AT FAIR VALUE THROUGH PROFIT OR LOSS

a) As of March 31, 2024 and December 31, 2023, the detail of financial assets held for trading at fair value through profit or loss is as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Financial derivative contracts	7,328,143	6,000,937
Debt financial instruments	1,065,764	974,506
Other financial instruments	70,655	113,254
Total	**8,464,562**	**7,088,697**

b) As of March 31, 2024 and December 31, 2023, the detail of financial derivatives is as follows:

	As of March 31, 2024								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Financial derivative contracts									
Forwards	12,710	15,901,023	14,981,720	20,047,971	5,851,313	1,486,915	2,947,724	**61,229,376**	**1,415,073**
Swaps	489,345	16,403,156	44,364,221	70,381,798	68,119,760	34,934,666	40,794,814	**275,487,760**	**5,906,783**
Call options	-	37,855	23,965	87,301	23,516	-	-	**172,637**	**6,183**
Put options	-	8,435	20,063	75,089	23,172	-	-	**126,759**	**27**
Futures	-	10,032	56,278	-	-	-	-	**66,310**	**77**
Other	-	-	-	-	-	-	-	-	-
Total	**502,055**	**32,360,501**	**59,446,247**	**90,592,159**	**74,017,761**	**36,421,581**	**43,742,538**	**337,082,842**	**7,328,143**

	As of December 31, 2023								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Financial derivative contracts									
Forwards	-	18,180,525	18,290,069	22,116,555	6,318,869	1,673,473	2,947,724	**69,527,215**	**976,610**
Swaps	59,006	6,421,031	29,762,566	53,913,981	55,887,409	31,574,435	35,839,131	**213,457,559**	**5,022,596**
Call options	-	9,958	15,359	65,421	5,483	-	-	**96,221**	**1,709**
Put options	-	8,034	15,814	37,416	5,107	-	-	**66,371**	**22**
Futures	-	-	-	7,368	-	-	-	**7,368**	-
Other	-	-	-	-	-	-	-	-	-
Total	**59,006**	**24,619,548**	**48,083,808**	**76,140,741**	**62,216,868**	**33,247,908**	**38,786,855**	**283,154,734**	**6,000,937**

c) As of March 31, 2024 and December 31, 2023, the composition of debt instruments is as follows:

	As of March 31, 2024								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Debt financial instruments									
Of the Government and Central Bank of Chile	-	414	993	972	174,294	100	317,209	**493,982**	**480,915**
Other debt financial instruments issued locally	-	23,689	19,241	259,810	153,192	85,294	21,749	**562,975**	**542,750**
Debt financial instruments issued abroad	784	986	1,985	2,007	-	-	35,912	**41,674**	**42,099**
Total	**784**	**25,089**	**22,219**	**262,789**	**327,486**	**85,394**	**374,870**	**1,098,631**	**1,065,764**

	As of December 31, 2023								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Debt financial instruments									
Of the Government and Central Bank of Chile	5,224	43,006	98	728	254,966	146	156,615	**460,783**	**452,459**
Other debt financial instruments issued locally	-	28,140	10,633	262,236	174,285	20,420	15,192	**510,906**	**489,240**
Debt financial instruments issued abroad	-	8	-	586	-	-	32,213	**32,807**	**32,807**
Total	**5,224**	**71,154**	**10,731**	**263,550**	**429,251**	**20,566**	**204,020**	**1,004,496**	**974,506**

d) As of March 31, 2024 and December 31, 2023, the composition of other financial instruments is as follows:

	As of March 31, 2024								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Debt financial instruments									
Investments in mutual funds	11,386	31,523	-	1,433	-	-	7,413	**51,755**	**51,755**
Equity instruments	15,011	-	-	-	-	-	3,889	**18,900**	**18,900**
Loans originated and acquired by the entity	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	**26,397**	**31,523**	**-**	**1,433**	**-**	**-**	**11,302**	**70,655**	**70,655**

	As of December 31, 2023								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Debt financial instruments									
Investments in mutual funds	12,403	78,517	-	1,243	-	-	209	**92,372**	**92,371**
Equity instruments	17,669	-	-	-	-	-	3,214	**20,883**	**20,883**
Loans originated and acquired by the entity	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	**30,072**	**78,517**	**-**	**1,243**	**-**	**-**	**3,423**	**113,255**	**113,254**

NOTE 9 – FINANCIAL ASSETS NOT HELD FOR TRADING MANDATORILY MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

As of March 31, 2024 and December 31, 2023, the composition of non-trading financial assets mandatorily measured at fair value through profit or loss is as follows:

	March 31, 2024	December 31, 2023
	MCh$	MCh$
Financial debt instruments		
Government and Central Bank of Chile	-	-
Other debt financial instruments issued in Chile	-	-
Debt financial instruments issued abroad	-	-
Subtotal debt financial instruments	**-**	**-**
Loans originated and acquired by the entity	60,212	58,963
Other	-	-
Subtotal other financial instruments	**60,212**	**58,963**
Total	**60,212**	**58,963**

NOTE 10 – FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

As of March 31, 2024 and December 31, 2023, the Bank has no financial assets and liabilities at fair value through profit or loss.

NOTE 11 – FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

a) As of March 31, 2024 and December 31, 2023, the detail of financial assets at fair value through other comprehensive income is as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Debt financial instruments		
Of the Government and Central Bank of Chile	3,421,147	3,836,396
Other debt financial instruments issued locally	756,511	913,670
Debt financial instruments issued abroad	4,655,055	4,241,071
Subtotal debt financial instruments	**8,832,713**	**8,991,137**
Loans originated and acquired by the entity	-	-
Other	-	-
Subtotal other financial instruments	**-**	**-**
Total	**8,832,713**	**8,991,137**

b) As of March 31, 2024 and December 31, 2023 the movement in financial assets at fair value through other comprehensive income is as follows:

	Changes in fair value				Expected credit loss			
	Stage 1 MCh$	Stage 2 MCh$	Stage 3 MCh$	Total stages MCh$	Stage 1 MCh$	Stage 2 MCh$	Stage 3 MCh$	Total stages MCh$
Opening balance as of January 1, 2024	**8,899,699**	**91,438**	**-**	**8,991,137**	**29,622**	**9,020**	**-**	**38,642**
Purchases made in the period	940,157	-	-	**940,157**	1,213	-	-	**1,213**
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Assets derecognized or matured	(1,561,168)	(14,503)	-	**(1,575,671)**	(4,950)	(28)	-	**(4,978)**
Changes due to modifications not derecognized	-	-	-	-	-	-	-	-
Exchange rate adjustments	467,057	10,033	-	**477,090**	2,598	990	-	**3,588**
Final balance as of March 31, 2024	**8,745,745**	**86,968**	**-**	**8,832,713**	**28,483**	**9,982**	**-**	**38,465**

	Changes in fair value				Expected credit loss			
	Stage 1 MCh$	Stage 2 MCh$	Stage 3 MCh$	Total stages MCh$	Stage 1 MCh$	Stage 2 MCh$	Stage 3 MCh$	Total stages MCh$
Opening balance as of January 1, 2023	**10,473,214**	**4,147**	**-**	**10,477,361**	**30,464**	**822**	**-**	**31,286**
Purchases made in the period	3,079,882	87,027	-	**3,166,909**	10,192	8,106	-	**18,298**
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Assets derecognized or matured	(4,777,377)	144	-	**(4,777,233)**	(11,678)	68	-	**(11,610)**
Changes due to modifications not derecognized	-	-	-	-	-	-	-	-
Exchange rate adjustments	123,980	120	-	**124,100**	644	24	-	**668**
Final balance as of December 31, 2023	**8,899,699**	**91,438**	**-**	**8,991,137**	**29,622**	**9,020**	**-**	**38,642**

c) As of March 31, 2024 and December 31, 2023, the detail of the present value, fair value, unrealized gains and losses, corresponding financial instruments is as follows:

	March 31, 2024			
	Present value MCh$	Market value MCh$	Unrealized gain MCh$	Unrealized loss MCh$
Debt financial instruments:				
Of the Government and Central Bank of Chile	3,550,148	3,421,147	17,529	146,530
Other debt financial instruments issued locally	759,469	756,511	2,157	5,115
Debt financial instruments issued abroad	5,392,792	4,655,055	1,694	739,431
Subtotal	**9,702,409**	**8,832,713**	**21,380**	**891,076**
Other financial instruments:				
Loans originated and acquired by the entity	-	-	-	-
Other	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**
Total	**9,702,409**	**8,832,713**	**21,380**	**891,076**

	December 31, 2023			
	Present value MCh$	Market value MCh$	Unrealized gain MCh$	Unrealized loss MCh$
Debt financial instruments:				
Of the Government and Central Bank of Chile	3,930,868	3,836,396	38,833	133,305
Other debt financial instruments issued locally	922,562	913,670	4,899	13,791
Debt financial instruments issued abroad	4,854,439	4,241,071	2,207	615,575
Subtotal	**9,707,869**	**8,991,137**	**45,939**	**762,671**
Other financial instruments:				
Loans originated and acquired by the entity	-	-	-	-
Other	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**
Total	**9,707,869**	**8,991,137**	**45,939**	**762,671**

NOTE 12 – FINANCIAL DERIVATIVES CONTRACT FOR ACCOUNTING HEDGE

a) As of March 31, 2024 and December 31, 2023, the detail of the portfolio of financial derivative contracts for accounting hedge is as follows:

	March 31, 2024								
	Notional amounts								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Fair value hedging derivatives:									
Forwards	-	-	-	-	-	-	-	-	-
Swaps	-	185,228	830,100	1,158,582	1,568,392	1,283,242	2,127,647	**7,153,191**	**545,422**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**185,228**	**830,100**	**1,158,582**	**1,568,392**	**1,283,242**	**2,127,647**	**7,153,191**	**545,422**
Cash flow hedging derivatives:									
Forwards	-	37,094	178,049	92,734	-	-	-	**307,877**	**1,115**
Swaps	-	202,399	115,568	1,121,531	2,165,966	1,706,047	3,691,889	**9,003,400**	**1,625,617**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**239,493**	**293,617**	**1,214,265**	**2,165,966**	**1,706,047**	**3,691,889**	**9,311,277**	**1,626,732**
Hedging derivatives abroad									
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**424,721**	**1,123,717**	**2,372,847**	**3,734,358**	**2,989,289**	**5,819,536**	**16,464,468**	**2,172,154**

	March 31, 2024								
	Notional amounts								Fair Value
	On- demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Liabilities
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Fair value hedging derivatives:									
Forwards	-	-	-	-	-	-	-	-	-
Swaps	-	154,375	830,100	1,127,676	1,347,031	1,258,259	2,098,556	**6,815,997**	**259,071**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**154,375**	**830,100**	**1,127,676**	**1,347,031**	**1,258,259**	**2,098,556**	**6,815,997**	**259,071**
Cash flow hedging derivatives:									
Forwards	-	36,795	178,007	93,667	-	-	-	**308,469**	**3,980**
Swaps	-	198,420	149,076	1,390,100	2,807,736	1,718,755	4,035,851	**10,299,938**	**2,292,223**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**235,215**	**327,083**	**1,483,767**	**2,807,736**	**1,718,755**	**4,035,851**	**10,608,407**	**2,296,203**
Hedging derivative abroad									
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**389,590**	**1,157,183**	**2,611,443**	**4,154,767**	**2,977,014**	**6,134,407**	**17,424,404**	**2,555,274**

	December 31, 2023								
	Notional amounts								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Fair value hedging derivatives:									
Forwards	-	-	-	-	-	-	-	-	-
Swaps	-	-	23,500	2,120,707	1,509,265	631,636	1,134,921	**5,420,029**	**438,020**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**23,500**	**2,120,707**	**1,509,265**	**631,636**	**1,134,921**	**5,420,029**	**438,020**
Cash flow hedging derivatives:									
Forwards	-	294,315	220,736	147,157	55,184	-	-	**717,392**	**4,016**
Swaps	-	81,111	169,588	916,422	2,560,750	1,722,413	3,567,936	**9,018,220**	**1,557,397**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**375,426**	**390,324**	**1,063,579**	**2,615,934**	**1,722,413**	**3,567,936**	**9,735,612**	**1,561,413**
Hedging derivative abroad									
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**375,426**	**413,824**	**3,184,286**	**4,125,199**	**2,354,049**	**4,702,857**	**15,155,641**	**1,999,433**

	December 31, 2023								
	Notional amounts								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Liabilities
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Fair value hedging derivatives:									
Forwards	-	-	-	-	-	-	-	-	-
Swaps	-	-	23,500	2,074,151	1,314,855	617,457	1,094,066	**5,124,029**	**227,454**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**23,500**	**2,074,151**	**1,314,855**	**617,457**	**1,094,066**	**5,124,029**	**227,454**
Cash flow hedging derivatives:									
Forwards	-	293,440	220,422	148,468	56,613	-	-	**718,943**	**5,864**
Swaps	-	121,405	230,451	1,020,886	3,292,295	1,756,713	3,910,191	**10,331,941**	**2,302,523**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**414,845**	**450,873**	**1,169,354**	**3,348,908**	**1,756,713**	**3,910,191**	**11,050,884**	**2,308,387**
Hedging derivative abroad									
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**414,845**	**474,373**	**3,243,505**	**4,663,763**	**2,374,170**	**5,004,257**	**16,174,913**	**2,535,841**

b) Types of derivatives

The Bank uses accounting hedges to manage the fair value and cash flow risk to which it is exposed.

i) Fair value hedges:

Fair value hedges for both foreign currency and local currency positions cover the fair value of the position against changes in the base rate, without considering the implicit credit spread. These operations reduce the risk of changes associated with fluctuations in their fair value as a result of changes in interest rate structures, among others.

Considering the different items in the balance sheet as derivatives that comply with the function of hedging such risks, either by Cash Flow or Fair Value Hedges, the objective of these tables is to show the management of risk hedges in P&L, as their presented values exclude adjustments and interest accrual.

A detailed summary of the hedging items and instruments used in fair value hedges as of March 31, 2024 and December 31, 2023 in notional amounts is presented below:

	March 31, 2024									
	Notional amounts								Fair Value	Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets	Liabilities
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item:										
Sensitivity	-	-	-	-	296,748	128,677	695,162	1,120,587	5,973	7,583
Items set / loans	-	-	-	491,140	491,140	-	-	982,280	638	5,921
Of the Government and Central Bank of Chile	-	30,000	241,000	200,000	-	311,930	440,885	1,223,815	8,907	47,144
Other instruments issued locally	-	-	-	491,140	520,333	34,566	-	1,046,039	197	3,445
Instruments issued abroad	-	-	-	-	40,079	29,468	252,236	321,783	837	37,550
Consumer	-	-	-	-	-	-	-	-	-	-
Mortgage	-	-	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	29,401	-	29,401	850	-
Items set / liabilities	-	-	-	1,126,834	58,937	-	-	1,185,771	7,833	234
Term deposit	-	-	-	119,656	-	-	-	119,656	-	1,835
Current bonds	-	98,228	-	358,191	1,175,604	293,164	765,346	2,690,533	111,124	9,417
Subordinated bonds	-	-	-	-	-	-	-	-	-	-
Bonds with no fixed maturity date	-	-	-	-	-	491,140	-	491,140	9,036	-
Mortgage bonds	-	-	-	-	-	-	-	-	-	-
Foreign investment	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**128,228**	**241,000**	**2,786,961**	**2,582,841**	**1,318,346**	**2,153,629**	**9,211,005**	**145,395**	**113,129**
Hedging instrument:										
Forwards	-	-	-	-	-	-	-	-	-	-
CCS	-	98,228	-	357,182	1,172,151	228,143	1,120,934	2,976,638	5,262	66,717
IRS	-	30,000	241,000	2,429,776	1,410,691	1,090,205	1,032,695	6,234,367	116,296	88,369
Options	-	-	-	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**128,228**	**241,000**	**2,786,958**	**2,582,842**	**1,318,348**	**2,153,629**	**9,211,005**	**121,558**	**155,086**

	December 31, 2023									
	Notional amounts								Fair Value	Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets	Liabilities
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item:										
Sensitivity	-	-	-	-	294,315	127,622	472,589	**894,526**	**11,150**	**9,137**
Items set / loans	-	-	444,775	-	889,550	-	-	**1,334,325**	**7,269**	**5,708**
Of the Government and Central Bank of Chile	-	-	23,500	471,000	-	168,000	322,885	**985,385**	**11,544**	**37,533**
Other instruments issued locally	-	-	-	444,775	471,212	31,303	-	**947,290**	**5,277**	**3,402**
Instruments issued abroad	-	-	-	-	9,666	52,471	219,837	**281,974**	**1,434**	**28,510**
Consumer	-	-	-	-	-	-	-	-	-	-
Mortgage	-	-	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	29,401	-	**29,401**	**1,049**	-
Items set / liabilities	-	-	-	1,125,218	52,470	-	-	**1,177,688**	**20,298**	**168**
Term deposit	-	-	-	119,474	-	-	-	**119,474**	**45**	**1,853**
Current bonds	-	-	-	405,016	1,154,870	264,053	591,805	**2,415,744**	**104,083**	**9,914**
Subordinated bonds	-	-	-	-	-	-	-	-	-	-
Mortgage bonds	-	-	-	-	-	-	-	-	-	-
Foreign investment	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**468,275**	**2,565,483**	**2,872,083**	**672,850**	**1,607,116**	**8,185,807**	**162,149**	**96,225**
Hedging instrument:										
Forwards	-	-	-	-	-	-	-	-	-	-
CCS	-	-	-	440,207	1,106,006	198,949	757,357	**2,502,519**	**2,232**	**76,792**
IRS	-	-	468,275	2,125,276	1,766,077	473,901	849,759	**5,683,288**	**101,730**	**93,557**
Options	-	-	-	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**468,275**	**2,565,483**	**2,872,083**	**672,850**	**1,607,116**	**8,185,807**	**103,962**	**170,349**

c) As of March 31, 2024 and December 31, 2023, the estimation of the periods in which the cash flows by type of risk are expected to occur are as follows:

i) Cash flow projections for interest rate risk:

Cash flow projections for interest rate risk	As of March 31, 2024							
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	3,432	36,650	246,554	326,954	231,398	2,199,991	3,044,979
Cash outflow	-	(5,190)	(51,806)	(268,639)	(340,239)	(251,136)	(2,234,530)	(3,151,540)
Net cash flows	**-**	**(1,758)**	**(15,156)**	**(22,085)**	**(13,285)**	**(19,738)**	**(34,539)**	**(106,561)**
Hedging instruments								
Cash inflow	-	5,190	51,806	268,639	340,239	251,136	2,234,530	3,151,540
Cash outflow	-	(3,432)	(36,650)	(246,554)	(326,954)	(231,398)	(2,199,991)	(3,044,979)
Net cash flows	**-**	**1,758**	**15,156**	**22,085**	**13,285**	**19,738**	**34,539**	**106,561**

Cash flow projections for interest rate risk	As of December 31, 2023							
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	10,894	22,922	109,671	355,920	149,433	1,180,963	**1,829,803**
Cash outflow	-	(13,772)	(23,567)	(128,826)	(350,109)	(156,568)	(1,192,734)	**(1,865,576)**
Net cash flows	**-**	**(2,878)**	**(645)**	**(19,155)**	**5,811**	**(7,135)**	**(11,771)**	**(35,773)**
Hedging instruments								
Cash inflow	-	13,772	23,567	128,826	350,109	156,568	1,192,734	**1,865,576**
Cash outflow	-	(10,894)	(22,922)	(109,671)	(355,920)	(149,433)	(1,180,963)	**(1,829,803)**
Net cash flows	**-**	**2,878**	**645**	**19,155**	**(5,811)**	**7,135**	**11,771**	**35,773**

ii) Cash flow projection for inflation risk:

Cash flow projection for inflation risk	As of March 31, 2024							
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	837	189,095	333,455	838,010	2,141,933	851,206	1,973,960	6,328,496
Cash outflow	(5,680)	(203,178)	(327,025)	(759,205)	(2,067,528)	(916,561)	(1,772,021)	(6,051,198)
Net cash flows	**(4,843)**	**(14,083)**	**6,430**	**78,805**	**74,405**	**(65,355)**	**201,939**	**277,298**
Hedging instruments								
Cash inflow	5,680	203,178	327,025	759,205	2,067,528	916,561	1,772,021	6,051,198
Cash outflow	(837)	(189,095)	(333,455)	(838,010)	(2,141,933)	(851,206)	(1,973,960)	(6,328,496)
Net cash flows	**4,843**	**14,083**	**(6,430)**	**(78,805)**	**(74,405)**	**65,355**	**(201,939)**	**(277,298)**

Cash flow projection for inflation risk	As of December 31, 2023							
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	381,740	303,109	660,003	2,601,567	941,123	2,043,188	**6,930,730**
Cash outflow	-	(363,411)	(315,067)	(678,928)	(2,443,850)	(999,462)	(1,865,065)	**(6,665,783)**
Net cash flows	**-**	**18,329**	**(11,958)**	**(18,925)**	**157,717**	**(58,339)**	**178,123**	**264,947**
Hedging instruments								
Cash inflow	-	363,411	315,067	678,928	2,443,850	999,462	1,865,065	**6,665,783**
Cash outflow	-	(381,740)	(303,109)	(660,003)	(2,601,567)	(941,123)	(2,043,188)	**(6,930,730)**
Net cash flows	**-**	**(18,329)**	**11,958**	**18,925**	**(157,717)**	**58,339**	**(178,123)**	**(264,947)**

iii) Cash flow projections for exchange rate risk:

Cash flow projections for exchange rate risk	As of March 31, 2024							
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	81,122	1,245	220,907	333,162	856,483	321,849	**1,814,768**
Cash outflow	-	(56,679)	(1,388)	(239,218)	(288,280)	(917,430)	(355,271)	**(1,858,266)**
Net cash flows	**-**	**24,443**	**(143)**	**(18,311)**	**44,882**	**(60,947)**	**(33,422)**	**(43,498)**
Hedging instruments								
Cash inflow	-	56,679	1,388	239,218	288,280	917,430	355,271	**1,858,266**
Cash outflow	-	(81,122)	(1,245)	(220,907)	(333,162)	(856,483)	(321,849)	**(1,814,768)**
Net cash flows	**-**	**(24,443)**	**143**	**18,311**	**(44,882)**	**60,947**	**33,422**	**43,498**

Cash flow projections for exchange rate risk	As of December 31, 2023							
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	2,088	57,341	285,640	307,759	816,502	316,305	**1,785,635**
Cash outflow	-	(848)	(50,024)	(271,560)	(273,739)	(846,939)	(334,448)	**(1,777,558)**
Net cash flows	**-**	**1,240**	**7,317**	**14,080**	**34,020**	**(30,437)**	**(18,143)**	**8,077**
Hedging instruments								
Cash inflow	-	848	50,024	271,560	273,739	846,939	334,448	**1,777,558**
Cash outflow	-	(2,088)	(57,341)	(285,640)	(307,759)	(816,502)	(316,305)	**(1,785,635)**
Net cash flows	**-**	**(1,240)**	**(7,317)**	**(14,080)**	**(34,020)**	**30,437**	**18,143**	**(8,077)**

d) As of March 31, 2024 and December 31, 2023, the valuation generated by those hedging instruments used in cash flow hedges whose effect was recognized in the Interim Consolidated Statements of Changes in Equity, specifically in the caption "Accumulated other comprehensive income", in cash flow hedges, is as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Hedged item		
Sensitivity	-	-
Items set / loans	150,403	175,430
Of the Government and Central Bank of Chile	46,463	50,324
Other instruments issued locally	-	-
Instruments issued abroad	-	-
Consumer	-	-
Mortgage	-	-
Commercial	(6)	(21)
Items set / liabilities	145	699
Term deposit	11,140	(20,889)
Current bonds	(46,804)	(35,488)
Subordinated bonds	-	-
Mortgage bonds	-	-
Foreign investment	-	-
Dismantling	3,551	3,938
Deferred tax	(44,521)	(46,978)
Total	**120,371**	**127,015**

e) As of March 31, 2024 and December 31, 2023, profit or loss generated by those cash flow derivatives whose effect was transferred from other comprehensive income to profit or loss for the period is as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Hedged item		
Sensitivity	-	-
Items set / loans	(794,944)	(929,428)
Of the Government and Central Bank of Chile	(139,557)	(82,667)
Other instruments issued locally	-	-
Instruments issued abroad	-	-
Consumer	-	-
Mortgage	-	-
Commercial	(77)	(110)
Items set / liabilities	14,606	8,097
Term deposit	11,224	-
Current bonds	120,730	9,603
Subordinated bonds	-	-
Mortgage bonds	-	-
Foreign investment	-	-
Total	**(788,018)**	**(994,505)**

NOTE 13 – FINANCIAL ASSETS AT AMORTIZED COST

a) As of March 31, 2024 and December 31, 2023, the detail of financial assets at amortized cost is as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Rights for reverse repurchase agreements and securities lending	219,716	207,114
Debt financial instruments	5,478,883	4,322,383
Loans and advances to banks	919,784	680,190
Loans and receivables from customers - Commercial	34,307,720	31,940,712
Loans and receivables from customers - Mortgage	14,277,801	13,740,355
Loans and receivables from customers - Consumer	2,874,826	2,879,083
Total	**58,078,730**	**53,769,837**

b) As of March 31, 2024 and December 31, 2023, the rights under repurchase agreements and securities loans are as follows:

	Maturity of the commitment as of March 31, 2024							
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Transactions with local banks								
Reverse repurchases agreements with other banks	-	-	-	-	-	-	-	-
Reverse repurchases agreements with the Central Bank of Chile	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Transactions with foreign banks								
Reverse repurchases agreements with other banks	-	-	-	-	-	-	-	-
Reverse repurchases agreements with the Central Bank of Chile	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Transactions with other local entities								
Reverse repurchases agreements with local entities	-	205,844	10,945	2,927	-	-	-	**219,716**
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	**205,844**	**10,945**	**2,927**	-	-	-	**219,716**
Transactions with other foreign entities								
Transactions with other foreign entities	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Accumulated impairment on rights of reverse repurchases agreements	-	-	-	-	-	-	-	-
Total	-	**205,844**	**10,945**	**2,927**	-	-	-	**219,716**

	Maturity of the commitment to December 31, 2023							
	On-demand	Up to a month	More than one month and three months	More than three months up to one year	Between 1 year and 3 years	More than 3 years up to 5 years	More than five years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Operations with banks in the country								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with the Central Bank of Chile	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Transactions with foreign banks								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with foreign Central Banks	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Operations with other entities in the country								
Repurchase contract with other entities in the country	-	177,157	27,510	2,447	-	-	-	**207,114**
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	**177,157**	**27,510**	**2,447**	-	-	-	**207,114**
Transactions with other entities abroad								
Transactions with other entities abroad	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Accumulated impairment in rights for repurchase agreements	-	-	-	-	-	-	-	-
Total	-	**177,157**	**27,510**	**2,447**	-	-	-	**207,114**

c) As of March 31, 2024 and December 31, 2023, the detail of debt financial instruments is as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Debt financial instruments:		
Of the Government and Central Bank of Chile	2,670,994	1,777,173
Other debt financial instruments issued locally	60,908	56,159
Debt financial instruments issued abroad	2,760,451	2,501,824
Accumulated impairment of financial debt instruments	(13,470)	(12,773)
Total	**5,478,883**	**4,322,383**

d) As of March 31, 2024 and December 31, 2023, the movement in debt financial instruments at amortized cost is as follows:

	Changes in fair value				Expected credit loss			
	Stage 1	Stage 2	Stage 3	Total Stage	Stage 1	Stage 2	Stage 3	Total Stage
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Opening balance as of January 1, 2024	**4,322,383**	**-**	**-**	**4,322,383**	**12,773**	**-**	**-**	**12,773**
Purchases made during the period	1,550,408	-	-	1,550,408	120	-	-	**120**
Transfers to stage 1	-	-	-	-	-	-	-	**-**
Transfers to stage 2	-	-	-	-	-	-	-	**-**
Transfers to stage 3	-	-	-	-	-	-	-	**-**
Assets derecognized or expired	(570,014)	-	-	(570,014)	(833)	-	-	**(833)**
Changes due to modifications not derecognized	-	-	-	-	-	-	-	**-**
Exchange rate adjustments	176,106	-	-	176,106	1,410	-	-	**1,410**
Final balance as of March 31, 2024	**5,478,883**	**-**	**-**	**5,478,883**	**13,470**	**-**	**-**	**13,470**

	Changes in fair value				Expected credit loss			
	Stage 1	Stage 2	Stage 3	Total Stage	Stage 1	Stage 2	Stage 3	Total Stage
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Opening balance as of January 1, 2023	**3,581,998**	**-**	**-**	**3,581,998**	**11,675**	**-**	**-**	**11,675**
Purchases made during the year	808,373	-	-	808,373	1,787	-	-	1,787
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Assets derecognized or expired	(62,438)	-	-	(62,438)	(1,078)	-	-	(1,078)
Changes due to modifications not derecognized	-	-	-	-	-	-	-	-
Exchange rate adjustments	(5,550)	-	-	(5,550)	389	-	-	389
Final balance as of December 31, 2023	**4,322,383**	**-**	**-**	**4,322,383**	**12,7731**	**-**	**-**	**12,773**

e) As of March 31, 2024 and December 31, 2023, the detail of loans and advances to banks is as follows:

March 31, 2024	Financial assets before provisions				Provisions recorded				Net Financial Asset
	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	Total	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	Total	
	Individual assessment	Individual assessment	Individual assessment		Individual assessment	Individual assessment	Individual assessment		
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Local banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Interbank liquidity loans	-	-	-	-	-	-	-	-	-
Interbank commercial loans	-	-	-	-	-	-	-	-	-
Overdrafts in checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean exports	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third-party countries	-	-	-	-	-	-	-	-	-
Non-transferable deposits in local banks	-	-	-	-	-	-	-	-	-
Other credit balances with local banks	-	-	-	-	-	-	-	-	-
Foreign banks	**920,708**	**-**	**-**	**920,708**	**(924)**	**-**	**-**	**(924)**	**919,784**
Interbank liquidity loans	204,136	-	-	204,136	(195)	-	-	(195)	**203,941**
Interbank commercial loans	-	-	-	-	-	-	-	-	-
Overdrafts in checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean exports	210,305	-	-	210,305	(214)	-	-	(214)	**210,091**
Foreign trade loans - Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third-party countries	506,267	-	-	506,267	(515)	-	-	(515)	**505,752**
Deposits in current accounts in foreign banks for derivative transactions	-	-	-	-	-	-	-	-	-
Other non-transferable deposits in foreign banks	-	-	-	-	-	-	-	-	-
Other credit balances with foreign banks	-	-	-	-	-	-	-	-	-
Subtotal local and foreign banks	**920,708**	**-**	**-**	**920,708**	**(924)**	**-**	**-**	**(924)**	**919,784**
Central Bank of Chile	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Deposits in current account of the Central Bank of Chile for derivative transactions with a central counterparty	-	-	-	-	-	-	-	-	-
Other deposits in the Central Bank of Chile, not available	-	-	-	-	-	-	-	-	-
Other credit balances with the Central Bank of Chile	-	-	-	-	-	-	-	-	-
Foreign Central Banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Deposits in current accounts of foreign Central Banks for derivative transactions	-	-	-	-	-	-	-	-	-
Other deposits in foreign Central Banks, not available	-	-	-	-	-	-	-	-	-
Other credit balances with foreign Central Banks	-	-	-	-	-	-	-	-	-
Subtotal Central Bank of Chile and Foreign Central Banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**920,708**	**-**	**-**	**920,708**	**(924)**	**-**	**-**	**(924)**	**919,784**

December 31, 2023	Financial assets before provisions				Provisions recorded				Net Financial Asset
	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	Total	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	Total	
	Individual assessment	Individual assessment	Individual assessment		Individual assessment	Individual assessment	Individual assessment		
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Local banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Interbank liquidity loans	-	-	-	-	-	-	-	-	-
Interbank commercial loans	-	-	-	-	-	-	-	-	-
Overdrafts in checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean exports	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third-party countries	-	-	-	-	-	-	-	-	-
Non-transferable deposits in local banks	-	-	-	-	-	-	-	-	-
Other credit balances with local banks	-	-	-	-	-	-	-	-	-
Foreign banks	**681,026**	**-**	**-**	**681,026**	**(836)**	**-**	**-**	**(836)**	**680,190**
Interbank liquidity loans	199,591	-	-	199,591	(204)	-	-	(204)	199,387
Interbank commercial loans	-	-	-	-	-	-	-	-	-
Overdrafts in checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean exports	134,761	-	-	134,761	(192)	-	-	(192)	134,569
Foreign trade loans - Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third-party countries	346,674	-	-	346,674	(440)	-	-	(440)	346,234
Deposits in current accounts in foreign banks for derivative transactions	-	-	-	-	-	-	-	-	-
Other non-transferable deposits in foreign banks	-	-	-	-	-	-	-	-	-
Other credit balances with foreign banks	-	-	-	-	-	-	-	-	-
Subtotal local and foreign banks	**681,026**	**-**	**-**	**681,026**	**(836)**	**-**	**-**	**(836)**	**680,190**
Central Bank of Chile	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Deposits in current account of the Central Bank of Chile for derivative transactions with a central counterparty	-	-	-	-	-	-	-	-	-
Other deposits in the Central Bank of Chile, not available	-	-	-	-	-	-	-	-	-
Other credit balances with the Central Bank of Chile	-	-	-	-	-	-	-	-	-
Foreign Central Banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Deposits in current accounts of foreign Central Banks for derivative transactions	-	-	-	-	-	-	-	-	-
Other deposits in foreign Central Banks, not available	-	-	-	-	-	-	-	-	-
Other credit balances with foreign Central Banks	-	-	-	-	-	-	-	-	-
Subtotal Central Bank of Chile and Foreign Central Banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**681,026**	**-**	**-**	**681,026**	**(836)**	**-**	**-**	**(836)**	**680,190**

f) As of March 31, 2024 and December 31, 2023, the balances of loans and receivables from customers are as follows:

March 31, 2024	Financial assets before provisions						Provisions recorded								Net financial assets
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	FOGAPE Covid-19 guarantee deductible (i)	Total	
	Assessment		Assessment	Assessment			Assessment		Assessment	Assessment					
	Individual	Group	Individual	Individual	Group		Individual	Group	Individual	Individual	Group				
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans															
Commercial loans	23,273,375	3,263,024	1,661,353	728,676	372,238	**29,298,666**	(127,871)	(29,096)	(31,662)	(126,499)	(97,304)	**(412,432)**	(25,398)	**(437,830)**	**28,860,836**
Foreign trade credits Chilean exports	1,452,095	13,155	19,937	8,977	-	**1,494,164**	(7,273)	(238)	(2,544)	(2,671)	-	**(12,726)**	-	**(12,726)**	**1,481,438**
Foreign trade credits Chilean imports	369,595	23,729	10,375	8,269	-	**411,968**	(4,926)	(577)	(450)	(2,514)	-	**(8,467)**	-	**(8,467)**	**403,501**
Foreign trade credits between third countries	261,180	-	12,493	6,253	-	**279,926**	(664)	-	(2)	(5,031)	-	**(5,697)**	-	**(5,697)**	**274,229**
Debtors in current accounts	39,316	69,875	8,218	2,533	10,444	**130,386**	(657)	(1,953)	(1,130)	(1,585)	(5,716)	**(11,041)**	-	**(11,041)**	**119,345**
Credit card debtors	7,044	55,257	1,071	186	7,113	**70,671**	(110)	(1,769)	(136)	(111)	(3,943)	**(6,069)**	-	**(6,069)**	**64,602**
Factoring operations	1,147,398	73,925	14,359	161	702	**1,236,545**	(7,943)	(1,035)	(1,808)	(32)	(134)	**(10,952)**	-	**(10,952)**	**1,225,593**
Commercial financial leasing operations	1,252,218	292,136	196,558	37,567	15,899	**1,794,378**	(8,677)	(2,898)	(5,295)	(4,030)	(3,253)	**(24,153)**	-	**(24,153)**	**1,770,225**
Student loans	-	95,820	-	-	15,239	**111,059**	-	(1,282)	-	-	(2,816)	**(4,098)**	-	**(4,098)**	**106,961**
Other loans and receivable	-	-	-	9,691	1,034	**10,725**	(1,044)	-	-	(8,153)	(538)	**(9,735)**	-	**(9,735)**	**990**
Subtotal	**27,802,221**	**3,886,921**	**1,924,364**	**802,313**	**422,669**	**34,838,488**	**(159,165)**	**(38,848)**	**(43,027)**	**(150,626)**	**(113,704)**	**(505,370)**	**(25,398)**	**(530,768)**	**34,307,720**
Mortgage loans															
Loans with letters of credit	-	393	-	-	57	**450**	-	-	-	-	(4)	**(4)**	-	**(4)**	**446**
Loans with endorsable mortgage mutual funds	-	3,685,576	-	-	14,602	**3,700,178**	-	(19,740)	-	-	(84)	**(19,824)**	-	**(19,824)**	**3,680,354**
Loans with mutual funds financed with mortgage bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other credits with mortgage loans	-	10,173,813	-	-	424,996	**10,598,809**	-	(17,837)	-	-	(40,037)	**(57,874)**	-	**(57,874)**	**10,540,935**
Finance lease operations for Mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other loans and receivable	-	53,700	-	-	2,725	**56,425**	-	(132)	-	-	(227)	**(359)**	-	**(359)**	**56,066**
Subtotal	**-**	**13,913,482**	**-**	**-**	**442,380**	**14,355,862**	**-**	**(37,709)**	**-**	**-**	**(40,352)**	**(78,061)**	**-**	**(78,061)**	**14,277,801**
Consumer Loans															
Consumer loans in installments	-	1,588,293	-	-	176,312	**1,764,605**	-	(72,272)	-	-	(99,374)	**(171,646)**	-	**(171,646)**	**1,592,959**
Debtors in current accounts	-	89,639	-	-	19,090	**108,729**	-	(6,704)	-	-	(14,154)	**(20,858)**	-	**(20,858)**	**87,871**
Credit card debtors	-	1,191,021	-	-	77,189	**1,268,210**	-	(64,972)	-	-	(52,959)	**(117,931)**	-	**(117,931)**	**1,150,279**
Consumer finance lease operations	-	404	-	-	4	**408**	-	(4)	-	-	(2)	**(6)**	-	**(6)**	**402**
Other loans and receivable	-	43,536	-	-	724	**44,260**	-	(416)	-	-	(529)	**(945)**	-	**(945)**	**43,315**
Subtotal	**-**	**2,912,893**	**-**	**-**	**273,319**	**3,186,212**	**-**	**(144,368)**	**-**	**-**	**(167,018)**	**(311,386)**	**-**	**(311,386)**	**2,874,826**
TOTAL	**27,802,221**	**20,713,296**	**1,924,364**	**802,313**	**1,138,368**	**52,380,562**	**(159,165)**	**(220,925)**	**(43,027)**	**(150,626)**	**(321,074)**	**(894,817)**	**(25,398)**	**(920,215)**	**51,460,347**

December 31, 2023	Financial assets before provisions						Provisions recorded								Net financial assets
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	FOGAPE Covid-19 guarantee deductible (i)	Total	
	Assessment		Assessment	Assessment			Assessment		Assessment	Assessment					
	Individual	Group	Individual	Individual	Group		Individual	Group	Individual	Individual	Group				
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans															
Commercial loans	21,219,213	3,369,142	1,516,751	668,652	359,636	27,133,394	(102,428)	(31,008)	(23,225)	(110,016)	(96,969)	(363,646)	(26,133)	(389,779)	26,743,615
Foreign trade credits Chilean exports	1,249,591	10,970	15,410	1,313	-	1,277,284	(4,594)	(233)	(1,226)	(525)	-	(6,578)	-	(6,578)	1,270,706
Foreign trade credits Chilean imports	354,379	28,212	11,836	6,692	-	401,119	(3,917)	(665)	(1,195)	(1,673)	-	(7,450)	-	(7,450)	393,669
Foreign trade credits between third countries	231,965	-	6,487	5,424	-	243,876	(606)	-	(2)	(4,881)	-	(5,489)	-	(5,489)	238,387
Debtors in current accounts	64,386	69,293	5,189	1,635	9,561	150,064	(339)	(1,887)	(581)	(865)	(5,202)	(8,874)	-	(8,874)	141,190
Credit card debtors	5,736	53,788	903	321	7,522	68,270	(94)	(1,645)	(107)	(229)	(4,196)	(6,271)	-	(6,271)	61,999
Factoring operations	1,253,883	71,277	42,702	117	356	1,368,335	(10,158)	(1,119)	(4,255)	(57)	(127)	(15,716)	-	(15,716)	1,352,619
Commercial finance lease operations	1,162,667	289,576	150,618	32,326	13,687	1,648,874	(9,245)	(2,628)	(3,025)	(4,267)	(3,778)	(22,943)	-	(22,943)	1,625,931
Student loans	-	100,286	-	-	15,224	115,510	-	(1,258)	-	-	(2,709)	(3,967)	-	(3,967)	111,543
Other loans and receivable	-	70	-	9,542	1,038	10,650	(1,109)	(2)	-	(7,982)	(504)	(9,597)	-	(9,597)	1,053
Subtotal	**25,541,820**	**3,992,614**	**1,749,896**	**726,022**	**407,024**	**32,417,376**	**(132,490)**	**(40,445)**	**(33,616)**	**(130,495)**	**(113,485)**	**(450,531)**	**(26,133)**	**(476,664)**	**31,940,712**
Mortgage loans															
Loans with letters of credit	-	514	-	-	55	569	-	(1)	-	-	(5)	(6)	-	(6)	563
Loans with endorsable mortgage mutual funds	-	3,319,410	-	-	6,570	3,325,980	-	(17,440)	-	-	(64)	(17,504)	-	(17,504)	3,308,476
Loans with mutual funds financed with mortgage bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other credits with mortgage loans	-	10,038,917	-	-	381,885	10,420,802	-	(17,526)	-	-	(35,901)	(53,427)	-	(53,427)	10,367,375
Financial lease operations for Mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other loans and accounts receivable	-	61,409	-	-	2,926	64,335	-	(148)	-	-	(246)	(394)	-	(394)	63,941
Subtotal	**-**	**13,420,250**	**-**	**-**	**391,436**	**13,811,686**	**-**	**(35,115)**	**-**	**-**	**(36,216)**	**(71,331)**	**-**	**(71,331)**	**13,740,355**
Consumer Loans															
Consumer loans in installments	-	1,579,211	-	-	174,027	1,753,238	-	(74,456)	-	-	(96,327)	(170,783)	-	(170,783)	1,582,455
Debtors in current accounts	-	91,476	-	-	19,090	110,566	-	(6,927)	-	-	(14,235)	(21,162)	-	(21,162)	89,404
Credit card debtors	-	1,192,207	-	-	78,984	1,271,191	-	(56,439)	-	-	(49,673)	(106,112)	-	(106,112)	1,165,079
Consumer finance lease operations	-	428	-	-	4	432	-	(4)	-	-	(2)	(6)	-	(6)	426
Other loans and receivable	-	41,996	-	-	371	42,367	-	(385)	-	-	(263)	(648)	-	(648)	41,719
Subtotal	**-**	**2,905,318**	**-**	**-**	**272,476**	**3,177,794**	**-**	**(138,211)**	**-**	**-**	**(160,500)**	**(298,711)**	**-**	**(298,711)**	**2,879,083**
TOTAL	**25,541,820**	**20,318,182**	**1,749,896**	**726,022**	**1,070,936**	**49,406,856**	**(132,490)**	**(213,771)**	**(33,616)**	**(130,495)**	**(310,201)**	**(820,573)**	**(26,133)**	**(846,706)**	**48,560,150**

g) As of March 31, 2024 and December 31, 2023, the balance of contingent loans related to commercial and consumer loans are as follows:

EXPOSURE TO CREDIT LOSS FOR CONTINGENT LOANS March 31, 2024	Exposure for contingent loans before provisions						Provisions recorded						Net exposure for credit risk of contingent loans
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	
	Assessment		Assessment	Assessment			Assessment		Assessment	Assessment			
	Individual / Group		Individual	Individual / Group			Individual / Group		Individual	Individual / Group			
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Co-debtors and guarantees	309,963	1,354	1,488	-	-	**312,805**	(3,279)	(25)	(206)	-	-	**(3,510)**	**309,295**
Letters of credit for merchandise circulation operations	85,777	6,084	834	2,308	303	**95,306**	(977)	(43)	(27)	(577)	-	**(1,624)**	**93,682**
Debt purchase commitments in local currency abroad	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**
Transactions related to contingent events	1,363,511	75,187	52,009	5,299	1,911	**1,497,917**	(8,749)	(1,535)	(9,189)	(3,401)	(1,029)	**(23,903)**	**1,474,014**
Lines of credit of free disposal of immediate cancellation	-	375,577	-	-	8,781	**384,358**	-	(4,216)	-	-	(3,003)	**(7,219)**	**377,139**
Free lines of credit	1,489,959	546,168	54,295	540	4,486	**2,095,448**	(14,909)	(7,533)	(1,964)	(167)	(1,594)	**(26,167)**	**2,069,281**
Other credit commitments	850,334	34,172	2,668	-	17	**887,191**	(6,784)	(330)	(279)	-	(5)	**(7,398)**	**879,793**
Other contingent loans	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**
Total	**4,099,544**	**1,038,542**	**111,294**	**8,147**	**15,498**	**5,273,025**	**(34,698)**	**(13,682)**	**(11,665)**	**(4,145)**	**(5,631)**	**(69,821)**	**5,203,204**

EXPOSURE TO CREDIT RISK FOR CONTINGENT LOANS December 31, 2023	Exposure for contingent loans before provisions						Provisions recorded						Net exposure for credit risk of contingent loans
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	
	Assessment		Assessment	Assessment			Assessment		Assessment	Assessment			
	Individual / Group		Individual	Individual / Group			Individual / Group		Individual	Individual / Group			
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Guarantees and bonds	297,995	3,093	1,328	-	-	**302,416**	(1,428)	(75)	(184)	-	-	**(1,687)**	**300,729**
Letters of credit for goods movement operations	66,969	5,830	1,049	2,492	270	**76,610**	(367)	(40)	(53)	(623)	-	**(1,083)**	**75,527**
Debt purchase commitments abroad in local currency	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**
Transactions related to contingent events	1,388,540	72,458	44,014	4,917	2,089	**1,512,018**	(8,800)	(1,517)	(8,389)	(3,009)	(1,142)	**(22,857)**	**1,489,161**
Lines of credit of freely available and immediate payment	-	362,998	-	-	8,914	**371,912**	-	(3,925)	-	-	(3,048)	**(6,973)**	**364,939**
Freely available lines of credit	1,383,180	524,809	50,991	921	4,547	**1,964,448**	(12,326)	(7,250)	(2,309)	(180)	(1,577)	**(23,642)**	**1,940,806**
Other credit commitments	917,082	50,156	2,346	-	7	**969,591**	(7,010)	(441)	(88)	-	(5)	**(7,544)**	**962,047**
Other contingent loans	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**
Total	**4,053,766**	**1,019,344**	**99,728**	**8,330**	**15,827**	**5,196,995**	**(29,931)**	**(13,248)**	**(11,023)**	**(3,812)**	**(5,772)**	**(63,786)**	**5,133,209**

h) As of March 31, 2024 and December 31, 2023, the summary of movements in provisions recorded by banks is as follows:

March 31, 2024	Movement in provisions constituted by portfolio in the period			
	Individual assessments			Total
	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks				
Opening balance as of January 1, 2024	**836**	**-**	**-**	**836**
Recording / (use) of provisions for:				
Change in measurement without portfolio reclassification during the period:	(36)	-	-	**(36)**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	-	-	-	**-**
Individual regular to Substandard	-	-	-	**-**
Individual regular to individual non-performing	-	-	-	**-**
Substandard to Individual normal	-	-	-	**-**
Substandard to regular individual	-	-	-	**-**
Individual non-performing to Substandard	-	-	-	**-**
Individual non-performing to Individual regular	-	-	-	**-**
New loans originated	414	-	-	**414**
New loans acquired	-	-	-	**-**
New loans for conversion of contingent to loans	1	-	-	**1**
Sale or transfer of loans	-	-	-	**-**
Loan repayment	(333)	-	-	**(333)**
Application of provisions for write-offs	-	-	-	**-**
Recovery of written-off credits	-	-	-	**-**
Translation difference	42	-	-	**42**
Balance as of March 31, 2024	**924**	**-**	**-**	**924**

December 31, 2023	Movement in provisions constituted by portfolio in the period			
	Individual assessment			Total
	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks				
Opening balance as of January 1, 2023	**964**	**-**	**-**	**964**
Recording / (use) of provisions for:				
Change in measurement without portfolio reclassification during the period:	5	-	-	**5**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	-	-	-	**-**
Individual regular to Substandard	-	-	-	**-**
Individual regular to individual non-performing	-	-	-	**-**
Substandard to Individual normal	-	-	-	**-**
Substandard to regular individual	-	-	-	**-**
Individual non-performing to Substandard	-	-	-	**-**
Individual non-performing to Individual regular	-	-	-	**-**
New loans originated	779	-	-	**779**
New loans acquired	-	-	-	**-**
New loans for conversion of contingent to loans	-	-	-	**-**
Sale or transfer of loans	-	-	-	**-**
Loan repayment	(965)	-	-	**(965)**
Application of provisions for write-offs	-	-	-	**-**
Recovery of written-off credits	-	-	-	**-**
Translation difference	53	-	-	**53**
Balance as of December 31, 2023	**836**	**-**	**-**	**836**

i) As of March 31, 2024 and December 31, 2023, the summary of the movement of provisions recorded by commercial loans is as follows:

March 31, 2024	Movement in provisions recorded by portfolio in the period							
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19 (i)	Total
	Assessment			Assessment				
	Individual / group			Individual / group				
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans								
Opening balance as of January 1, 2024	**132,490**	**40,445**	**33,616**	**130,495**	**113,485**	**450,531**	**26,133**	**476,664**
Recording / (use) of provisions for:								
Change in measurement without portfolio reclassification during the period:	3,738	1,474	2,661	619	(3,307)	**5,185**	(735)	**4,450**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	39	(4,300)	5,518	10,394	11,320	**22,971**	(6)	**22,965**
Regular individual to Substandard	(3,699)	-	9,375	-	-	**5,676**	(2)	**5,674**
Regular individual to Individual non-performing	(76)	-	-	1,559	-	**1,483**	-	**1,483**
Substandard to individual non-performing	-	-	(1,353)	8,819	-	**7,466**	-	**7,466**
Substandard to regular individual	3,739	-	(2,442)	-	-	**1,297**	-	**1,297**
Individual non-performing to Substandard	-	-	2	(29)	-	**(27)**	-	**(27)**
Individual non-performing to Individual regular	-	-	-	-	-	**-**	-	**-**
Group regular to Group non-performing	-	(3,346)	-	-	13,233	**9,887**	(3)	**9,884**
Group non-performing to Group regular	-	62	-	-	(1,333)	**(1,271)**	-	**(1,271)**
Individual (regular, substandard, non-performing) to Group (regular, non-performing)	(438)	344	(77)	-	15	**(156)**	(1)	**(157)**
Group (regular, non-performing) to Individual (regular, substandard, non-performing)	513	(1,360)	13	45	(595)	**(1,384)**	-	**(1,384)**
New loans originated	31,709	2,494	3,517	7,574	2,102	**47,396**	-	**47,396**
New loans for conversion of contingent to loans	767	1,108	569	141	1,092	**3,677**	-	**3,677**
New loans acquired	-	-	-	-	-	**-**	-	**-**
Sale or transfer of loans	-	-	-	-	-	**-**	-	**-**
Loan repayment	(19,086)	(2,791)	(5,377)	(1,091)	(3,404)	**(31,749)**	-	**(31,749)**
Application of provisions for write-offs	-	(3)	-	(3,140)	(7,974)	**(11,117)**	(61)	**(11,178)**
Recovery of written-off credits	-	-	-	-	-	**-**	-	**-**
Changes in models and methodologies	-	-	-	-	-	**-**	-	**-**
Translation differences	9,508	421	2,523	5,634	390	**18,476**	-	**18,476**
Other changes in provisions (if applicable)	-	-	-	-	-	**-**	67	**67**
Balance as of March 31, 2024	**159,165**	**38,848**	**43,027**	**150,626**	**113,704**	**505,370**	**25,398**	**530,768**

December 31, 2023	Movement in provisions recorded by portfolio in the period							
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19 (i)	Total
	Assessment			Assessment				
	Individual / group			Individual / group				
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans								
Opening balance as of January 1, 2023	**133,627**	**42,270**	**32,728**	**123,789**	**101,170**	**433,584**	**36,659**	**470,243**
Recording / (use) of provisions for:								
Change in measurement without portfolio reclassification during the period:	1,857	(1,179)	1,271	(15,288)	(7,245)	**(20,584)**	(8,052)	**(28,636)**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(6,296)	(2,778)	1,191	27,983	42,488	**62,588**	(2,830)	**59,758**
Regular individual to Substandard	(5,746)	-	9,199	-	-	**3,453**	(305)	**3,148**
Regular individual to Individual non-performing	(821)	-	-	15,943	-	**15,122**	(287)	**14,835**
Substandard to individual non-performing	-	-	(5,619)	12,582	-	**6,963**	(26)	**6,937**
Substandard to regular individual	1,262	-	(3,139)	-	-	**(1,877)**	(321)	**(2,198)**
Individual non-performing to Substandard	-	-	348	(300)	-	**48**	-	**48**
Individual non-performing to Individual regular	19	-	-	(244)	-	**(225)**	-	**(225)**
Group regular to Group non-performing	-	(5,071)	-	-	44,920	**39,849**	(1,342)	**38,507**
Group non-performing to Group regular	-	233	-	-	(3,806)	**(3,573)**	(78)	**(3,651)**
Individual (regular, substandard, non-performing) to Group (regular, non-performing)	(1,549)	2,405	(398)	(29)	1,374	**1,803**	(398)	**1,405**
Group (regular, non-performing) to Individual (regular, substandard, non-performing)	539	(345)	800	31	-	**1,025**	(73)	**952**
New loans originated	43,243	6,438	1,196	11,496	7,705	**70,078**	-	**70,078**
New loans for conversion of contingent to loans	506	1,620	109	333	1,781	**4,349**	-	**4,349**
New loans acquired	-	-	-	-	-	**-**	-	**-**
Sale or transfer of loans	-	-	-	-	-	**-**	-	**-**
Loan repayment	(41,049)	(5,886)	(2,887)	(9,194)	(9,313)	**(68,329)**	(850)	**(69,179)**
Application of provisions for write-offs	-	(509)	(29)	(10,108)	(23,134)	**(33,780)**	(2,751)	**(36,531)**
Recovery of written-off credits	-	-	-	-	-	**-**	-	**-**
Changes in models and methodologies	-	-	-	-	-	**-**	-	**-**
Translation differences	602	469	37	1,484	33	**2,625**	-	**2,625**
Other changes in provisions (if applicable)	-	-	-	-	-	**-**	3,957	**3,957**
Balance as of December 31, 2023	**132,490**	**40,445**	**33,616**	**130,495**	**113,485**	**450,531**	**26,133**	**476,664**

j) As of March 31, 2024 and December 31, 2023, the detail of movements in provisions recorded for mortgage loans is as follows:

March 31, 2024	Movement in provisions recorded by portfolio in the period		
	Group assessment		Total
	Regular Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$
Mortgage loans			
Opening balance as of January 1, 2024	**35,115**	**36,216**	**71,331**
Change in measurement without portfolio reclassification during the period:	3,040	8	**3,048**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(1,543)	4,992	**3,449**
Group regular to Group non-performing	(1,650)	5,641	**3,991**
Group non-performing to Group regular	107	(649)	**(542)**
New loans originated	656	3	**659**
New credits for conversion of contingent to loans	-	-	**-**
New loans acquired	-	-	**-**
Sale or transfer of loans	-	-	**-**
Loan repayment	(1,566)	(834)	**(2,400)**
Application of provisions for write-offs	-	(46)	**(46)**
Recovery of written-off credits	-	-	**-**
Changes in models and methodologies	-	-	**-**
Translation differences	2,007	13	**2,020**
Other changes in provisions (if applicable)	-	-	**-**
Balance as of March 31, 2024	**37,709**	**40,352**	**78,061**

December 31, 2023	Movement in provisions recorded by portfolio in the period		
	Group assessment		Total
	Regular Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$
Mortgage loans			
Opening balance as of January 1, 2023	**58,809**	**24,309**	**83,118**
Change in measurement without portfolio reclassification during the period:	368	(457)	**(89)**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(2,474)	14,989	**12,515**
Group regular to Group non-performing	(2,828)	17,107	**14,279**
Group non-performing to Group regular	354	(2,118)	**(1,764)**
New loans originated	5,535	20	**5,555**
New credits for conversion of contingent to loans	-	-	**-**
New loans acquired	-	-	**-**
Sale or transfer of loans	-	-	**-**
Loan repayment	(28,239)	(2,318)	**(30,557)**
Application of provisions for write-offs	(19)	(343)	**(362)**
Recovery of written-off credits	-	-	**-**
Changes in models and methodologies	-	-	**-**
Translation differences	1,135	16	**1,151**
Other changes in provisions (if applicable)	-	-	**-**
Balance as of December 31, 2023	**35,115**	**36,216**	**71,331**

k) As of March 31, 2024 and December 31, 2023, the balances for this concept are as follows:

March 31, 2024	Movement in provisions recorded by portfolio in the period		
	Group Evaluation		Total
	Regular Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$
Consumer Loans			
Opening balance as of January 1, 2024	**138,211**	**160,500**	**298,711**
Change in measurement without portfolio reclassification during the period:	32,200	(2,237)	**29,963**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(28,283)	51,775	**23,492**
Group regular to Group non-performing	(28,679)	53,631	**24,952**
Group non-performing to Group regular	396	(1,856)	**(1,460)**
New loans originated	2,260	15,306	**17,566**
New credits for conversion of contingent to loans	13,517	4,723	**18,240**
New loans acquired	-	-	**-**
Sale or transfer of loans	-	-	**-**
Repayment of loans	(14,091)	(5,273)	**(19,364)**
Application of provisions for write-offs	(89)	(57,781)	**(57,870)**
Recovery of written-off credits	56	1	**57**
Changes in models and methodologies	11	4	**15**
Translation differences	576	-	**576**
Other changes in provisions (if applicable)	-	-	**-**
Balance as of March 31, 2024	**144,368**	**167,018**	**311,386**

December 31, 2023	Movement in provisions recorded by portfolio in the period		
	Group assessment		Total
	Regular Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$
Consumer Loans			
Opening balance as of January 1, 2023	**158,957**	**164,848**	**323,805**
Change in measurement without portfolio reclassification during the period:	41,758	(7,989)	**33,769**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(18,652)	91,815	**73,163**
Group regular to Group non-performing	(19,422)	96,260	**76,838**
Group non-performing to Group regular	770	(4,445)	**(3,675)**
New loans originated	8,724	21,989	**30,713**
New credits for conversion of contingent to loans	22,454	9,403	**31,857**
New loans acquired	-	-	**-**
Sale or transfer of loans	-	-	**-**
Repayment of loans	(25,323)	(25,565)	**(50,888)**
Application of provisions for write-offs	(49,902)	(94,043)	**(143,945)**
Recovery of written-off credits	146	42	**188**
Changes in models and methodologies	-	-	**-**
Translation differences	49	-	**49**
Other changes in provisions (if applicable)	-	-	**-**
Balance as of December 31, 2023	**138,211**	**160,500**	**298,711**

l) As of March 31, 2024 and December 31, 2023, the detail of the movement of provisions recorded by contingent loans is as follows:

March 31, 2024	Movement in provisions recorded by portfolio in the period					
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total
	Individual / group			Individual / group		
	Assessment			Assessment		
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Contingent loans						
Opening balance as of January 1, 2024	**29,931**	**13,248**	**11,023**	**3,812**	**5,772**	**63,786**
Change in measurement without portfolio reclassification during the period:	(2)	333	(226)	133	(37)	**201**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	1,070	(139)	1,784	558	399	**3,672**
Regular individual to Substandard	(671)	-	2,311	-	-	**1,640**
Regular individual to Individual non-performing	(42)	-	-	12	-	**(30)**
Substandard to individual non-performing	-	-	(189)	554	-	**365**
Substandard to regular individual	1,709	-	(312)	-	-	**1,397**
Individual non-performing to Substandard	-	-	4	(8)	-	**(4)**
Individual non-performing to Individual regular	-	-	-	-	-	**-**
Group regular to Group non-performing	-	(66)	-	-	1,033	**967**
Group non-performing to Group regular	-	8	-	-	(634)	**(626)**
Individual (regular, substandard, non-performing) to Group (regular, non-performing)	(47)	58	(32)	-	-	**(21)**
Group (regular, non-performing) to Individual (regular, substandard, non-performing)	121	(139)	2	-	-	**(16)**
New loans originated	9,645	1,242	4,143	32	170	**15,232**
Contingent loans for conversion to loans	3	-	-	-	-	**3**
Loan repayment	(7,796)	(1,006)	(5,227)	(451)	(672)	**(15,152)**
Application of provisions for write-offs	-	-	-	-	(1)	**(1)**
Changes in models and methodologies	-	-	-	-	-	**-**
Translation differences	1,847	4	168	61	-	**2,080**
Other changes in provisions (if applicable)	-	-	-	-	-	**-**
Balance as of March 31, 2024	**34,698**	**13,682**	**11,665**	**4,145**	**5,631**	**69,821**

December 31, 2023	Movement in provisions recorded by portfolio in the period					
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total
	Individual / group			Individual / group		
	assessment			assessment		
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Contingent loans						
Opening balance as of January 1, 2023	**23,712**	**14,162**	**8,881**	**6,526**	**6,971**	**60,252**
Change in measurement without portfolio reclassification during the period:	1,038	(458)	154	379	(587)	**526**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(438)	(289)	3,227	643	1,240	**4,383**
Regular individual to Substandard	(609)	-	3,454	-	-	**2,845**
Regular individual to Individual non-performing	(86)	-	41	2,019	-	**1,974**
Substandard to individual non-performing	-	-	(25)	234	-	**209**
Substandard to regular individual	116	-	(253)	-	-	**(137)**
Individual non-performing to Substandard	-	-	31	(50)	-	**(19)**
Individual non-performing to Individual regular	60	-	-	(1,560)	-	**(1,500)**
Group regular to Group non-performing	-	(329)	-	-	2,711	**2,382**
Group non-performing to Group regular	-	16	-	-	(1,492)	**(1,476)**
Individual (regular, substandard, non-performing) to Group (regular, non-performing)	(130)	95	(36)	-	21	**(50)**
Group (regular, non-performing) to Individual (regular, substandard, non-performing)	211	(71)	15	-	-	**155**
New loans originated	15,275	3,001	5,518	514	285	**24,593**
Contingent loans for conversion to loans	199	-	-	-	-	**199**
Loan repayment	(10,082)	(2,814)	(6,790)	(4,761)	(1,620)	**(26,067)**
Application of provisions for write-offs	-	(364)	-	-	(517)	**(881)**
Changes in models and methodologies	-	-	-	-	-	**-**
Translation differences	227	10	33	511	-	**781**
Other changes in provisions (if applicable)	-	-	-	-	-	**-**
Balance as of December 31, 2023	**29,931**	**13,248**	**11,023**	**3,812**	**5,772**	**63,786**

m) As of March 31, 2024 and December 31, 2023, the concentration of credits by economic activity is as follows:

As of March 31, 2024	Loans and exposure to contingent loans			Constitutive provisions		
	Local /foreign Loans		Total	Local /foreign Loans		Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks	-	**920,708**	**920,708**	-	**(924)**	**(924)**
Commercial loans						
Agriculture and livestock	485,586	54,859	**540,445**	(14,740)	(6,096)	**(20,836)**
Fruit growing	333,848	36,860	**370,708**	(14,257)	(214)	**(14,471)**
Forestry and logging	122,775	13,169	**135,944**	(1,878)	(435)	**(2,313)**
Fishing	77,682	112,936	**190,618**	(2,794)	(1,078)	**(3,872)**
Exploitation of mines and quarries	320,099	446,831	**766,930**	(5,279)	(1,385)	**(6,664)**
Crude oil and natural gas production	186,724	27,667	**214,391**	(142)	(1,947)	**(2,089)**
Product Manufacturing Industry	**1,654,258**	**838,824**	**2,493,082**	**(41,624)**	**(4,979)**	**(46,603)**
Food, beverage, and tobacco industry	387,907	167,305	**555,212**	(8,285)	(1,260)	**(9,545)**
Textile and leather industry	26,324	7,365	**33,689**	(1,229)	(128)	**(1,357)**
Wood and furniture industry	41,907	21,921	**63,828**	(2,403)	(390)	**(2,793)**
Printing and publishing paper industry	61,598	2,868	**64,466**	(3,066)	(50)	**(3,116)**
Chemicals and petroleum derivatives	276,445	341,050	**617,495**	(7,600)	(720)	**(8,320)**
Metallic, non-metallic, machinery, or other	425,997	196,488	**622,485**	(13,806)	(982)	**(14,788)**
Other Manufacturing Industries	434,080	101,827	**535,907**	(5,235)	(1,449)	**(6,684)**
Electricity, gas, and water	1,078,662	3,381	**1,082,043**	(6,143)	(96)	**(6,239)**
Home building	106,836	58,973	**165,809**	(890)	(9)	**(899)**
Other works and constructions	1,427,204	269,364	**1,696,568**	(34,807)	(1,934)	**(36,741)**
Wholesale trade	1,637,538	431,136	**2,068,674**	(45,665)	(9,472)	**(55,137)**
Retail restaurants and hotels	854,985	1,270,929	**2,125,914**	(37,104)	(13,388)	**(50,492)**
Transport and storage	1,476,948	471,398	**1,948,346**	(20,899)	(5,536)	**(26,435)**
Telecommunications	419,107	49,198	**468,305**	(12,435)	(14)	**(12,449)**
Financial and insurance establishments	2,837,362	317,238	**3,154,600**	(34,059)	(7,000)	**(41,059)**
Real estate and services provided to companies	3,018,708	6,180,188	**9,198,896**	(55,874)	(24,443)	**(80,317)**
Community, social and personal services	2,874,238	5,342,977	**8,217,215**	(66,873)	(57,279)	**(124,152)**
Total Commercial loans	**18,912,560**	**15,925,928**	**34,838,488**	**(395,463)**	**(135,305)**	**(530,768)**
Mortgage loans	**10,656,814**	**3,699,048**	**14,355,862**	**(58,253)**	**(19,808)**	**(78,061)**
Consumer Loans	**3,122,827**	**63,385**	**3,186,212**	**(305,823)**	**(5,563)**	**(311,386)**
Contingent loan exposure	**3,434,321**	**1,838,704**	**5,273,025**	**(49,049)**	**(20,772)**	**(69,821)**

As of December 31, 2023	Loans and exposure to contingent loans			Constitutive provisions		
	Local /foreign Loans		Total	Local /foreign Loans		Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks	-	**681,026**	**681,026**	-	**(836)**	**(836)**
Commercial loans						
Agriculture and livestock	485,718	84,254	**569,972**	(13,951)	(6,431)	**(20,382)**
Fruit growing	319,891	29,421	**349,312**	(13,027)	(261)	**(13,288)**
Forestry and logging	120,471	10,925	**131,396**	(2,038)	(155)	**(2,193)**
Fishing	72,978	99,720	**172,698**	(2,205)	(905)	**(3,110)**
Exploitation of mines and quarries	292,609	410,011	**702,620**	(2,210)	(830)	**(3,040)**
Crude oil and natural gas production	36,223	34,617	**70,840**	(112)	(858)	**(970)**
Product Manufacturing Industry	**1,480,833**	**744,838**	**2,225,671**	**(40,168)**	**(4,670)**	**(44,838)**
Food, beverage, and tobacco industry	349,054	126,948	**476,002**	(7,348)	(957)	**(8,305)**
Textile and leather industry	30,190	5,439	**35,629**	(1,453)	(95)	**(1,548)**
Wood and furniture industry	41,812	13,150	**54,962**	(2,287)	(190)	**(2,477)**
Printing and publishing paper industry	62,473	2,277	**64,750**	(2,909)	(98)	**(3,007)**
Chemicals and petroleum derivatives	288,868	295,291	**584,159**	(7,936)	(652)	**(8,588)**
Metallic, non-metallic, machinery, or other	429,263	202,541	**631,804**	(13,892)	(1,462)	**(15,354)**
Other Manufacturing Industries	279,173	99,192	**378,365**	(4,343)	(1,216)	**(5,559)**
Electricity, gas, and water	981,981	14,016	**995,997**	(6,823)	(271)	**(7,094)**
Home building	135,204	43,920	**179,124**	(1,107)	(7)	**(1,114)**
Other works and constructions	1,341,279	250,175	**1,591,454**	(35,247)	(2,177)	**(37,424)**
Wholesale trade	1,556,737	384,003	**1,940,740**	(44,424)	(5,345)	**(49,769)**
Retail restaurants and hotels	845,796	1,252,157	**2,097,953**	(36,682)	(8,863)	**(45,545)**
Transport and storage	1,354,474	439,292	**1,793,766**	(20,082)	(5,273)	**(25,355)**
Telecommunications	400,210	78,186	**478,396**	(7,754)	(487)	**(8,241)**
Financial and insurance establishments	2,873,645	355,836	**3,229,481**	(30,298)	(7,009)	**(37,307)**
Real estate and services provided to companies	2,972,779	5,426,656	**8,399,435**	(50,013)	(14,633)	**(64,646)**
Community, social and personal services	2,902,202	4,586,319	**7,488,521**	(69,899)	(42,449)	**(112,348)**
Total Commercial loans	**18,173,030**	**14,244,346**	**32,417,376**	**(376,040)**	**(100,624)**	**(476,664)**
Mortgage loans	**10,486,943**	**3,324,743**	**13,811,686**	**(53,840)**	**(17,491)**	**(71,331)**
Consumer Loans	**3,123,048**	**54,746**	**3,177,794**	**(294,088)**	**(4,623)**	**(298,711)**
Contingent loan exposure	**2,667,974**	**2,529,021**	**5,196,995**	**(48,719)**	**(15,067)**	**(63,786)**

n) As of March 31, 2024 and December 31, 2023, the mortgage loans and its provisions recorded by tranches of outstanding principal owed of the loan on the value of the mortgage guarantee (PVG) and the days past due, are as follows:

March 31, 2024 Tranche Loan / Guarantee Value (%)	Mortgage loans (MCh$)						Provisions recorded for mortgage Loans (MCh$)					
	Days past due at the end of the period						Days past due at the end of the period					
	0	1 to 29	30 to 59	60 to 89	>= 90	Total	0	1 to 29	30 to 59	60 to 89	>= 90	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
PVG <= 40%	1,376,574	30,359	15,732	6,704	15,735	**1,445,104**	(8,064)	(1,358)	(696)	(437)	(1,594)	**(12,149)**
40% < PVG <= 80%	10,266,794	270,631	113,583	61,657	160,078	**10,872,743**	(24,538)	(7,788)	(5,084)	(3,443)	(15,302)	**(56,155)**
80% < PVG <= 90%	1,660,207	31,320	17,104	9,927	27,167	**1,745,725**	(2,522)	(829)	(726)	(487)	(2,648)	**(7,212)**
PVG > 90%	281,854	4,157	3,431	503	2,345	**292,290**	(2,122)	(93)	(97)	(25)	(208)	**(2,545)**
Total LTV	**13,585,429**	**336,467**	**149,850**	**78,791**	**205,325**	**14,355,862**	**(37,246)**	**(10,068)**	**(6,603)**	**(4,392)**	**(19,752)**	**(78,061)**

December 31, 2023, Loan Tranche / Guarantee Value (%)	Mortgage loans (MCh$)						Provisions recorded for mortgage Loans (MCh$)					
	Days past due at the end of the period						Days past due at the end of the period					
	0	1 to 29	30 to 59	60 to 89	>= 90	Total	0	1 to 29	30 to 59	60 to 89	>= 90	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
PVG <= 40%	1,306,097	23,261	16,232	6,294	15,155	**1,367,039**	(7,082)	(902)	(715)	(455)	(1,515)	**(10,669)**
40% < PVG <= 80%	9,895,785	251,003	107,738	54,094	126,156	**10,434,776**	(23,782)	(7,588)	(4,880)	(3,241)	(12,630)	**(52,121)**
80% < PVG <= 90%	1,682,590	32,285	16,288	10,119	19,099	**1,760,381**	(2,673)	(909)	(655)	(438)	(1,895)	**(6,570)**
PVG > 90%	240,843	3,787	2,361	757	1,742	**249,490**	(1,650)	(86)	(52)	(19)	(164)	**(1,971)**
Total LTV	**13,125,315**	**310,336**	**142,619**	**71,264**	**162,152**	**13,811,686**	**(35,187)**	**(9,485)**	**(6,302)**	**(4,153)**	**(16,204)**	**(71,331)**

o) As of March 31, 2024 and December 31, 2023, loans and advances to bank and commercial loans and their provisions recorded by classification category, are as follows:

March 31, 2024	Loans and advances to banks and commercial loans																								
	Assessment																							Total	Deductible provision guarantees FOGAPE Covid-19(i)
	Individual																				Group				
	Regular Portfolio							Substandard Portfolio					Non-performing portfolio							Total	Normal Portfolio	Portfolio in Default	Total		
	A1	A2	A3	A4	A5	A6	Subtotal	B1	B2	B3	B4	Subtotal	C1	C2	C3	C4	C5	C6	Subtotal						
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks																									
Interbank liquidity loans	-	153,975	21,155	-	29,005	-	**204,135**	-	-	-	-	-	-	-	-	-	-	-	-	**204,135**	-	-	-	**204,135**	-
Commercial interbank loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overdrafts on checking accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign trade credits Chilean exports	46,588	118,034	45,684	-	-	-	**210,306**	-	-	-	-	-	-	-	-	-	-	-	-	**210,306**	-	-	-	**210,306**	-
Foreign trade credits Chilean imports	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign trade credits between third countries	-	434,954	71,313	-	-	-	**506,267**	-	-	-	-	-	-	-	-	-	-	-	-	**506,267**	-	-	-	**506,267**	-
Non-transferable deposits in banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other credit balances with banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**46,588**	**706,963**	**138,152**	**-**	**29,005**	**-**	**920,708**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**920,708**	**-**	**-**	**-**	**920,708**	**-**
Provisions recorded	(17)	(602)	(302)	-	(3)	-	**(924)**	-	-	-	-	-	-	-	-	-	-	-	-	**(924)**	-	-	-	**(924)**	-
% Provisions recorded	0.04%	0.09%	0.22%	0.00%	0.01%	0.00%	**0.10%**	0.00%	0.00%	0.00%	0.00%	**0.00%**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	**0.00%**	**0.10%**	0.00%	0.00%	**0.00%**	**0.10%**	
Commercial loans																									
Commercial loans	322,520	1,358,462	3,538,652	3,930,940	4,963,000	9,159,801	**23,273,375**	1,350,483	176,390	75,209	59,271	**1,661,353**	305,799	282,839	21,184	26,575	28,851	63,428	**728,676**	**25,663,404**	3,263,024	372,238	**3,635,262**	**29,298,666**	(25,398)
Foreign trade credits Chilean exports	-	587,833	535,393	205,066	76,789	47,014	**1,452,095**	13,506	4,850	-	1,581	**19,937**	5,007	-	-	1,506	994	1,470	**8,977**	**1,481,009**	13,155	-	**13,155**	**1,494,164**	-
Foreign trade credits Chilean imports	-	27,327	77,828	142,224	79,496	42,720	**369,595**	9,650	-	-	725	**10,375**	-	-	7,582	-	-	687	**8,269**	**388,239**	23,729	-	**23,729**	**411,968**	-
Foreign trade credits between third countries	-	16,194	183,874	6,764	45,781	8,567	**261,180**	5,481	7,012	-	-	**12,493**	-	-	-	-	-	6,253	**6,253**	**279,926**	-	-	-	**279,926**	-
Debtors in current accounts	1	4,342	9,409	11,564	8,708	5,292	**39,316**	4,070	4,083	46	19	**8,218**	589	36	68	127	160	1,553	**2,533**	**50,067**	69,875	10,444	**80,319**	**130,386**	-
Credit card debtors	1	279	2,953	2,078	1,088	645	**7,044**	881	177	8	5	**1,071**	34	5	11	4	52	80	**186**	**8,301**	55,257	7,113	**62,370**	**70,671**	-
Factoring operations	78,513	274,680	421,254	263,477	87,896	21,578	**1,147,398**	14,064	295	-	-	**14,359**	86	-	-	75	-	-	**161**	**1,161,918**	73,925	702	**74,627**	**1,236,545**	-
Commercial finance lease operations	-	72,787	260,474	358,860	232,002	328,095	**1,252,218**	173,263	15,539	3,767	3,989	**196,558**	26,367	2,255	5,520	2,323	96	1,006	**37,567**	**1,486,343**	292,136	15,899	**308,035**	**1,794,378**	-
Student loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	95,820	15,239	**111,059**	**111,059**	-
Other loans and receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,214	7,477	**9,691**	**9,691**	-	1,034	**1,034**	**10,725**	-
Subtotal	**401,035**	**2,341,904**	**5,029,837**	**4,920,973**	**5,494,760**	**9,613,712**	**27,802,221**	**1,571,398**	**208,346**	**79,030**	**65,590**	**1,924,364**	**337,882**	**285,135**	**34,365**	**30,610**	**32,367**	**81,954**	**802,313**	**30,528,898**	**3,886,921**	**422,669**	**4,309,590**	**34,838,488**	**(25,398)**
Provisions recorded	(657)	(2,730)	(8,242)	(29,389)	(35,879)	(82,268)	**(159,165)**	(31,169)	(6,674)	(679)	(4,505)	**(43,027)**	(6,747)	(28,536)	(8,616)	(12,387)	(21,207)	(73,133)	**(150,626)**	**(352,818)**	(38,848)	(113,704)	**(152,552)**	**(505,370)**	-
% Provisions recorded	0.16%	0.12%	0.16%	0.60%	0.65%	0.86%	**0.57%**	1.98%	3.20%	0.86%	6.87%	**2.24%**	2.00%	10.01%	25.07%	40.47%	65.52%	89.24%	**18.77%**	**1.16%**	1.00%	26.90%	**3.54%**	**1.45%**	-

As of December 31, 2023	Loans and advances to banks and commercial loans																								
	Assessment																							Total	Deductible provision guarantees FOGAPE Covid-19(i)
	Individual																				Group				
	Regular Portfolio							Substandard Portfolio					Non-performing portfolio							Total	Normal Portfolio	Portfolio in Default	Total		
	A1	A2	A3	A4	A5	A6	Subtotal	B1	B2	B3	B4	Subtotal	C1	C2	C3	C4	C5	C6	Subtotal						
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks																									
Interbank liquidity loans	-	93,813	50,187	-	55,590	-	**199,590**	-	-	-	-	-	-	-	-	-	-	-	-	**199,590**	-	-	-	**199,590**	-
Commercial interbank loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overdrafts on checking accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign trade credits Chilean exports	-	75,556	59,205	-	-	-	**134,761**	-	-	-	-	-	-	-	-	-	-	-	-	**134,761**	-	-	-	**134,761**	-
Foreign trade credits Chilean imports	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign trade credits between third countries	-	233,645	113,030	-	-	-	**346,675**	-	-	-	-	-	-	-	-	-	-	-	-	**346,675**	-	-	-	**346,675**	-
Non-transferable deposits in banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other credit balances with banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**403,014**	**222,422**	**-**	**55,590**	**-**	**681,026**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**681,026**	**-**	**-**	**-**	**681,026**	**-**
Provisions recorded	-	(344)	(486)	-	(6)	-	**(836)**	-	-	-	-	-	-	-	-	-	-	-	-	**(836)**	-	-	-	**(836)**	-
% Provisions recorded	0.00%	0.09%	0.22%	0.00%	0.01%	0.00%	**0.12%**	0.00%	0.00%	0.00%	0.00%	**0.00%**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	**0.00%**	**0.12%**	0.00%	0.00%	**0.00%**	**0.12%**	
Commercial loans																									
Commercial loans	80,361	1,237,806	3,326,608	3,896,495	4,668,850	8,009,093	**21,219,213**	1,250,220	161,414	39,664	65,453	**1,516,751**	288,414	252,782	22,704	28,838	27,502	48,412	**668,652**	**23,404,616**	3,369,142	359,636	**3,728,778**	**27,133,394**	(26,133)
Foreign trade credits Chilean exports	-	597,032	406,200	169,836	43,606	32,917	**1,249,591**	5,099	10,311	-	-	**15,410**	-	-	-	1,313	-	-	**1,313**	**1,266,314**	10,970	-	**10,970**	**1,277,284**	-
Foreign trade credits Chilean imports	-	25,286	97,134	128,813	58,273	44,873	**354,379**	9,844	417	-	1,575	**11,836**	-	-	6,692	-	-	-	**6,692**	**372,907**	28,212	-	**28,212**	**401,119**	-
Foreign trade credits between third countries	-	15,290	170,799	3,706	31,627	10,543	**231,965**	433	6,054	-	-	**6,487**	-	-	-	-	-	5,424	**5,424**	**243,876**	-	-	-	**243,876**	-
Debtors in current accounts	-	11,707	35,642	6,249	9,183	1,605	**64,386**	3,562	1,462	87	78	**5,189**	420	159	71	71	114	800	**1,635**	**71,210**	69,293	9,561	**78,854**	**150,064**	-
Credit card debtors	-	914	1,309	2,171	817	525	**5,736**	771	116	11	5	**903**	11	34	11	6	52	207	**321**	**6,960**	53,788	7,522	**61,310**	**68,270**	-
Factoring operations	138,680	243,880	443,473	270,435	133,316	24,099	**1,253,883**	41,213	1,489	-	-	**42,702**	-	-	-	76	41	-	**117**	**1,296,702**	71,277	356	**71,633**	**1,368,335**	-
Commercial finance lease operations	-	79,284	229,066	294,182	212,759	347,376	**1,162,667**	118,134	25,078	3,092	4,314	**150,618**	20,188	2,594	5,696	2,327	477	1,044	**32,326**	**1,345,611**	289,576	13,687	**303,263**	**1,648,874**	-
Student loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100,286	15,224	**115,510**	**115,510**	-
Other loans and receivable	-	-	-	-	-	-	-	-	-	-	-	-	79	-	87	-	1,874	7,502	**9,542**	**9,542**	70	1,038	**1,108**	**10,650**	-
Subtotal	**219,041**	**2,211,199**	**4,710,231**	**4,771,887**	**5,158,431**	**8,471,031**	**25,541,820**	**1,429,276**	**206,341**	**42,854**	**71,425**	**1,749,896**	**309,112**	**255,569**	**35,261**	**32,631**	**30,060**	**63,389**	**726,022**	**28,017,738**	**3,992,614**	**407,024**	**4,399,638**	**32,417,376**	**(26,133)**
Provisions recorded	(79)	(2,694)	(9,387)	(28,556)	(31,435)	(60,339)	**(132,490)**	(19,285)	(6,830)	(957)	(6,544)	**(33,616)**	(6,678)	(25,611)	(8,842)	(13,244)	(19,770)	(56,350)	**(130,495)**	**(296,601)**	(40,445)	(113,485)	**(153,930)**	**(450,531)**	-
Provisions recorded	0.04%	0.14%	0.15%	0.96%	0.79%	1.08%	**0.72%**	2.18%	2.23%	8.51%	4.01%	**2.75%**	2.01%	10.13%	25.02%	40.23%	65.16%	89.72%	**25.82%**	**1.35%**	1.64%	29.96%	**3.70%**	**1.76%**	-

p) As of March 31, 2024 and December 31, 2023, the balances for loans and their provisions recorded by tranches of days past due, are as follows:

As of March 31, 2024	Financial assets before provisions						Provisions constituted								Net financial assets
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19(i)	Total	
	Assessment Individual/group		Assessment Individual	Assessment Individual/group			Assessment Individual/group		Assessment Individual	Assessment Individual/group					
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks															
0 days	918,123	-	-	-	-	**918,123**	(922)	-	-	-	-	**(922)**	-	**(922)**	**917,201**
1 to 29 days	2,585	-	-	-	-	**2,585**	(2)	-	-	-	-	**(2)**	-	**(2)**	**2,583**
30 to 59 days	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60 to 89 days	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
>= 90 days	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**920,708**	**-**	**-**	**-**	**-**	**920,708**	**(924)**	**-**	**-**	**-**	**-**	**(924)**	**-**	**(924)**	**919,784**
Commercial loans															
0 days	27,073,525	3,734,033	1,612,306	494,540	115,631	**33,030,035**	(152,250)	(31,328)	(37,514)	(58,069)	(28,558)	**(307,719)**	(24,555)	**(332,274)**	**32,697,761**
1 to 29 days	712,829	110,738	202,732	80,764	36,157	**1,143,220**	(6,831)	(3,739)	(4,516)	(13,186)	(7,735)	**(36,007)**	(493)	**(36,500)**	**1,106,720**
30 to 59 days	9,179	29,402	61,396	20,114	36,157	**156,248**	(69)	(2,403)	(765)	(2,750)	(7,433)	**(13,420)**	(92)	**(13,512)**	**142,736**
60 to 89 days	-	12,715	47,930	29,269	27,054	**116,968**	-	(1,378)	(232)	(4,703)	(6,006)	**(12,319)**	(129)	**(12,448)**	**104,520**
>= 90 days	6,688	33	-	177,626	207,670	**392,017**	(15)	-	-	(71,918)	(63,972)	**(135,905)**	(129)	**(136,034)**	**255,983**
Subtotal	**27,802,221**	**3,886,921**	**1,924,364**	**802,313**	**422,669**	**34,838,488**	**(159,165)**	**(38,848)**	**(43,027)**	**(150,626)**	**(113,704)**	**(505,370)**	**(25,398)**	**(530,768)**	**34,307,720**
Mortgage loans															
0 days	-	13,495,237	-	-	90,192	**13,585,429**	-	(29,315)	-	-	(7,931)	**(37,246)**	-	**(37,246)**	**13,548,183**
1 to 29 days	-	282,332	-	-	54,135	**336,467**	-	(5,359)	-	-	(4,709)	**(10,068)**	-	**(10,068)**	**326,399**
30 to 59 days	-	98,473	-	-	51,377	**149,850**	-	(2,104)	-	-	(4,499)	**(6,603)**	-	**(6,603)**	**143,247**
60 to 89 days	-	37,440	-	-	41,351	**78,791**	-	(931)	-	-	(3,461)	**(4,392)**	-	**(4,392)**	**74,399**
>= 90 days	-	-	-	-	205,325	**205,325**	-	-	-	-	(19,752)	**(19,752)**	-	**(19,752)**	**185,573**
Subtotal	**-**	**13,913,482**	**-**	**-**	**442,380**	**14,355,862**	**-**	**(37,709)**	**-**	**-**	**(40,352)**	**(78,061)**	**-**	**(78,061)**	**14,277,801**
Consumer loans															
0 days	-	2,777,964	-	-	95,931	**2,873,895**	-	(90,430)	-	-	(46,147)	**(136,577)**	-	**(136,577)**	**2,737,318**
1 to 29 days	-	78,126	-	-	24,774	**102,900**	-	(23,448)	-	-	(12,656)	**(36,104)**	-	**(36,104)**	**66,796**
30 to 59 days	-	37,228	-	-	21,540	**58,768**	-	(18,647)	-	-	(12,361)	**(31,008)**	-	**(31,008)**	**27,760**
60 to 89 days	-	19,575	-	-	27,004	**46,579**	-	(11,843)	-	-	(18,172)	**(30,015)**	-	**(30,015)**	**16,564**
>= 90 days	-	-	-	-	104,070	**104,070**	-	-	-	-	(77,681)	**(77,681)**	-	**(77,681)**	**26,389**
Subtotal	**-**	**2,912,893**	**-**	**-**	**273,319**	**3,186,212**	**-**	**(144,368)**	**-**	**-**	**(167,017)**	**(311,385)**	**-**	**(311,385)**	**2,874,827**
TOTAL	**28,722,929**	**20,713,296**	**1,924,364**	**802,313**	**1,138,368**	**53,301,270**	**(160,089)**	**(220,925)**	**(43,027)**	**(150,626)**	**(321,073)**	**(895,740)**	**(25,398)**	**(921,138)**	**52,380,132**

As of December 31, 2023	Financial assets before provisions						Provisions constituted								Net financial assets
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19(i)	Total	
	Assessment Individual/group		Assessment Individual	Assessment Individual/group			Assessment Individual/group		Assessment Individual	Assessment Individual/group					
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks															
0 days	681,026	-	-	-	-	**681,026**	(836)	-	-	-	-	**(836)**	-	**(836)**	**680,190**
1 to 29 days	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30 to 59 days	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60 to 89 days	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
>= 90 days	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**681,026**	**-**	**-**	**-**	**-**	**681,026**	**(836)**	**-**	**-**	**-**	**-**	**(836)**	**-**	**(836)**	**680,190**
Commercial loans															
0 days	24,415,352	3,807,935	1,521,912	484,404	119,536	**30,349,139**	(121,561)	(31,661)	(26,765)	(45,599)	(28,318)	**(253,904)**	(24,121)	**(278,025)**	**30,071,114**
1 to 29 days	1,087,433	120,046	179,517	48,737	36,261	**1,471,994**	(10,758)	(3,564)	(3,799)	(3,949)	(7,777)	**(29,847)**	(210)	**(30,057)**	**1,441,937**
30 to 59 days	19,816	50,682	41,056	25,936	32,324	**169,814**	(62)	(2,829)	(2,902)	(2,833)	(7,705)	**(16,331)**	(212)	**(16,543)**	**153,271**
60 to 89 days	19,194	13,951	7,411	18,682	22,554	**81,792**	(107)	(2,391)	(150)	(2,452)	(5,733)	**(10,833)**	(60)	**(10,893)**	**70,899**
>= 90 days	25	-	-	148,263	196,349	**344,637**	(2)	-	-	(75,662)	(63,952)	**(139,616)**	(1,530)	**(141,146)**	**203,491**
Subtotal	**25,541,820**	**3,992,614**	**1,749,896**	**726,022**	**407,024**	**32,417,376**	**(132,490)**	**(40,445)**	**(33,616)**	**(130,495)**	**(113,485)**	**(450,531)**	**(26,133)**	**(476,664)**	**31,940,712**
Mortgage loans															
0 days	-	13,033,864	-	-	91,451	**13,125,315**	-	(27,140)	-	-	(8,047)	**(35,187)**	-	**(35,187)**	**13,090,128**
1 to 29 days	-	257,429	-	-	52,907	**310,336**	-	(4,897)	-	-	(4,588)	**(9,485)**	-	**(9,485)**	**300,851**
30 to 59 days	-	95,789	-	-	46,830	**142,619**	-	(2,277)	-	-	(4,025)	**(6,302)**	-	**(6,302)**	**136,317**
60 to 89 days	-	33,168	-	-	38,096	**71,264**	-	(801)	-	-	(3,352)	**(4,153)**	-	**(4,153)**	**67,111**
>= 90 days	-	-	-	-	162,152	**162,152**	-	-	-	-	(16,204)	**(16,204)**	-	**(16,204)**	**145,948**
Subtotal	**-**	**13,420,250**	**-**	**-**	**391,436**	**13,811,686**	**-**	**(35,115)**	**-**	**-**	**(36,216)**	**(71,331)**	**-**	**(71,331)**	**13,740,355**
Consumer loans															
0 days	-	2,767,942	-	-	105,638	**2,873,580**	-	(84,935)	-	-	(53,266)	**(138,201)**	-	**(138,201)**	**2,735,379**
1 to 29 days	-	80,762	-	-	26,270	**107,032**	-	(23,641)	-	-	(13,746)	**(37,387)**	-	**(37,387)**	**69,645**
30 to 59 days	-	37,790	-	-	21,552	**59,342**	-	(19,061)	-	-	(12,264)	**(31,325)**	-	**(31,325)**	**28,017**
60 to 89 days	-	18,824	-	-	22,829	**41,653**	-	(10,574)	-	-	(15,229)	**(25,803)**	-	**(25,803)**	**15,850**
>= 90 days	-	-	-	-	96,187	**96,187**	-	-	-	-	(65,995)	**(65,995)**	-	**(65,995)**	**30,192**
Subtotal	**-**	**2,905,318**	**-**	**-**	**272,476**	**3,177,794**	**-**	**(138,211)**	**-**	**-**	**(160,500)**	**(298,711)**	**-**	**(298,711)**	**2,879,083**
TOTAL	**26,222,846**	**20,318,182**	**1,749,896**	**726,022**	**1,070,936**	**50,087,882**	**(133,326)**	**(213,771)**	**(33,616)**	**(130,495)**	**(310,201)**	**(821,409)**	**(26,133)**	**(847,542)**	**49,240,340**

q) The guarantees provided to the Bank to guarantee the payment of the rights reflected in its loan's portfolio correspond to mortgages, pledges, including warrants and trade and commercial financial instruments.

The Bank finances the acquisition of goods to its customers, both movable and real estate, through finance lease agreements between 1 and 10 years depending on each contract, which are presented in the caption lease operations. As of March 31, 2024 and December 31, 2023, MCh$1,247,156 and MCh$1,126,289, respectively, correspond to finance leases on personal property, and MCh$547,630 and MCh$523,018, respectively to finance leases on real estate.

The detail of the reconciliation between the gross investment and the present value of the minimum collections as of March 31, 2024 and December 31, 2023, is as follows:

Net balance receivable	March 31, 2024	December 31, 2023
	MCh$	MCh$
Gross finance lease	2,015,366	1,880,391
Unaccrued finance income	(220,580)	(231,084)
Net finance lease	**1,794,786**	**1,649,307**

As of March 31, 2024 and December 31, 2023, the cash flows receivable by the Bank from finance lease agreements due to expiration are as follows:

Net balance receivable	March 31, 2024	December 31, 2023
	MCh$	MCh$
On-demand	-	-
Up to a month	188,904	173,594
More than 1 month to 3 months	232,302	213,471
More than 3e months to 1 year	445,702	409,576
More than 1 year to 3 years	380,150	349,344
More than 3 years to 5 years	222,565	204,524
More than 5 years	325,163	298,798
Total	**1,794,786**	**1,649,307**

There is no evidence of impairment for finance lease agreements entered into by the Bank.

As of March 31, 2024 the Bank has acquired financial assets corresponding to real estate for a value of MCh$2,922 and MCh$12,899 as of December 31, 2023, through the execution of guarantees or dations in payment of collateral.

NOTE 14 – INVESTMENTS IN COMPANIES

a) As of March 31, 2024 and December 31, 2023, the main investments in companies and joint ventures are detailed below:

	December 31, 2023			December 31, 2023		
	Equity	Ownership interest	Investment value	Equity	Ownership interest	Investment value
	MCh$	%	MCh$	MCh$	%	MCh$
Investments in associates						
Redbanc S.A.	12,439	12,71	1,581	12,468	12.71	1,585
Combanc S.A.	7,840	13,30	1,043	7,823	13.30	1,041
Transbank S.A.	131,228	8,72	11,442	133,894	8.72	11,674
Servicio de Infraestructura de Mercado OTC S.A.	14,362	13,61	1,955	14,310	13.61	1,948
AFT S.A.	20,697	20,00	4,139	20,341	20.00	4,068
Centro de Compensación Automatizado S.A.	14,831	33,33	4,943	14,082	33.33	4,694
Sociedad Interbancaria de Depósitos de Valores S.A.	8,643	7,03	607	8,413	7.03	591
Pagos y Servicios S.A.	3,273	49,90	1,759	3,487	49.90	1,740
Minority investments						
Shares in SWIFT	-	-	56	-	-	56
Shares in BLADEX	-	-	1,699	-	-	1,264
Shares FRB and FHLB	-	-	141,475	-	-	125,046
Other shares	-	-	3,369	-	-	3
Investments in joint ventures						
Servipag Ltda.	16,581	50,00	8,291	15,664	50.00	7,832
Artikos Chile S.A.	3,471	50,00	1,735	3,188	50.00	1,594
Total	**233,365**		**184,094**	**233,670**		**163,136**

b) Changes in investments in companies as of March 31, 2024 and December 31, 2023, are as follows:

	March 31, 2024	December 31, 2023
	MCh$	MCh$
Balance as of January 1,	**163,136**	**175,736**
Equity in profit or loss	3,156	16,018
Sale of investments in companies	-	(23,613)
Acquisition of investments in companies	14,148	-
Dividend received	-	(3,945)
Adjustment of provision for minimum dividend and results	-	5
Provision for minimum dividend	(66)	(1,088)
Capital increase adjustment	115	-
MTM shares	3,605	23
Total	**184,094**	**163,136**

NOTE 15 – INTANGIBLE ASSETS

a) As of March 31, 2024 and December 31, 2023 intangible assets are as follows:

March 31, 2024	Average years of useful life	Average years of remaining useful life	Gross Balance MCh$	Accumulated amortization MCh$	Net Balance MCh$
Goodwill from business combination	-	-	177,587	-	**177,587**
Other intangible assets arising from business combinations:					
Customer relationships	10	7	33,391	(20,372)	**13,019**
Core deposits	8	2	115,941	(112,026)	**3,915**
Right to use trademarks	10	7	22,799	(2,730)	**20,069**
Right to use channels	10	7	2,538	(1,726)	**812**
Contract for collection of services	-	-	8,508	(4,538)	**3,970**
Mortgage loans servicing rights	-	-	1,558	(344)	**1,214**
Other intangible assets	11	7	9,970	(4,922)	**5,048**
Other independently generated intangible assets					
Software or computer programs purchased independently	6	4	482,961	(66,180)	**416,781**
Software or computer programs generated internally	6	5	98,912	(278,225)	**(179,313)**
Mortgage loans servicing rights	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Total	-	-	**954,165**	**(491,063)**	**463,102**

December 31, 2023	Average years of useful life	Average years of remaining useful life	Gross Balance MCh$	Accumulated amortization MCh$	Net Balance MCh$
Goodwill from business combination	-	-	158,641	-	**158,641**
Other intangible assets arising from business combinations:					
Customer relationships	10	7	33,391	(19,818)	**13,573**
Core deposits	8	2	109,216	(104,104)	**5,112**
Right to use trademarks	10	7	20,859	(2,602)	**18,257**
Right to use channels	10	7	2,538	(1,682)	**856**
Contract for collection of services	-	-	8,508	(4,325)	**4,183**
Mortgage loans servicing rights	-	-	1,292	(262)	**1,030**
Other intangible assets	11	7	9,227	(4,398)	**4,829**
Other independently generated intangible assets					
Software or computer programs purchased independently	6	4	443,122	(63,648)	**379,474**
Software or computer programs generated internally	6	5	124,963	(264,372)	**(139,409)**
Mortgage loans servicing rights	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Total			**911,757**	**(465,211)**	**446,546**

b) Changes in intangible assets as of March 31, 2024 and December 31, 2023, are as follows:

	Goodwill from business combination	Other intangible assets arising from business combinations							Other independently generated intangible assets				
		Customer relationships	Stable deposits	Right to use trademarks	Right to use channels	Contract for collection of services	Mortgage loans servicing rights	Other intangible assets	Software or computer programs purchased independently	Software or computer programs generated internally	Mortgage loans servicing rights	Other intangible assets	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Balance as of January 1, 2024	**158,641**	**33,391**	**109,216**	**20,859**	**2,538**	**8,508**	**1,292**	**9,227**	**443,122**	**124,963**	**-**	**-**	**911,757**
Acquisitions	-	-	-	-	-	-	106	-	34,583	16,143	-	-	**50,832**
Derecognition / disposal	-	-	-	-	-	-	-	-	(70)	(3,031)	-	-	**(3,101)**
Transfers	-	-	-	-	-	-	-	-	(28)	(39,310)	-	-	**(39,338)**
Exchange rate variation	17,213	-	6,725	1,940	-	-	160	743	5,354	147	-	-	**32,282**
Goodwill remeasurement	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	1,733	-	-	-	-	-	-	-	-	-	-	-	**1,733**
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross balance as of March 31, 2024	**177,587**	**33,391**	**115,941**	**22,799**	**2,538**	**8,508**	**1,558**	**9,970**	**482,961**	**98,912**	**-**	**-**	**954,165**
Amortization for the period	-	(554)	-	(128)	(44)	(213)	-	(1,813)	(2,210)	(11,318)	-	(21)	**(16,301)**
Amortization accumulated at the beginning of the period	-	(19,818)	(104,104)	(2,602)	(1,682)	(4,325)	(262)	(4,398)	(63,648)	(264,372)	-	-	**(465,211)**
Derecognition / disposal	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	(7,922)	-	-	-	(82)	1,289	(322)	(2,535)	-	21	**(9,551)**
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-
Total amortization and accumulated impairment	**-**	**(20,372)**	**(112,026)**	**(2,730)**	**(1,726)**	**(4,538)**	**(344)**	**(4,922)**	**(66,180)**	**(278,225)**	**-**	**-**	**(491,063)**
Net balance as of March 31, 2024	**177,587**	**13,019**	**3,915**	**20,069**	**812**	**3,970**	**1,214**	**5,048**	**416,781**	**(179,313)**	**-**	**-**	**463,102**

	Goodwill from business combination	Other intangible assets arising from business combinations							Other independently generated intangible assets				
		Customer relationships	Stable deposits	Right to use trademarks	Right to use channels	Contract for collection of services	Mortgage loans servicing rights	Other intangible assets	Software or computer programs purchased independently	Software or computer programs generated internally	Mortgage loans servicing rights	Other intangible assets	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Balance as of January 1, 2023	155,234	34,890	106,063	20,405	2,538	8,508	552	9,053	382,283	85,763	-	22	**805,311**
Acquisitions	-	-	-	-	-	-	724	-	7,140	103,509	-	-	**111,373**
Derecognition / disposal	-	-	-	-	-	-	-	-	-	(102)	-	(22)	**(124)**
Transfers	-	-	-	-	-	-	-	-	52,256	(64,207)	-	-	**(11,951)**
Exchange rate variation	4,438	-	3,153	454	-	-	16	174	1,443	-	-	-	**9,678**
Goodwill remeasurement	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment	(1,031)	(1,499)	-	-	-	-	-	-	-	-	-	-	**(2,530)**
Gross balance as of December 31, 2023	**158,641**	**33,391**	**109,216**	**20,859**	**2,538**	**8,508**	**1,292**	**9,227**	**443,122**	**124,963**	**-**	**-**	**911,757**
Amortization for the period	-	(2,715)	(13,828)	(512)	(174)	(851)	(126)	(753)	(9,904)	(38,291)	-	-	**(67,154)**
Amortization accumulated at the beginning of the period	-	(17,103)	(86,366)	(2,090)	(1,508)	(3,474)	(136)	(3,645)	(226,041)	(53,939)	-	-	**(394,302)**
Derecognition / disposal	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	172,297	(172,142)	-	-	**155**
Other	-	-	(3,910)	-	-	-	-	-	-	-	-	-	**(3,910)**
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-
Total amortization and accumulated impairment	-	(19,818)	(104,104)	(2,602)	(1,682)	(4,325)	(262)	(4,398)	(63,648)	(264,372)	-	-	**(465,211)**
Net balance as of December 31, 2023	**158,641**	**13,573**	**5,112**	**18,257**	**856**	**4,183**	**1,030**	**4,829**	**379,474**	**(139,409)**	**-**	**-**	**446,546**

c) Impairment

At the end of each reporting period, the Bank assesses whether there is any indication of impairment in the value of any amortizable and non- amortizable assets. If such indication exists, or when an impairment testing is required, the Bank estimates the recoverable amount of the asset.

As of March 31, 2024, the Bank conducted an assessment of whether there is any impairment of its assets, reaching the conclusion that there is no impairment that should be recorded on intangible assets and goodwill on such investments. As of December 31, 2023, two movements related to impairment of intangibles were recorded, the first impairment is recorded in relation to customers for MCh$1,499 and the second impairment in relation to the Financial Services CGU, the Bank's Management estimated the recoverable amount of its CGU, resulting in the recognition of an impairment loss associated with the Goodwill for MCh$1,031.

NOTE 16 – PROPERTY AND EQUIPMENT

a) As of March 31, 2024 and December 31, 2023, property and equipment are detailed as follows:

Concept	March 31, 2024				
	Average years of useful life	Average years of remaining useful life	Closing gross balance	Accumulated depreciation	Closing net balance
			MCh$	MCh$	MCh$
Buildings and land	37	29	255,460	(53,737)	201,723
Other property and equipment	6	5	229,301	(165,815)	63,486
Total			**484,761**	**(219,552)**	**265,209**

Concept	December 31, 2023				
	Average years of useful life	Average years of remaining useful life	Closing gross balance	Accumulated depreciation	Closing net balance
			MCh$	MCh$	MCh$
Buildings and land	37	29	249,075	(52,251)	196,824
Other property and equipment	6	5	216,761	(159,971)	56,790
Total			**465,836**	**(212,222)**	**253,614**

b) Changes in property and equipment as of March 31, 2024 and December 31, 2023, are as follows:

	Buildings and land	Other property and equipment	Total
	MCh$	MCh$	MCh$
Balance as of January 1, 2024	249,075	216,761	**465,836**
Acquisitions	36	12,871	**12,907**
Derecognition/disposal	(587)	(3,572)	**(4,159)**
Transfers	624	-	**624**
Other	6,312	3,241	**9,553**
Impairment	-	-	-
Gross balance as of March 31, 2024	**255,460**	**229,301**	**484,761**
Depreciation for the period	(1,334)	(4,470)	**(5,804)**
Derecognition/disposal	-	59	**59**
Transfers	-	-	-
Accumulated depreciation at the beginning of the period	(52,251)	(159,971)	**(212,222)**
Other	(152)	(1,433)	**(1,585)**
Impairment	-	-	-
Total accumulated depreciation	**(53,737)**	**(165,815)**	**(219,552)**
Net balance as of March 31, 2024	**201,723**	**63,486**	**265,209**

	Buildings and land	Other property and equipment	Total
	MCh$	MCh$	MCh$
Balance as of January 1, 2023	245,329	203,319	448,648
Acquisitions	43	20,806	20,849
Derecognition/disposal	(1,443)	(9,652)	(11,095)
Transfers	3,669	1,580	5,249
Other	1,477	725	2,202
Impairment	-	(17)	(17)
Gross balance as of December 31, 2023	**249,075**	**216,761**	**465,836**
Depreciation for the year	(3,317)	(18,212)	(21,529)
Derecognition/disposal	262	7,719	7,981
Transfers	-	-	-
Accumulated depreciation at the beginning of the period	(49,066)	(150,477)	(199,543)
Other	(130)	999	869
Impairment	-	-	-
Total accumulated depreciation	**(52,251)**	**(159,971)**	**(212,222)**
Net balance as of December 31, 2023	**196,824**	**56,790**	**253,614**

The Bank has no restrictions on property and equipment as of March 31, 2024 and December 31, 2023. Additionally, property and equipment have not been pledged as collateral for the fulfillment of obligations. On the other hand, there are no amounts owed on property and equipment by the Bank as of the same dates.

NOTE 17 – RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

a) As of March 31, 2024 and December 31, 2023, this caption is detailed as follows:

Concept	March 31, 2024				
	Average years of useful life	Average years of remaining useful life	Closing gross balance	Accumulated depreciation	Closing net balance
	MCh$	MCh$	MCh$	MCh$	MCh$
Buildings and land	9	6	201,108	(87,807)	**113,301**
Leasehold improvements	10	7	67,471	(46,803)	**20,668**
Other property and equipment	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Total			**268,579**	**(134,610)**	**133,969**

Concept	December 31, 2023				
	Average years of useful life	Average years of remaining useful life	Closing gross balance	Accumulated depreciation	Closing net balance
	MCh$	MCh$	MCh$	MCh$	MCh$
Buildings and land	9	6	206,975	(83,027)	**123,948**
Leasehold improvements	10	7	64,799	(44,861)	**19,938**
Other property and equipment	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Total			**271,774**	**(127,888)**	**143,886**

b) Changes in right-of-use assets as of March 31, 2024 and December 31, 2023, are as follows:

	Buildings and land	Leasehold improvements	Other property and equipment	Other intangible assets	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
Balance January 1, 2024	**206,975**	**64,799**	**-**	**-**	**271,774**
Acquisitions	14,571	179	-	-	**14,750**
Derecognition/disposal	(25,557)	(245)	-	-	**(25,802)**
Transfers	(3,030)	126	-	-	**(2,904)**
Other	8,149	2,612	-	-	**10,761**
Impairment	-	-	-	-	-
Gross balance as of March 31, 2024	**201,108**	**67,471**	**-**	**-**	**268,579**
Depreciation for the period	(5,712)	(588)	-	-	**(6,300)**
Derecognition/disposal	5,504	227	-	-	**5,731**
Transfers	-	-	-	-	-
Accumulated depreciation	(83,027)	(44,861)	-	-	**(127,888)**
Other	(4,572)	(1,581)	-	-	**(6,153)**
Impairment	-	-	-	-	-
Total accumulated depreciation	**(87,807)**	**(46,803)**	**-**	**-**	**(134,610)**
Net balance as of March 31, 2024	**113,301**	**20,668**	**-**	**-**	**133,969**

	Buildings and land	Leasehold improvements	Other property and equipment	Other intangible assets	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
Balance January 1, 2023	**199,378**	**68,772**	**-**	**-**	**268,150**
Acquisitions	59,200	385	-	-	59,585
Derecognition/disposal	(55,568)	(6,143)	-	-	(61,711)
Transfers	2,016	1,175	-	-	3,191
Other	1,949	610	-	-	2,559
Impairment	-	-	-	-	-
Gross balance as of December 31, 2023	**206,975**	**64,799**	**-**	**-**	**271,774**
Depreciation for the period	(20,599)	(3,734)	-	-	(24,333)
Derecognition/disposal	12,148	5,454	-	-	17,602
Transfers	-	-	-	-	-
Accumulated depreciation	(68,907)	(46,357)	-	-	(115,264)
Other	(5,669)	(224)	-	-	(5,893)
Impairment	-	-	-	-	-
Total accumulated depreciation	**(83,027)**	**(44,861)**	**-**	**-**	**(127,888)**
Net balance as of December 31, 2023	**123,948**	**19,938**	**-**	**-**	**143,886**

c) As of March 31, 2024 and December 31, 2023, lease liabilities are as follows:

	March 31, 2024	December 31, 2023
	MCh$	MCh$
Lease liabilities	118,581	129,349
Total	**118,581**	**129,349**

d) Lease liabilities as of March 31, 2024 and December 31, 2023 :

	March 31, 2024	December 31, 2023
	MCh$	MCh$
Depreciation	6,300	24,333
Interests	446	2,639
Short-term leases	-	-
Total	**6,746**	**26,972**

e) As of March 31, 2024 and December 31, 2023, the expenses related to right-of-use assets and lease liabilities are as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Contract maturity		
On demand	-	-
Up to one month	1,976	2,047
From 1 to 3 months	4,898	5,171
From 3 months to 1 years	15,521	18,398
Between 1 and 3 years	59,611	63,017
From 3 to 5 years	32,398	36,142
More than 5 years	4,177	4,574
Total	**118,581**	**129,349**

f) As of March 31, 2024 and December 31, 2023, the bank does not maintain future minimum lease payments to be received for non-cancellable operating leases.

NOTE 18 – CURRENT TAXES AND DEFERRED TAXES

a. Current tax

As of March 31, 2024 and December 31, 2023, the Bank has recorded provisions for Corporate Income Tax and Tax under Article No. 21 of the Income Law, based on current legal tax provisions, recording a recording a current tax asset of MCh$156,129 as of March 31, 2024 (MCh$125,659 as of December 31, 2023). Such provisions are presented net of recoverable taxes. As detailed below:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Current tax assets	168,887	159,318
Current tax (liabilities)	(12,758)	(33,659)
Total assets (liabilities)	**156,129**	**125,659**

Legal fees by jurisdiction	March 31, 2024	December 31, 2023
Chile	27.00%	27.00%
United States	21.00%	21.00%
Peru	29.50%	29.50%

	March 31, 2024			
	Chile MCh$	United States MCh$	Peru MCh$	Total MCh$
Income tax (27% tax rate)	(159,602)	(57,431)	734	**(216,299)**
Previous year provision	-	-	-	-
Provision for 40% of single tax	(4,382)	-	-	**(4,382)**
Provision 10% single tax Law 21420	-	-	-	-
Less:				
Monthly provisional payments	149,495	55,124	-	204,619
Tax credit for training expenses	2,648	-	-	2,648
Credit for acquisition of property and equipment	6	-	-	6
Credit for donations	1,559	-	-	1,559
Taxes to be recovered from previous years	165,701	-	158	165,859
Withholding 4% Interest N°7 Art 74.	4,248	-	-	4,248
Other taxes and withholdings recoverable	1,092	(3,221)	-	(2,129)
Total	**160,765**	**(5,528)**	**892**	**156,129**

	December 31, 2023			
	Chile MCh$	United States MCh$	Peru MCh$	Total MCh$
Income tax (27% tax rate)	(150,032)	(50,205)	115	**(200,122)**
Previous year provision	-	-	-	-
Provision for 40% of single tax	(286)	-	-	**(286)**
Provision 10% single tax Law 21420	-	-	-	-
Less:				
Monthly provisional payments	129,524	23,895	-	**153,419**
Tax credit for training expenses	190	-	-	**190**
Credit for acquisition of property and equipment	2,903	-	-	**2,903**
Credit for donations	3,664	-	-	**3,664**
Income tax recoverable	164,581	-	211	**164,792**
Other taxes and withholdings recoverable	1,099	-	-	**1,099**
Total	**151,643**	**(26,310)**	**326**	**125,659**

The following is the detail of the net current tax, both by economic entity and by geographical unit. In accordance with the provisions of IAS 12:

	March 31, 2024			
	Chile MCh$	United States MCh$	Peru MCh$	Total MCh$
Current tax asset	167,995	-	892	**168,887**
Current tax liability	(7,230)	(5,528)	-	**(12,758)**
Net total	**160,765**	**(5,528)**	**892**	**156,129**

	December 31, 2023			
	Chile MCh$	United States MCh$	Peru MCh$	Total MCh$
Current tax asset	158,992	-	326	**159,318**
Current tax liability	(7,349)	(26,310)	-	**(33,659)**
Net total	**151,643**	**(26,310)**	**326**	**125,659**

b. Income tax

The effect of tax expenditure for the periods ended as of March 31, 2024 and December 31, 2023, is comprised of the following:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Income tax expense:		
Current year tax	(176,609)	(19,025)
Surplus/deficit in previous year provision	143,582	-
Deferred tax credit (debit):		
Origination and reversal of temporary differences	(20,582)	(6,194)
Subtotal	**(53,609)**	**(25,219)**
Tax for non-deductible expenses under Article 21	(251)	(40)
Others	-	(334)
Net income tax debit (credit) to profit or loss	**(53,860)**	**(25,593)**

c. Effective Tax Rate Reconciliation

The following is the reconciliation between the income tax rate and the effective rate applied in determining the tax expense as of March 31, 2024 and 2023:

	As of March 31,			
	2024		2023	
	Tax rate	Amount	Tax rate	Amount
	%	MCh$	%	MCh$
Profit before tax		261,322		196,539
Tax at the prevailing tax rate	27.00%	70,557	27.00%	53,065
Tax effect of non-deductible expenses when calculating taxable income:				
Currency correction BCI Financial Group (1)	(1.19%)	(3,108)	(3.31%)	(6,496)
U.S. and Peru rate differences (2)	(0.34%)	(883)	(0.62%)	(1,223)
Equity price-level adjustment	(4.96%)	(12,962)	(8.02%)	(15,770)
One-off tax (non-deductible expenses)	0.09%	245	0.02%	41
Bonds under Article No. 104 Income Tax Law (3)	(0.11%)	(288)	(0.66%)	(1,298)
Other permanent differences	0.11%	299	(1.39%)	(2,726)
Effective rate and income tax expense	**20.60%**	**53,860**	**13.02%**	**25,593**

(1) The investment that BCI maintains in the USA (CNB) for tax purposes in Chile is adjusted for the variation of the exchange rate (US dollar), which is affected by First Category Income Tax. The impact of this adjustment as of March 31, 2024 is an income tax benefit of MCh$3,108, whereas as of March 31, 2023, income tax benefit amounted to MCh$6,496.
(2) The legal tax rate in Chile is 27%, while in the US the tax rate is 25.345% (federal tax of 21% and state tax of 5.5%), Therefore, with respect to part of BCI's consolidated profit (CNB, Miami Branch and BCI Securities) there is a tax saving associated with the difference in tax rates in force at different jurisdictions.
(3) Relates to adjustments to market values and higher and lower values obtained on the sale of Chilean government bonds issued in the local market and recorded in the Bank's trading portfolio, since these papers are supported by Article 104 of the Income Tax Law (LIR), which exempts them from taxes on the gains or losses from the sale of such instruments.

d. Effect of deferred taxes in equity

The deferred tax that has been recognized as a debit to equity as of March 31, 2024 and 2024 and December 31, 2023, is comprised of the following:

	Accumulated Amounts		Effect on Profit and Loos	
	March 31,	December 31,	March 31,	
	2024	2023	2024	2023
	MCh$	MCh$	MCh$	MCh$
Changes in fair value of financial assets at fair value through other comprehensive income	131,480	129,171	2,308	(20,924)
Cash flow accounting hedges	(44,521)	(46,978)	2,458	21,186
Other deferred tax credit (debit) on equity	-	-	-	-
Deferred tax credit (debit on equity)	**86,959**	**82,193**	**4,766**	**262**

e. Deferred tax effect

As of March 31, 2024 and December 31, 2023, the Bank has recorded the effects of deferred taxes in accordance with IAS 12 in its Interim Consolidated Financial Statements.

	March 31, 2024	December 31, 2023
	MCh$	MCh$
Deferred tax assets:		
With effect in income	451,298	410,268
With effect in equity	86,959	82,193
Total deferred tax assets	**538,257**	**492,461**
Deferred tax liabilities:		
With effect in profit or loss	(1,636)	(2,106)
With effect in Shareholders' equity	-	-
Total deferred tax liabilities	**(1,636)**	**(2,106)**
Total net deferred tax assets:	**536,621**	**490,355**

The following are the effects of net deferred taxes by jurisdiction as of March 31, 2024 and December 31, 2023:

	March 31, 2024			
	Chile	United States	Peru	Total
	MCh$	MCh$	MCh$	MCh$
Detail of deferred tax assets (liabilities)				
Allowance for credit losses	241,927	94,177	-	**336,104**
Provision for employee vacations and bonuses	51,755	-	279	**52,034**
Leases (net)	5,187	(191,963)	-	**(186,776)**
Property and equipment	(11,545)	(917)	4	**(12,458)**
Transitory assets	(29,776)	34,681	-	**4,905**
Derivative contracts	44,635	(36,294)	-	**8,341**
Subordinated bonds	12,453	-	-	**12,453**
Tax loss	44,351	84,592	1,973	**130,916**
Other	26,420	77,471	252	**104,143**
Total net assets (liabilities)	**385,407**	**61,747**	**2,508**	**449,662**
Deferred tax credit (debit) on equity	(37,667)	124,626	-	**86,959**
Net effect of deferred tax asset	**347,740**	**186,373**	**2,508**	**536,621**

	December 31, 2023			
	Chile	United States	Peru	Total
	MCh$	MCh$	MCh$	MCh$
Detail of deferred tax assets (liabilities)				
Allowance for credit losses	242,764	56,516	-	**299,280**
Provision for employee vacations and bonuses	65,228	-	334	**65,562**
Leases (net)	18,259	(115,199)	-	**(96,940)**
Property and equipment	(13,972)	(441)	-	**(14,413)**
Transitory assets	(18,546)	21,107	-	**2,561**
Derivative contracts	39,906	(22,163)	-	**17,743**
Subordinated bonds	12,453	-	-	**12,453**
Tax loss	42,208	53,856	1,639	**97,703**
Other	16,526	7,476	211	**24,213**
Total net assets (liabilities)	**404,826**	**1,152**	**2,184**	**408,162**
Deferred tax credit (debit) on equity	(39,865)	122,058	-	**82,193**
Net effect of deferred tax asset	**364,961**	**123,210**	**2,184**	**490,355**

NOTE 19 – OTHER ASSETS

As of March 31, 2024 and December 31, 2023, other assets are as follows:

	As of March 31, 2024	As of December 31, 2023
	MCh$	MCh$
Assets to be leased in financial leases as lessor	172,655	271,771
Cash guarantees delivered for derivative financial transactions	684,952	482,804
Debtors for brokerage of financial instruments	-	-
Accounts receivable for use of payment cards with provision of funds	-	-
Accounts receivable from third parties	111,551	99,858
Investment property	-	-
VAT fiscal credit receivable	13,467	18,677
Prepaid expenses	108,942	71,341
Valuation adjustments for macro hedges	5,482	11,150
Assets to support obligations for post-employment defined benefit plans	522,904	462,355
Assets from revenue from ordinary activities from contracts with customers (*)	-	-
Investments in gold	10,057	8,348
Other cash collateral provided	33,853	34,912
Pending operations	191,333	55,812
Other assets	102,465	75,957
Total	**1,957,661**	**1,592,985**

(*) Corresponds to life insurance policies of the subsidiary City National Bank of BCI Financial Group, for certain executives and employees where CNB is the owner and beneficiary. Such policies are referred to as BOLI (Bank Owned Life Insurance).

NOTE 20 – NON-CURRENT ASSETS AND DISPOSAL GROUP HELD FOR SALE AND LIABILITIES INCLUDED IN DISPOSAL GROUP HELD FOR SALE

a) As of March 31, 2024 and December 31, 2023, non-current assets and disposal group held for sale are as follows:

	As of March 31, 2024 MCh$	As of December 31, 2023 MCh$
Assets received in payment or foreclosed at judicial auction (*):		
Goods received in payment	262	1,458
Assets foreclosed at judicial auction	6,952	8,139
Provisions for goods received in payment or foreclosed at judicial auction	(91)	(256)
Subtotal	**7,123**	**9,341**
Investment in companies	-	-
Intangible assets	-	-
Property and equipment	1,130	698
Assets for recovery of assets under finance leases	35,376	35,946
Other assets	-	-
Subtotal	**36,506**	**36,644**
Total	**43,629**	**45,985**

(*) The Bank receives assets when customers have payments of overdue debts or when it acquires them in a judicial auction for payment of debts previously contracted in its favor. These pools of assets do not exceed 20% of the Bank's effective equity at any time, 0.084311% as of March 31, 2024 and 0.124409% as of December 31, 2023.

b) As of March 31, 2024 and December 31, 2023, changes in provisions for assets received in payment are as follows:

	Provisions MCh$
Balance as of January 1, 2023	(256)
Provisions accrued	741
Provisions used	(576)
Balance as of March 31, 2024	**(91)**

	Provisions MCh$
Balance as of January 1, 2023	(310)
Provisions accrued	2,831
Provisions used	(2,777)
Balance as of December 31, 2023	**(256)**

c) As of March 31, 2024 and December 31, 2023, the Bank does not record liabilities included in a disposal group held for sale.

NOTE 21 – FINANCIAL LIABILITIES HELD FOR TRADING AT FAIR VALUE THROUGH PROFIT OR LOSS

a) As of March 31, 2024 and December 31, 2023, financial liabilities held for trading at fair value through profit or loss are as follows:

	March 31, 2024	December 31, 2023
	MCh$	MCh$
Financial derivative contracts	6,992,853	5,625,481
Other financial instruments	-	-
Total	**6,992,853**	**5,625,481**

b) As of March 31, 2024 and December 31, 2023, financial derivative contracts are as follows:

	On demand	Up to 1 month	From 1 to 3 months	From 3 months to 1 year	From 1 to 3 years	From 3 to 5 years	Over 5 years	Total	Fair value as of March 31, 2024
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Financial derivative contracts									
Forwards	12,844	16,499,715	15,911,220	20,666,853	5,646,098	1,450,241	2,591,016	**62,777,987**	**1,512,772**
Swaps	494,554	16,361,337	44,302,630	69,458,529	67,351,376	34,775,480	40,558,779	**273,302,685**	**5,476,754**
Call Options	-	22,543	23,043	77,816	25,068	-	-	**148,470**	**1,281**
Put Options	-	7,543	17,947	68,991	21,157	-	-	**115,638**	**1,842**
Futures	-	-	48,167	-	-	-	-	**48,167**	**204**
Other	-	-	-	-	-	-	-	-	-
Total	**507,398**	**32,891,138**	**60,303,007**	**90,272,189**	**73,043,699**	**36,225,721**	**43,149,795**	**336,392,947**	**6,992,853**

	On demand	Up to 1 month	From 1 to 3 months months	From 3 months up to 1 year	From 1 to 3 years	From 3 to 5 years	Over 5 years	Total	Fair value as of December 31, 2023
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Financial derivative contracts									
Forwards	-	18,048,934	18,212,923	21,891,729	6,053,038	1,579,538	2,561,293	**68,347,455**	**1,004,414**
Swaps	59,004	6,420,768	29,470,627	53,462,106	55,508,896	31,336,427	35,450,163	**211,707,991**	**4,618,917**
Call Options	-	10,191	15,876	56,296	7,117	-	-	**89,480**	**397**
Put Options	-	7,480	14,864	36,682	4,205	-	-	**63,231**	**1,376**
Futures	-	-	-	7,368	-	-	-	**7,368**	**377**
Other	-	-	-	-	-	-	-	-	-
Total	**59,004**	**24,487,373**	**47,714,290**	**75,454,181**	**61,573,256**	**32,915,965**	**38,011,456**	**280,215,525**	**5,625,481**

c) As of March 31, 2024 and December 31, 2023, the Bank does not hold other financial liabilities for trading at fair value through profit or loss.

NOTE 22 – FINANCIAL LIABILITIES AT AMORTIZED COST

a) As of March 31, 2024 and December 31, 2023, financial liabilities at amortized cost are as follows:

	March 31, 2024	December 31, 2023
	MCh$	MCh$
Deposits and other obligations on demand		
Current accounts	23,847,621	21,076,678
Demand deposit accounts	696,950	685,713
Other demand deposits	249,815	253,420
Obligations for fund provision accounts for payment cards	18,153	18,236
Other obligations on demand	2,133,448	1,776,251
Subtotal	**26,945,987**	**23,810,298**
Deposits and other time deposits		
Time deposits	18,935,338	18,375,288
Term savings accounts	252,122	63,772
Other term credit balances	3,186	3,211
Subtotal	**19,190,646**	**18,442,271**
Obligations for repurchase agreements and securities lending		
Transactions with domestic banks	40,036	107,171
Transactions with foreign banks	-	-
Transactions with other domestic entities	632,196	575,268
Transactions with other foreign entities	34,494	24,184
Subtotal	**706,726**	**706,623**
Bank borrowings		
Domestic banks	315,202	362,713
Foreign banks	2,166,614	2,188,144
Central Bank of Chile	4,587,351	4,575,128
Foreign Central Banks	-	-
Subtotal	**7,069,167**	**7,125,985**
Debt financial instruments issued		
Letters of credit	499	695
Current bonds	8,521,738	8,111,815
Subtotal	**8,522,237**	**8,112,510**
Other financial obligations		
Other financial obligations with the public sector	-	-
Other domestic financial obligations	90,795	85,824
Other foreign financial obligations	1,844,256	1,653,988
Subtotal	**1,935,051**	**1,739,812**
Total	**64,369,814**	**59,937,499**

b) As of March 31, 2024, current bonds are as follows:

CURRENT BONDS IN PESOS							
Series	Amount issued	Amount placed	Issuance date	Maturity Date	Average rate	Balance due	Balance due
	Ch$	Ch$				Ch$	MCh$
SERIE_O1	100,000,000,000	100,000,000,000	12-01-2020	12-01-2025	8.25%	93,178,996,391	93,179
SERIE_O2	100,000,000,000	100,000,000,000	12-01-2020	12-01-2026	7.11%	91,411,335,916	91,411
SERIE_O3	100,000,000,000	100,000,000,000	12-01-2020	12-01-2027	5.49%	93,249,074,448	93,249
SERIE_Q1	50,000,000,000	50,000,000,000	09-01-2022	03-01-2025	7.20%	50,647,008,807	50,647
SERIE_T1	35,000,000,000	8,500,000,000	02-01-2023	02-01-2027	7.05%	8,422,827,120	8,423
SERIE_T2	35,000,000,000	32,500,000,000	02-01-2023	08-01-2027	6.36%	32,628,069,908	32,628
SERIE_T3	35,000,000,000	35,000,000,000	02-01-2023	02-01-2028	6.52%	34,957,595,619	34,958
SERIE_T4	35,000,000,000	35,000,000,000	02-01-2023	02-01-2029	6.80%	34,344,064,665	34,344
SERIE_T5	35,000,000,000	35,000,000,000	02-01-2023	02-01-2031	6.58%	34,449,080,526	34,449
SERIE_T6	35,000,000,000	35,000,000,000	02-01-2023	02-01-2033	6.24%	35,070,090,913	35,070
SERIE_V5	12,500,000,000	12,500,000,000	07-01-2023	01-01-2030	6.47%	12,465,177,345	12,465
SERIE_W5	9,000,000,000	9,000,000,000	07-01-2023	07-01-2032	6.23%	13,070,305,579	13,070
Fair value adjustment (fair value hedge)						9,259,420,749	9,259
Subtotal	**630,000,000,000**	**556,500,000,000**				**543,153,047,986**	**543,152**

CURRENT BONDS IN UNIDADES DE FOMENTO							
Series	Amount issued	Amount placed	Issuance Date	Maturity Date	Average Rate	Balance due	Balance due
	UF	UF				UF	MCh$
SERIE_AJ2	20,000,000	20,000,000	10-01-2014	10-01-2024	2.23%	20,174,486	748,343
SERIE_AL3	3,000,000	3,000,000	06-01-2016	06-01-2024	2.40%	3,025,287	112,219
SERIE_AL4	3,000,000	3,000,000	06-01-2016	06-01-2028	2.36%	3,042,752	112,866
SERIE_AL5	3,000,000	3,000,000	06-01-2016	06-01-2031	2.50%	3,027,537	112,302
SERIE_AN2	3,000,000	3,000,000	12-01-2016	12-01-2024	1.95%	3,020,877	112,055
SERIE_AN3	3,000,000	3,000,000	12-01-2016	12-01-2026	2.00%	3,020,465	112,040
SERIE_A2	3,000,000	3,000,000	04-01-2017	04-01-2027	2.18%	3,015,236	111,846
SERIE_C3	3,000,000	3,000,000	07-01-2017	07-01-2025	2.28%	3,004,994	111,466
SERIE_C4	3,000,000	3,000,000	07-01-2017	07-01-2026	2.42%	2,988,311	110,847
SERIE_D2	3,000,000	3,000,000	11-01-2017	11-01-2025	2.04%	3,023,254	112,143
SERIE_D3	3,000,000	3,000,000	11-01-2017	11-01-2028	2.34%	2,982,076	110,616
SERIE_D4	3,000,000	3,000,000	11-01-2017	11-01-2029	2.45%	2,956,633	109,672
SERIE_F2	3,000,000	3,000,000	04-01-2018	04-01-2024	1.60%	3,029,868	112,388
SERIE_F3	3,000,000	3,000,000	04-01-2018	04-01-2025	2.00%	3,030,112	112,398
SERIE_F4	3,000,000	3,000,000	04-01-2018	04-01-2028	2.17%	3,011,543	111,709
SERIE_F5	3,000,000	3,000,000	04-01-2018	04-01-2029	2.36%	2,980,893	110,572
Serie_G1	3,000,000	3,000,000	06-01-2018	06-01-2025	1.47%	3,038,338	112,703
Serie_G2	3,000,000	3,000,000	06-01-2018	06-01-2026	1.09%	3,078,365	114,187
Serie_G3	3,000,000	3,000,000	06-01-2018	06-01-2029	2.10%	3,006,579	111,525
SERIE_I1	3,000,000	3,000,000	02-01-2019	02-01-2028	0.70%	3,157,221	117,112
SERIE_I2	3,000,000	3,000,000	02-01-2019	02-01-2029	0.72%	3,194,049	118,479
SERIE_I3	3,000,000	3,000,000	02-01-2019	02-01-2030	1.19%	3,146,816	116,726
SERIE_K2	3,000,000	1,450,000	05-01-2019	05-01-2025	1.90%	1,463,690	54,293
SERIE_K4	3,000,000	3,000,000	05-01-2019	05-01-2029	0.45%	3,258,443	120,867
SERIE_M3	3,000,000	3,000,000	10-01-2019	10-01-2028	-0.09%	3,237,627	120,095
SERIE_M4	3,000,000	3,000,000	10-01-2019	10-01-2029	-0.31%	3,324,057	123,301
SERIE_M5	3,000,000	3,000,000	10-01-2019	10-01-2030	0.27%	3,260,077	120,928
SERIE_N1	3,000,000	3,000,000	12-01-2020	06-01-2027	2.05%	2,965,310	109,994
SERIE_N2	3,000,000	3,000,000	12-01-2020	12-01-2027	2.76%	2,885,943	107,050

CURRENT BONDS IN UNIDADES DE FOMENTO							
Series	Amount issued	Amount placed	Issuance Date	Maturity Date	Average Rate	Balance due	Balance due
	UF	UF				UF	MCh$
SERIE_N3	3,000,000	3,000,000	12-01-2020	12-01-2028	2.25%	2,916,989	108,201
SERIE_N4	3,000,000	3,000,000	12-01-2020	12-01-2030	2.84%	2,775,867	102,967
SERIE_P1	3,000,000	3,000,000	10-01-2021	10-01-2031	2.55%	3,139,448	116,453
SERIE_P2	3,000,000	3,000,000	10-01-2021	10-01-2032	3.04%	3,040,370	112,778
SERIE_P3	3,000,000	3,000,000	10-01-2021	10-01-2033	2.75%	3,112,535	115,455
SERIE_P4	3,000,000	3,000,000	10-01-2021	10-01-2035	2.59%	3,166,124	117,443
SERIE_P5	3,000,000	3,000,000	10-01-2021	10-01-2036	2.63%	3,167,293	117,486
SERIE_R1	1,000,000	1,000,000	09-01-2022	03-01-2028	2.85%	1,008,638	37,414
SERIE_R2	1,000,000	1,000,000	09-01-2022	09-01-2028	2.80%	1,011,333	37,514
SERIE_R3	1,000,000	1,000,000	09-01-2022	03-01-2029	2.80%	1,012,417	37,554
SERIE_S3	2,000,000	970,000	02-01-2023	02-01-2030	3.13%	969,089	35,947
SERIE_S4	2,000,000	735,000	02-01-2023	02-01-2031	2.92%	1,999,116	74,154
SERIE_S5	2,000,000	970,000	02-01-2023	02-01-2032	3.26%	958,937	35,570
SERIE_U3	3,000,000	1,850,000	02-01-2023	08-01-2034	3.31%	1,813,108	67,255
SERIE_U4	3,000,000	3,000,000	02-01-2023	02-01-2035	3.32%	2,934,271	108,842
Fair value adjustment (fair value hedge)						(705.451)	(26.168)
Subtotal	**140,000,000**	**135,240,000**				**136,670,923**	**5,069,607**

CURRENT BONDS FOREIGN CURRENCY US DOLLAR							
Series	Amount issued	Amount placed	Issuance Date	Maturity Date	Average rate	Balance due	Balance due
	US$	US$				US$	MCh$
US05890MAA18	500,000,000	500,000,000	10-12-2017	12-10-2027	3.65%	504,060,117	495,128
XS1888335194	100,000,000	100,000,000	04-10-2018	04-04-2024	4.02%	101,972,793	100,166
XS1895749593	45,000,000	45,000,000	10-19-2018	04-19-2024	4.03%	45,813,045	45,001
XS1984711355	10,000,000	10,000,000	04-23-2019	04-23-2024	3.13%	10,120,717	9,941
XS2012024696	50,000,000	50,000,000	06-14-2019	06-14-2029	3.32%	50,255,924	49,365
XS2024766276	50,000,000	50,000,000	07-10-2019	07-10-2029	3.21%	50,118,219	49,230
XS2047630970	10,000,000	10,000,000	08-28-2019	08-28-2024	3.29%	10,051,347	9,873
XS2085920416	20,000,000	20,000,000	02-12-2019	02-06-2025	3.82%	20,050,200	19,695
XS2318617185	54,000,000	54,000,000	03-17-2021	03-12-2029	2.37%	53,966,275	53,010
XS2337108497	10,000,000	10,000,000	04-27-2021	04-27-2026	4.54%	10,073,122	9,895
XS2357310379	10,000,000	10,000,000	06-23-2021	06-23-2031	2.60%	9,988,545	9,812
XS2377687442	10,000,000	10,000,000	08-18-2021	08-18-2031	2.53%	9,943,914	9,768
XS2387450393	30,000,000	30,000,000	09-16-2021	09-16-2026	5.35%	29,925,736	29,395
XS2388190592	10,000,000	10,000,000	09-21-2021	09-21-2026	5.18%	9,951,541	9,775
XS2384719667	133,000,000	133,000,000	09-24-2021	09-24-2026	1.89%	132,165,889	129,824
XS2389126280	10,000,000	10,000,000	09-27-2021	09-27-2031	2.42%	9,921,373	9,746
US05890MAB90	500,000,000	500,000,000	10-14-2021	10-14-2031	3.08%	495,237,277	486,462
XS2398895651	17,000,000	17,000,000	10-19-2021	10-19-2026	5.30%	17,124,811	16,821
XS2402142371	20,000,000	20,000,000	10-27-2021	10-27-2028	5.78%	20,108,026	19,752
XS2407022313	20,000,000	20,000,000	01-12-2021	01-12-2026	5.43%	20,001,200	19,647
XS2454830824	10,000,000	10,000,000	03-10-2022	03-10-2029	6.07%	9,955,667	9,779
XS2457006521	25,000,000	25,000,000	03-15-2022	03-15-2027	5.89%	24,929,847	24,488
XS2668166775	35,000,000	35,000,000	08-18-2023	08-18-2028	6.71%	34,986,721	34,367
XS2697475015	10,000,000	10,000,000	09-28-2023	09-28-2028	6.60%	10,007,477	9,830
XS2737616164	15,000,000	15,000,000	12-22-2023	12-23-2024	5.57%	15,234,446	14,964
XS2764433640	10,000,000	10,000,000	02-15-2024	02-15-2029	6.86%	10,087,864	9,909
XS2764264433	10,000,000	10,000,000	02-16-2024	02-16-2029	6.84%	10,085,699	9,907
XS2765503144	10,000,000	10,000,000	02-16-2024	02-16-2028	6.61%	10,082,824	9,904
Fair value adjustment (fair value hedge)						(60,607,878)	(59,535)
Subtotal	**1,734,000,000**	**1,734,000,000**				**1,675,612,738**	**1,645,919**

CURRENT BONDS FOREIGN CURRENCY EURO							
Series	Amount issued	Amount placed	Issuance Date	Maturity Date	Average rate	Balance due	Balance due
	EU	EU				EU	MCh$
XS1493734971	20,000,000	20,000,000	09-23-2016	09-23-2024	0.89%	20,072,104	21,296
Fair value adjustment (fair value hedge)						-	-
Subtotal	**20,000,000**	**20,000,000**				**20,072,104**	**21,296**

CURRENT BONDS FOREIGN CURRENCY AUD							
Series	Amount issued	Amount placed	Issuance Date	Maturity Date	Average rate	Balance due	Balance due
	AUD	AUD				AUD	MCh$
XS1717587007	80,000,000	80,000,000	11-15-2017	11-15-2027	4.15%	80,887,785	51,812
XS1859545367	40,000,000	40,000,000	07-25-2018	07-25-2033	4.67%	41,021,208	26,276
XS1879612973	60,000,000	60,000,000	09-14-2018	09-14-2033	4.65%	61,086,950	39,129
XS1897619968	40,000,000	40,000,000	10-24-2018	10-24-2033	4.70%	40,282,674	25,803
XS2087687435	30,000,000	30,000,000	02-12-2019	03-12-2029	4.68%	29,946,635	19,182
Fair value adjustment (fair value hedge)						(3,340,227)	(2,140)
Subtotal	**250,000,000**	**250,000,000**				**249,885,025**	**160,062**

CURRENT BONDS FOREIGN CURRENCY SWISS FRANC							
Series	Amount issued	Amount placed	Issuance Date	Maturity Date	Average rate	Balance due	Balance due
	CHF	CHF				CHF	MCh$
CH0471298007	175,000,000	175,000,000	05-22-2019	11-22-2024	0.32%	175,130,115	190,823
CH0494734376	100,000,000	100,000,000	09-24-2019	09-24-2029	0.22%	99,592,868	108,517
CH0505011889	105,000,000	105,000,000	10-29-2019	10-29-2025	0.25%	104,784,500	114,174
CH0506071239	125,000,000	125,000,000	03-18-2020	09-18-2026	0.10%	124,501,813	135,658
CH1120085696	100,000,000	100,000,000	07-15-2021	12-15-2026	0.39%	99,415,760	108,324
CH1142512339	200,000,000	200,000,000	01-26-2022	04-26-2027	0.60%	199,683,624	217,577
CH1248666963	135,000,000	135,000,000	03-22-2023	03-22-2028	2.89%	133,597,537	145,569
Fair value adjustment (fair value hedge)						(2,925,316)	(3,187)
Subtotal	**940,000,000**	**940,000,000**				**933,780,901**	**1,017,455**

CURRENT BONDS FOREIGN CURRENCY YEN							
Series	Amount issued	Amount placed	Issuance Date	Maturity Date	Average rate	Balance due	Balance due
	YEN	YEN				YEN	MCh$
XS1830985781	5,000,000,000	5,000,000,000	06-01-2018	12-01-2028	0.75%	4,983,425,772	32,369
XS2424489958	5,000,000,000	5,000,000,000	01-07-2022	01-07-2027	0.50%	4,967,341,379	32,264
Fair value adjustment (fair value hedge)						(59,482,525)	(386)
Subtotal	**10,000,000,000**	**10,000,000,000**				**9,891,284,626**	**64,247**
Total current bonds							**8,521,738**

c) As of December 31, 2023, current bonds are as follows:

CURRENT BONDS IN PESOS							
Series	Amount issued Ch$	Amount placed Ch$	Issuance date	Maturity Date	Average rate	Balance due Ch$	Balance due MCh$
SERIE_O1	100,000,000,000	100,000,000,000	12-01-2020	12-01-2025	8.25%	91,356,131,225	91,356
SERIE_O2	100,000,000,000	100,000,000,000	12-01-2020	12-01-2026	7.11%	89,859,185,371	89,859
SERIE_O3	100,000,000,000	100,000,000,000	12-01-2020	12-01-2027	5.49%	92,041,901,300	92,042
SERIE_Q1	50,000,000,000	50,000,000,000	09-01-2022	03-01-2025	7.20%	51,731,012,933	51,731
SERIE_T1	35,000,000,000	8,500,000,000	02-01-2023	02-01-2027	7.05%	8,538,581,498	8,539
SERIE_T2	35,000,000,000	32,500,000,000	02-01-2023	08-01-2027	6.36%	33,105,552,678	33,106
SERIE_T3	35,000,000,000	35,000,000,000	02-01-2023	02-01-2028	6.52%	35,464,004,196	35,464
SERIE_T4	35,000,000,000	35,000,000,000	02-01-2023	02-01-2029	6.80%	34,829,304,657	34,829
SERIE_T5	35,000,000,000	35,000,000,000	02-01-2023	02-01-2031	6.58%	34,951,550,818	34,952
SERIE_T6	35,000,000,000	35,000,000,000	02-01-2023	02-01-2033	6.24%	35,592,514,054	35,593
SERIE_V5	12,500,000,000	12,500,000,000	07-01-2023	01-01-2030	6.47%	12,646,998,552	12,647
SERIE_W5	9,000,000,000	9,000,000,000	07-01-2023	07-01-2032	6.23%	9,194,249,562	9,194
Fair value adjustment (fair value hedge)						11,327,582,066	11,328
Subtotal	**581,500,000,000**	**552,500,000,000**				**540,638,568,910**	**540,640**

CURRENT BONDS IN UNIDADES DE FOMENTO							
Series	Amount issued UF	Amount placed UF	Issuance Date	Maturity Date	Average Rate	Balance due UF	Balance due MCh$
SERIE_AI2	5,000,000	-	03-01-2014	03-01-2024	0.00%	-	-
SERIE_AJ2	20,000,000	20,000,000	10-01-2014	10-01-2024	2.23%	20,062,812	738,098
SERIE_AL3	3,000,000	3,000,000	06-01-2016	06-01-2024	2.40%	3,007,451	110,642
SERIE_AL4	3,000,000	3,000,000	06-01-2016	06-01-2028	2.36%	3,025,109	111,292
SERIE_AL5	3,000,000	3,000,000	06-01-2016	06-01-2031	2.50%	3,008,958	110,698
SERIE_AN2	3,000,000	3,000,000	12-01-2016	12-01-2024	1.95%	3,006,368	110,602
SERIE_AN3	3,000,000	3,000,000	12-01-2016	12-01-2026	2.00%	3,005,587	110,574
SERIE_A2	3,000,000	3,000,000	04-01-2017	04-01-2027	2.18%	2,999,067	110,334
SERIE_C3	3,000,000	3,000,000	07-01-2017	07-01-2025	2.28%	3,018,149	111,036
SERIE_C4	3,000,000	3,000,000	07-01-2017	07-01-2026	2.42%	3,000,547	110,388
SERIE_D2	3,000,000	3,000,000	11-01-2017	11-01-2025	2.04%	3,008,069	110,665
SERIE_D3	3,000,000	3,000,000	11-01-2017	11-01-2028	2.34%	2,964,929	109,078
SERIE_D4	3,000,000	3,000,000	11-01-2017	11-01-2029	2.45%	2,938,846	108,118
SERIE_F2	3,000,000	3,000,000	04-01-2018	04-01-2024	1.60%	3,017,901	111,027
SERIE_F3	3,000,000	3,000,000	04-01-2018	04-01-2025	2.00%	3,015,187	110,927
SERIE_F4	3,000,000	3,000,000	04-01-2018	04-01-2028	2.17%	2,995,469	110,201
SERIE_F5	3,000,000	3,000,000	04-01-2018	04-01-2029	2.36%	2,963,609	109,029
Serie_G1	3,000,000	3,000,000	06-01-2018	06-01-2025	1.47%	3,027,303	111,373
Serie_G2	3,000,000	3,000,000	06-01-2018	06-01-2026	1.09%	3,070,057	112,945
Serie_G3	3,000,000	3,000,000	06-01-2018	06-01-2029	2.10%	2,991,040	110,038
SERIE_I1	3,000,000	3,000,000	02-01-2019	02-01-2028	0.70%	3,181,716	117,053
SERIE_I2	3,000,000	3,000,000	02-01-2019	02-01-2029	0.72%	3,218,523	118,407
SERIE_I3	3,000,000	3,000,000	02-01-2019	02-01-2030	1.19%	3,167,520	116,531
SERIE_K2	3,000,000	1,450,000	05-01-2019	05-01-2025	1.90%	1,456,832	53,596
SERIE_K4	3,000,000	3,000,000	05-01-2019	05-01-2029	0.45%	3,254,800	119,742
SERIE_M3	3,000,000	3,000,000	10-01-2019	10-01-2028	-0.09%	3,238,352	119,137
SERIE_M4	3,000,000	3,000,000	10-01-2019	10-01-2029	-0.31%	3,326,632	122,385
SERIE_M5	3,000,000	3,000,000	10-01-2019	10-01-2030	0.27%	3,257,888	119,856
SERIE_N1	3,000,000	3,000,000	12-01-2020	06-01-2027	2.05%	2,950,341	108,541
SERIE_N2	3,000,000	3,000,000	12-01-2020	12-01-2027	2.76%	2,866,450	105,455
SERIE_N3	3,000,000	3,000,000	12-01-2020	12-01-2028	2.25%	2,900,850	106,720
SERIE_N4	3,000,000	3,000,000	12-01-2020	12-01-2030	2.84%	2,756,581	101,413
SERIE_P1	3,000,000	3,000,000	10-01-2021	10-01-2031	2.55%	3,119,801	114,775
SERIE_P2	3,000,000	3,000,000	10-01-2021	10-01-2032	3.04%	3,017,754	111,021
SERIE_P3	3,000,000	3,000,000	10-01-2021	10-01-2033	2.75%	3,091,596	113,738
SERIE_P4	3,000,000	3,000,000	10-01-2021	10-01-2035	2.59%	3,146,005	115,740
SERIE_P5	3,000,000	3,000,000	10-01-2021	10-01-2036	2.63%	3,146,860	115,771
SERIE_R1	1,000,000	1,000,000	09-01-2022	03-01-2028	2.85%	1,016,526	37,397
SERIE_R2	1,000,000	1,000,000	09-01-2022	09-01-2028	2.80%	1,019,325	37,500
SERIE_R3	1,000,000	1,000,000	09-01-2022	03-01-2029	2.80%	1,020,404	37,540
SERIE_S4	2,000,000	735,000	02-01-2023	02-01-2031	2.92%	748,816	27,548
SERIE_U3	3,000,000	1,850,000	02-01-2023	08-01-2034	3.31%	1,826,119	67,182
SERIE_U4	3,000,000	3,000,000	02-01-2023	02-01-2035	3.32%	2,955,347	108,725
Fair value adjustment (fair value hedge)						(1,028,540)	(37,839)
Subtotal	**141,000,000**	**132,035,000**				**132,782,956**	**4,884,999**

CURRENT BONDS FOREIGN CURRENCY US DOLLAR							
Series	Amount issued US$	Amount placed US$	Issuance Date	Maturity Date	Average rate	Balance due US$	Balance due MCh$
US05890MAA18	500,000,000	500,000,000	10-12-2017	12-10-2027	3.65%	499,278,365	436,619
XS1879614755	50,000,000	50,000,000	09-13-2018	03-13-2024	3.85%	50,559,500	44,214
XS1888335194	100,000,000	100,000,000	04-10-2018	04-04-2024	4.02%	100,925,950	88,260
XS1895749593	45,000,000	45,000,000	10-19-2018	04-19-2024	4.03%	45,339,121	39,649
XS1984711355	10,000,000	10,000,000	04-23-2019	04-23-2024	3.13%	10,118,950	8,849
XS2012024696	50,000,000	50,000,000	06-14-2019	06-14-2029	3.32%	49,810,145	43,559
XS2024766276	50,000,000	50,000,000	07-10-2019	07-10-2029	3.21%	50,488,456	44,152
XS2047630970	10,000,000	10,000,000	08-28-2019	08-28-2024	3.29%	10,048,850	8,788
XS2085920416	20,000,000	20,000,000	02-12-2019	02-06-2025	3.82%	20,036,184	17,522
XS2318617185	54,000,000	54,000,000	03-17-2021	03-12-2029	2.37%	53,600,611	46,874
XS2337108497	10,000,000	10,000,000	04-27-2021	04-27-2026	4.54%	10,066,971	8,804
XS2357310379	10,000,000	10,000,000	06-23-2021	06-23-2031	2.60%	9,915,331	8,671
XS2377687442	10,000,000	10,000,000	08-18-2021	08-18-2031	2.53%	9,998,229	8,743
XS2387450393	30,000,000	30,000,000	09-16-2021	09-16-2026	5.35%	29,898,779	26,146
XS2388190592	10,000,000	10,000,000	09-21-2021	09-21-2026	5.18%	9,940,721	8,693
XS2384719667	133,000,000	133,000,000	09-24-2021	09-24-2026	1.89%	132,646,790	116,000
XS2389126280	10,000,000	10,000,000	09-27-2021	09-27-2031	2.42%	9,973,130	8,722
US05890MAB90	500,000,000	500,000,000	10-14-2021	10-14-2031	3.08%	490,943,009	429,329
XS2398895651	17,000,000	17,000,000	10-19-2021	10-19-2026	5.30%	17,113,870	14,966
XS2402142371	20,000,000	20,000,000	10-27-2021	10-27-2028	5.78%	20,092,714	17,571
XS2407022313	20,000,000	20,000,000	01-12-2021	01-12-2026	5.43%	19,982,275	17,474
XS2454830824	10,000,000	10,000,000	03-10-2022	03-10-2029	6.07%	9,945,803	8,698
XS2457006521	25,000,000	25,000,000	03-15-2022	03-15-2027	5.89%	24,905,311	21,780
XS2668166775	35,000,000	35,000,000	08-18-2023	08-18-2028	6.71%	34,959,041	30,572
XS2697475015	10,000,000	10,000,000	09-28-2023	09-28-2028	6.60%	10,007,455	8,752
XS2737616164	15,000,000	15,000,000	12-22-2023	12-23-2024	5.57%	15,023,213	13,138
Fair value adjustment (fair value hedge)						(44,938,777)	(39,301)
Subtotal	**1,754,000,000**	**1,754,000,000**				**1,700,679,997**	**1,487,244**

CURRENT BONDS FOREIGN CURRENCY EURO							
Series	Amount issued	Amount placed	Issuance Date	Maturity Date	Average rate	Balance due	Balance due
	EU	EU				EU	MCh$
XS1493734971	20,000,000	20,000,000	09-23-2016	09-23-2024	0.89%	20,020,592	19,352
Fair value adjustment (fair value hedge)						-	-
Subtotal	**20,000,000**	**20,000,000**				**20,020,592**	**19,352**

CURRENT BONDS FOREIGN CURRENCY AUD							
Series	Amount issued	Amount placed	Issuance Date	Maturity Date	Average rate	Balance due	Balance due
	AUD	AUD				AUD	MCh$
XS1717587007	80,000,000	80,000,000	11-15-2017	11-15-2027	4.15%	80,019,874	47,683
XS1859545367	40,000,000	40,000,000	07-25-2018	07-25-2033	4.67%	40,536,458	24,155
XS1879612973	60,000,000	60,000,000	09-14-2018	09-14-2033	4.65%	60,363,164	35,969
XS1897619968	40,000,000	40,000,000	10-24-2018	10-24-2033	4.70%	39,796,505	23,714
XS2087687435	30,000,000	30,000,000	02-12-2019	03-12-2029	4.68%	29,930,750	17,835
Fair value adjustment (fair value hedge)						(3,397,951)	(2,025)
Subtotal	**250,000,000**	**250,000,000**				**247,248,800**	**147,331**

CURRENT BONDS FOREIGN CURRENCY SWISS FRANC							
Series	Amount issued	Amount placed	Issuance Date	Maturity Date	Average rate	Balance due	Balance due
	CHF	CHF				CHF	MCh$
CH0471298007	175,000,000	175,000,000	05-22-2019	11-22-2024	0.32%	174,903,968	181,633
CH0494734376	100,000,000	100,000,000	09-24-2019	09-24-2029	0.22%	99,496,038	103,324
CH0505011889	105,000,000	105,000,000	10-29-2019	10-29-2025	0.25%	104,662,400	108,689
CH0506071239	125,000,000	125,000,000	03-18-2020	09-18-2026	0.10%	124,402,763	129,189
CH1120085696	100,000,000	100,000,000	07-15-2021	12-15-2026	0.39%	99,248,109	103,067
CH1142512339	200,000,000	200,000,000	01-26-2022	04-26-2027	0.60%	199,244,642	206,911
CH1248666963	135,000,000	135,000,000	03-22-2023	03-22-2028	2.89%	136,417,941	141,667
Fair value adjustment (fair value hedge)						(3,483,532)	(3,618)
Subtotal	**940,000,000**	**940,000,000**				**934,892,329**	**970,862**

CURRENT BONDS FOREIGN CURRENCY YEN							
Series	Amount issued	Amount placed	Issuance Date	Maturity Date	Average rate	Balance due	Balance due
	YEN	YEN				YEN	MCh$
XS1830985781	5,000,000,000	5,000,000,000	06-01-2018	12-01-2028	0.75%	4,972,098,872	30,841
XS2424489958	5,000,000,000	5,000,000,000	01-07-2022	01-07-2027	0.50%	4,969,225,046	30,823
Fair value adjustment (fair value hedge)						(44,621,233)	(277)
Subtotal	**10,000,000,000**	**10,000,000,000**				**9,896,702,685**	**61,387**
Total current bonds							**8,111,815**

d) As of March 31, 2024 and December 31, 2023 the maturity of current bonds is as follows:

	March 31, 2024		
	Long-term	Short-term	Total
	MCh$	MCh$	MCh$
Short and long-term maturity			
Current bonds	6,994,022	1,527,716	8,521,738
Total	**6,994,022**	**1,527,716**	**8,521,738**

	December 31, 2023		
	Long-term	Short- term	Total
	MCh$	MCh$	MCh$
Short and long-term maturity			
current bonds	6,637,563	1,474,252	8,111,815
Total	**6,637,563**	**1,474,252**	**8,111,815**

e) As of March 31, 2024 and December 31, 2023 the securities under sale and repurchase agreements are as follows:

Entity type	Maturity as of March 31, 2024							
	On demand	Up to 1 month	From 1 to 3 months	From 3 months to 1 year	From 1 to 3 years	From 3 to 5 years	Over 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Transactions with domestic banks								
Repurchase agreements with other banks	-	40,036	-	-	-	-	-	**40,036**
Repurchase agreements with the Central Bank of Chile	-	-	-	-	-	-	-	-
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**40,036**	**-**	**-**	**-**	**-**	**-**	**40,036**
Transactions with foreign banks								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with foreign central banks	-	-	-	-	-	-	-	-
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transactions with other domestic entities								
Repurchase agreement	-	627,546	2,546	2,104	-	-	-	**632,196**
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**627,546**	**2,546**	**2,104**	**-**	**-**	**-**	**632,196**
Transactions with other foreign entities								
Repurchase agreement	-	34,494	-	-	-	-	-	34,494
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**34,494**	**-**	**-**	**-**	**-**	**-**	**34,494**
Total	**-**	**702,076**	**2,546**	**2,104**	**-**	**-**	**-**	**706,726**

Entity type	Maturity of the commitment as of December 31, 2023							
	On demand	Up to 1 month	From 1 to 3 months	From 3 months to 1 year	From 1 to 3 years	From 3 to 5 years	Over 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Transactions with domestic banks								
Repurchase agreements with other banks	-	107,171	-	-	-	-	-	**107,171**
Repurchase agreements with the Central Bank of Chile	-	-	-	-	-	-	-	-
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**107,171**	**-**	**-**	**-**	**-**	**-**	**107,171**
Transactions with foreign banks								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with foreign central banks	-	-	-	-	-	-	-	-
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transactions with other domestic entities								
Repurchase agreement	-	571,123	2,056	2,089	-	-	-	**575,268**
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**571,123**	**2,056**	**2,089**	**-**	**-**	**-**	**575,268**
Transactions with other foreign entities								
Repurchase agreement	-	23,926	258	-	-	-	-	**24,184**
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**23,926**	**258**	**-**	**-**	**-**	**-**	**24,184**
Total	**-**	**702,220**	**2,314**	**2,089**	**-**	**-**	**-**	**706,623**

NOTE 23 – REGULATORY CAPITAL FINANCIAL INSTRUMENTS ISSUED

a) As of March 31, 2024 and December 31, 2023 the Bank and its subsidiaries do not record any default in the payment of their obligations with banks or any other associated breaches.

b) As of March 31, 2024 and December 31, 2023 the detail of the regulatory capital financial instruments issued is as follows:

	March 31, 2024	December 31, 2023
	MCh$	MCh$
Regulatory capital financial instruments issued		
Subordinated bonds	1,570,212	1,551,291
Bonds without fixed maturity	474,523	-
Preferred stock	-	-
Total	**2,044,735**	**1,551,291**

c) As of March 31, 2024 and December 31, 2023, movements in regulatory capital financial instruments issued are detailed as follows:

	Regulatory capital financial instruments issued		
	Subordinated bonds	Bonds without fixed maturity	Preferred stock
	MCh$	MCh$	MCh$
Balances as of January 1, 2024	**1,551,291**	**-**	-
New issues	-	484,085	-
Acquisition or redemption by the issuer	-	-	-
Modification of the issuance conditions	-	-	-
Payment of interest to the holder	(7,078)	-	-
Payment of principal to the holder	-	-	-
Accrued interest	13,132	-	-
Inflation-indexation accrued by the UF and/or the exchange rate	12,867	-	-
Foreign currency translation differences	-	7,055	-
Depreciation	-	-	-
Revaluation	-	-	-
Maturity	-	-	-
Conversion to common stock	-	-	-
Other	-	(16,617)	-
Balances as of March 31, 2024	**1,570,212**	**474,523**	**-**

	Regulatory capital financial instruments issued		
	Subordinated bonds	Bonds without fixed maturity	Preferred stock
	MCh$	MCh$	MCh$
Balances as of January 1, 2023	**1,499,299**	-	-
New issues	-	-	-
Acquisition or redemption by the issuer	-	-	-
Modification of the issuance conditions	-	-	-
Payment of interest to the holder	(71,499)	-	-
Payment of principal to the holder	-	-	-
Accrued interest	82,877	-	-
Inflation-indexation accrued by the UF and/or the exchange rate	63,148	-	-
Foreign currency translation differences	-	-	-
Depreciation	-	-	-
Revaluation	-	-	-
Maturity	-	-	-
Conversion to common stock	-	-	-
Other	(22,534)	-	-
Balances as of December 31, 2023	**1,551,291**	**-**	**-**

d) As of March 31, 2024 and December 31, 2023, subordinated bonds are as follows:

SUBORDINATED BONDS IN UNIDADES DE FOMENTO
As of March 31, 2024

Series	Amount issued UF	Amount placed UF	Issuance date	Maturity date	Issue term (years)	Average rate	Balance due UF	Balance due MCh$
SERIE_AD1	4,000,000	4,000,000	06-01-2010	06-01-2040	30	4.17%	3,749,647	139,088
SERIE_AD2	3,000,000	3,000,000	06-01-2010	06-01-2042	32	4.14%	2,787,380	103,394
SERIE_F	1,200,000	1,200,000	05-01-1999	05-01-2024	25	7.73%	52,002	1,929
SERIE_G	400,000	400,000	05-01-1999	05-01-2025	26	7.92%	50,068	1,857
SERIE_L	1,200,000	1,200,000	10-01-2001	10-01-2026	25	6.39%	279,426	10,365
SERIE_M	1,800,000	1,800,000	10-01-2001	10-01-2027	26	6.43%	529,575	19,644
SERIE_N	1,500,000	1,500,000	06-01-2004	06-01-2029	25	5.25%	553,137	20,518
SERIE_O	1,500,000	1,500,000	06-01-2004	06-01-2030	26	3.93%	572,909	21,251
SERIE_R	1,500,000	1,500,000	06-01-2005	06-01-2038	33	4.72%	884,081	32,794
SERIE_S	2,000,000	2,000,000	12-01-2005	12-01-2030	25	4.86%	835,991	31,010
SERIE_T	2,000,000	2,000,000	12-01-2005	12-01-2031	26	4.52%	922,572	34,221
SERIE_U	2,000,000	2,000,000	06-01-2007	06-01-2032	25	4.19%	1,792,134	66,477
SERIE_W	4,000,000	4,000,000	06-01-2008	06-01-2036	28	4.05%	2,466,520	91,492
SERIE_Y	4,000,000	4,000,000	12-01-2007	12-01-2030	23	4.25%	3,029,848	112,388
SERIE_AC	6,000,000	6,000,000	03-01-2010	03-01-2040	30	3.96%	5,577,892	206,904
SERIE_AH	15,000,000	9,000,000	09-01-2013	09-01-2043	30	3.63%	8,044,087	298,381
SERIE_B1S	3,000,000	3,000,000	12-01-2019	12-01-2039	20	1.32%	3,309,274	122,753
SERIE_B2S	3,000,000	3,000,000	12-01-2019	12-01-2044	25	1.30%	3,401,254	126,164
SERIE_B3S	3,000,000	3,000,000	12-01-2019	12-01-2049	30	1.28%	3,493,381	129,582
Total subordinated bonds	**60,100,000**	**54,100,000**					**42,331,178**	**1,570,212**

SUBORDINATED BONDS IN UNIDADES DE FOMENTO
As of December 31, 2023

Series	Amount issued UF	Amount placed UF	Issuance date	Maturity date	Issue term (years)	Average rate	Balance due UF	Balance due MCh$
SERIE_AD1	4,000,000	4,000,000	01-01-2010	06-01-2040	30	4.17%	3,711,637	136,549
SERIE_AD2	3,000,000	3,000,000	01-01-2010	06-01-2042	32	4.14%	2,759,335	101,514
SERIE_F	1,200,000	1,200,000	01-01-1999	05-01-2024	25	7.73%	51,047	1,878
SERIE_G	400,000	400,000	01-01-1999	05-01-2025	26	7.92%	49,126	1,807
SERIE_L	1,200,000	1,200,000	01-01-2001	10-01-2026	25	6.39%	275,145	10,122
SERIE_M	1,800,000	1,800,000	01-01-2001	10-01-2027	26	6.43%	521,411	19,182
SERIE_N	1,500,000	1,500,000	01-01-2004	06-01-2029	25	5.25%	546,116	20,091
SERIE_O	1,500,000	1,500,000	01-01-2004	06-01-2030	26	3.93%	567,418	20,875
SERIE_R	1,500,000	1,500,000	01-01-2005	06-01-2038	33	4.72%	873,967	32,153
SERIE_S	2,000,000	2,000,000	12-01-2005	12-01-2030	25	4.86%	826,173	30,394
SERIE_T	2,000,000	2,000,000	12-01-2005	12-01-2031	26	4.52%	912,457	33,569
SERIE_U	2,000,000	2,000,000	06-01-2007	06-01-2032	25	4.19%	1,773,900	65,261
SERIE_W	4,000,000	4,000,000	06-01-2008	06-01-2036	28	4.05%	2,442,224	89,848
SERIE_Y	4,000,000	4,000,000	12-01-2007	12-01-2030	23	4.25%	2,998,572	110,316
SERIE_AC	6,000,000	6,000,000	03-01-2010	03-01-2040	30	3.96%	5,714,810	210,244
SERIE_AH	15,000,000	9,000,000	09-01-2013	09-01-2043	30	3.63%	7,972,388	293,299
SERIE_B1S	3,000,000	3,000,000	12-01-2019	12-01-2039	20	1.32%	3,298,472	121,349
SERIE_B2S	3,000,000	3,000,000	12-01-2019	12-01-2044	25	1.30%	3,390,317	124,728
SERIE_B3S	3,000,000	3,000,000	12-01-2019	12-01-2049	30	1.28%	3,482,318	128,112
Total subordinated bonds	**60,100,000**	**54,100,000**					**42,166,833**	**1,551,291**

NOTE 24 – PROVISIONS FOR CONTINGENCIES

a) As of March 31, 2024 and December 31, 2023 the provisions for contingencies are comprised of the following:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Provisions for employee benefit obligations	90,600	147,545
Provisions recorded by a foreign bank branch for remittances of profits to its parent	-	-
Provisions for restructuring plans	-	-
Provisions for lawsuits and litigation	4,757	4,732
Provisions for obligations related to customer loyalty and merit-based programs	8,444	8,839
Provisions for operational risk	493	496
Other provisions for other contingencies	31,877	38,163
Total	**136,171**	**199,775**

b) As of March 31, 2024 and December 31, 2023 the provisions for employee benefit obligations are as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Provision for short-term employee benefits	60,578	112,381
Provision for post-employment employee benefits	-	-
Provision for long-term employee benefits	-	-
Provision for employee termination benefits	332	514
Provision for share-based or equity payments to employees	-	-
Provision for defined contribution post-employment plans	-	-
Provision for post-employment defined benefit plans	-	-
Provision for other personnel liabilities	29,690	34,650
Total	**90,600**	**147,545**

c) As of March 31, 2024 and December 31, 2023 movements in the provision for performance bonuses are as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Balance as of January 1,	**92,552**	**85,420**
Provisions recorded	27,264	78,715
Provisions accrued	(76,004)	(70,414)
Provisions used	(3,653)	(2,090)
Other changes	3,954	921
Total	**44,113**	**92,552**

d) As of March 31, 2024 and December 31, 2023 movements in the provision for accrued vacations are as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Balance as of January 1,	**22,149**	**21,391**
Provisions recorded	4,504	16,232
Provisions accrued	(8,441)	(17,285)
Provisions used	-	-
Other changes	490	1,811
Total	**18,702**	**22,149**

NOTE 25 – PROVISIONS FOR DIVIDENDS. INTEREST PAYMENTS AND REVALUATION OF REGULATORY CAPITAL FINANCIAL INSTRUMENTS

a) As of December 31, 2023 and 202, the detail of the provisions for dividends, interest payments and revaluation of regulatory capital financial instruments is as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Provisions for dividends. Interest payment and revaluation of regulatory capital financial instruments issued		
Provisions for dividends	266,970	204,740
Provision for interest payment on bonds without fixed maturity	6,327	-
Provision for revaluation of bonds without fixed maturity	-	-
Total	**273,297**	**204,740**

b) As of March 31, 2024 and December 31, 2023, movements in provisions for dividends. Interest payments and revaluation of regulatory capital financial instruments are detailed as follows:

	Provisions				
	Provisions for dividends		Provision for interest payment on bonds without maturity date	Provision for revaluation of bonds without maturity date	Total
	Common stock	Preferred stock			
	MCh$	MCh$	MCh$	MCh$	MCh$
Balances as of January 1, 2024	**204,740**	-	-	-	**204,740**
Provisions recorded	266,970	-	6,327	-	**273,297**
Provisions accrued	(204,740)	-	-	-	**(204,740)**
Provisions used	-	-	-	-	-
Balance as of March 31, 2024	**266,970**	**-**	**6,327**	**-**	**273,297**

	Provisions				
	Provisions for dividends		Provision for interest payment on bonds without maturity date	Provision for revaluation of bonds without maturity date	Total
	Common stock	Preferred stock			
	MCh$	MCh$	MCh$	MCh$	MCh$
Balances as of January 1, 2023	**246,247**	-	-	-	**246,247**
Provisions recorded	204,740	-	-	-	204,740
Provisions accrued	(246,247)	-	-	-	(246,247)
Release of provisions	-	-	-	-	-
Balance as of December 31, 2023	**204,740**	**-**	**-**	**-**	**204,740**

NOTE 26 – SPECIAL PROVISIONS FOR CREDIT LOSS

a) As of March 31, 2024 and December 31, 2023, special provisions for credit loss are as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Provisions for credit loss for contingent loans	69,821	63,786
Provisions for country risk for operations with debtors domiciled abroad	6,270	4,950
Special provisions for foreign loans	-	-
Additional provisions for loans (*)	365,536	375,900
Provisions for adjustments to the minimum required provision for normal portfolio assessed on a stand-alone basis	-	7,762
Provisions accrued for credit loss as a result of complementary prudential requirements	-	-
Total	**441,627**	**452,398**

(*) These provisions are determined as described in Note 2 y).

b) As of March 31, 2024 and December 31, 2023, the composition of special provisions for credit risk for contingent credits are as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Provisions for credit loss for contingent loans		
Guarantors and surety bonds	3,510	1,687
Confirmed foreign letters of credit	1,624	1,083
Documentary letters of credit issued	-	-
Transactions related to contingent events	23,903	22,857
Subtotal	**29,037**	**25,627**
Undrawn lines of credit in:		
Current account - business portfolio	20,378	18,106
Credit card - business portfolio	4,169	3,879
Current account - consumer portfolio	1,618	1,650
Credit card - consumer portfolio	2	7
Subtotal	**26,167**	**23,642**
Other credit commitments		
Credits for higher education Law No. 20,027 (CAE)	4	3
Other irrevocable credit commitments	7,394	7,541
Subtotal	**7,398**	**7,544**
Undrawn credit lines with immediate termination in:		
Current account – business portfolio	-	-
Credit card – business portfolio	-	-
Current account – consumer portfolio	138	124
Credit card – consumer portfolio	7,081	6,849
Subtotal	**7,219**	**6,973**
Commitments to acquire debt in local currency abroad	-	-
Other contingent loans	-	-
Provisions for country risk for operations with debtors domiciled abroad	6,270	4,950
Special provisions for loans abroad	-	-
Additional provisions for loans	365,536	375,900
Provisions for adjustments to the minimum required provision for normal portfolio assessed on a stand-alone basis	-	7,762
Provisions accrued for credit loss as a result of complementary prudential requirements	-	-
Subtotal	**371,806**	**388,612**
Total	**441,627**	**452,398**

c) As of March 31, 2024 and December 31, 2023, movements in special provisions for credit loss are as follows:

	Credit risk for contingent loans	Country risk for transactions with debtors domiciled abroad	Special provisions for loans abroad	Additional provisions for loans	Adjustments to provisions for adjustments to the minimum required provision for normal portfolio assessed on a stand-alone basis	Provisions accrued for credit loss as a result of complementary prudential requirements	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Balance as of January 1, 2024	63,786	4,950	-	375,900	7,762	-	452,398
Provisions recorded	6,730	802	-	-	1	-	7,533
Provisions accrued	-	-	-	-	-	-	-
Provisions used	(3,832)	-	-	(12,447)	(7,763)	-	(24,042)
Exchange rate variation	3,137	518	-	2,083	-	-	5,738
Balance as of March 31, 2024	**69,821**	**6,270**	**-**	**365,536**	**-**	**-**	**441,627**

	Credit risk for contingent loans	Country risk for transactions with debtors domiciled abroad	Special provisions for loans abroad	Additional provisions for loans	Adjustments to provisions for adjustments to the minimum required provision for normal portfolio assessed on a stand-alone basis	Provisions accrued for credit loss as a result of complementary prudential requirements	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Balance as of January 1, 2023	**60,252**	**4,716**	**-**	**415,022**	**11,065**	**-**	**491,055**
Provisions recorded	10,437	1,522	-	10,700	1,007	-	**23,666**
Provisions accrued	-	-	-	-	-	-	**-**
Provisions used	(7,684)	(1,412)	-	(50,000)	(4,310)	-	**(63,406)**
Exchange rate variation	781	124	-	178	-	-	**1,083**
Balance as of December 31, 2023	**63,786**	**4,950**	**-**	**375,900**	**7,762**	**-**	**452,398**

NOTE 27 – OTHER LIABILITIES

a) As of March 31, 2024 and December 31, 2023, other liabilities are as follows:

	March 31, 2024 MCh$	December 31, 2023 MCh$
Cash guarantees received for derivative financial operations	744,183	647,548
Creditors for brokerage of financial instruments	-	-
Accounts payable to third parties	1,438,155	1,367,201
Accounts receivable from subsidiaries for services rendered (applicable only at individual bank level)	-	-
Agreed dividends payable	-	-
Valuation adjustments for macro hedges	7,066	9,111
Liability for revenue from contract with customers	48,177	48,922
VAT fiscal debit payable	18,866	19,185
Other cash collateral received	-	-
Pending transactions	24,603	28,686
Other liabilities	14,388	11,026
Total	**2,295,438**	**2,131,679**

NOTE 28 – EQUITY

a) Paid-in capital and shares

The changes in common shares as of March 31, 2024 and December 31, 2023, are as follows:

	March 31, 2024 Number	December 31, 2023 Number
Shares issued as of January 1	218,604,259	168,837,345
Issuance of bonus shares	-	21,700,678
Shares subscribed and paid for capital increase	-	28,066,236
Total issued	**218,604,259**	**218,604,259**

b) Shareholders

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

As of March 31, 2024	Shares	
	Number of shares	Ownership %
Empresas Juan Yarur S.P.A. (Parent)	121,017,770	55.36%
Banco de Chile por cuenta de terceros no residentes	12,393,007	5.67%
Banco Santander por cuenta de Inversionistas Extranjeros	6,623,819	3.03%
Banchile Corredores de Bolsa S.A.	5,874,328	2.69%
AFP Habitat S.A	5,415,286	2.48%
BCI Corredores de Bolsa S.A. por cuenta de terceros	4,796,195	2.19%
AFP Cuprum S.A.	4,457,906	2.04%
AFP Capital S.A.	4,390,667	2.01%
AFP Provida S.A	4,010,350	1.83%
Inversiones Cerro Sombrero Financiero S.P.A.	3,719,525	1.70%
Imsa Financiera S.P.A.	3,262,820	1.49%
Inversiones Nueva Altamira S.P.A	3,059,664	1.40%
Inversiones VYR S.P.A.	2,491,841	1.14%
Larraín Vial S.A. Corredora de Bolsa	2,479,250	1.13%
AFP Modelo S.A	2,011,409	0.92%
Inversiones Tarascona Corporation Agencia en Chile	1,977,063	0.90%
Jorge Juan Yarur Bascuñán	1,832,768	0.84%
Bolsa de Comercio de Santiago Bolsa de Valores	1,508,381	0.69%
AFP Planvital S.A.	1,391,211	0.64%
BTG Pactual Chile S.A. Corredores de Bolsa	1,250,571	0.57%
Empresas JY S.A.	1,202,436	0.55%
Credicorp Capital S.A. Corredores de Bolsa	1,158,342	0.53%
Inversiones Colibrí Financiera S.A.	1,020,858	0.47%
Santander Corredores de Bolsa	790,435	0.36%
BICE Inversiones Corredores de Bolsa S.A.	779,793	0.36%
Other shareholders	19,688,564	9.01%
Subscribed and paid-in shares	**218,604,259**	**100.00%**

As of December 31, 2023	Shares	
	Number of shares	Ownership %
Empresas Juan Yarur S.P.A. (Parent)	121,017,770	55.36%
Banco de Chile por cuenta de terceros no residentes	12,600,822	5.76%
Banco Santander por cuenta de Inversionistas Extranjeros	5,886,104	2.69%
Banchile Corredores de Bolsa S.A.	5,625,248	2.57%
AFP Habitat S.A	5,416,072	2.48%
BCI Corredores de Bolsa S.A. por cuenta de terceros	4,862,484	2.22%
AFP Cuprum S.A.	4,487,156	2.05%
AFP Capital S.A.	4,443,183	2.03%
AFP Provida S.A	4,051,822	1.85%
Inversiones Cerro Sombrero Financiero S.P.A.	3,719,525	1.70%
Imsa Financiera S.P.A.	3,262,820	1.49%
Inversiones Nueva Altamira S.P.A	3,059,664	1.40%
Larraín Vial S.A. Corredora de Bolsa	2,539,450	1.16%
Inversiones VYR S.P.A.	2,491,841	1.14%
Inversiones Tarascona Corporation Agencia en Chile	1,977,063	0.90%
AFP Modelo S.A	1,843,136	0.84%
Jorge Juan Yarur Bascuñán	1,832,768	0.84%
Credicorp Capital S.A. Corredores de Bolsa	1,601,361	0.73%
AFP Planvital S.A.	1,380,631	0.63%
Bolsa de Comercio de Santiago Bolsa de Valores	1,377,699	0.63%
BTG Pactual Chile S.A. Corredores de Bolsa	1,280,778	0.59%
Empresas JY S.A.	1,202,436	0.55%
Inversiones Colibrí Financiera S.A.	1,020,858	0.47%
BICE Inversiones Corredores de Bolsa S.A.	1,009,716	0.46%
Bolsa Electrónica de Chile Bolsa de Valores	793,499	0.36%
Other shareholders	19,820,353	9.07%
Subscribed and paid-in shares	**218,604,259**	**100.00%**

c) Dividends

a. During the periods ended March 31, 2024 and December 31, 2023, the following dividends were declared by the Bank:

	March 31, 2024	December 31, 2023
Ch$ per common share	**Ch$1,500**	**Ch$1,500**

b. Dividends agreed and paid as of March 31, 2024 and December 31, 2023 are detailed as follows:

i. On March 19, 2024, the Board of Directors agreed to propose to the shareholders the distribution of net income obtained by the Bank in 2023, approving the distribution of net income amounting to Ch$682,467,865,539 (MCh$682,468), as follows:

To distribute a dividend of Ch$1,000 per share among the total of 218,604,259 shares issued and registered with the Shareholders' Registry, which implies allocating for this purpose the amount of Ch$218,604,259,000 (MCh$218,604), i.e., 32.03% of the distributable net income for the year 2023.

ii. On March 14, 2023, the Board of Directors agreed to propose to the shareholders the distribution of the net income obtained by the Bank in 2022, approving the distribution of net income amounting to Ch$820,821,690,521 (MCh$820,822), as follows:

To distribute a dividend of Ch$1,500 per share among the total of 168,837,345 shares issued and registered in the Shareholders' Registry, which implies allocating for this purpose the amount of Ch$253,256,017,500 (MCh$253,256), i.e., 30.85% of the distributable net income for the year 2022.

c. Provision for minimum dividends as of March 31, 2024 and December 31, 2023:

The provision for dividends as of March 31, 2024 amounted to MCh$266,970 (MCh$204,740 as of December 31, 2023).

d. Provision for interest payments on bonds with no fixed maturity:

The Bank records the accrual of interest on bonds with no fixed maturity date in the provisions for dividends, payments of interest and repricing of regulatory capital financial instruments issued. As of March 31, 2024 and December 31, 2023, these amount to MCh$6,327 and MCh$0, respectively, for further information see note No. 25.

Additionally, the Bank presents the interest accrual of the hedge at fair value that hedges the bond with no fixed maturity date. As of March 31, 2024 and December 31, 2023, the balance amounts to MCh$1,202 and MCh$0, respectively.

d) As of March 31, 2024 and December 31, 2023, there are no dilutive securities, such that basic and diluted earnings per share are the same:

	March 31,	December 31,
	2024	2023
Earnings attributable to equity holders of the parent	207,432	682,468
Profit available to shareholders in MCh$	**207,432**	**682,468**
Weighted average number of shares	218,604,259	187,544,721
Basic earnings per share ($/share)	**949**	**3,639**

e) Other comprehensive income

Items that can be classified in profit or loss

- Foreign currency translation differences of foreign entities:

They arise from exchange differences arising from the translation of a net investment in foreign entities whose functional currency is different from the parent company's functional currency.

- Cash flow hedge:

They arise from the valuation at fair value at the end of each period of the derivative contracts that have been defined as cash flow hedges.

- Changes in the fair value of financial assets at fair value through other comprehensive income

The fair value reserve includes the accumulated net changes in the market value of financial assets at fair value through other comprehensive income. When (all or part of) the investment is sold or disposed of these reserves are recognized in the Interim Consolidated Statements of Income for the period as part of the gain or loss related to investments (Note 1 letter (t)) states the accounting treatment in case of impairment.

Items that will not subsequently be reclassified to profit or loss

- Remeasurement of the net defined benefit liability (asset) and actuarial gains and losses for other employee benefit plans

These mainly arise from actuarial gains and losses from increases or decreases in the present value of the defined benefit obligation due to changes in actuarial assumptions and experience adjustments.

- Net changes in the fair value of equity instruments designated at fair value through other comprehensive income:

They relate to equity instruments (shares) for minority investments in companies recorded in accordance with IFRS 9, under which changes in the fair value of such instruments shall irrevocably be recorded in other comprehensive income after initial recognition.

As of March 31, 2024 and December 31, 2023, changes in Other Comprehensive Income are as follows:

	Accumulated Other Comprehensive Income																	
	Items that will not be reclassified to profit or loss								Items that will not be reclassified to profit or loss									
	Re-measurement of the net defined benefit liability (asset) and actuarial results for other employee benefit plans	Net changes in the fair value of equity instruments at fair value through other comprehensive income	Changes in the fair value of financial liabilities at fair value through profit or loss attributable to changes in the credit risk of the financial liability	Share in other comprehensive income of entities accounted for under the equity method	Non-current assets and disposal groups held for sale	Other	Income tax	Subtotal	Changes in fair value of financial assets at fair value through other comprehensive income	Translation differences for foreign entities	Accounting hedges of net investments in foreign entities	Cash flow hedge	Items not designated as hedging instruments	Share in other comprehensive income of entities accounted for under the equity method	Non-current assets and disposal groups held for sale	Other	Income tax	Subtotal
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Closing balance as of December 31, 2023	**(41)**	**436**	**-**	**-**	**-**	**-**	**-**	**395**	**(511,069)**	**458,839**	**-**	**173,994**	**-**	**-**	**-**	**-**	**82,193**	**203,957**
Effect of the correction or errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting compendium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance as of January 1, 2024	**(41)**	**436**	**-**	**-**	**-**	**-**	**-**	**395**	**(511,069)**	**458,839**	**-**	**173,994**	**-**	**-**	**-**	**-**	**82,193**	**203,957**
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period	-	280	-	-	-	-	-	280	955	280,993	-	59,767	-	-	-	-	4,766	**346,481**
Closing balance as of March 31, 2024	**(41)**	**716**	**-**	**-**	**-**	**-**	**-**	**675**	**(510,114)**	**739,832**	**-**	**233,761**	**-**	**-**	**-**	**-**	**86,959**	**550,438**

	Accumulated Other Comprehensive Income																	
	Items that will not be reclassified to profit or loss								Items that will not be reclassified to profit or loss									
	Re-measurement of the net defined benefit liability (asset) and actuarial results for other employee benefit plans	Net changes in the fair value of equity instruments at fair value through other comprehensive income	Changes in the fair value of financial liabilities at fair value through profit or loss attributable to changes in the credit risk of the financial liability	Share in other comprehensive income of entities accounted for under the equity method	Non-current assets and disposal groups held for sale	Other	Income tax	Subtotal	Changes in fair value of financial assets at fair value through other comprehensive income	Translation differences for foreign entities	Accounting hedges of net investments in foreign entities	Cash flow hedge	Items not designated as hedging instruments	Share in other comprehensive income of entities accounted for under the equity method	Non-current assets and disposal groups held for sale	Other	Income tax	Subtotal
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Closing balance as of December 31, 2022	**(132)**	**(50)**	**-**	**-**	**-**	**-**	**-**	**(182)**	**(641,186)**	**385,370**	**-**	**140,908**	**-**	**-**	**-**	**-**	**117,301**	**2,393**
Effect of the correction or errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting compendium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance as of January 1, 2023	**(132)**	**(50)**	**-**	**-**	**-**	**-**	**-**	**(182)**	**(641,186)**	**385,370**	**-**	**140,908**	**-**	**-**	**-**	**-**	**117,301**	**2,393**
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period	91	486	-	-	-	-	-	577	130,117	73,469	-	33,086	-	-	-	-	(35,108)	201,564
Closing balance as of December 31, 2023	**(41)**	**436**	**-**	**-**	**-**	**-**	**-**	**395**	**(511,069)**	**458,839**	**-**	**173,994**	**-**	**-**	**-**	**-**	**82,193**	**203,957**

NOTE 29 – CONTINGENCIES AND COMMITMENTS

a) Lawsuits and legal proceedings

Banco BCI

The Bank and its subsidiaries record several lawsuits related to their activities which, considering their background and grounds for the defensive arguments presented. In the opinion of Management and the internal legal advisors, will not generate liabilities or obligations in addition to those previously recorded by the Bank and its subsidiaries, therefore it has not been considered necessary to record a provision in addition to the one recorded for these contingencies. As of March 31, 2024, the Bank and its subsidiaries had provisions for civil, labor, and other claims amounting to MCh$4,757 (MCh$4,732 as of December 31, 2023).

b) Guarantees granted for operations:

- Direct commitments

As of March 31, 2024 and December 31, 2023, the Bank does not maintain guarantees for this concept.

- Guarantees for operations

As of March 31, 2024 and December 31, 2023, the Bank has the following guarantees:

BCI Corredor de Bolsa S.A.

As of March 31, 2024 this Company has collateralized the commitments for simultaneous operations in the Santiago Stock Exchange, whose valuation amounts to MCh$70,138 (MCh$46,534 as of December 31, 2023).

As of March 31, 2024, the Company has provided guarantees for the correct fulfillment of the settlement of CCLV system operations in the Santiago Stock Exchange for MCh$20,140 (MCh$22,139 as of December 31, 2023).

As of March 31, 2024, the Company has provided guarantees for the correct fulfillment in the settlement of CCLV system operations with derivatives in the Santiago Stock Exchange MCh$178 (MCh$178 as of December 31, 2023).

As of March 31, 2024, the Company maintains guarantees abroad for international market operations for MCh$49 (MCh$44 as of December 31, 2023).

The Company has a guarantee amounting to UF20,000 to comply with the provisions of Article 30 of Law 18,045, which aims to ensure the correct and full compliance with all its obligations as a securities broker and whose beneficiaries are the present or future creditors that it has or may have as a result of its brokerage operations. This guarantee corresponds to a policy contracted on August 19, 2023 (Nº330-23-000335632) valid until August 19, 2024, with Compañía de Seguros de Mapfre Garantía y Crédito, being the Santiago Stock Exchange (Bolsa de Comercio de Santiago, Bolsa de Valores) the representative of the possible beneficiary creditors,

The Company maintains a guarantee amounting to UF10,000 to comply with the provisions of Article No. 12 and following and 99 and following of Law No. 20,712, which guarantees the faithful compliance with the obligations of BCI Corredor de Bolsa for the management of third-party funds and portfolio. This guarantee is effective from November 7, 2023 to November 7, 2024.

Employee fidelity insurance or employee loyalty insurance

BCI Corredor de Bolsa S.A. has an insurance policy taken out with Southbridge Compañía de Seguros Generales S.A., which covers Banco Crédito e Inversiones and its subsidiaries from May 31, 2023 to November 30, 2025. For an amount of UF500,000.

BCI Corredores de Seguros S.A.

As of December 31, 2023, the Company has contracted the following insurance policies to comply with the provisions of letter d) of Article No. 58 of Decree with Force of Law No. 251 of 1931 to guarantee the correct and full compliance with all the obligations arising from its activity:

Guarantee Policy for Insurance Brokers No. 6472155 for an insured amount of UF500 contracted with Compañía de Seguros Generales Consorcio Nacional de Seguros S.A., valid from April 15, 2024 to April 14, 2025, establishing the right of the insurance company to reimburse the broker for all amounts disbursed by the former to pay third-parties affected by the broker's deficient brokerage.

Professional Civil Liability Policy for Insurance Brokers No. 6472161 for an insured amount of UF60,000, contracted with Compañía de Seguros Generales Consorcio Nacional de Seguros S.A., valid from April 15, 2024 to April 14, 2025, to protect the broker against possible claims by third parties, with the insurance company having the power to request the broker to reimburse the amount paid to the claiming third-party.

BCI Factoring S.A.

As of March 31, 2024 the Company has approved coverage lines for operators of the Factor Chain International in the amount of MCh$196 (ThCh$177 as of December 31, 2023), of which MCh$0 have been used in 2024 (MCh$0 in 2023).

BCI Corredores de Bolsa de Productos S.A.

As of March 31, 2024, the Company has Surety Bond No.675251 taken with Banco de Crédito e Inversiones. For UF2,000. In favor of Bolsa de Productos SA., to guarantee compliance with the Company's obligations as a product broker in favor of its principals in compliance with article 11 of Law 19,220. The possibility of paying this bond is covered by a "credit line opening agreement to cover potential guarantee payments issued in Chilean pesos or foreign currency", which is in the possession of the financial institution and is valid up to April 17, 2025.

As of March 31, 2024, the Company has Bond No.675252 taken with Banco de Crédito e Inversiones. For UF6,000. In favor of Bolsa de Productos SA. To guarantee compliance with all its obligations as a product broker in relation to operations invoiced to the Company. The possibility of paying this bond is covered by a "credit line opening agreement to cover potential guarantee payments issued in Chilean pesos or foreign currency", which is in the possession of the financial institution and is valid up to October 17, 2025.

As of March 31, 2024, the Company has Bond No. 693799 taken with Banco de Crédito e Inversiones. For UF 2,000 in favor of Bolsa de Productos SA. To guarantee compliance with all its obligations as a contract broker to its customers in accordance with Article 8 of the Manual of operations with credits or loans, which is held by the financial institution and is valid up to September 15, 2025.

BCI Asset Management Administradora General de Fondos S.A.

Guarantees established in articles 12, 13 and 14 of the Single Fund Law No.20,712.

As of March 31, 2024, there are guarantee policies for all funds and portfolio management, amounting to MCh$79,343.

Fund	Type of Guarantee	Amount	Amount Issued
		MCh$	UF
Fund	Surety bonds in UF	78,080	2,104,960.08
Portfolio Management	Surety bonds in UF	1,234	33,280.00
Other guarantees	Surety bonds in Ch$	29	500.00
Total		**79,343**	**2,138,740.08**

This is in conformity with the provisions of article 226 of Law No.18,045 of the Securities Market and NCG No.125 of 2001, which state that General Fund Administrators must permanently maintain a guarantee for each managed fund, which must always be equivalent to UF10,000 or 1% of the average equity of the corresponding calendar year prior to the date of its determination.

Similarly, in order to comply with the requirements of Title IV of Circular 1790, mutual funds defined as collateralized structured funds must have at all times a guarantee granted by a third-party other than the management company.

To ensure compliance with these regulations, BCI Asset Management Administradora General de Fondos S.A. maintains Surety Bonds with the Bank.

c) As of March 31, 2024 and December 31, 2023, the composition of the contingent receivables are as follows:

	March 31, 2024	December 31, 2023
	MCh$	MCh$
Guarantees and finance	**312,805**	**302,416**
Guarantees and finance in Chilean currency	-	-
Guarantees and finance in foreign currency	312,805	302,416
Letters of credit for merchandise circulation transactions	**466,088**	**372,001**
Commitments to purchase debt in local currency abroad	**-**	**-**
Transactions related to contingent events	**2,988,623**	**3,017,031**
Transactions related to contingent events in Chilean currency	1,814,239	1,865,551
Transactions related to contingent events in foreign currencies	1,174,384	1,151,480
Undrawn lines of credit with immediate cancellation	**3,764,555**	**3,638,891**
Available balance of line of credit and overdraft line of credit agreed in current account - commercial portfolio	-	-
Available balance of credit line in credit card - commercial portfolio	-	-
Available balance of line of credit and overdraft line of credit agreed in current account - consumer portfolio	8,852	8,024
Available balance of line of credit on credit card - consumer portfolio	3,755,703	3,630,867
Available balance of line of credit and overdraft line of credit agreed on current account - portfolio due from banks	-	-
Unrestricted lines of credit	**5,231,080**	**4,902,918**
Available balance of line of credit and overdraft line of credit agreed in current account - commercial portfolio	4,499,846	4,187,063
Available balance of credit line in credit card - commercial portfolio	319,411	301,518
Available balance of line of credit and overdraft line of credit agreed in current account - consumer portfolio	411,823	414,337
Available balance of line of credit on credit card - consumer portfolio	-	-
Available balance of line of credit and overdraft line of credit agreed on current account - portfolio due from banks	-	-
Other credit commitments	**888,152**	**970,533**
Loans for higher education studies Law No. 20,027	1,129	1,106
Other irrevocable credit commitments	887,023	969,427
Other contingent loans	**-**	**-**
Total	**13,651,303**	**13,203,790**

NOTE 30 – INTEREST INCOME AND EXPENSES

a) The composition of interest income and expenses for the periods ended March 31, 2024 and 2023, is as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Interest income	1,076,700	952,636
Interest expenses	(610,271)	(574,272)
Total net interest income	**466,429**	**378,364**

b) The detail of net interest income for the for the periods ended March 31, 2024 and 2023, is as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Interest income		
Financial assets at amortized cost:		
Rights for repurchase agreements and securities lending	2,761	2,869
Debt financial instruments	48,581	15,473
Debts held by banks	11,238	11,797
Commercial loans	592,347	512,295
Mortgage housing loans	122,206	78,250
Consumer loans	132,083	142,372
Other financial instruments	24,640	24,980
Subtotal	**933,856**	**788,036**
Financial assets at fair value through other comprehensive income:		
Debt financial instruments	104,945	155,306
Other financial instruments	-	-
Subtotal	**104,945**	**155,306**
Gain (loss) from interest rate risk hedges		
Profit from financial derivative contracts for accounting hedge	114,931	56,809
Loss from financial derivative contracts for accounting hedge	(52,030)	(47,645)
Results from adjustment of hedged financial assets	(25,002)	130
Subtotal	**37,899**	**9,294**
Total interest income	**1,076,700**	**952,636**
Interest expenses		
Financial liabilities at amortized cost:		
Deposits and other obligations on demand	(125,555)	(59,237)
Deposits and other time deposits	(303,106)	(350,167)
Obligations for repurchase agreements and securities lending	(12,871)	(7,071)
Bank borrowings	(58,523)	(48,427)
Debt financial instruments issued	(54,482)	(47,947)
Other financial obligations	(28,871)	(16,459)
Subtotal	**(583,408)**	**(529,308)**
Lease liabilities	**(446)**	(709)
Regulatory capital financial instruments issued	**(13,132)**	(12,745)
Gain (loss) from interest rate risk hedges		
Gain from financial derivative contracts for accounting hedge	26,381	488,232
Loss from financial derivative contracts for accounting hedge	(46,163)	(514,778)
Gain (loss) from adjustment of hedged financial liabilities	6,497	(4,964)
Subtotal	**(13,285)**	**(31,510)**
Total interest expense	**(610,271)**	**(574,272)**
Net interest income	**466,429**	**378,364**

c) The stock of interest income suspended for the periods ended March 31, 2024 and 2023, is as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Suspended interest income		
Debts held by banks	-	-
Commercial loans	3,388	4,282
Mortgage housing loans	3,341	5,318
Consumer loans	103	343
Total	**6,832**	**9,943**

d) The stock of interest income received for the periods ended March 31, 2024 and 2023, is as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Interest received from impaired portfolio		
Debts held by banks	-	-
Commercial loans	1,527	2,463
Mortgage housing loans	3,990	3,040
Consumer loans	655	2,343
Total	**6,172**	**7,846**

NOTE 31 – INFLATION-INDEXATION INCOME AND EXPENSES

a) The composition of inflation-indexation income and expenses for the periods ended March 31, 2024 and 2023, is as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Inflation-indexation income from	189,431	229,684
Inflation-indexation expenses	(72,563)	(131,233)
Total net inflation-indexation income	**116,868**	**98,451**

b) The detail of net inflation-indexation income for the periods ended March 31, 2024 and 2023, is as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Inflation-indexation income		
Financial assets at amortized cost:		
Rights for repurchase agreements and securities lending	-	-
Debt financial instruments	-	-
Debts held by banks	-	-
Commercial loans	70,244	53,807
Mortgage housing loans	85,810	130,614
Consumer loans	64	224
Other financial instruments	3,398	134
Subtotal	**159,516**	**184,779**
Financial assets at fair value through other comprehensive income:		
Debt financial instruments	15,508	25,434
Other financial instruments	-	-
Subtotal	**15,508**	**25,434**
Gain (loss) from interest rate risk hedges		
Gain from financial derivative contracts for accounting hedge	158,981	151,055
Loss from financial derivative contracts for accounting coverage	(144,574)	(153,255)
Results from adjustment of hedged financial assets	-	21,671
Subtotal	**14,407**	**19,471**
Total Inflation-indexation income	**189,431**	**229,684**
Inflation-indexation expenses		
Financial liabilities at amortized cost:		
Deposits and other obligations on demand	(758)	(978)
Deposits and other time deposits	(6,097)	(12,414)
Obligations for repurchase agreements and securities lending	(948)	534
Bank borrowings	(1,323)	-
Debt financial instruments issued	(41,802)	(66,734)
Other financial obligations	(3,118)	(2,970)
Subtotal	**(54,046)**	**(82,562)**
Gain (loss) from interest rate risk hedges		
Gain from financial derivative contracts for accounting hedge	31,356	70,492
Loss from financial derivative contracts for accounting hedge	(25,081)	(98,759)
Gain (loss) from adjustment of hedged financial liabilities	(11,924)	(516)
Subtotal	**(5,649)**	**(28,783)**
Regulatory capital financial instruments issued:		
Subordinated bonds	(12,868)	(19,888)
Bonds without fixed maturity	-	-
Subtotal	**(12,868)**	**(19,888)**
Total inflation-indexation expenses	**(72,563)**	**(131,233)**
Net inflation-indexation income	**116,868**	**98,451**

c) The detail of income from suspended inflation-indexation for the periods ended March 31, 2024 and 2023, is as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Income from suspended inflation-indexation		
Debts held by banks	-	-
Commercial loans	592	2,754
Mortgage housing loans	11,709	40,047
Consumer loans	18	40
Total	**12,319**	**42,841**

d) The detail of income from inflation-indexation received for the periods ended March 31, 2024 and 2023, is as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Income from inflation-indexation received		
Debts held by banks	-	-
Commercial loans	580	2,152
Mortgage housing loans	5,478	3,850
Consumer loans	57	266
Total	**6,115**	**6,268**

NOTE 32 – FEE INCOME AND EXPENSES

The composition of fee income and expenses for the periods ended March 31, 2024 and 2023, is as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Fee income		
Loan prepayment fees	1,413	1,343
Fes for loans with letters of credit	-	-
Fees for lines of credit and checking account overdrafts	1,885	1,207
Fees for guarantees and letters of credit	9,639	7,975
Fees for card services	26,981	29,339
Account management fees	16,998	15,637
Fees for collections and payments	27,194	18,868
Fees for securities brokerage and management (Stockbrokers and/or Securities Agency)	1,648	1,343
Fees for administration of mutual funds. Investment funds or other	16,554	13,775
Fees for brokerage and insurance advisory services	14,764	12,348
Fees for factoring services	1,767	1,273
Fees for finance lease transaction services	-	-
Fees for securitizations	63	32
Fees for financial advisory services	4,526	3,409
Other fees earned	10,710	16,993
Total fee income	**134,142**	**123,542**
Fee expenses		
Fee for card operation	(12,915)	(14,595)
License fees for the use of card brands	(1,721)	-
Other fees for services linked to the credit card system and payment cards with provision of funds as a means of payment	-	-
Expenses for obligations of loyalty programs and merits for card customers	(8,004)	(9,385)
Fees for securities trading	(13,902)	(12,299)
Other commissions for services received	(8,114)	(5,804)
Total commission expenses	**(44,656)**	**(42,083)**
Net fee income	**89,486**	**81,459**

NOTE 33 – NET FINANCE INCOME (EXPENSE)

The composition of the net finance income (expense) for the periods ended March 31, 2024 and 2023, is as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Financial assets held for trading at fair value through profit or loss:		
Financial derivative contracts	96,989	(61,483)
Debt financial instruments	42,565	23,975
Other financial instruments	(19,471)	(4,593)
Equity instruments	(3,183)	12,821
Loans granted and received by the entity	(76)	(180)
Other	-	-
Subtotal	**116,824**	**(29,460)**
Financial liabilities held for trading at fair value through profit or loss		
Financial derivative contracts	-	-
Other financial instruments	-	-
Subtotal	-	-
Financial assets not held for trading mandatorily measured at fair value through profit or loss		
Debt financial instruments	1	-
Other	(5,788)	(6,341)
Subtotal	**(5,787)**	**(6,341)**
Financial assets at fair value through profit or loss		
Debt financial instruments	-	-
Other financial instruments	-	-
Loans granted and received by the entity (debts held by banks, commercial loans, mortgage housing loans and consumer loans)	-	-
Other	-	-
Subtotal	-	-
Financial liabilities designated at fair value through profit or loss		
Deposits, other obligations and deposits on demand and other loans	-	-
Debt instruments issued	-	-
Other	-	-
Subtotal	-	-
Financial result on derecognition of financial assets and liabilities at amortized cost and financial assets at fair value through other amortized cost and financial assets at fair value through other comprehensive income comprehensive income		
Financial assets at amortized cost	1,106	20
Financial assets at fair value through other comprehensive income	4,589	-
Financial liabilities at amortized costs	-	-
Regulatory capital financial instruments issued	-	-
Subtotal	**5,695**	**20**
Financial income (expense) for changes, adjustments, and foreign currency hedge		
Gain (loss) from foreign currency translation	(234,515)	218,357
Gain (loss) from exchange rate adjustments	-	-
Financial assets held for trading at fair value through profit or loss	-	-
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	-
Financial assets at fair value through profit or loss	-	-
Financial assets at fair value through other comprehensive income	-	(3,813)
Financial assets at amortized cost:		
Debts held by banks	-	-
Commercial loans	-	-
Mortgage housing loans	-	-
Consumer loans	-	-
Other assets	24,833	(9,935)
Financial liabilities at amortized cost	-	-
Financial liabilities held for trading at fair value through profit or loss	-	-
Financial liabilities designated at fair value through profit or loss	-	-
Regulatory capital financial instruments issued	-	-
Net income (expense) from derivatives in foreign currency risk hedges	103,713	(126,645)
Subtotal	**(105,969)**	**77,964**
Financial income (loss) from reclassification of financial assets due to change in business model		
From financial assets at amortized cost to financial assets held for trading at fair value through profit or loss	-	-
From financial assets at fair value through other comprehensive income to financial assets held for trading at fair value through profit or loss	-	-
Subtotal	-	-
Reclassifications of financial assets due to changes in business models		
From financial assets at amortized cost to financial assets held for trading at fair value through profit or loss	-	-
From financial assets at fair value through other comprehensive income to financial assets held for trading at fair value through profit or loss	-	-
Subtotal	-	-
Other financial income (expense) from changes in financial assets and liabilities		
Financial assets at fair value through other comprehensive income	-	-
Financial liabilities at amortized cost	-	-
Lease liabilities	-	-
Issued regulatory capital financial instruments	-	-
Subtotal	-	-
Other financial income (expense) from ineffective accounting hedges		
Income (expense) from ineffective cash flow hedges	-	-
Income (expense) from ineffective hedges of net foreign investment	-	-
Subtotal	-	-
Other financial income (expense) from other hedges		
Hedges of other types of financial assets	-	-
Subtotal	-	-
Total net finance income (expense)	**10,763**	**42,183**

NOTE 34 – INCOME FROM INVESTMENTS IN COMPANIES

The income from investment in companies for the periods ended March 31, 2024 and 2023, are as follows:

	As of March 31,					
	2024			2023		
	Profit/ Loss	Ownership	Accrued income	Profit/ Loss	Ownership	Accrued income
	MCh$	%	MCh$	MCh$	%	MCh$
Investments in associates						
Redbanc S.A.	483	12.71	61	1,738	12.71	56
Combanc S.A.	42	13.30	6	686	13.30	18
Transbank S.A.	(4,047)	8.72	(353)	13,574	8.72	266
Servicio de Infraestructura de Mercado OTC S.A.	174	13.61	24	742	13.61	44
AFT S.A.	509	20.00	102	2,570	20.00	130
Centro de Compensación Automatizado S.A.	789	33.33	263	3,197	33.33	316
Sociedad Interbancaria de Depósitos de Valores S.A.	263	7.03	18	1,185	7.03	16
Pago y Servicios S.A.	37	49.90	18	(968)	49.90	(136)
Minority investments						
Shares of SWIFT	-	-	-	-	-	-
Shares of BLADEX	-	-	135	-	-	54
CNB shares (FHLB and FRB)	-	-	2,282	-	-	1,589
Other actions	-	-	-	-	-	-
Investments in joint ventures						
Servipag Ltd.	917	50.00	458	2,389	50.00	310
Artikos Chile S.A.	283	50.00	142	855	50.00	133
Total	**(550)**		**3,156**	**25,968**		**2,796**

NOTE 35 – INCOME FROM NON-CURRENT ASSETS AND DISPOSAL GROUPS HELD FOR SALE NOT ADMISSIBLE AS DISCONTINUED OPERATIONS

The composition of the income from non-current assets and disposal groups held for sale not admissible as discontinued operations for the periods ended March 31, 2024 and 2023 are as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Net income for assets received in payment or foreclosed at judicial auction:		
Other income from sale of assets received in payment or foreclosed at judicial auction	485	603
Other income from assets received in payment or foreclosed judicial auction	517	680
Provisions for adjustments to the net realizable value of assets received in payment or foreclosed at judicial auction	-	207
Write-offs of assets received in payment or foreclosed at judicial auction	(1,260)	(565)
Expenses for maintenance of assets received in payment or foreclosed at judicial auction	(481)	(238)
Subtotal	(739)	**687**
Non-current assets held for sale:		
Investments in companies	-	-
Intangible assets	-	-
Property and equipment	202	115
Assets for recovery of assets under finance lease agreements	5,474	1,527
Other assets	-	-
Subtotal	**5,676**	**1,642**
Disposal group held for sale	-	-
Total	**4,937**	**2,329**

NOTE 36 – OTHER OPERATING INCOME AND EXPENSES

The composition of other operating income and expenses for the periods ended March 31, 2024 and 2023, are as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Other operating income		
Payments from insurance companies for claims other than operational risk related events	-	-
Net income from investment property	-	-
Income from card brands issued (VISA, MC, etc.)	1,293	1,560
Income from correspondent banks	-	-
Income other than interest and fees from lease agreements	-	-
Income from expense recovery	1,163	696
CNB leasing platform revenue	6,876	-
CNB BOLI revenue	3,565	2,579
Consulting revenue	642	500
Other income	680	3,299
Total	**14,219**	**8,634**
Other operating expenses		
Insurance premium expense to cover operational risk events	(40)	(64)
Gross loss expense from operational risk events	(4,484)	(2,665)
Recovery of expenses for operational risk events	1,192	912
Expense for provision for unearned insurance brokerage fees	-	-
Expense for provision for unearned insurance premium collection fees	-	-
Provisions for restructuring plans	-	-
Provisions for lawsuits and litigation	(22)	(2,607)
Other provisions for other contingencies	6,418	10,154
Expenses for finance lease credit transactions	-	-
Expenses for factoring credit transactions	-	-
Expenses for administration, maintenance, and support of ATMs	-	-
Expenses for adoption of new technologies in cards	(190)	-
Other operating expenses	(7,797)	(5,001)
Total	**(4,923)**	**729**

NOTE 37 – EXPENSES FOR EMPLOYEE BENEFITS OBLIGATIONS

The composition of expenses for employee benefit obligations for the periods ended March 31, 2024 and 2023, are as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Short-term employee benefits		
Remuneration	(92,573)	(83,863)
Incentives (performance bonuses)	(32,915)	(29,102)
Legal bonus	(15,908)	(14,738)
Other	(23,714)	(22,642)
Subtotal	**(165,110)**	**(150,345)**
Post-employment benefits		
Post-employment employee benefits	-	-
Subtotal	-	-
Long-term employee benefits		
Remuneration	-	-
Incentives (performance bonuses)	-	-
Other	-	-
Subtotal	-	-
Termination benefits		
Severance indemnity	(3,167)	(3,362)
Other	-	-
Subtotal	**(3,167)**	**(3,362)**
Share-based or equity-based payment transactions		
Equity-settled share-based payment transactions	-	-
Cash-settled share-based payment transactions	-	-
Subtotal	-	-
Expenses for defined contribution post-employment plans	-	-
Expenses for defined benefit post-employment plans	-	-
Expenses for other personnel obligations with	-	-
Other personnel expenses	(4,252)	(3,915)
Subtotal	**(4,252)**	**(3,915)**
Total	**(172,529)**	**(157,622)**

NOTE 38 – ADMINISTRATIVE EXPENSES

The composition of administrative expenses for the periods ended March 31, 2024 and 2023, are as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Administrative expenses	**(72,887)**	**(59,993)**
Expenses for short-term leases	-	-
Expenses for leases of low-value assets	-	(10,201)
Other expenses for lease liabilities	(2,374)	-
Maintenance and repair of property and equipment	(4,123)	(3,517)
Insurance premiums except for those intended to cover operational risk events	(12,156)	(4,159)
Office supplies	(777)	(689)
IT and communications expenses	(30,477)	(18,947)
Lighting, heating, and other services	(2,197)	(2,200)
Surveillance services and transportation of securities	(3,358)	(3,638)
Staff representation and travel expenses	(1,669)	(1,625)
Legal and notary expenses	(3,794)	(517)
Fees for review and audit of the financial statements by the external auditor	(1,692)	(1,367)
Fees for advisory and consulting services by the external auditor	-	-
Fees for advisory and consulting services by other auditing companies	-	-
Title classification fees	-	-
Fees for other technical reports	(1,536)	(5,635)
Fines by the CMF	-	-
Fines by other agencies	(15)	(12)
Other general administrative expenses	(8,719)	(7,486)
Outsourced services	**(19,146)**	**(18,144)**
Board Expenses	**(2,183)**	**(1,928)**
Board Remuneration	(1,952)	(1,789)
Other expenses of the Board of Directors	(231)	(139)
Advertising	**(11,409)**	**(12,471)**
Taxes, property taxes and other legal charges	**(14,122)**	**(11,561)**
Property taxes	(1,166)	(1,015)
Municipal patents	(717)	(697)
Other taxes other than income tax	(6,866)	(4,685)
Control contributions to the regulator	(5,360)	(5,164)
Other legal fees	(13)	-
Total	**(119,747)**	**(104,097)**

NOTE 39 – DEPRECIATION AND AMORTIZATION

The amounts corresponding to charges to results for depreciation and amortization for the periods ended March 31, 2024 and 2023, are as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Amortization of intangible assets	(16,301)	(16,419)
Depreciation of property and equipment	(5,804)	(5,717)
Depreciation and amortization of right-of-use assets under lease agreements	(6,300)	(5,718)
Total	**(28,405)**	**(27,854)**

NOTE 40 – IMPAIRMENT OF NON-FINANCIAL ASSETS

The impairment of non-financial assets for the periods ended March 31, 2024 and 2023, is as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Impairment of investments in companies	-	-
Impairment of intangible assets (*)	-	-
Impairment of property and equipment	-	-
Impairment of right-of-use assets under lease agreements	-	-
Impairment of other assets for investment property	-	-
Impairment of assets from revenue	-	-
Gain from an acquisition through a business combination in a bargain condition	-	-
Total	-	-

NOTE 41 – EXPENSES FOR CREDIT LOSSES

a) The summary of the expense for credit losses for the periods ended March 31, 2024 and 2023, is as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Expense for provisions for credit loss of loans	(162,958)	(140,831)
Expense for special provisions for credit loss	16,401	861
Recovery of written-off loans	23,944	19,424
Impairment due to credit risk of other financial assets not measured at fair value through profit or loss	3,681	(8,287)
Total	**(118,932)**	**(128,833)**

b) The summary of credit risk allowance expense and credit loss expense for the periods ended March 31, 2024 and 2023, is as follows:

As of March 31, 2024	Expense for provisions recorded for loans during the year							
	Normal Portfolio Assessment		Substandard Portfolio Assessment	Non-performing portfolio Assessment		Subtotal	Deductible guarantees FOGAPE Covid-19(i)	Total
	Individual/group		Individual	Individual/group				
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks								
Provisions recorded	-	-	-	-	-	-	-	-
Provisions used	(17)	-	-	-	-	(17)	-	(17)
Subtotal	**(17)**	**-**	**-**	**-**	**-**	**(17)**	**-**	**(17)**
Commercial loans								
Provisions recorded	24,041	-	11,134	15,258	21,088	71,521	-	71,521
Provisions used	-	(871)	-	-	-	(871)	(735)	(1,606)
Subtotal	**24,041**	**(871)**	**11,134**	**15,258**	**21,088**	**70,650**	**(735)**	**69,915**
Mortgage loans								
Provisions recorded	-	371	-	-	5,648	6,019	-	6,019
Provisions used	-	-	-	-	-	-	-	-
Subtotal	**-**	**371**	**-**	**-**	**5,648**	**6,019**	**-**	**6,019**
Consumer loans								
Provisions recorded	-	5,183	-	-	81,858	87,041	-	87,041
Provisions used	-	-	-	-	-	-	-	-
Subtotal	**-**	**5,183**	**-**	**-**	**81,858**	**87,041**	**-**	**87,041**
Expense of provisions recorded for loan credit risk: (A)	**24,024**	**4,683**	**11,134**	**15,258**	**108,594**	**163,693**	**(735)**	**162,958**
Recovery of written-off loans: (B) (ii)								
Loans and advances to banks								-
Commercial loans								7,758
Mortgage loans								1,296
Consumer Loans								14,890
Subtotal								**23,944**
Expense for loan losses: (AB) (ii)								**139,014**

As of March 31, 2023	Expense for provisions recorded for loans during the year							
	Normal Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19(i)	Total
	Assessment		Assessment	Assessment				
	Individual/group		Individual	Individual/group				
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks								
Provisions recorded	-	-	-	-	-	**-**	-	**-**
Provisions used	(222)	-	-	-	-	**(222)**	-	**(222)**
Subtotal	**(222)**	**-**	**-**	**-**	**-**	**(222)**	**-**	**(222)**
Commercial loans								
Provisions recorded	4,433	-	3,101	6,345	19,400	**33,279**	-	**33,279**
Provisions used	-	(903)	-	-	-	**(903)**	(8,153)	**(9,056)**
Subtotal	**4,433**	**(903)**	**3,101**	**6,345**	**19,400**	**32,376**	**(8,153)**	**24,223**
Mortgage loans								
Provisions recorded	-	1,600	-	-	6,201	**7,801**	-	**7,801**
Provisions used	-	-	-	-	-	**-**	-	**-**
Subtotal	**-**	**1,600**	**-**	**-**	**6,201**	**7,801**	**-**	**7,801**
Consumer loans								
Provisions recorded	-	-	-	-	112,796	**112,796**	-	**112,796**
Provisions used	-	(3,767)	-	-	-	**(3,767)**	-	**(3,767)**
Subtotal	**-**	**(3,767)**	**-**	**-**	**112,796**	**109,029**	**-**	**109,029**
Expense of provisions recorded for loan credit risk: (A)	**4,211**	**(3,070)**	**3,101**	**6,345**	**138,397**	**148,984**	**(8,153)**	**140,831**
Recovery of written-off loans: (B) (ii)								
Loans and advances to banks								-
Commercial loans								6,059
Mortgage loans								1,130
Consumer Loans								12,235
Subtotal								**19,424**
Expense for loan losses: (AB) (ii)								**121,407**

c) The summary of the expense for special provisions for credit risk for the periods ended March 31, 2024 and 2023, is as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Expense of provisions for credit loss for contingent loans	**(2,878)**	**1,096**
Loans and advances to banks	-	-
Commercial loans	(3,043)	330
Consumer Loans	165	766
Expense of provisions for country risk for operations with debtors domiciled abroad	**(796)**	**(513)**
Expense of special provisions for loans abroad	**-**	**-**
Expense of additional provisions for loans	**12,313**	**(1,988)**
Additional provisions for commercial loans	12,313	(1,988)
Additional provisions for mortgage loans	-	-
Additional provisions for consumer loans	-	-
Expense of provisions for adjustments to the minimum provision required for normal portfolio with individual evaluation	**7,762**	**2,266**
Expense of provisions constituted for credit risk as a result of complementary prudential requirements	**-**	**-**
Total	**16,401**	**861**

NOTE 42 – PROFIT OR LOSS FROM DISCONTINUED OPERATIONS

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

NOTE 43 – RELATED PARTIES DISCLOSURES

a) As of March 31, 2024 and December 31, 2023 the assets and liabilities for transactions with related parties are as follows:

As of March 31, 2024	Related Party Type				
	Parent entity (i)	Other legal entity (ii)	Key personnel of the Consolidated Bank (iii)	Other related parties (iv)	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS					
Financial assets to be traded at fair value through profit or loss:	**-**	**-**	**-**	**5**	**5**
Financial derivative contracts	-	-	-	5	**5**
Debt financial instruments	-	-	-	-	-
Financial assets not held for trading compulsorily valued at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**31**	**31**
Financial assets at fair value through other comprehensive income:	**-**	**-**	**-**	**-**	**-**
Financial derivative contracts for accounting coverage	-	-	-	-	-
Financial assets at amortized cost:	**-**	**9,498**	**4,627**	**299,154**	**313,279**
Rights for repurchase agreements and securities lending	-	-	-	514	514
Debt financial instruments	-	-	-	-	-
Loans and accounts receivable from customers - Commercial	-	9,519	796	219,516	229,831
Loans and accounts receivable from customers - Mortgage	-	-	3,497	71,990	75,487
Loans and accounts receivable from customers - Consumer	-	-	338	9,480	9,818
Provisions made for credit risk	-	(21)	(4)	(2,346)	(2,371)
Other assets	-	1,221	47	18,022	19,290
Contingent loans	**30**	**83,188**	**1,430**	**68,188**	**152,836**
LIABILITIES					
Financial liabilities to be traded at fair value through profit or loss	-	-	-	-	-
Financial derivative contracts	-	-	-	-	-
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-
Financial derivative contracts for accounting coverage	-	-	-	-	-
Financial liabilities at amortized cost:	**8**	**36,268**	**8,283**	**264,906**	**309,465**
Deposits and other on-demand deposits	8	18,524	549	75,403	94,484
Deposits and other term deposits	-	17,744	7,734	188,950	214,428
Obligations for repurchase agreements and securities lending	-	-	-	518	518
Bank borrowings	-	-	-	-	-
Debt financial instruments issued	-	-	-	35	35
Other financial obligations	-	-	-	-	-
Lease liabilities	**-**	**-**	**-**	**-**	**-**
Other liabilities	**-**	**236**	**110**	**4,161**	**4,507**

As of December 31, 2023	Related Party Type				
	Parent entity (i)	Other legal entity (ii)	Key personnel of the Consolidated Bank (iii)	Other related parties (iv)	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS					
Financial assets held for trading at fair value through profit or loss:	**-**	**-**	**88**	**312**	**400**
Financial derivative contracts	-	-	88	312	400
Debt financial instruments	-	-	-	-	-
Financial assets not held for trading mandatorily measured at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**39**	**39**
Financial assets at fair value through other comprehensive income:	**-**	**-**	**-**	**-**	**-**
Financial derivative contracts for accounting hedge	**-**	**-**	**-**	**-**	**-**
Financial assets at amortized cost:	**1**	**9,415**	**4,631**	**297,950**	**311,997**
Rights for reverse repurchase agreements and securities lending	-	-	-	318	318
Debt financial instruments	-	-	-	-	-
Loans and receivables from customers - Commercial	1	9,436	817	219,293	229,547
Loans and receivables from customers - Mortgage	-	-	3,516	71,391	74,907
Loans and receivables from customers - Consumer	-	-	302	9,092	9,394
Provisions for credit loss	-	(21)	(4)	(2,144)	(2,169)
Other assets	**37**	**6,546**	**-**	**7,271**	**13,854**
Contingent loans	**26**	**83,141**	**1,392**	**65,244**	**149,803**
LIABILITIES					
Financial liabilities held for trading at fair value through profit or loss	**-**	**-**	**88**	**310**	**398**
Financial derivative contracts	-	-	88	310	398
Financial liabilities designated at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**
Financial derivative contracts for accounting hedge	**-**	**-**	**-**	**-**	**-**
Financial liabilities at amortized cost:	**8**	**40,709**	**7,571**	**298,131**	**346,419**
Deposits and other on-demand deposits	8	32,611	1,098	86,994	120,711
Deposits and other term deposits	-	8,098	6,473	180,019	194,590
Obligations for repurchase agreements and securities lending	-	-	-	318	318
Bank borrowings	-	-	-	-	-
Debt financial instruments issued	-	-	-	30,800	30,800
Other financial obligations	-	-	-	-	-
Lease liabilities	**-**	**-**	**-**	**-**	**-**
Other liabilities	**-**	**1,536**	**7**	**16,989**	**18,532**

b) As of March 31, 2024 and 2023, the income and expenses from related party transactions, is as follows:

As of March 31, 2024	Related Party Type				
	Parent entity (i)	Other legal entity (ii)	Key personnel of the Consolidated Bank (iii)	Other related parties (iv)	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
Interest income	-	1,372	137	17,151	**18,660**
Inflation-indexation income	-	5	219	4,991	**5,215**
Fee income	304	7,694	144	58,905	**67,047**
Net financial result	-	171,569	-	6,500	**178,069**
Other income	-	-	-	19	**19**
Total income	**304**	**180,640**	**500**	**87,566**	**269,010**
Interest expense	-	(1,780)	(678)	(11,706)	**(14,164)**
Inflation-indexation expense	-	(129)	(36)	(201)	**(366)**
Commission expense	-	(359)	(1)	(249)	**(609)**
Credit loss expense	-	(61)	2	(1,146)	**(1,205)**
Expenses for employee benefit obligations	-	-	-	-	**-**
Administrative expenses	-	2,369	-	13,417	**15,786**
Other expenses	(1)	(66)	(19)	(519)	**(605)**
Total expenses	**(1)**	**(26)**	**(732)**	**(404)**	**(1,163)**

As of March 31, 2023	Related Party Type				
	Parent entity (i)	Other legal entity (ii)	Key personnel of the Consolidated Bank (iii)	Other related parties (iv)	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
Interest income	-	259	33	3,727	**4,019**
Inflation-indexation income	-	3	64	1,378	**1,445**
Fee income	22	2,056	34	11,370	**13,482**
Net financial result	-	(16,984)	-	(14,035)	**(31,019)**
Other income	-	-	-	18	**18**
Total income	**22**	**(14,666)**	**131**	**2,458**	**(12,055)**
Interest expense	-	(686)	(149)	(3,600)	**(4,435)**
Inflation-indexation expense	-	(65)	(15)	(45)	**(125)**
Commission expense	-	(5)	-	(49)	**(54)**
Credit loss expense	-	-	1	(131)	**(130)**
Expenses for employee benefit obligations	-	-	-	-	**-**
Administrative expenses	-	(573)	-	(3,154)	**(3,727)**
Other expenses	-	(9)	(5)	(316)	**(330)**
Total expenses	**-**	**(1,338)**	**(168)**	**(7,295)**	**(8,801)**

c) As of March 31, 2024 and 2023, related-party transactions in the period are as follows:

As of March 31, 2024										
Business name	Nature of the relationship with the bank	Description of the transaction			Transactions under equivalence conditions to those transactions with mutual independence between the parties	Amount	Effect on the Statement of Income		Effect on the Statement of Financial Position	
							Income	Expense	Accounts receivable	Accounts receivable
		Type of service	Term	Renewal Conditions		MCh$	MCh$	MCh$	MCh$	MCh$
BCI Seguros de Vida S.A.	Other	Collection service and use of channels, suitcase	Annual	Annual Hiring	Yes	584	584	-	-	-
BCI Seguros de Vida S.A.	Other	brand use	Annual	Annual Hiring	Yes	417	417	-	-	-
BCI Seguros de Vida S.A.	Other	Use of channels	Annual	Annual Hiring	Yes	139	139	-	-	-
BCI Seguros de Vida S.A.	Other	Financial Bond	Annual	Annual Hiring	Yes	8,421	-	23	-	-
BCI Seguros de Vida S.A.	Other	Bank charges	Annual	Annual Hiring	Yes	74	63	-	-	-
BCI Seguros de Vida S.A.	Other	Commissions for collection Servicios Financieros y Administración de Créditos Comerciales S.A.	Annual	Annual Hiring	Yes	1,201	952	-	-	-
BCI Seguros de Vida S.A.	Other	Brokerage commissions BCI CCSS	Annual	Annual Hiring	Yes	2,987	2,987	-	-	-
BCI Seguros Generales S.A.	Other	Brand use	Annual	Annual Hiring	Yes	417	417	-	-	-
BCI Seguros Generales S.A.	Other	Use of channels	Annual	Annual Hiring	Yes	139	139	-	-	-
BCI Seguros Generales S.A.	Other	Marketing	Annual	Annual Hiring	Yes	332	-	332	-	-
BCI Seguros Generales S.A.	Other	Commissions use of Channel	Annual	Annual Hiring	Yes	557	468	-	-	-
BCI Seguros Generales S.A.	Other	Forwards	Annual	Annual Hiring	Yes	447	447	-	-	-
BCI Seguros Generales S.A.	Other	Financial Bond	Annual	Annual Hiring	Yes	18,970	-	299	-	-
BCI Seguros Generales S.A.	Other	Subordinated bond	Annual	Annual Hiring	Yes	305	-	6	-	-
BCI Seguros Generales S.A.	Other	Insurance	Annual	Annual Hiring	Yes	311	-	294	-	-
BCI Seguros Generales S.A.	Other	Brokerage commissions SSFF Corredores de Seguros y Gestión Financiera Ltda.	Annual	Annual Hiring	Yes	506	428	-	-	-
BCI Seguros Generales S.A.	Other	Brokerage commissions BCI CCSS	Annual	Annual Hiring	Yes	8,924	8,924	-	-	-
Artikos Chile S.A.	Joint venture	Procurement service	Undefined	Automatic renewal every 1 year	Yes	321	-	321	-	-
Boston Consulting Group	Other	Strategic consulting	Defined	Defined	Yes	144	-	144	-	-
Centro de Compensación Automatizado S.A.	Other	Electronic banking transactions	Undefined	Automatic renewal every 1 year.	Yes	127	-	127	-	-
Combanc S.A.	associate	Compensation and high value payments	Undefined	Automatic renewal.	Yes	117	-	117	-	-
Comder Contraparte Central S.A.	associate	bank processing	Undefined	Automatic renewal.	Yes	388	-	388	-	-
Demos una Oportunidad al Menor	Other	Corporation	Defined	52 months (4 years and 4 months)	Yes	300	-	300	-	-
Depósitos Central de Valores S.A.	Other	Custody of financial instruments	Undefined	Automatic renewal.	Yes	144	-	144	-	-
Jordan (Chile) S.A.	common controller	Printing of forms	Undefined	Automatic renewal every 1 year.	Yes	752	-	752	-	-
Redbank S.A.	associate	ATM operation	Undefined	Automatic renewal every 3 years.	Yes	1,880	-	1,880	-	-

As of March 31, 2024

Business name	Nature of the relationship with the bank	Description of the transaction			Transactions under equivalence conditions to those transactions with mutual independence between the parties	Amount	Effect on the Statement of Income		Effect on the Statement of Financial Position	
		Type of service	Term	Renewal Conditions			Income	Expense	Accounts receivable	Accounts receivable
						MCh$	MCh$	MCh$	MCh$	MCh$
Servipag Ltda.	Joint venture	Collection and payment of services	Undefined	Automatic renewal.	Yes	244	-	244	-	-
FUNDACION ENSEÑA CHILE	Other	FUNDACION ENSEÑA CHILE	Defined	2 years	Yes	179	-	179	-	-
Transbank S.A.	Other	Administration of credit cards and income from the use of credit cards	Undefined	Automatic renewal every 2 years.	Yes	493	161	333	-	-

As of March 31, 2023

Business name	Nature of the relationship with the bank	Description of the transaction			Transactions under equivalence conditions to those transactions with mutual independence between the parties	Amount	Effect on the Statement of Income		Effect on the Statement of Financial Position	
		Type of service	Term	Renewal Conditions			Income	Expense	Accounts receivable	Accounts receivable
						MCh$	MCh$	MCh$	MCh$	MCh$
BCI Seguros de Vida S.A.	Common parent	Collection service and use of channels, pouch, etc.	Annual	Annual Contracting	Yes	603	603	-	-	-
BCI Seguros de Vida S.A.	Common parent	Brand use	Annual	Annual Contracting	Yes	400	400	-	-	-
BCI Seguros de Vida S.A.	Common parent	Use of channels	Annual	Annual Contracting	Yes	133	133	-	-	-
BCI Seguros de Vida S.A.	Common parent	Subordinated bond	Annual	Annual Contracting	Yes	447	-	13	-	-
BCI Seguros de Vida S.A.	Common parent	Financial Bond	Annual	Annual Contracting	Yes	8,188	-	119	-	-
BCI Seguros de Vida S.A.	Common parent	Forward transaction	Annual	Annual Contracting	Yes	111	-	111	-	-
BCI Seguros de Vida S.A.	Common parent	Fees for collection Financial Services and Commercial Credit Administration S.A.	Annual	Annual Contracting	Yes	744	601	-	-	-
BCI Seguros de Vida S.A.	Common parent	Brokerage commissions BCI CCSS	Annual	Annual Contracting	Yes	2,302	2,302	-	-	-
BCI Seguros Generales S.A.	Common parent	Brand usage	Annual	Annual Contracting	Yes	400	400	-	-	-
BCI Seguros Generales S.A.	Common parent	Channel usage	Annual	Annual Contracting	Yes	133	133	-	-	-
BCI Seguros Generales S.A.	Common parent	Marketing	Annual	Annual Contracting	Yes	159	159	-	-	-
BCI Seguros Generales S.A.	Common parent	Commissions Channel Usage	Annual	Annual Contracting	Yes	164	138	-	-	-
BCI Seguros Generales S.A.	Common parent	Forward Transaction	Annual	Annual Contracting	Yes	347	-	347	-	-
BCI Seguros Generales S.A.	Common parent	Time Deposits	Annual	Annual Contracting	Yes	13,586	220	-	-	-
BCI Seguros Generales S.A.	Common parent	Financial Bond	Annual	Annual Contracting	Yes	5,684	-	94	-	-
BCI Seguros Generales S.A.	Common parent	Insurance contracted	Annual	Annual Contracting	Yes	535	-	456	-	-
BCI Seguros Generales S.A.	Common parent	Brokerage commissions SSFF Corredores de Seguros y Gestión Financiera Ltda.	Annual	Annual Contracting	Yes	606	510	-	-	-
BCI Seguros Generales S.A.	Common parent	Brokerage commissions BCI CCSS	Annual	Annual Contracting	Yes	7,536	7,536	-	-	-
Zenit Seguros Generales S.A.	Common parent	Investments at fair value, Financial bond	Annual	Not applicable	No	1,549	-	36	-	-
Zenit Seguros Generales S.A.	Common parent	Investments at fair value, Fixed term deposits	Annual	Not applicable	No	718	-	10	-	-
Artikos Chile S.A.	Joint venture	Procurement service	Undefined	Automatic renewal every 1 year	Yes	342	-	342	-	-
Centro de Compensación Automatizado S.A.	Other	Electronic banking transactions	Undefined	Automatic renewal every 1 year	Yes	481	-	481	-	-
Combanc S.A.	Affiliate	High-value payments and clearing	Undefined	Automatic renewal	Yes	142	-	142	-	-
Comder Contraparte Central S.A.	Affiliate	Bank processing	Undefined	Automatic renewal	Yes	538	-	538	-	-
Demos una Oportunidad al Menor	Other	Corporation	Defined	52 Meses (4 years and 4 months)	Yes	258	-	258	-	-
Depósitos Central de Valores S.A.	Other	Custody of financial instruments	Undefined	Automatic renewal	Yes	165	-	165	-	-
Jordan (Chile) S.A.	Common controller	Printing of forms	Undefined	Automatic renewal every 1 year	Yes	664	-	664	-	-
Redbanc S.A.	Affiliate	ATM operation	Undefined	Automatic renewal every 3 years	Yes	2,173	-	2,173	-	-
Servipag Ltda.	Joint venture	Collection and payment of services	Undefined	Automatic renewal	Yes	1,070	-	1,070	-	-
Transbank S.A.	Other	Credit card administration and income from credit card use	Undefined	Automatic renewal every 2 years	Yes	771	205	566	-	-

d) As of March 31, 2024 and 2023, the compensation of the key personnel of the Bank and its subsidiaries is as follows:

	As of March 31,	
	2024	2023
	MCh$	MCh$
Directors:		
Payment of salaries and expenses of the Board of Directors - Bank and Bank Subsidiaries	1,952	1,789
Key personnel of the Management of the Bank and its Subsidiaries:		
Payment for short-term term employee benefits	20,231	18,132
Payment for benefits to post-employment employees	-	-
Payment for benefits to long-term employees	-	-
Payment for benefits to employees for termination of employment contract	-	-
Payment to employees based on shares or equity instruments	-	-
Payment for obligations for defined contribution post-employment plans	-	-
Payment for obligations for post-employment defined benefit plans	-	-
Payment for other staff obligations	-	-
Subtotal - Payments for employee benefit obligations:	**20,231**	**18,132**
TOTAL	**22,183**	**19,921**

e) As of March 31, 2024 and 2023, the Bank presents Number of key management personnel members of the Bank and its Subsidiaries:

	As of March 31,	
	2024	2023
	Number of Executives	
Directors:		
Directors - Bank and Bank Subsidiaries	89	89
Key personnel of the Management of the Bank and its Subsidiaries:		
General Manager - Bank	1	1
General managers - Bank subsidiaries	16	16
Division/Area Managers - Bank	11	11
Division/Area Managers - Bank Subsidiaries	64	47
Subtotal	**92**	**75**
TOTAL	**181**	**164**

NOTE 44 – FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Assets and liabilities at fair value

The following table summarizes the carrying amounts and fair values of the main financial assets and liabilities not presented in the Interim Consolidated Financial Statements at their fair values as of March 31, 2024 and December 31, 2023:

	As of March 31, 2024		As of December 31, 2023	
	Carrying amount	Fair Values	Carrying amount	Fair Values
	MCh$	MCh$	MCh$	MCh$
ASSETS				
Cash and bank deposits	4,386,690	4,386,690	3,619,715	3,619,715
Transactions in course of collection	613,917	613,917	475,440	475,440
Financial assets held for trading at fair value through profit or loss	8,464,562	8,464,562	7,088,697	7,088,697
Financial assets not held for trading mandatorily measured at fair value through profit or loss	60,212	60,212	58,963	58,963
Financial assets designated at fair value through profit or loss	-	-	-	-
Financial assets at fair value through other comprehensive income	8,832,713	8,832,713	8,991,137	8,991,137
Financial derivative contracts for accounting hedge	2,172,154	2,172,154	1,999,433	1,999,433
Financial assets at amortized cost	58,078,730	62,689,384	53,769,837	58,083,376
Total assets	**82,608,978**	**87,219,632**	**76,003,222**	**80,316,761**
LIABILITIES				
Financial liabilities held for trading at fair value through profit or loss	569,499	569,499	429,959	429,959
Financial liabilities designated at fair value through profit or loss	6,992,853	6,992,853	5,625,481	5,625,481
Financial liabilities designated at fair value through profit or loss	-	-	-	-
Financial derivative contracts for accounting hedge	2,555,274	2,555,274	2,535,841	2,535,841
Financial liabilities at amortized cost	64,369,814	65,023,973	59,937,499	63,899,190
Total liabilities	**74,487,440**	**75,141,599**	**68,528,780**	**72,490,471**

The fair value estimates presented above do not attempt to estimate the value of the Bank's earnings, generated by its business, or future activities, and therefore, do not represent the value of the Bank as a going concern. Loans are shown net of provisions.

The methods used to estimate the fair value of financial instruments are detailed below.

Financial assets at amortized cost

This account includes Loans and receivables from customers and repurchase agreements.

Loans and receivables from customers are shown net of their provision for credit or impairment risk, the estimated fair value of loans represents the discounted amount of future cash flows expected to be received.

Cash flows are discounted at the base market interest rate; in this case, we use an interbank rate, considering the relevant term and currency.

The criteria used for the incorporation of credit risk of the assets considered for these purposes are:

1. From the expected loss estimation models. It is possible to infer about the credit quality of the portfolio (at least in qualitative terms). For the residual term of the operations that make up the asset accounts considered (commercial loans, mortgage loans for housing and consumer loans).
2. In quantitative terms. The provision percentage assigned to an operation is an approximation variable to the credit profile of said operation.
3. The amount resulting from applying the 'provisions/total loans' factor to the present value of the respective loans is an approximation of the adjustment for credit risk.

Liabilities at amortized cost

In this section we include on-demand and term deposits, bank borrowings and debt instruments issued.

The estimated fair value of on demand accounts and deposits, that is, without an established term. Including those accounts that do not accrue interest, is the amount to be paid when the client demands it. Therefore, the amortized cost of these deposits is a reasonable approximation of their fair value.

The fair value of term deposits has been estimated based on discounted future cash flows based on interest rate structures adjusted from transactions observed at the measurement date.

The fair value of liabilities with financial institutions has been determined using discounted cash flow models, based on the relevant interest rate curve for the remaining term of the instrument until maturity.

The fair value of these liabilities has been determined using discounted cash flow models, based on the relevant interest rate curve for the remaining term of the instrument until maturity.

Financial assets and liabilities held for trading through profit or loss

The fair value of financial assets and liabilities (fixed income instruments classified as financial assets at fair value through other comprehensive income. In addition to Derivative instruments) is estimated using the valuation techniques detailed in the following letters.

Financial instruments measured at fair value

Please refer to Note 2, letter j) for further details on the criteria used to determine fair value.

Hierarchy used to determine fair value

The regulations distinguish between different hierarchies of inputs used for valuation techniques, discriminating between "observable" or "unobservable" inputs. Observable inputs reflect market data obtained from independent sources, and unobservable inputs reflect the assumptions of the Bank and subsidiaries in relation to market behavior. From these two types of inputs, the following hierarchy has been created:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities to those being measured. This level includes debt instruments, whether they are fixed or variable income, equity instruments and derivative financial instruments traded on local or international stock markets.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable inputs directly (i.e., as prices) or indirectly (i.e., derived from prices) for assets and liabilities. This category includes prices that require interpolation within a price structure, such as derivative instruments. The same occurs with bonds valued with some valuation technique such as interpolation or matrix pricing, based on inputs that are observable.

Level 3 – Inputs that are not based on observable market data (unobservable inputs). This level includes equity and debt instruments that have significant unobservable inputs.

This hierarchy requires that when there are observable market data, they are used. The Bank and subsidiaries consider observable relevant market data in their valuations whenever possible.

Non-recurring assets and liabilities are presented below according to the hierarchy to determine the fair value as of March 31, 2024 and December 31, 2023:

	As of March 31, 2024			
	Total	Level 1	Level 2	Level 3
	MCh$	MCh$	MCh$	MCh$
Assets				
Financial assets at amortized cost	62,689,384	-	62,689,384	-
Total	**62,689,384**	**-**	**62,689,384**	**-**
Liabilities				
Financial liability at amortized cost	65,023,973	-	65,023,973	-
Total	**65,023,973**	**-**	**65,023,973**	**-**

	As of December 31, 2023			
	Total	Level 1	Level 2	Level 3
	MCh$	MCh$	MCh$	MCh$
Assets				
Financial assets at amortized cost	58,083,376	-	58,083,376	-
Total	**58,083,376**	**-**	**58,083,376**	**-**
Liabilities				
Financial liability at amortized cost	63,899,190	-	63,899,190	-
Total	**63,899,190**	**-**	**63,899,190**	**-**

The Bank and Subsidiaries have not made transfers of financial assets or liabilities between levels 1, 2 and 3 as of March 31, 2024 and December 31, 2023.

	As of March 31, 2024			
	Level 1	Level 2	Level 3	Total
	MCh$	MCh$	MCh$	MCh$
FINANCIAL ASSETS				
Financial assets held for trading at fair value through profit or loss:	**1,136,419**	**7,328,132**	**11**	**8,464,562**
Financial derivative contracts	-	7,328,132	11	**7,328,143**
Debt instruments	1,065,764	-	-	**1,065,764**
Other Financial Instruments	70,655	-	-	**70,655**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	**-**	**-**	**60,212**	**60,212**
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income:	**8,726,634**	**-**	**106,079**	**8,832,713**
Debt financial instruments	8,726,634	-	106,079	**8,832,713**
Other Financial Instruments	-	-	-	**-**
Financial derivative contracts for accounting hedge	**-**	**2,172,154**	**-**	**2,172,154**
Total financial assets	**9,863,053**	**9,500,286**	**166,302**	**19,529,641**
FINANCIAL LIABILITIES				
Financial liabilities held for trading at fair value through profit or loss	**-**	**6,992,853**	**-**	**6,992,853**
Financial derivative contracts	-	6,992,853	-	**6,992,853**
Other	-	-	-	**-**
Financial liabilities designated at fair value through profit or loss	**-**	**-**	**-**	**-**
Financial derivative contracts for hedging	**-**	**2,555,274**	**-**	**2,555,274**
Total financial liabilities	**-**	**9,548,127**	**-**	**9,548,127**

	As of December 31, 2023			
	Level 1	Level 2	Level 3	Total
	MCh$	MCh$	MCh$	MCh$
FINANCIAL ASSETS				
Financial assets held for trading at fair value through profit or loss:	**1,087,760**	**6,000,876**	**61**	**7,088,697**
Financial derivative contracts	-	6,000,876	61	**6,000,937**
Debt instruments	974,506	-	-	**974,506**
Other Financial Instruments	113,254	-	-	**113,254**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	**-**	**-**	**58,963**	**58,963**
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income:	**8,896,697**	**-**	**94,440**	**8,991,137**
Debt financial instruments	8,896,697	-	94,440	**8,991,137**
Other Financial Instruments	-	-	-	**-**
Financial derivative contracts for accounting hedge	**-**	**1,999,433**	**-**	**1,999,433**
Total financial assets	**9,984,457**	**8,000,309**	**153,464**	**18,138,230**
FINANCIAL LIABILITIES				
Financial liabilities held for trading at fair value through profit or loss	**-**	**5,625,481**	**-**	**5,625,481**
Financial derivative contracts	-	5,625,481	-	**5,625,481**
Other	-	-	-	**-**
Financial liabilities designated at fair value through profit or loss	**-**	**-**	**-**	**-**
Financial derivative contracts for hedging	**-**	**2,535,841**	**-**	**2,535,841**
Total financial liabilities	**-**	**8,161,322**	**-**	**8,161,322**

a) Valuation of “La Polar” Bonds

As of March 31, 2024 and 2023, the Bank has applied valuation techniques to determine the fair value of the financial instruments “BLAPO-F” and “BLAPO- G”. Such valuation is based on the IRR of the last existing market transaction between the closing date of the Interim Consolidated Financial Statements and the exchange date of said financial instrument.

b) Level 3 Reconciliation

Value changes in level 3 financial assets as of March 31, 2024 and December 31, 2023 are explained by the following reconciliation table:

As of March 31, 2023						
Reconciliation level 3	Opening balance	Gain (loss) recognized in profit or loss	Gain (loss) recognized in Equity	Net of purchase, sales, and agreements	Transfers from level 1 and 2	Closing balance
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Assets						
Derivative Contracts						
Forwards	-	-	-	-	-	-
Swaps	61	(50)	-	-	-	**11**
Call Options	-	-	-	-	-	-
Put Options	-	-	-	-	-	-
Financial assets not held for trading mandatorily measured at fair value	58,963	1,249	-	-	-	**60,212**
Financial assets at fair value	94,440	11,639	-	-	-	**106,079**
Total	**153,464**	**12,838**	**-**	**-**	**-**	**166,302**
	-	-	-	-	-	-
Liabilities	-	-	-	-	-	-
Derivative Contracts	-	-	-	-	-	-
Forwards	-	-	-	-	-	-
Swaps	-	-	-	-	-	-
Call Options	-	-	-	-	-	-
Put Options	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

As of December31, 2023						
Reconciliation level 3	Opening balance	Gain (loss) recognized in profit or loss	Gain (loss) recognized in Equity	Net of purchase, sales, and agreements	Transfers from level 1 and 2	Closing balance
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Assets						
Derivative Contracts	-	-	-	-	-	-
Forwards	-	-	-	-	-	-
Swaps	303	(242)	-	-	-	**61**
Call Options	-	-	-	-	-	-
Put Options	-	-	-	-	-	-
Financial assets not held for trading mandatorily measured at fair value	71,282	(12,319)	-	-	-	**58,963**
Financial assets at fair value	83,443	-	10,997	-	-	**94,440**
Total	**155,028**	**(12,561)**	**10,997**	**-**	**-**	**153,464**
	-	-	-	-	-	-
Liabilities	-	-	-	-	-	-
Derivative Contracts	-	-	-	-	-	-
Forwards	-	-	-	-	-	-
Swaps	-	-	-	-	-	-
Call Options	-	-	-	-	-	-
Put Options	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

NOTE 45 – MATURITY OF FINANCIAL ASSETS AND LIABILITIES AS PER THEIR REMAINING TERMS

a) As of March 31, 2024 and December 31, 2023, the new contractual maturities according to remaining terms of financial assets and liabilities, are as follows:

As of March 31, 2024	On-demand	Up to a month	More than one month and three months	More than three months up to one year	Between 1 year and 3 years	More than 3 years up to 5 years	More than five years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS								
Cash and bank deposits	4,386,690	-	-	-	-	-	-	**4,386,690**
Transactions in course of collection	-	613,917	-	-	-	-	-	**613,917**
Financial assets held for trading at fair value through profit or loss	-	743,927	1,372,587	2,215,622	1,947,253	815,606	1,369,567	**8,464,562**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	17,712	1,823	13,851	9,014	5,292	12,520	**60,212**
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	-	2,598,300	267,372	2,031,921	1,322,290	776,359	1,836,471	**8,832,713**
Financial derivative contracts for hedge accounting	-	59,587	146,679	312,562	505,360	412,964	735,002	**2,172,154**
Financial assets at amortized cost	-	11,222,186	4,109,472	8,236,885	7,806,723	4,915,300	21,788,164	**58,078,730**
Total assets	**4,386,690**	**15,255,629**	**5,897,933**	**12,810,841**	**11,590,640**	**6,925,521**	**25,741,724**	**82,608,978**
LIABILITIES								
Transactions in course of payment	-	569,499	-	-	-	-	-	569,499
Financial liabilities held for trading at fair value through profit or loss	-	660,350	1,217,880	1,925,096	1,536,452	721,765	931,310	6,992,853
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	-
Financial derivative contracts for accounting hedge	-	67,653	176,649	378,807	588,467	467,612	876,086	2,555,274
Financial liabilities at amortized cost	26,945,987	14,360,113	5,370,133	9,115,859	2,192,281	2,615,436	3,770,005	64,369,814
Lease liabilities	-	1,360	3,434	11,713	39,310	53,199	9,565	118,581
Issued regulatory capital financial instruments	-	-	-	30,368	59,298	51,388	1,903,681	2,044,735
Total Liabilities	**26,945,987**	**15,658,975**	**6,768,096**	**11,461,843**	**4,415,808**	**3,909,400**	**7,490,647**	**76,650,756**
Net mismatch between financial assets and liabilities	**(22,559,297)**	**(403,346)**	**(870,163)**	**1,348,998**	**7,174,832**	**3,016,121**	**18,251,076**	**5,958,221**

As of December 31, 2023	On-demand	Up to a month	More than one month and three months	More than three months up to one year	Between 1 year and 3 years	More than 3 years up to 5 years	More than five years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS								
Cash and bank deposits	3,619,715	-	-	-	-	-	-	**3,619,715**
Transactions in course of collection	-	475,440	-	-	-	-	-	**475,440**
Financial assets held for trading at fair value through profit or loss	-	632,008	813,056	1,842,147	1,807,749	812,869	1,180,868	**7,088,697**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	2,607	4,371	10,972	11,330	4,884	24,799	**58,963**
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	-	397,503	666,592	1,673,018	1,727,606	744,777	3,781,641	**8,991,137**
Financial derivative contracts for hedge accounting	-	50,014	51,601	422,217	555,065	320,955	599,581	**1,999,433**
Financial assets at amortized cost	-	10,895,646	3,678,635	7,737,995	7,480,762	4,718,764	19,258,035	**53,769,837**
Total assets	**3,619,715**	**12,453,218**	**5,214,255**	**11,686,349**	**11,582,512**	**6,602,249**	**24,844,924**	**76,003,222**
LIABILITIES								
Transactions in course of payment	-	429,959	-	-	-	-	-	**429,959**
Financial liabilities held for trading at fair value through profit or loss	-	531,298	691,688	1,528,363	1,322,670	689,404	862,058	**5,625,481**
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	-
Financial derivative contracts for accounting hedge	-	69,525	65,419	533,471	706,272	389,175	771,979	**2,535,841**
Financial liabilities at amortized cost	23,810,298	10,501,589	6,866,973	11,107,206	2,097,952	2,648,959	2,904,522	**59,937,499**
Lease liabilities	-	1,483	3,745	12,776	42,880	58,029	10,436	**129,349**
Issued regulatory capital financial instruments	-	-	-	30,368	59,298	51,388	1,410,237	**1,551,291**
Total Liabilities	**23,810,298**	**11,533,854**	**7,627,825**	**13,212,184**	**4,229,072**	**3,836,955**	**5,959,232**	**70,209,420**
Net mismatch between financial assets and liabilities	**(20,190,583)**	**919,364**	**(2,413,570)**	**(1,525,835)**	**7,353,440**	**2,765,294**	**18,885,692**	**5,793,802**

NOTE 46 – FINANCIAL AND NON-FINANCIAL ASSETS AND LIABILITIES BY CURRENCY

a) As of March 31, 2024 and December 31, 2023, financial and non-financial assets and liabilities by currency are detailed as follows:

As of March 31, 2024	Chilean pesos		Adjustable by Exchange rate	Us dollars	Colombian pesos	Pound sterling	Euro	Swiss francs	Yen	Chinese yuan	Other Foreign Currencies	Total
	CLP	UF	ER	USD	COP	GBP	EUR	CHF	JPY	CNY	OTHER	
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSET												
Cash and bank deposits	1,062,674	-	-	3,166,937	-	1,920	60,818	2,508	24,092	8,019	59,722	**4,386,690**
Transactions in course of collection	391,315	-	-	176,159	-	297	35,150	134	6,908	610	3,344	**613,917**
Financial assets held for trading at fair value through profit or loss	7,778,845	548,904	-	135,788	5	-	-	-	-	-	1,020	**8,464,562**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	-	-	60,212	-	-	-	-	-	-	-	**60,212**
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	2,157,319	1,775,308	-	4,751,910	-	-	103,678	-	-	-	44,498	**8,832,713**
Financial derivative contracts for hedge accounting	1,611,272	71,848	-	4,263	-	-	94	482,703	81	-	1,893	**2,172,154**
Financial assets at amortized cost:	13,351,743	16,788,407	224,596	27,302,513	-	-	66,273	-	1,187	-	344,011	**58,078,730**
Investments in companies	42,618	-	-	141,476	-	-	-	-	-	-	-	**184,094**
Intangible Assets	241,423	-	34,710	176,311	-	-	-	-	-	-	10,658	**463,102**
Property and equipment	204,883	-	-	58,654	-	-	-	-	-	-	1,672	**265,209**
Right-of-use assets	14,580	66,193	-	51,771	-	-	-	-	-	-	1,425	**133,969**
Current tax assets	167,996	-	-	-	-	-	-	-	-	-	891	**168,887**
Deferred tax assets	349,378	-	-	186,372	-	-	-	-	-	-	2,507	**538,257**
Other assets	511,312	1,507	48,267	1,386,416	-	-	(714)	-	-	-	10,873	**1,957,661**
Non-current assets and disposal groups held for sale	43,629	-	-	-	-	-	-	-	-	-	-	**43,629**
Total assets	**27,928,987**	**19,252,167**	**307,573**	**37,598,782**	**5**	**2,217**	**265,299**	**485,345**	**32,268**	**8,629**	**482,514**	**86,363,786**
LIABILITIES												
Transactions in course of payment	330,054	-	-	210,446	-	262	17,360	42	6,874	2,887	1,574	**569,499**
Financial liabilities held for trading at fair value	6,748,540	407	-	223,905	-	-	-	-	-	-	20,001	**6,992,853**
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
Financial derivative contracts for accounting hedge	771,098	1,259,993	-	523,471	-	-	-	712	-	-	-	**2,555,274**
Financial liabilities at amortized cost	22,452,647	5,941,396	12,133	34,403,477	-	981	98,491	1,024,682	78,227	6,604	351,176	**64,369,814**
Lease liabilities	-	76,099	-	41,077	-	-	-	-	-	-	1,405	**118,581**
Issued regulatory capital financial instruments	(3,786)	1,570,212	-	478,309	-	-	-	-	-	-	-	**2,044,735**
Provisions for contingencies	98,410	-	-	37,216	-	-	-	-	-	-	545	**136,171**
Provisions for dividends, payment of interest and revaluation of regulatory capital financial instruments issued	266,970	-	-	6,327	-	-	-	-	-	-	-	**273,297**
Special provisions for credit loss	397,400	-	-	43,963	-	-	160	20	3	40	41	**441,627**
Current tax	7,230	-	-	5,528	-	-	-	-	-	-	-	**12,758**
Deferred tax	1,636	-	-	-	-	-	-	-	-	-	-	**1,636**
Other liabilities	523,532	311,436	4,538	1,454,089	-	-	(1)	-	-	3	1,841	**2,295,438**
Liabilities included in disposal groups held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	**31,593,731**	**9,159,543**	**16,671**	**37,427,808**	**-**	**1,243**	**116,010**	**1,025,456**	**85,104**	**9,534**	**376,583**	**79,811,683**
Mismatches by currency as of March 31, 2024	**(3,664,744)**	**10,092,624**	**290,902**	**170,974**	**5**	**974**	**149,289**	**(540,111)**	**(52,836)**	**(905)**	**105,931**	**6,552,103**

As of December 31, 2023	Chilean pesos		Adjustable by CT	US dollars	Colombian pesos	Pound sterling	Euro	Swiss francs	yen	Chinese yuan	Other Foreign Currencies	Total
	CLP	UF	CT	USD	COP	GBP	EUR	CHF	JPY	CNY	OTHER	
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSET												
Cash and bank deposits	1,067,688	-	-	2,324,295	-	3,638	75,743	1,752	34,716	7,326	104,557	**3,619,715**
Transactions in course of collection	268,971	-	-	167,086	-	74	38,698	148	75	-	388	**475,440**
Financial assets held for trading at fair value through profit or loss	6,553,290	432,637	-	102,051	14	-	-	-	-	-	705	**7,088,697**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	-	-	58,963	-	-	-	-	-	-	-	**58,963**
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	**-**
Financial assets at fair value through other comprehensive income	2,547,336	1,983,849	-	4,309,623	-	-	93,720	-	-	-	56,609	**8,991,137**
Financial derivative contracts for hedge accounting	1,458,124	74,914	-	2,736	-	-	45	462,528	19	-	1,067	**1,999,433**
Financial assets at amortized cost:	12,659,715	16,493,364	150,119	24,112,962	-	-	61,206	-	9,648	-	282,823	**53,769,837**
Investments in companies	38,090	-	-	125,046	-	-	-	-	-	-	-	**163,136**
Intangible Assets	246,780	-	30,973	158,807	-	-	-	-	-	-	9,986	**446,546**
Property and equipment	198,434	-	-	53,620	-	-	-	-	-	-	1,560	**253,614**
Right-of-use assets	14,164	79,865	-	48,542	-	-	-	-	-	-	1,315	**143,886**
Current tax assets	158,993	-	-	-	-	-	-	-	-	-	325	**159,318**
Deferred tax assets	367,066	-	-	123,211	-	-	-	-	-	-	2,184	**492,461**
Other assets	497,599	52	42,239	1,044,835	-	-	(652)	-	-	-	8,912	**1,592,985**
Non-current assets and disposal groups held for sale	45,985	-	-	-	-	-	-	-	-	-	-	**45,985**
Total assets	**26,122,235**	**19,064,681**	**223,331**	**32,631,777**	**14**	**3,712**	**268,760**	**464,428**	**44,458**	**7,326**	**470,431**	**79,301,153**
LIABILITIES												
Transactions in course of payment	202,754	-	-	213,439	-	2,467	9,515	-	-	1,622	162	**429,959**
Financial liabilities held for trading at fair value	5,583,270	-	-	33,837	-	-	-	-	-	-	8,374	**5,625,481**
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	**-**
Financial derivative contracts for accounting hedge	740,410	1,328,076	-	467,355	-	-	-	-	-	-	-	**2,535,841**
Financial liabilities at amortized cost	22,035,899	5,745,874	-	30,603,112	-	746	101,425	978,716	84,287	4,535	382,905	**59,937,499**
Lease liabilities	-	89,209	-	38,855	-	-	-	-	-	-	1,285	**129,349**
Issued regulatory capital financial instruments	-	1,551,291	-	-	-	-	-	-	-	-	-	**1,551,291**
Provisions for contingencies	145,423	-	-	53,302	-	-	-	-	-	-	1,050	**199,775**
Provisions for dividends, payment of interest and revaluation of regulatory capital financial instruments issued	204,740	-	-	-	-	-	-	-	-	-	-	**204,740**
Special provisions for credit loss	405,961	-	-	46,149	-	-	243	31	-	-	14	**452,398**
Current tax	7,349	-	-	26,310	-	-	-	-	-	-	-	**33,659**
Deferred tax	2,106	-	-	-	-	-	-	-	-	-	-	**2,106**
Other liabilities	511,307	297,706	10,343	1,310,704	-	-	-	-	-	-	1,619	**2,131,679**
Liabilities included in disposal groups held for sale	-	-	-	-	-	-	-	-	-	-	-	**-**
Total liabilities	**29,839,219**	**9,012,156**	**10,343**	**32,793,063**	**-**	**3,213**	**111,183**	**978,747**	**84,287**	**6,157**	**395,409**	**73,233,777**
Mismatches by currency as of December 310, 2023	**(3,716,984)**	**10,052,525**	**212,988**	**(161,286)**	**14**	**499**	**157,577**	**(514,319)**	**(39,829)**	**1,169**	**75,022**	**6,067,376**

NOTE 47 – RISK MANAGEMENT AND REPORTING

1. INTRODUCTION

Financial risk management is performed throughout the organization, under a framework containing policies that define the criteria and procedures guiding the actions of the Bank and its subsidiaries.

Business activities performed by the Bank involve identifying, assessing, accepting, and managing different types of risks or combinations of risks. The main risk categories to which the Bank is exposed are financial risk, market risk, structural risk, and liquidity risk.

To manage financial risks, the Bank's Board of Directors and Senior Management are responsible for:

- understanding the nature and magnitude of the financial risks assumed as well as the strategies implemented to manage them;
- directing the management of financial risks using prudential criteria, which avoid exposing the Bank to insolvency or financial instability;
- defining a framework of policies that comprehensively regulate the management of financial risks, considering the best practices in the market, current regulations and the Bank's culture;
- establishing a structure of limits structure that covers all relevant risks, is consistent with the Board of Directors' risk tolerance and current regulatory margins;
- establishing a clear segregation of duties between trading and control activities, so that risk measurement, supervision and information are performed by units that are independent from the risk-assuming areas;
- receiving relevant, complete and timely information; and
- verifying the application of policies and compliance with limits through a continuous internal audit process.

2. GOVERNANCE AND MANAGEMENT

The Board of Directors, through the Executive Committee, approves the policies and defines the level of financial risk tolerance. The Comptroller supervises compliance with risk policies, using independent evaluations. Likewise, the Bank controls exposure to financial risks through the Finance and Risk Committee.

The Chief Executive Officer. as the main individual responsible for the Bank's overall management, must conduct the business strictly adhering to the current legal framework and internal policies, limits and procedures established. He chairs the Assets and Liabilities Committee (ALCO), a body where he is informed about the risks assumed by the Bank and provides guidelines for such purposes.

The Assets and Liabilities Committee (ALCO) is the highest-ranking executive body assigned to manage financial risks. In its regular meetings, the ALCO Committee reviews the liquidity position, asset and liability management and investment strategies, with due regard to risks assumed.

The Finance Department is responsible for the direct management of financial risks. Such department must implement business, investment, and financing strategies for the Bank to achieve its objectives while minimizing the risks assumed.

The Market and Liquidity Risk Management measures and controls financial risks, this Department is responsible for proposing policies and limits to mitigate risks, as well as designing measurement tools according to the size and complexity of operations.

The limit structure and daily control ensure that risks are within the margins established by the ALCO Committee and approved by the Executive Committee. This is strengthened by an adequate segregation of duties and the control by opposition established in the Bank's organizational structure, which allows managing risks without any conflict of interest.

The Market and Liquidity Risk Management reports on a daily basis risk exposures and the use of limits. In addition, on a monthly basis it communicates the overall financial risk position to the ALCO Committee, so that Senior Management understands the risks assumed, and if required, establishes guidelines.

The supervision of the financial risks performed by the Bank on the subsidiaries is covered by the Subsidiary Control Policy, this is performed through the process of annual review of policies, quantification of risks, definition of stand-alone or consolidated limits, and coordination between the different vehicles when appropriate.

3. MARKET RISK

Market risk represents losses that could affect the value of investment portfolios because of adverse movements in market prices.

Principles for managing market risk include: the use of methodologies to quantify market risks in accordance with the volume and complexity of the activities performed; mechanisms for periodic review of the models used to quantify market risks. Including their independent validations; formal and periodic performance of stress exercises, appropriate for the scale and complexity of transactions and daily monitoring of limits and excesses.

In the field of market risks. The following are managed:

Price risk: it is the risk of losses that can cause a change in the value of a portfolio of financial instruments, in trading activities with customers (*market making)* and proprietary investments. This risk is found in all portfolios subject to market valuation.

Basis risk: losses that may originate from an imperfect correlation between two or more market variables used to hedge the risk of a financial position.

Convexity or mismatch risk: losses that may originate when assuming positions in a risk factor, generating mismatches in time periods. Those terms where there is greater market depth should be considered as one of the important variables.

Optionality risk: Buying or writing options carries its own risks. These are closely characterized by the non-linear relationship between the gain generated by the option. The value of the underlying factors and the volatility of such factors.

The Bank separate the management, control, and measurement of market risks between trading portfolios and financial assets at fair value through other comprehensive income portfolios. The former includes positions as a result of the flow of sales to corporate and institutional customers, positions as a result of the market making business, and hedge or trading positions. The latter holds positions that come mainly from the management of interest rates associated with personal and commercial banking loans. In addition to a portfolio of financial investments.

3.1 MARKET RISK IN THE TRADING BOOK

The main market risks generated in the trading book are the following:

Interest rate risk: arise as a result of exposure to movement in the different interest rate curves on which a current position is maintained. The typical products that generate this sensitivity correspond to interest rate derivative products (Swap or Cross Currency Swap), such as those products of the capital market business (Debt Securities, Term Deposits, Futures or other). However, in practice, all financial products are exposed to movements in interest rates due to the effect on the valuation associated with their discount factor.

Currency risk: this risk is generated by the movements from the several exchange rates with the currencies on which current positions are held. This risk is generated in currency spot positions, as well as in any derivative product whose underlying is an exchange rate.

Optionality risk: The purchase or writing of options carries its own risks. These are closely characterized by the non-linear relationship between the gain generated by the option, the value of the underlying factors and the volatility of said factors.

Equity security risk arises as a result of movements in share prices. Such risk is generated in cash positions of shares as well as in any derivative product whose underlying is a share or a variable income index. This type of instrument mainly arises from the subsidiary BCI Corredor de Bolsa, whereas Bank BCI, by regulation, does not have access to these markets.

3.1.1 Management and Limits

The functions established for Financial Risk include the daily control of market risk positions, which implies ensuring compliance with the limits and/or alerts approved by Senior Management. This follow-up is performed regularly to assess the evolution of risk metrics and their significant movements, as well as communicate risks and possible excesses through the channels established for such purposes.

Setting limits for trading market risk is a dynamic process that is associated with the level of risk appetite established by the Bank. Such process is part of the annual limit review and update plan.

Limits are established on different metrics and are intended to cover all activities subject to this risk from multiple views, applying a prudent criterion, where the main are as follows:

- VaR limits (Total and by risk factor)
- Sensitivity limits to the exchange rate
- Interest rate sensitivity limits (total and by terms)
- Sensitivity limits for positions in significant products
- Sensitivity limits for positions in significant spread
- Vega limits

These general limits are supplemented by other sub-limits for structure that is granular to allow the effective control of the different types of trading market risk factors to which the Bank is exposed in its trading activities.

These limits are approved by senior management (ALCO and/or Board of Directors).

3.1.2 Metrics

a) VaR (Value at Risk): this is a methodology that estimates losses that a portfolio would incur as a result of an adverse movement of interest rates and/or market prices over a time horizon and for a certain confidence level.

The VaR methodology used is historical simulation that recognizes the fat-tail property of financial returns. A 2-year rolling window of daily data is used. The 1st percentile of the P&L distribution is measured, or VaR at 99% confidence. The volatility updating technique is used, which recognizes the existence of volatility clusters.

Objectives and limitations of the VaR methodology: The objective of VaR is to measure the risk of a portfolio of assets by determining how much it can lose over a period and with a given level of confidence. Under normal market conditions. This method is applied to portfolios that have information on the relevant market variables. In addition, it does not depend on the calculation of correlations and volatilities, as these are calculated implicitly when using historical information, which means having the history of the associated variables to perform this calculation.

The 1-day VaR for each portfolio is shown below.

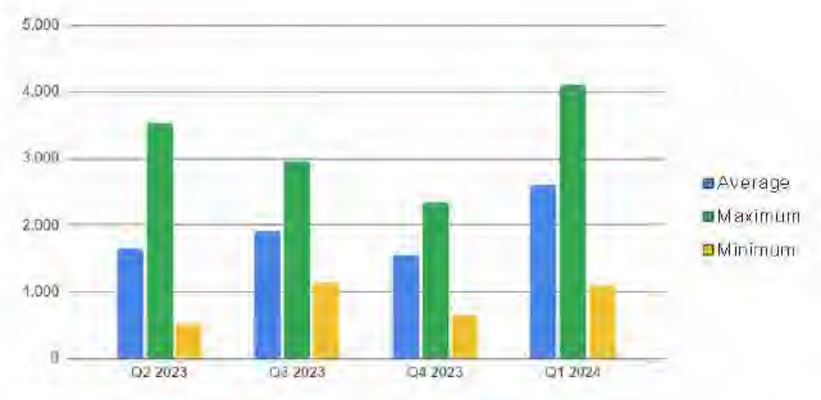
VaR tables by Portfolio: annual comparison as of March 31, 2024

Figures in millions of Chilean pesos, with a 1-day time horizon.

VAR	2024	2023	Variance
	MCh$	MCh$	MCh$
Trading	**3,527**	**1213**	**2,314**
Maximum	4,093	3,981	112
Minimum	1,092	521	571
Average	2,613	1,558	1,055
Balance	**1,060**	**636**	**424**
Maximum	1,421	1,541	(120)
Minimum	692	149	543
Average	979	538	441
BCI Corredor de Bolsa	**498**	**863**	**(365)**
Maximum	832	1,950	(1,118)
Minimum	441	476	(35)
Average	581	922	(341)
BCI Asset Management	**23**	**45**	**(22)**
Maximum	52	106	(54)
Minimum	23	23	-
Average	36	51	(15)

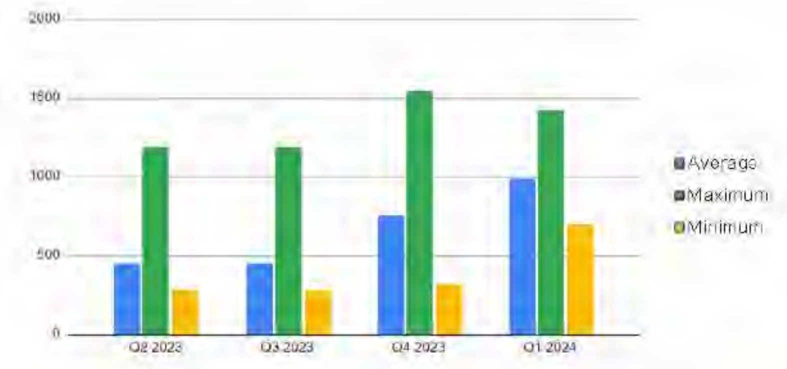
VaR Trading: quarterly graphic comparison as of March 31, 2024

Amounts in millions of Chilean pesos, with a 1-day time horizon.



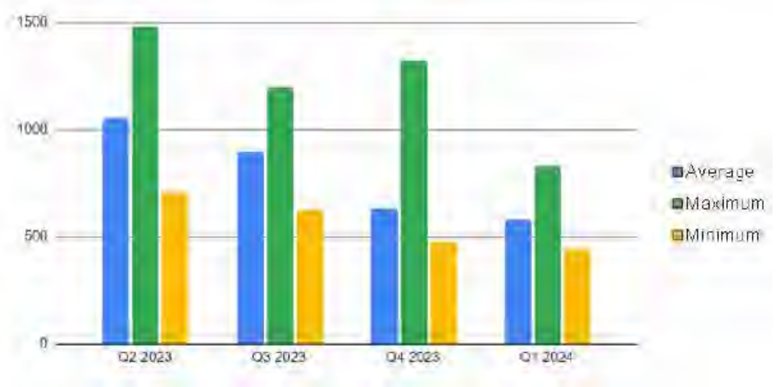
VaR Balance: quarterly graphic comparison as of March 31, 2024

Amounts in millions of Chilean pesos, with a 1-day time horizon.



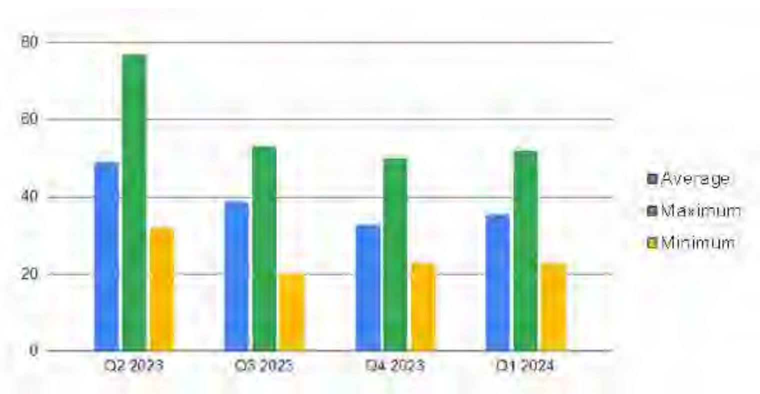
VaR Bci Corredora de Bolsa: quarterly graphic comparison as of March 31, 2024

Amounts in millions of Chilean pesos, with a 1-day time horizon.



VaR Bci Asset Management: quarterly graphic comparison as of March 31, 2024

Amounts in millions of Chilean pesos, with a 1-day time horizon.



For the current period. The VaR (Value at Risk) is broken down into the different risk factors that compose it for its management, this corresponds to:

VaR by Risk factor: As of March 31, 2024

Amounts in millions of Chilean pesos

Value at Risk	2024	2023	Variance
	MCh$	MCh$	MCh$
Total	**3,527**	**1,213**	**2,314**
Interest rate	2,017	690	1,327
Foreign currency	1,734	600	1,134
Optionality	66	18	48

<u>Note</u>: consider that the calculation of VAR having correlations. The sum of its factors is not the same related to the Total VAR,

a) Stressed VaR (sVaR): there are limitations of the VaR models, mainly in the face of extreme events that have not been noted in the historical information or because they do not capture the intra-day movements in the portfolio. Because of this, stress situations are modeled to assess potential impacts on the value of the most extreme event portfolios. The following analysis presents the Stress VaR study for the main current risks.

Stress VaR: As of March 31, 2024

Amounts in millions of Chilean pesos, with a 1-day time horizon.

STRESS VAR	2024	2023	Variance
	MCh$	MCh$	MCh$
Total	**4,192**	**4,029**	**163**
Maximum	6,868	9,988	(3,120)
Minimum	2,775	2,202	573
Average	4,150	4,746	(596)

3.2 COUNTERPARTY MARKET RISK

Counterparty risk management encompasses the management of financial risks that seeks to recognize and subsequently manage the possible credit deterioration of each counterparty, arising from investments and/or businesses related to the capital market.

This risk is defined as the possibility that the issuer or the counterparty does not comply with its obligations or commitments within the agreed terms and amounts. This risk is determined by the debt at the time of default, by the probability of default by the counterparty, and by the loss given default. On a daily basis, the current market value plus the potential future exposure of the derivatives is calculated; estimating the value of the debt in an event of default that has not yet occurred. The potential future exposure represents the maximum market value that the instruments could reach during the remaining term of the contract. The result of this calculation determines the use of the credit facility associated with derivative instruments.

As part of counterparty risk management, Senior Management encourages direct involvement in both local and foreign clearing houses. As applicable, and the trading of derivative instruments must be conducted in accordance with the policies, limits and procedures established by the Bank, in compliance with internal and external regulations, and all new products must comply with the provisions of the New Products Policy prior to being traded.

3.2.1 Management and Limits

The Bank manages its counterparty risk through analysis of the future exposure of financial instruments, called PFE (Potential Future Exposure) and in turn through adjustments to the Fair value of derivative instruments, referred to as CVA (Credit Value Adjustment).

3.2.2 Metrics

a) **Future Exposures:** The future exposure of an *over-the-counter (OTC) derivative* is directly related to the credit exposure generated by this type of product for BCI. The risk from such contracts exists when the valuation or *mark-to-market (MTM)* is positive in favor of BCI. These contracts are measured on a daily basis, and the risk or uncertainty arises regarding the potential value that the MTM may reach throughout the life of the operation.

   Montecarlo simulation techniques are used to calculate future exposures by counterparty, specific limits by counterparty ensure that defined risk levels are not exceeded, and adequate diversification is achieved. The following table provides the detail of the exposure for each segment for the periods ended March 31, 2024 and December 31, 2023.

Future Exposure by Banks: As of March 31, 2024

Amounts in millions of Chilean pesos,

Future Exposure		
Banking	March 31, 2024	December 31, 2023
	MCh$	MCh$
Banco BCI	**4,394,112**	**2,772,591**
Private Banking	148,648	148,512
Banks	1,541,574	501,509
Corporate	973,886	904,197
SMEs	1,045	1,116
Business	40,334	24,339
Large Corporations	175,388	114,474
Real Estate	181,591	148,239
Institutional	1,331,647	930,205
Total	**4,394,112**	**2,772,591**

b) Derivative credit valuation adjustment (CVA): The objective is to determine the expected losses due to counterparty risk in OTC derivative contracts. The CVA of a derivative is defined as the difference between the market value free of credit risk (without risk of default by the counterparty) and the value of the derivative engaged that carries the possibility of default by the counterparty. Accordingly, the CVA of a customer can be obtained from the expected exposure (EE) by counterparty risk (the expected loss amount) and the expected loss rate (EL) associated with the default of the counterparty. The table below details the allowance for CVA by segment as of March 31, 2024 and December 31, 2023.

CVA (Credit Value Adjustment): as of March 31, 2024

Amounts in millions of Chilean pesos,

Credit Value Adjustment (CVA)			
Banking	March 31, 2024	December 31, 2023	Variation
	MCh$	MCh$	MCh$
Banco BCI	**7,837**	**8,148**	**(311)**
Private Banking	560	654	(94)
Banks	6	8	(2)
Corporate	2,354	2,360	(6)
SMEs	2	3	(1)
Business	299	297	2
Large Corporations	1,722	1,730	(8)
Real Estate	2,429	2,662	(233)
Institutional	461	435	26
City National Bank	**1,147**	**826**	**321**
BCI CdB	**0,96**	**0,33**	**0,63**
Total	**8,985**	**8,974**	**11**

3.3 MARKET RISK OUTSIDE OF THE TRADING BOOK

Financial assets at fair value through other comprehensive income relate to all financial instruments that have not been acquired for trading them at short-term, where the Bank intends to keep them on its balance sheet Instruments that are classified as financial assets at fair value through other comprehensive income may not be subsequently reclassified to the category financial assets held for trading at fair value through profit or loss.

Certain definitions that should be considered for the market of these assets are included below:

Debt Securities (IRF): this is the name given to securities representing medium and long-term obligations, issued in series. Intended to finance different production and housing activities. They bear interest and are generally quoted as a percentage of par value.

Portfolio of Non-Derivative Financial Instruments: relates to the set of investment debt securities classified as financial assets at fair value through other comprehensive income. Investments to Maturity and the portfolio of corporate bonds classified in Trading, which weight different economic sectors, issuers, terms, rates (fixed versus floating or mixed rates), currencies, prepayment options, etc.

Investment Grade Instruments: relate to instruments to which the investment grade classification has been associated by one of the international rating agencies: S&P, Moody's and Fitch. This is equivalent to a BBB- or higher rating for the International market and A- for domestic instruments.

Covenants: restrictions used by banks or institutional investors to ensure that issuers will operate prudently, allowing them to pay their debt on agreed terms, A *covenant* may require the issuer to present its financial statements to the bank or, an extreme covenant, would prohibit it from assuming new debt.

3.3.1 Management and Limits

Like the management of limits for the trading book, for the financial assets at fair value through other comprehensive income book, the duties established by Financial Risk are in general, the definition of measurement criteria and regular control of the portfolio, which implies ensuring compliance with the limits and/or warnings approved by Senior Management.

Setting market risk limits for financial assets at fair value through other comprehensive income is a dynamic process associated with the level of risk appetite established by the Bank. This process is part of the annual limit review and update plan.

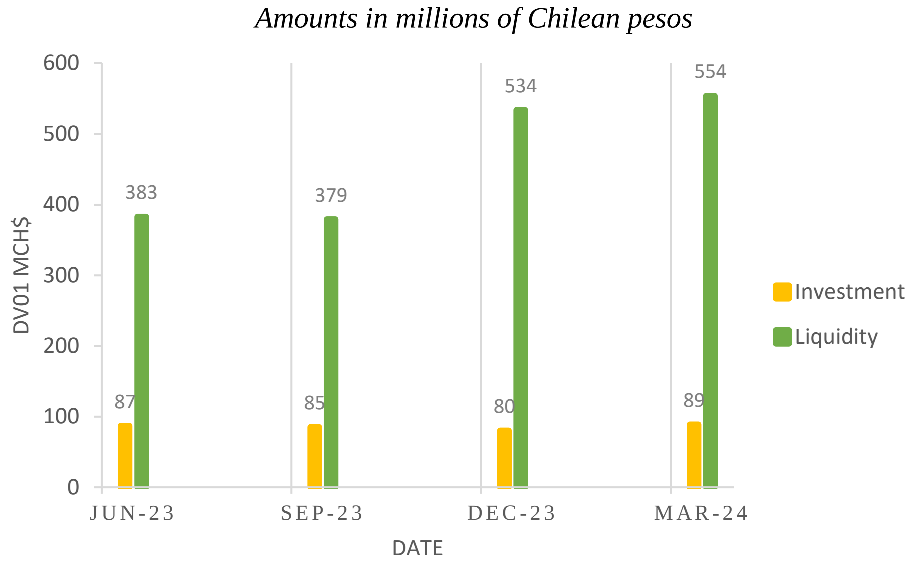
Limits applied are different for the different portfolios due to their different nature and objectives. We highlight the following market risk limits associated with available-for-sale instruments:

- ➔ Interest rate sensitivity limits. It is the maximum amount by which the market value of the investment portfolio can change due to a one basis point increase in discount rates.
- ➔ Diversification limits. Investment concentration limits by country, type of industry and business.
- ➔ Portfolio permanence limits. According to the business model the investments must remain a minimum amount of time in the portfolio as a whole.

3.3.1.1 Metrics Sensitivities and positions

The sensitivity analysis assesses the impact of one basis point on the interest rates at which each of the instruments in the financial assets at fair value through other comprehensive income investment portfolio are performed at fair value.

Evolution of DV01 Investment book and liquidity management,
Amounts in millions of Chilean pesos



The main positions in investments available for sale by type of issuer and currency are detailed below. The risk rating of such positions at the end of the most recent period is also reported.

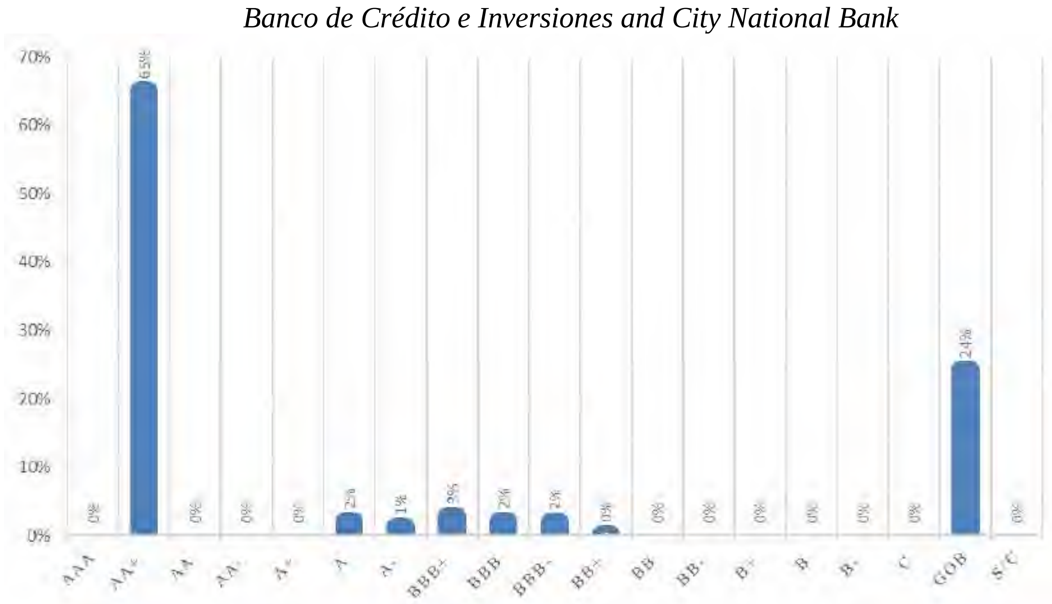
Financial assets at fair value through other comprehensive income
Fair value as of March 31, 2024 (MCh$)
Banco de Crédito e Inversiones and City National Bank

	CLP	UF	USD	EUR	OTHER
Sovereign bonds	3,973,206	652,290	870,416	-	-
Corporate bonds	-	11,099	267,571	15,888	-
Financial institutions bonds	-	448,181	3,739,596	-	-
Mortgage-funding notes	-	17,497	-	-	-
Time deposits	282,692	-	-	-	-
Investments funds	-	-	75,597	-	-
Shares	-	-	271,378	-	-
Total	**4,255,898**	**1,129,067**	**5,224,558**	**15,888**	**-**

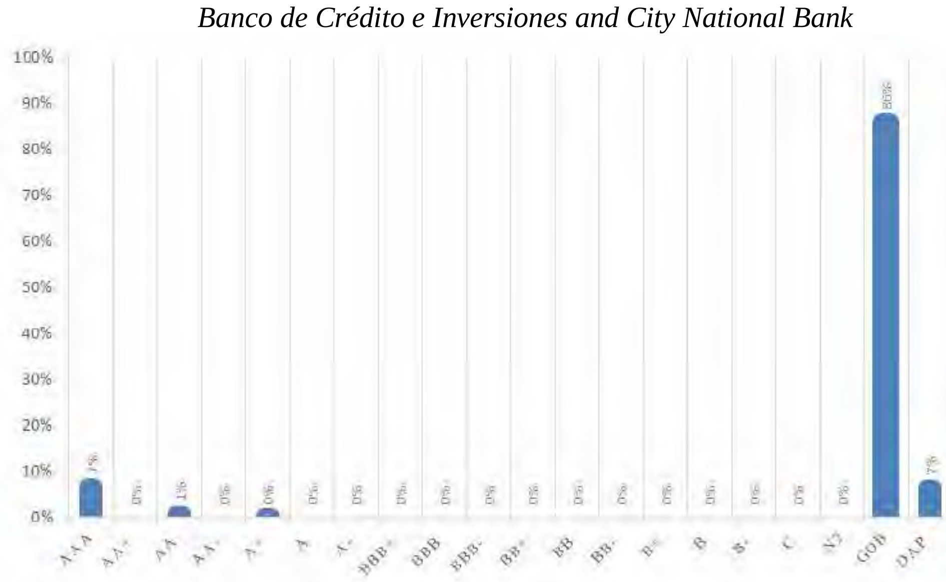
Financial assets at fair value through other comprehensive income
Fair value as of March 31, 2024 (MCh$)
Banco de Crédito e Inversiones and City National Bank

	CLP	UF	USD	EUR	OTHER
Sovereign bonds	3,445,861	751,304	796,623	-	-
Corporate bonds	-	11,004	230,992	9,524	-
Financial institutions bonds	2,026	568,634	3,350,488	-	-
Mortgage-funding notes	-	18,542	-	-	-
Time deposits	317,116	-	-	-	-
Investments funds	-	-	33,652	-	-
Shares	-	-	124,602	-	-
Total	**3,765,003**	**1,349,484**	**4,536,357**	**9,524**	-

Financial assets at fair value through other comprehensive income
International bond portfolio risk rating as of March 31, 2024 (%)
Banco de Crédito e Inversiones and City National Bank



Financial assets at fair value through other comprehensive income
Risk rating of bond portfolio and LCH of national issue as of March 31, 2024(%)
Banco de Crédito e Inversiones and City National Bank



4. STRUCTURAL INTEREST RATE RISK

The management of the structural risks of interest rates and inflation seeks to manage the risks arising from the Bank's operations and asset and liability positions, derivatives, and non-derivatives, excluding trading activities.

In this area. The following risks are managed:

➔ **Interest rate risk**: possibility of economic losses in the Bank's equity position (profit or loss or equity) as a result of adverse and unexpected changes in interest rates (parallel movements in the level of general rates and spreads).

➔ **Repricing risk**: arises from differences in the maturity or repricing structure between assets and liabilities, as well as off-balance sheet positions. Repricing risk occurs when there are gaps or mismatches in the maturity structure or " *repricing* " of the Bank's assets and liabilities, whether on or off the balance sheet (e.g., positions in derivative financial instruments, contingent loans, etc.). Exposure varies according to the magnitude of the mismatches and the direction of the change in rates.

➔ **Risk in the structure of interest rates**: arises from changes in the shape of the intertemporal structure of interest rates.

➔ **Base risk**: results from the existence of an imperfect correlation in the adjustment of interest rates received and paid on certain financial instruments, which should have similar adjustment characteristics in their prices.

➔ **Optionality risk**: arises from short positions in implicit options both in assets, liabilities as well as in off-balance sheet instruments or explicit options. This risk includes the option of a prepayment of loans, translating this payment option as a prepayment risk.

➔ **Inflation risk**: possibility of economic losses in the Bank's equity position (profit or loss or equity) as a result of adverse changes in the price path or price index.

4.1 Management and Limits

Currently, limits are set on the following metrics to ensure consistency with the Bank's strategic objectives and avoid risk situations in stress scenarios (illiquidity, loss of profitability, among other).

- ➔ **Short-term risk**: it is controlled with the *SaR methodology*, the result of which may not be higher than a percentage of the Bank's financial margin.
- ➔ **Long-term risk:** controlled by the *MVS methodology*, the result of which may not be higher than a percentage of the Bank's basic capital.
- ➔ **Limits** are established **for metrics X1** (short-term rate risk) and **X2** (long-term rate risk) of the C40 regulatory report.

4.2 Metrics

Unexpected changes in interest rates or inflation can have negative effects on both the Bank's profit for the period and economic value. Exposure to interest rate risks is noted in:

1. The short-term impact on the Bank's revenue (typically 1 year).
2. Long-term impact on the present value of future cash flows.
3. The impact on other sources of revenue.

This view allows using two supplementary methodologies to assess such exposure to interest rate risk:

Accumulated Net Interest Margin (Spread at Risk, *SaR*)

The analysis focuses on the impact associated with variations in interest rates and short-term inflation on annual revenue The analysis is performed considering the impact of changes in interest rates on the Bank's financial margin over a given time horizon.

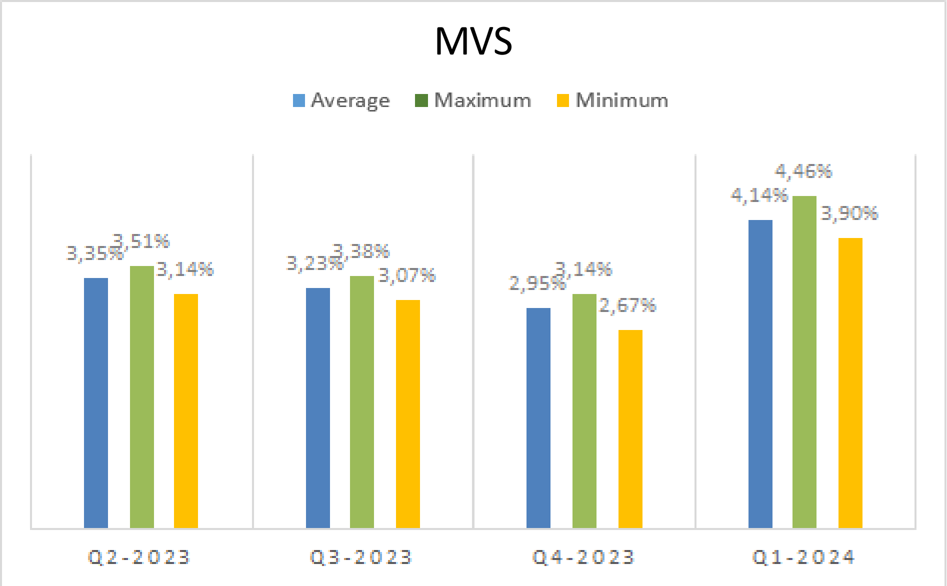
Economic Value (Market Value Sensitivity, *MVS*)

The economic value of a bank can be expressed as the present value of the expected net cash flows, defined as the expected cash flows of assets less the expected cash flows of liabilities, plus the expected net flows of positions recorded off-balance.

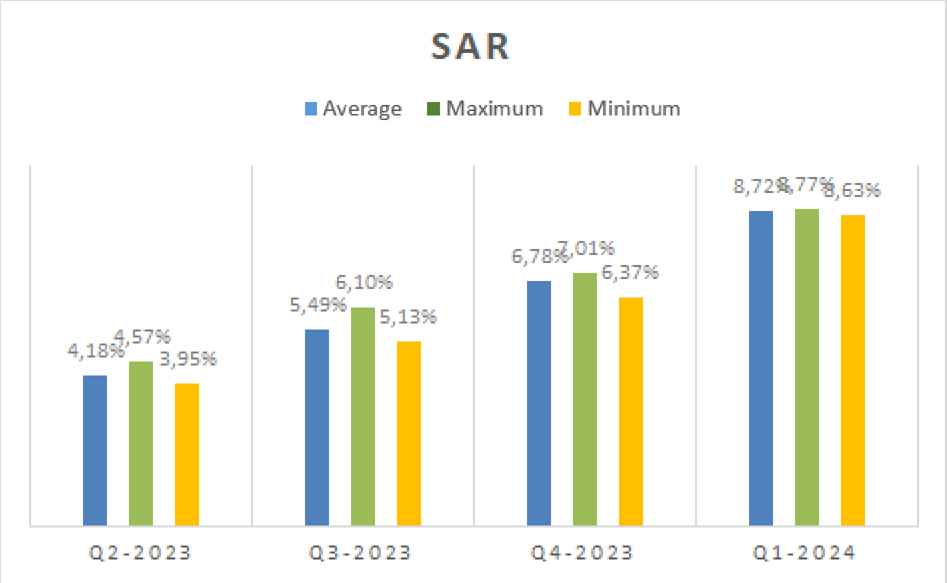
As the economic value considers the potential impact of changes in interest rates on the present value of future cash flows, it provides a better view of the potential long-term effects of changes in interest rate structures.

The average long-term SVM measurement for 2024 is 4.14% (3.19% 2024) of capital over a limit of 12%. The SaR meanwhile has an average in 2024 of 8.72% versus an average of 5.13% in 2024.

MVS
As of March 31, 2024

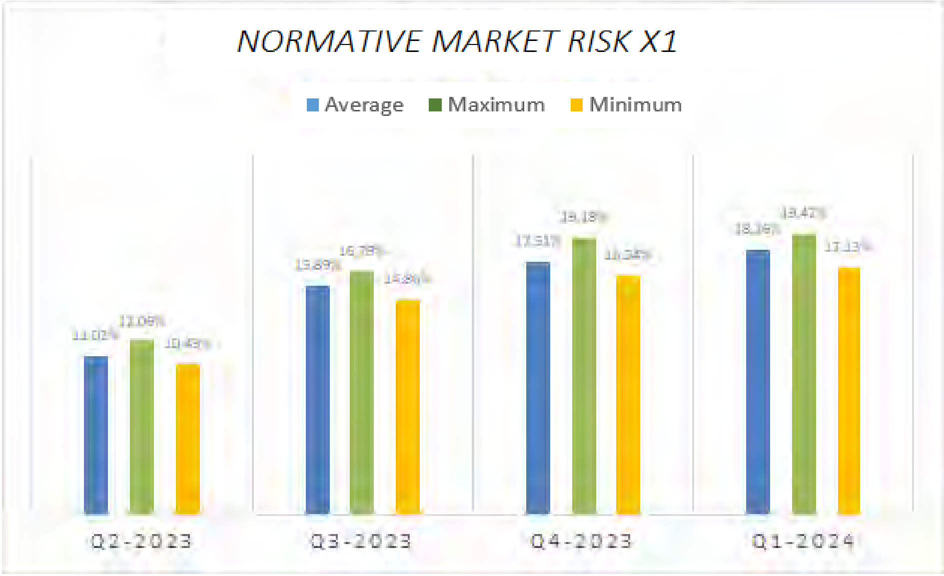


SaR
As of March 31, 2024

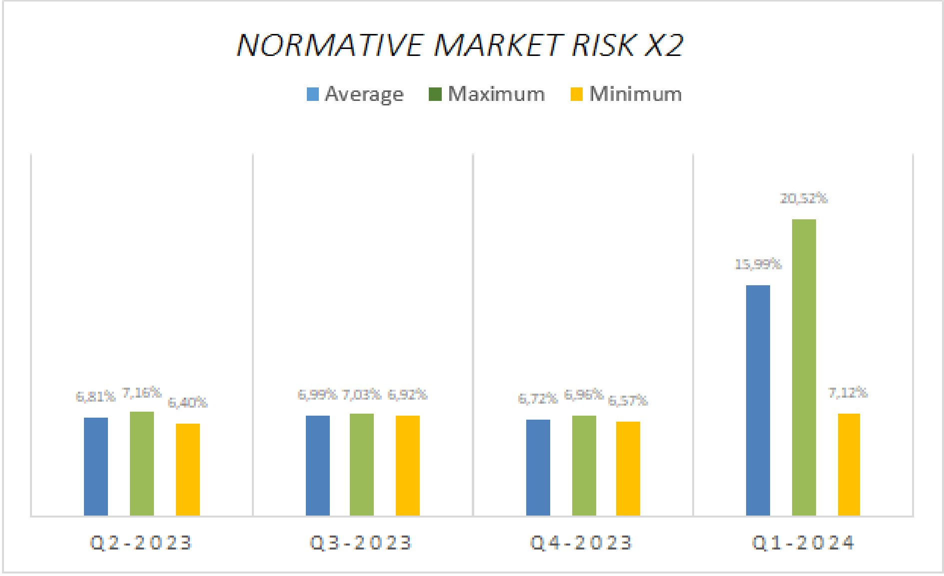


The evolution of regulatory indices X1 (exposure to short-term market risk) and X2 (exposure to long-term market risk) registered slack with respect to the limits so far in 2024, mainly explained by the management of the balance sheet with accounting hedges.

Regulatory Market Risk X1
Banco de Crédito e Inversiones and City National Bank
as of March 31, 2024



Regulatory Market Risk X2
Banco de Crédito e Inversiones and City National Bank
as of March 31, 2024



5. LIQUIDITY RISK

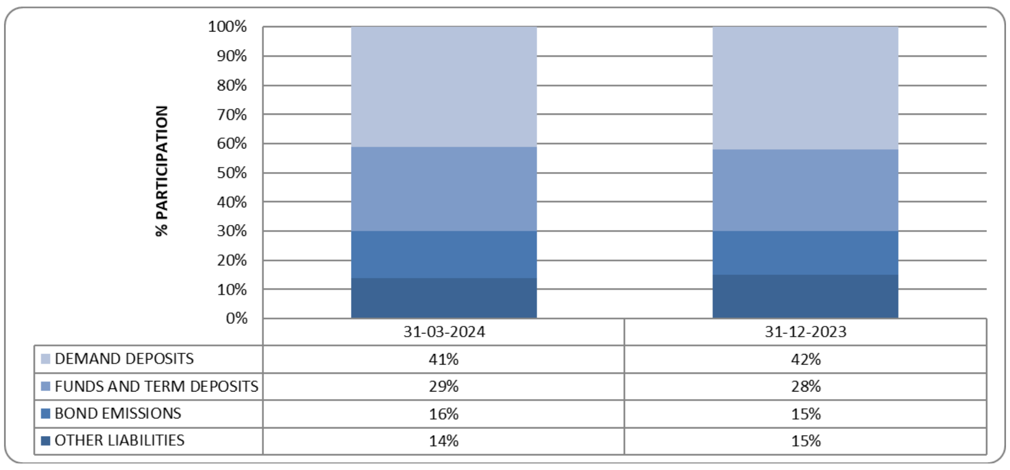
Liquidity management is a strategic activity, it must be aligned at all times at the corporate level in terms of its objectives, guidelines and resources assigned in the commercial line, risk control, financial operations, and technology, among other areas.

For these purposes, the liquidity risk will correspond to the impossibility of:

- ➔ Comply with contractual obligations.
- ➔ Avoid regulatory sanctions for non-compliance with regulatory ratios.
- ➔ Permanently and competitively finance commercial activity.
- ➔ Liquidate positions without significant losses.

The concentration of liabilities by main sources of funding is presented below:

Evolution of main sources of financing
As of March 31, 2024 and December 31, 2023
Banco de Crédito e Inversiones and City National Bank



5.1 Management and Limits

The Bank's liquidity management policy and models seek to guarantee, even in the face of unexpected events. The Bank's ability to adequately respond to its obligations.

Liquidity and funding management is performed by treasury in accordance with practices and limits aligned with local regulations, best international practices, and the Bank's risk appetite. For this reason, the Bank must maintain a limit structure that allows an adequate and robust risk management. Currently, limits are set on the following metrics:

Liquidity barrier: A ratio that is controlled on a daily basis and whose objective is to constitute a minimum highly liquid reserve fund, which allows it to face unexpected situations of illiquidity, bank runs or confidence crises. The limit is reviewed at least annually.

Concentration of deposits and time deposits: it is controlled on a daily basis, to prevent the Bank from being exposed to a sudden outflow from its source of funding.

Accumulated cash flow mismatches: it is controlled on a daily basis, to ensure that there is a sufficient income flow to meet short-term obligations.

Liquidity coverage ratios (LCR): controlled on a daily basis to provide a liquidity structure that is capable of withstanding a stress scenario in the short term. The LCR measures a bank's liquidity risk profile, ensuring that it has an adequate pool of high-quality assets (ALAC), which can be easily and immediately converted into cash, without significant loss of value, in the financial markets.

Net Stable Funding Ratio (NSFR): requires banks to maintain a stable funding profile in relation to their assets. The objective is to reduce the risk that the volatility of funding sources deteriorates the Bank's liquidity position. It is controlled on a daily basis, seeking to discourage excessive short-term wholesale funding. The metric seeks for the Bank to diversify its sources of financing.

Since the latter are the main ratios of liquidity, it should be noted that they have remained comfortable with respect to both regulatory and internal limits.

5.2 Metrics

➔ **Liquidity barrier**

The liquidity buffer established at BCI beginning in 2023 consists of a minimum of high liquidity and credit quality assets, of a counter-cyclical nature related to liquidity, the purpose of which is to support the capacity to hedge short-term obligations.

To comply with the requirement of a minimum buffer of High-Quality Liquid Assets, limits are defined separately in domestic and foreign currency, Both amounts are reviewed and updated on a monthly basis by the Financial Risk team using stress tests. As of March 31, 2024 the liquidity buffer is detailed as follows:

As of March 31, 2024				
	Average	Maximum	Minimum	Close
Liquidity Buffer LC (*)	3,525,860	4,401,970	2,854,654	2,936,218
Liquidity Buffer FC (**)	1,935,683	2,938,000	1,021,000	2,938,000

(*) Amounts in millions of pesos
(**) Amounts in millions of dollars

Liquidity buffer evolution as of March 31, 2024
Amounts in millions of Chilean pesos

➔ **Liquidity Coverage Ratio (*LCR*)**

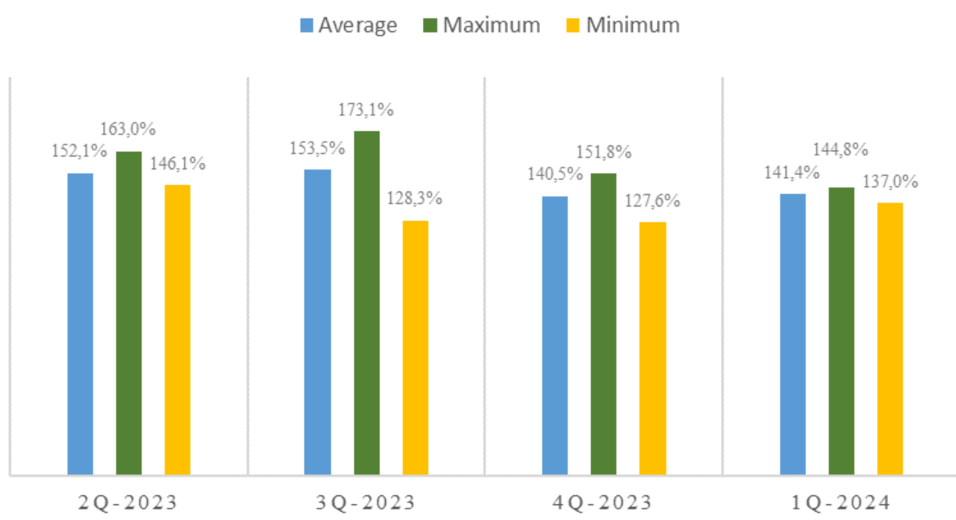
This ratio is within the Basel III standards and aims to ensure that banks have an adequate fund of High-Quality Assets (ALAC), which can be easily and immediately converted into cash, to meet their obligations in a 30-day liquidity stress scenario. This ratio has a regulatory limit and will increase to 100% as of June 2022. Its form of measurement is ALAC on net expenses, where the different items have different weights.

As of March 31, 2024 BCI had a Global consolidation LCR of 137.0%, well above the required limit, given the current regulation.

As of March 31, 2024				
	Average	Maximum	Minimum	Close
LCR	141.4%	144.8%	137.0%	137.0%

As the latter are the main indicators of liquidity, note that they have remained comfortable with respect to both regulatory and internal limits.

LCR evolution as of March 31, 2024



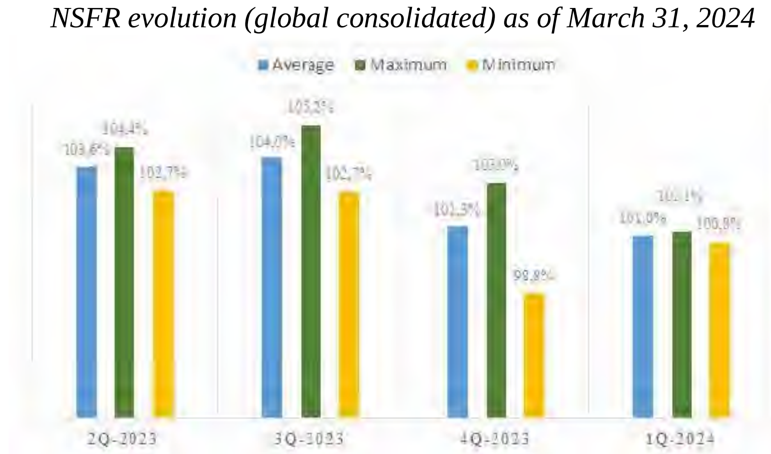
➔ Net Stable Funding Ratio (*NSFR*)

This ratio is designed to address long-term liquidity mismatches and covers the entire balance sheet by providing incentives for financial institutions to use stable sources of funding. It is measured given the Stable Financing Available (FED) over the Stable Financing Required (FER), the first being the proportion of own and external resources that are classified as reliable. The FER on the other hand, corresponds to the book value of the assets based on the characteristics of liquidity and residual maturities.

Currently, this ratio has an 80% of the regulatory limit, however, the Bank has decided to consider an incremental internal limit, which expects to reach a 100% NSFR requirement in 2025. As of March 31, 2024 BCI placed its Global consolidation NSFR at 101.1%.

	As of March 31, 2024			
	Average	Maximum	Minimum	Close
NSFR	101.0%	101.1%	100.8%	101.1%

NSFR evolution (global consolidated) as of March 31, 2024



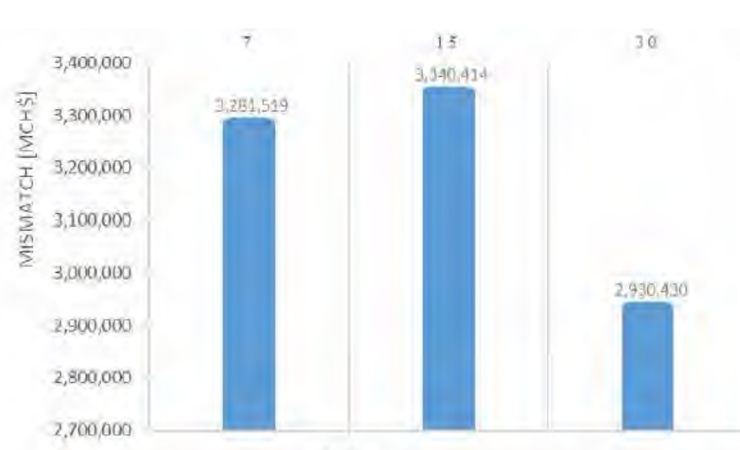
➔ Liquidity early warning ratios

BCI has a set of early warnings that allow capturing negative trends in the markets or in the balance structure. Both market variables and information from the Bank's balance sheet are monitored. The funding liquidity prizes in local banks, or the increase in the volatility of market prices, are some of the market variables that stand out. On the other hand, demand deposit flight rates or *deficits* in the renewal of time deposits are relevant balance sheet information among other elements of periodic monitoring.

➔ Mismatch of deadlines

The mismatch is the metric that determines the difference between Expenditures and Income of the flows of the main items of the Bank. For its determination, adjusted flows were considered, that is, considering behavioral models for some items. In this sense, for example, the liabilities associated with financial and non-financial calls are considered, considering the unstable part and the stable part as the demand balance according to their behavior. Below is the mismatch of terms at 7, 15 and 30 days in the case of the local version considering adjusted flows.

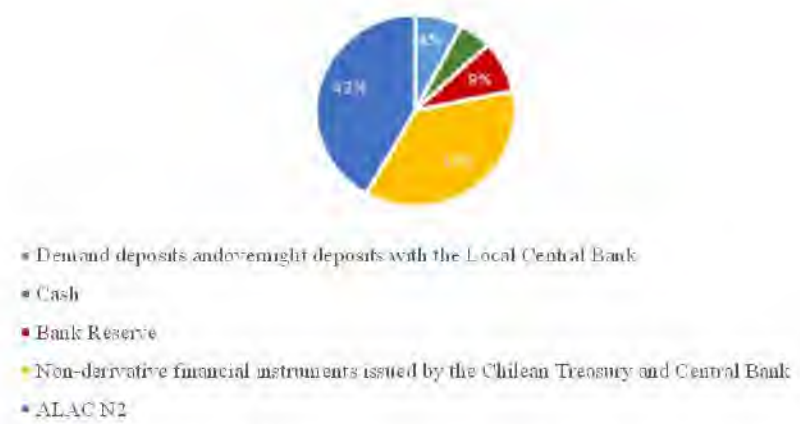
Local consolidation term mismatch as of March 31, 2024



Additionally, the relevant metrics for mismatching at 30 and 90 days for the individual version are presented.

In addition to the aforementioned metrics, it is important to highlight the distribution of high-quality Liquid Assets held by the Bank for optimal liquidity management.

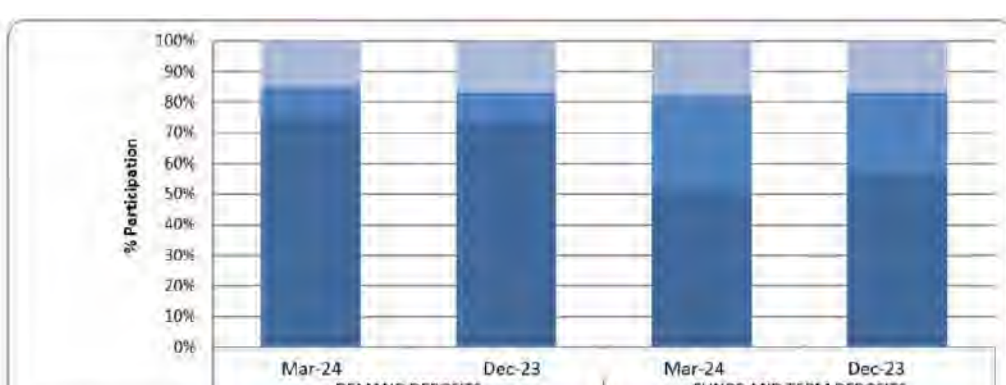
Detail of liquid assets as of 03/31/2024



➔ Concentration of Time Deposits and Funding

Below is the concentration by counterparty for on demand and time deposit items.

Detail of Counterparties by Main Liabilities as of 03/31/2024



	DEMAND DEPOSITS		FUNDS AND TERM DEPOSITS	
	Mar-24	Dec-23	Mar-24	Dec-23
OTHER WHOLESALE	15%	17%	18%	17%
FINANCIAL	10%	9%	30%	27%
RETAIL	75%	74%	52%	56%

➔ Maturity of non-derivative and derivative liabilities

To see the details of maturities, it is recommended to see note 45 - Contractual Maturity according to the remaining terms of financial assets and liabilities.

6. FINANCIAL RISK STRESS TESTING EXERCISES

Stress tests are risk measurement tools designed with the aim of gaining a deeper understanding of the profile and dynamics of the different market and liquidity risks associated with Trading and Banking books about:

- ➔ Measurement of the impact of extreme movements in the markets (prospective, hypothetical, historical and idiosyncratic)
- ➔ Isolated measurement of the impact of a particular/specific risk component
- ➔ Measurement of a dynamic interdependence between relevant risk factors

The stress tests are intended to identify financial vulnerabilities in the balance sheet structure and trading book against low probability but plausible situations or risk scenarios that can be seen in a short-term horizon. The analysis separates the impacts on those positions that affect the income statement from those that affect the equity accounts.

The scope and criteria for the development of stress tests are given by:

- ➔ Limitations of the methodological approaches used: these approaches intervene in the calculation of the shocks to be applied in the different scenarios and their limitations correspond to obtaining the shocked curves that are modeled from macroeconomic factors. Therefore, there is a tolerance margin of how this modeling of curves can be explained by macroeconomic factors.

  For liquidity stress scenarios, these are configured, on the one hand, by calibrating prices and system stress measures (monitor of market conditions), as well as short-term impacts (30 days and 90 days) on the structure balance.

  The market monitor is calibrated by estimating the price levels at which the stress scenario is estimated. In the case of historical scenarios, the basic argument is historical information and estimates of the impact of the crisis, while in the case of prospective scenarios, the analysis is based on the risks inherent to the banking industry, which are included with information to raise awareness of risk scenarios and vision is essential.

  On the other hand, the changes in the balance sheet structure are projected as stress scenarios, and in no case are the estimates based exclusively on historical measurements. Depending on the level of criticality of the estimated market conditions for each scenario, conservative estimates of leak rates and balance sheet movements are projected. In general, the higher the estimated criticality for each scenario. The higher the leakage rate associated with the sources of funding. In addition, depending on the characteristics of the depositor and the estimated stability of the deposits, the flight rates are modeled with different movements and sensitivities to stress scenarios.

- ➔ The bank's capacity to absorb potential losses is contained within the established risk appetite and the action plans that the bank has to modify its risk profile.

- ➔ Action plans: As a preventive financial measure, BCI constitutes the liquidity barrier, which represents the minimum level of liquid assets evaluated to ensure liquidity even in extreme illiquidity events, calibrated with the level of tension that the system evidences. In addition to the above, to take action in the face of any liquidity contingency, BCI has a Liquidity Contingency Plan, which meets with a liquidity contingency committee (CCL). The CCL must consider various sources of funds to face a liquidity crisis. The set of tentative actions, visualized before performing a risk scenario, may consider:

  a) Subordinate trading portfolio to declarations of liquidity needs. The amount may vary according to the considerations of the committee, and the entire portfolio may be used for liquidity purposes in case of contingency.
  b) Manage funding sources, Stimulate the raising of funds with adequate prices in the event of a contingency declaration.
  c) Conditions to make FPL and Repos with the Central Bank. The Liquidity Sub-Management will manage, at its discretion. The use of facilities with the Central Bank of Chile.
  d) Stimulate Sales with an agreement, Repo, and funding via TRS when feasible. Monitor assets to finance the contingency, Potential available monitoring of Barrier Papers, Monitoring of Liquid Assets issued abroad. In BCI, Miami Branch and City National Bank portfolios.
  e) Use of local and international interbank lines, Costs and ease of use of the available lines will be evaluated.
  f) Use window discount FED, Semi-annual monitoring of fund-raising capacity with FED window discount.
  g) Sale of loan portfolio subject to evaluation by the contingency committee.

6.1. Scenario Analysis

The scenarios associated with the banking book seek to capture, through hypothetical, prospective or historical scenarios, the dynamics between nominal short-term and long-term rates and inflation (Real TPM). These effects are represented by shocks in the rates in the different time horizons, reflecting the variations in inflation expectations if they correspond to each scenario.

For their part, the trading book scenarios aim to capture movements in relative prices as a result of changes in expectations or flows in derivative instruments associated with differentials in external and internal rates that allow us to identify risk exposures outside the normal behavior of the portfolio.

At least 3 scenarios are established, which aim to measure the bank's exposure to stress situations observed at a global and/or systemic level. These were conceived based on expert opinion, historical crisis situations and developed with econometric techniques.

The proposed scenarios are:

I. Historical
II. Adverse
III. Dynamic

I. Historical scenario

The mortgage default crisis in the US inevitably led to a counterparty crisis and severe liquidity shortages that had profound repercussions on the real economy and global financial markets.

Stock markets in the US fall more than 4%, Asian markets 5%, the most important markets in Europe fall an average of 3.3%, Brazil falls more than 7% and Argentina more than 5%, all this on the same day of the fall of Lehman Brothers.

Copper for its part falls 53%, WTI 50%, Japan 38%, Dow Jones 30%, and Chile 16%, All these 3 months after the fall.

In the 2 months following the fall of Lehman Brothers, the dollar rises 21% while the Euro strengthens against the dollar by more than 3% during the first week after the Lehman crash, although it ends up collapsing by more 12% during the first two months.

II. Adverse scenario

The pessimistic scenario is characterized by external and domestic impacts. Externally, there is a global recession (USA, Asia, Europe and Latam) accompanied by a lower demand for commodities. At the local level, there is a strong contraction (economic recession) in the construction, commerce, and mining sectors.

Commodity prices (copper price) plummet as a result of the global recession. World demand for Chilean exports decreases significantly, accelerating the external imbalance. Imports of capital goods fall sharply. The exchange rate depreciates significantly amid massive capital flight, generating inflationary pressures.

The labor market deteriorates, unemployment increases, salaried employment and wages fall sharply, the MPR (monetary policy rate) falls in the face of a smaller output gap and strong inflationary pressures. As a final consequence. The PIB contracts significantly throughout the stress scenario, converging to a lower growth rate in the long term.

III.* Dynamic *scenario

In this scenario, the most adverse historical shocks are faced with respect to the current rate structure, and monthly shock rate scenarios are defined. The period to be selected is the one that generates shocks at the 1% and 99% percentile.

The scenarios proposed for the liquidity stress tests are:

IV. Historical
V. Adverse
VI. Idiosyncratic

IV. Historical Scenario

The determination of these is based on the use of historical data of the banking system obtained from the web page of the Financial Market Commission of Chile (CMF). The time series of the most relevant income and expense items of the balance sheets of the banks in the financial market. As well as off-balance sheet items, are used, to select the historical scenario, the result of applying the leakage rates of each scenario (each date) on the 30 and 90-day flows of the relevant balance sheet items used in the Liquidity Stress Exercise is calculated. The scenario selected will be the one that generates the highest net outflows (outflows minus revenues).

V. Adverse Scenario

The pessimistic scenario is characterized by external and domestic impacts. At the external level, there is a world recession (USA. Asia, Europe, and Latin America) accompanied by a lower demand for commodities. Locally, there is a strong contraction (economic recession) in the construction, trade, and mining sectors.

Commodity prices (copper prices) plummet as a result of the world recession. World demand for Chilean exports decreases significantly, accelerating the external imbalance. Imports of capital goods fall sharply. The exchange rate depreciates significantly amid massive capital flight, generating inflationary pressures.

The labor market deteriorates sharply, unemployment increases, salaried employment and wages fall sharply. The monetary policy rate (TPM) falls in the face of a smaller output gap and strong inflationary pressures. As a final consequence, PIB contracts sharply throughout the stress scenario, converging to a lower growth rate in the long run.

VI. Idiosyncratic Scenario

To develop the basis for BCI's idiosyncratic scenario, we opt for the analysis of a historical liquidity crisis triggered by non-systematic factors. This is because it is considered that the definition and simulation of idiosyncratic effects by themselves and independent of empirical impacts would require a series of assumptions that at an aggregate level could generate a series of validity problems such as the deterioration of the specification of the models used or the obtaining of insignificant or even infeasible results.

To carry out this work, we first analyze the background of the case of the Bank under Study, the reasons and impact of the crisis, and then we define the methodology to simulate the impacts that such a scenario would have if experienced by BCI according to its own characteristics.

6.2 Results and impacts

➔ **Market risk**

The following tables show the results of the banking and trading books, distinguishing the effects on the income statement from the effects on the bank's capital.

Summary of Banking Book results as of March 31, 2024, figures in millions of CLP
(Impacts are measured for the next 12 months)

Banking Book	Inflation	Reprice	PnL
Historical	(10,500)	7,450	(3,050)
Adverse	(9,296)	54,294	44,999
Dynamic Perc, 1%	(2,961)	22,935	19,974
Dynamic Perc, 99%	(8,099)	(29,219)	(37,318)

Summary of trading book results as of March 31, 2024, figures in millions of CLP
(Impacts are measured based on the duration of each scenario)

Trading	Income
Historical	(20,830)
Adverse	73,195
Dynamic Perc, 1%	40,096
Dynamic Perc, 99%	(47,846)

Balance Sheet - Trading Book	P&L
Historical	4,170
Adverse	(15,088)
Dynamic Perc, 1%	(10,274)
Dynamic Perc, 99%	10,097

Summary results portfolios financial assets at fair value through other comprehensive income as of March 31, 2024, figures in millions of CLP
(Impacts are measured based on the duration of each scenario)

	Equity	Effect E/R (P&L)
Historical	(90,513)	76,535
Adverse	173,236	(2,303)
Dynamic Perc, 1%	138,742	-
Dynamic Perc, 99%	(142,338)	-

The effects on Equity correspond to movements in both discount rates and spread, corresponding to CEMBI. While the effects shown in results are directly related to the exchange rate risk in the investment portfolio.

Summary results Fair Value Hedges as of March 31, 2024, figures in millions of CLP
(Impacts are measured based on the duration of each scenario)

Fair Value Hedge	Adjustment (P&L)	Rate (P&L)	Total
Historical	11,100	11,100	11,100
Adverse	64,217	64,217	64,217
Dynamic Perc, 1%	56,451	56,451	56,451
Dynamic Perc, 99%	(46,170)	(46,170)	(46,170)

Fair Value hedges correspond to strategies to float the base risk of active bonds, whose interest rate is fixed, and its currency is foreign.

Summary of Bank portfolio results as of March 31, 2024 figures in millions of CLP
(Impacts are measured based on the duration of each scenario)

Scenario	Adjustment	Rate (P&L)	Total
Historical	(19,711)	(90,513)	(110,224)
Adverse	103,105	173,236	271,001
Dynamic Perc, 1%	49,797	138,742	178,830
Dynamic Perc, 99%	(75,068)	(142,338)	(198,385)

Effect on P&L	Bank book	Rate (P&L)	Total P&L
Historical	(3,050)	(16,660)	(19,710)
Adverse	44,999	58,107	103,106
Dynamic Perc, 1%	19,974	29,822	49,796
Dynamic Perc, 99%	(37,318)	(37,750)	(75,068)

Liquidity risk

The following tables show the results of the effects on the Bank's liquidity. In each of the scenarios:

Table # 5: Additional Needs of Funds for liquidity 30 and 90 days to March 31, 2024
(Figures in Billions of CLP)

	Demand for Liquidity 30 days	Demand for Liquidity 90 days	Available Liquid Assets	Liquidity Needs
Historical	1,973	1,335	4,550	-
Adverse	2,338	1,963	4,377	247
Idiosyncratic	2,085	952	4,049	-

Survival Period: From the data obtained for the Bank's liquidity stress test, it can be observed that the survival period under the Historical and Idiosyncratic Scenario is less than 30 days. On the other hand. In case of the Pessimistic Scenario. The survival period is between 30 and 90 days.

7. CREDIT RISK

a) Credit risk structure

Credit risk is defined as the probability that a given counterparty will not be able to repay the resources delivered by the creditor institution under the originally agreed conditions, resulting in the loss of part or all the amount loaned or agreed interest. This breach may be due to capacity, disposition, transferability, or convertibility.

Likewise, there are sub-risks that arise from contractual conditions with customers, but which were not necessarily generated by a monetary disbursement from BCI. In short, credit risk is the sum of payment risk, contingent risk, market and counterparty risk, *overnight position* risk and *settlement risk.*

The Bank assumes the entire credit risk while the obligation of the client or counterparty is in force. The risk is extinguished with the full payment of principal. Interest, and readjustments.

Credit risk governance

At Banco BCI, credit risk governance is determined by the interaction of the various areas, as well as by the instances in which the Board of Directors and Senior Management participate. The main roles and responsibilities in the field of credit risk governance are as follows:

Executive Committee of the Board of Directors: The Board of Directors, through this body, is responsible for approving general risk policies; reviewing and approving credit operations submitted to its resolution; approving credit and risk policy manuals; determine the resources that will be allocated periodically to provisions and penalties.

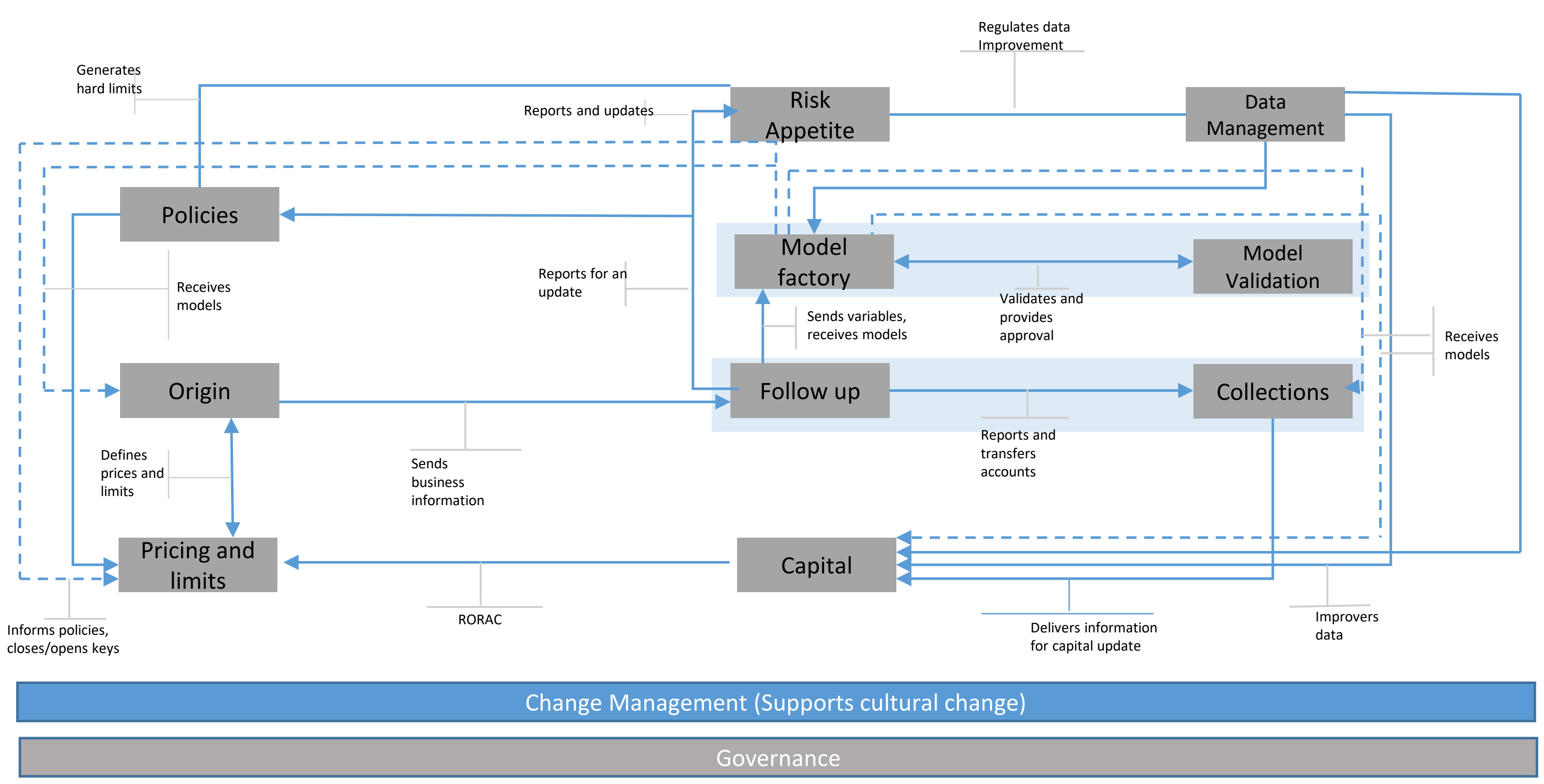
Finance and Corporate Risk Committee: Committee in which the directors participate and whose objective is to monitor and control the credit risk profile and periodically monitor the evolution of adherence to risk tolerance, analyze the proposed measures when they reach critical levels and requests that the pertinent measures be adopted to prevent the limits established for such ratios from being exceeded.

Credit Risk Management: Reports to the Corporate Risk Management and has the following objectives and responsibilities; execute the origination process under the tolerance framework and risk policies, collaborate with commercial teams in business configuration, monitoring of debtors, raising early warnings (visits, financial information, behavior, etc.) and execution of strategies defined.

Credit resolution instances: The Bank has structured its credit approval process based on personal and non-delegable credit powers granted by the Board of Directors, Based on these credit faculties. The operations are approved at the different levels of the Administration, always requiring the concurrence of two executives with faculties.

As the amount of the operation increases. It is approved by pairs of senior executives from both the commercial and risk areas and senior management committees, up to the highest instance that corresponds to the Executive Committee of the Board of Directors.

Below you can see a matrix scheme of the main functions of credit risk:



The credit risk environment is a continuous process in which various areas interact, whose functions are intertwined for the development of a governance and management chain.

Main equipment and its functions

Commercial teams / Risk Strategy: they evaluate and establish the initial credit configuration of the customers in accordance with the current policy framework, They are also responsible for collecting and validating information for credit evaluation and entry into the systems; resolve or recommend credit operations within the framework of its powers and the level of risk; verify course documentation and approval conditions; give permanent follow-up and ensure the adequate qualification of its portfolio.

Origination Risk: responsible for the execution and permanent optimization of the origination process, under the framework of tolerance, policies, and appetite for risk. This team must resolve or recommend credit operations within the framework of its powers and their risk level; ensure and execute an adequate integration to the monitoring and collection process; participate in the Strategic Risk, Tolerance, and Model Risk Councils and Credit Committees.

Policies: responsible for the administration, drafting, renewal and adherence control of the Bank's policies, Credit policies are presented and authorized annually by the board of directors.

Monitoring: responsible for monitoring the portfolio and its debtors, as well as adherence to risk strategies.

Rating: its function is to properly interpret the rating regulations for individual portfolio customers and ensure their correct application in the Bank. Likewise, the team must ensure the correct constitution of provisions for the individual portfolio.

Prosecutor's Office: it is responsible for informing companies and powers of attorney of customers, legal entities, to act. You must generate documentation that allows the legal support of the operation courses (promissory notes, credit applications, etc.); report guarantees and prepare the necessary documentation and the correct constitution when appropriate.

Collection: its function is to monitor and execute collection processes for customers with high delinquency.

Model Factory: responsible for developing risk models to leverage comprehensive credit process decisions (origination, monitoring, and collection) and in all customer segments (Individuals, SMEs, and Wholesale & Investment Banking). Likewise, it must generate models for the management of non-financial risks, among which the prevention of asset laundering and operational risk management stand out. Likewise, the area is responsible for managing risk data.

Comprehensive model risk management: unit that performs independent controls and tests to ensure that the models built for credit risk management meet the desired standards and the purpose for which they were designed. Likewise, it has the role of certifying the models associated with provisions for credit loss.

Operations (ACA): responsible for ensuring that operations are processed in accordance with the criteria approved by the credit solver, validating, among other things, the validity, the margins, and the conditions.

Exploitation of policies: area responsible for the margin loading processes and owner of the limit control systems.

b) Credit risk measurement methodologies

In accordance with the provisions of Chapter B1 of the Compendium of Accounting Standards for Banks, banks must permanently evaluate their portfolio of loans and contingent loans, to timely establish the necessary and sufficient provisions to cover the expected losses associated with the characteristics of debtors and their credits, which determine payment behavior and subsequent recovery.

The Bank has a series of models that are applied depending on the type of portfolio and operations. These models are approved by the Board of Directors, who is informed annually of the sufficiency of provisions. In accordance with the standard, the provision models are divided into individual portfolio or group portfolio models. These models. As well as other management models, are managed through a mature governance structure, whose components are:

- Policies and Regulations: clearly establish the roles and responsibilities of each unit involved in this process. The guiding principles are control by opposition and the fact that management is based on three lines of defense. These policies and regulations also establish the approval routes of the models according to their inherent risk.

- Collegiate Structures: The different councils that officiate as approval instances, as well as where corrective and alignment measures are taken to guarantee the correct management of the risk implicit in the use of models are: the Technical Council of Models, the Council of Risk of Models, the Management Committee, and the Executive Committee (Board of Directors). The instances necessary for approval are determined by the Inherent Risk of the model to be approved.

- Units participating in Model Management are divided into three lines of defense:

    - First Line: This line includes the teams that develop analytical solutions, monitor the implemented models, deploy said solutions (IT) in the Bank's systems, and the business units that use said results and integrate them into management. Its objective is to ensure the transparency and sustainability of the model throughout its life cycle.

    - Second Line: in this line is the Validation Unit, which with independent tests (proportional to the inherent risk of the model) ensures that the model was estimated without flaws and that it has an adequate methodological approach. It is concerned with carrying out tests to ensure the correct functioning of the model once it is productive, as well as compliance with the internal regulatory framework. Its goal is to challenge designed solutions.

    - Third Line: this function is performed by the Comptroller, it is responsible for ensuring that both the first and second lines adhere to the declared management framework, as well as the directions of the Regulator and internal policy.

c) Credit risk appetite

The risk appetite framework establishes the limits within which Management must execute the strategy and conduct the Bank’s business, optimizing the risk-return relationship. Through this, the aim is to understand the risks to which the Bank and its subsidiaries are exposed to manage them proactively.

The conceptual framework of the risk appetite is defined based on the following elements: (1) Corporate risk tolerance statement, (2) Governance and monitoring of risk tolerance ratios and (3) Incorporation of the risk appetite in the key processes.

Having a risk appetite framework makes it possible to ensure prudent and efficient risk taking and helps to conduct the strategy, through regular and systematic analysis of the evolution of material risks and timely communication of the risk profile to the High Administration and Directory.

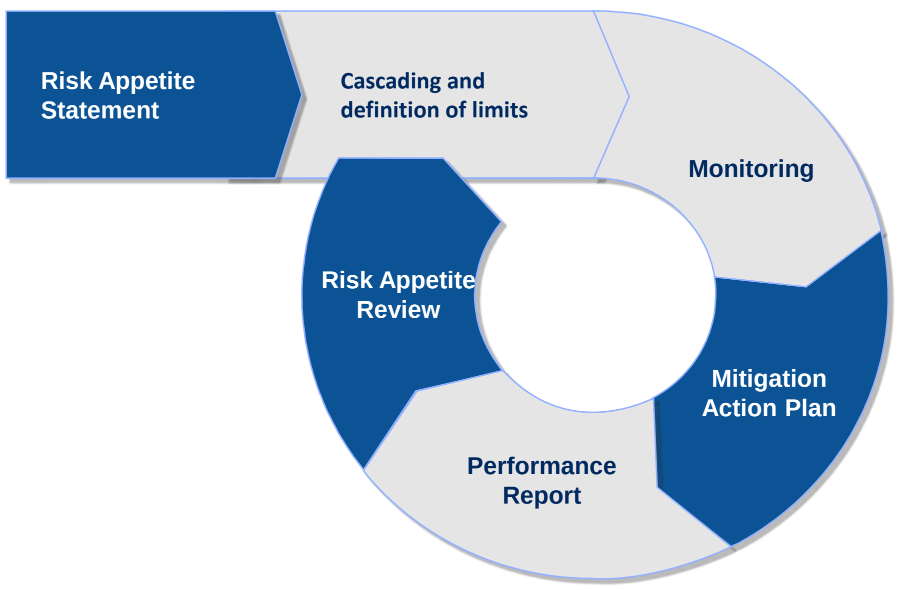
Different areas and committees of the Bank and its subsidiaries participated in the survey of risks and in the definition of the guiding principles and the dimensions and metrics for their control.

The review of the appetite framework is a process that takes place annually. In accordance with the best practices and main risks present in the Bank and the financial system. Through this process, areas and dimensions of risk are identified, as well as emerging risks (based on the risk identification and assessment process).

Additionally, there is a monthly follow-up and monitoring process of risk appetite ratios, where the following activities are distinguished:

- Monitoring, review, and consolidation of risk tolerance reports of the Bank and subsidiaries.
- Review and monitoring of action plans associated with ratios at risk.
- Sending of results report to risk owners.
- Monthly monitoring report of risk appetite ratios to the Risk Appetite Council and the corresponding executive-level committees (Profitability and Capital Adequacy Committee, Operational Risk Committee. Assets and Liabilities Committee, among others).
- Submission of monthly appetite report to the Management Committee (CDD) and Directors.
- Presentation of the status of corporate risk appetite and the status of current plans in the Finance and Risk Committee.

Figure N° 1: Monthly follow-up scheme and monitoring of risk tolerance ratios



The material risks managed under the appetite framework are as follows: Credit, market and counterparty, liquidity, operational, compliance, strategic, capital adequacy, reputational, models and ESG risk.

In the case of credit risk, they correspond to the economic losses assumed by the Bank and its subsidiaries as a result of non-compliance with the contractual obligations assumed by the counterparties. It is the most relevant risk for the Bank and its subsidiaries, its full and detailed understanding is essential for proper performance.

Compliance with the credit limit for related debtors according to Art,84 No. 2 of the General Law of Banks and RAN 12-4

In accordance with article 84 of the General Bank Law, the relationship of related debtors that affects both natural and legal persons with the Bank occurs when:

a) Has a direct, indirect or through third party participation in the property of the institution greater than or equal to 5% of the capital.

b) Participates in the management of the entity: corresponding to those people who, without necessarily having an ownership interest, exercise some degree of control over the decisions of the entity or any of its subsidiaries, Directors, the general manager, the assistant general manager, managers and assistant managers, agents, and persons who are general attorneys-in-fact or serve as advisers to the board of directors, a committee of directors, or management, such as also the prosecutor, the chief lawyer, and the comptroller.

The global limit for all loans granted to groups of people related to the Bank by ownership or management as of March 31, 2024, is 6.49%.

Indicator Name	Regulatory Limit	March-24 % On Equity	March-24 MCh$
Total exposure related by management or ownership	100%	6.49%	**541,139**
Maximum group exposure related to management or ownership (Not Collateralized)	5%	1.34%	**111,743**

e) Collateral Guarantees and other credit enhancements obtained

The maximum exposure to credit risk is reduced by guarantees, credit enhancements and other actions that mitigate the Bank's exposure. Therefore, the constitution of guarantees in favor of the Bank is a necessary mechanism, but not sufficient for the granting of a loan; therefore, the acceptance of the risk by the Bank will require the verification of other variables such as the payment capacity or generation of resources to mitigate the risk incurred.

The Bank has robust procedures for the management and valuation of its collateral guarantees, for which it has internal regulations, approved by the Corporate Risk Management.

The BCI appraisal process is described below:

The appraisal value corresponds to the value assigned to the asset to receive it as collateral, at the time the appraisal is requested, at a current market value, added to the risks of possible price fluctuations and difficulties in disposing of the asset in the event of having to be liquidated, due to default by the debtor.

Therefore, the value obtained by the appraiser is given by taking into account the different records compiled for its evaluation, taking into account the real transaction values, "offer value according to the market", as well as complementary records of leases or manufacturing of goods, similar characteristics and conditions, existing in the market at the time of appraisal, excluding considerations based on mere expectations regarding the improvement of future conditions.

Appraisal Methodology

The Bank uses various methodologies to determine the value of the appraisal, such as the comparative method or market value, depending on the type of asset to be appraised.

Regardless of the valuation method used. The so-called "settlement value" will be generated, which will consider adjustments to the value of the collateral asset to incorporate in it some of the following aspects, which could affect its value in the future:

- Expected depreciation or obsolescence
- Price Fluctuation Risk
- Execution expenses and marketing costs
- Economic, social, health or war crisis

Types of guarantees

The guarantees can be grouped between real guarantees and personal guarantees, within the first ones are:

- Property

They are things that cannot be transported from one place to another, such as land, for example, things or objects that adhere permanently, to which they cannot be transported, such as solid material buildings, bridges, sewers, are also considered real estate, wells, tunnels, aqueducts, etc.

- Movable property

Under this denomination, transferable assets such as machinery, vehicles or any other asset of the company that does not comply with being real estate are understood.

- Financial guarantees

They correspond to representative documents of value such as term deposits, pledges on mutual funds, stand-by credit letter or other financial instruments whose issuers are recognized by the CMF.

The so-called personal guarantees include guarantees and solidarity bonds granted by natural or legal persons to support credit operations of third parties.

8. OPERATIONAL RISK

Introduction

BCI has adopted the Basel Committee's definition of Operational Risk, which defines it as the "risk of loss resulting from inadequate or failed internal processes, personnel and systems or from external events". This definition includes technology risk, legal risk and regulatory compliance risk. Additionally, the Bank has considered reputational risk as an independent risk for management.

Operational risk is a risk inherent to all banking products and services, processes and systems and accordingly, effective management of this risk is a critical component of the Bank's risk management program.

Description of operational risk policies

Our Operational Risk Policy establishes the management framework for this risk, which contains the necessary elements for its governance, executed through the actions of different committees defined in this policy, which aim to build a robust culture for effective management; through the process of identifying and managing risk on an ongoing basis; measuring; defining strategies for its mitigation; reporting and operational risk culture, establishing clear roles and responsibilities based on the three lines of defense approach.

The principles of the policy are as follows:

- The Board of Directors and senior management promote the generation of a healthy risk culture in all Bci's operational risk collaborators.
- Bci has a framework for operational risk management consistent with the volume and complexity of its activities, which is implemented throughout the organization.
- Bci manages operational risk based on the three lines of defense approach, where all employees assume and understand their roles and responsibilities with respect to operational risk management.
- For Bci, operational risk management is a fundamental element for the achievement of the business strategy, by strengthening the internal control environment, we promote the generation and maintenance of safe, simple processes with effective controls to reduce losses, claims, operational and technological incidents, improve the customer experience, and protect BCI’s assets and reputation.

The policy considers the guidelines and requirements established by the Financial Market Commission and the recommendations of the Basel Committee regarding good operational risk management practices.

Operational risk management structure

Governance is pivotal for a robust operational risk management and culture. Such governance is performed through the actions of different committees made up of directors, senior management and the management areas compromising management for daily management actions.

The detail of the roles and responsibilities of the committees indicated in this policy are described in the bylaws approved and published by each particular committee.

Committees formed by Directors:

The committees formed by directors that have a direct relationship with operational risk management are as follows.

Executive Committee of the Board of Directors:

- Responsible for the approval of operational risk policies that address the relative importance of operational risks considering the volume and complexity of transactions and supervising their compliance.
- Approval of the Risk Appetite.
- Approval of the operational risk management strategy, understanding operational risk as a category different from traditional risks.
- Foster the implementation of a definition of operational risk and recognize it as a risk that can be managed.

Finance and Corporate Risk Committee:

- Responsible for monitoring operational risks levels.

Directors' Committee:

- Takes cognizance of the operational risks reported by the Comptroller's Office, Non-Financial Risk Management, External Auditors and other sources, for which purpose it examines the action plans or measures that have been defined or are being implemented for such purposes.

Operational and Technology Risk Committee:

At the meeting of the Board of Directors of Bci, held on October 24, 2023, the directors agreed to create a new Operational and Technology Risk Committee. This Committee is composed of five Directors and is chaired by the Bank's Chairman.

This new committee is responsible for reviewing the Bank's operational and technology risk management program, as well as the results from its performance.

The information is presented as follows:

- Risk appetite evolution of indicators and management of action plans to ensure that risks are within the limits of the risk appetite established.
- Operational and technology risk management programs, progress, results from performance, implementation of action for continuous improvement and risk reduction.

Committees formed by Senior Management:

The committees formed by the General Manager and/or first level managers reporting to the General Manager that have a direct relationship in the management of operational risk are as follows:

Operational Risk and Information Security Committee

- This committee is chaired by Bci's Chief Executive Officer and is responsible for operational risk management for the Bank and its subsidiaries.

Corporate Compliance and Prevention Committee

- Committee chaired by the Chief Executive Officer and responsible for the management of Corporate Compliance for the Bank and its Subsidiaries.

Operational Risk and Information Security Committee of Banks

- Committee chaired by the first level Manager reporting to the Chief Executive Officer of the Business and Support Units and responsible for operational risk management in each Business (Finance, Wholesale, Retail and MACH).

Committees specializing in the management of specific operational risks

The purpose of these committees is the specific and specialized management of operational risks:

Information Security and Cybersecurity Committee:

- Committee responsible for the governance of the information security and cybersecurity management system.

Risk Management Committee for Outsourced Services:

- Committee responsible for the governance of operational risk management in services provided to third parties and strategic suppliers.

Corporate Business Continuity Risk Committee:

- Committee responsible for the governance of business continuity management, disaster recovery plan and crisis management.

Operational risk management in subsidiaries

With respect to operational risk management in the subsidiaries, the operational risk work methodologies have been continuously reinforced with the risk management teams of the Bank's subsidiaries, who execute the risk management program in each subsidiary with an independent corporate governance, coordinated and aligned with the policies, risk appetite framework and corporate risk governance.

Non-Financial Risk Management

It is responsible for designing policies, programs, and methodologies for the adequate management of non-financial risk, understood as the different types of operational risks and compliance risks, among which are the prevention of money laundering and regulatory risks. The role of this management is to mobilize the execution of the activities of this risk management program, measure and monitor the level of risk independently from the first line, Responsible for the development of governance committees and the reporting of risk levels.

Non-Financial Risk Management is actively involved in:

- **Operational Incident Management**

The Bank has systems, procedures, organization, and governance in place to identify operational incidents. assess their impact, mitigate their effects, monitor security and operations, and report them in a timely manner. Incidents are a source of root cause analysis and implementation of improvement plans, which are shared with the CMF.

- **Information Security and Cybersecurity**

An Information Security Management System has been implemented with the purpose of highlighting the relevance of data and information for the Bank. This management system provides the essential criteria and guidelines regarding the administration, custody and use of the information and means required for its treatment, in order to ensure its availability, confidentiality and integrity.

The Information Security Management System has a specific policy, from which Information Security Regulations are derived, which form the regulatory framework that provides the Corporation's security guidelines on specific matters, emphasizing the controls, roles and responsibilities that all the Bank's units must implement to safeguard the information and associated resources.

In addition, this security management system has been complemented by the use of the FFIEC's Cyber Security Assessment Tool (CAT), which allows the Bank to continuously measure the level of exposure to cybersecurity risk and the maturity of the controls required to keep such risks within acceptable levels.

- **Business continuity and crisis management**

The Bank has implemented a Business Continuity Management System within the framework of the Business Continuity Policy, in order to define the essential criteria and processes to be considered in the preparation, maintenance and testing of Business Continuity Plans, Disaster Recovery Plan and Crisis Management Plan, in order to limit the impacts of a disaster event, maintaining the service levels defined as tolerable for customers and the community.

- **Fraud Prevention**

External Fraud Prevention

The Bank has implemented a fraud prevention strategy that safeguards the assets of our customers, the Bank and the Bank's reputation and image. For such purpose, processes, technologies, methodologies and analytical models are constantly reinforced to verify the identity of customers in a robust manner, to prevent, predict and detect fraud risks, to ensure, full compliance with current regulatory requirements and reinforce the culture and adherence to the ethical framework in the actions of the Bank's employees and its subsidiaries.

The Bank's fraud risk strategy is also focused on establishing a healthy balance between the operational risk variables and customer experience, ensuring that customers have a memorable experience when using payment methods and banking services.

Internal Fraud Prevention

The Bank intends that its employees permanently live a culture of comprehensive fraud prevention, focused on the principles and values that the Bank has forged over time, based on a permanent rejection of any behavior that may break trust.

For such purpose, continuous education on fraud issues is driven. A clear and determined attitude of zero tolerance to internal fraud helps prevent and face this type of risk. While searching for keeping a mitigated risk, we analyze unusual patterns of internal fraud risks, using robust predictive tools and models for prevention and detection of abnormal behaviors, which allow us to anticipate and timely detect non-compliance with regulations, bad practices, control weaknesses and possible internal frauds.

- **Operational risk management in outsourced services**

For making decisions to engage a service, operational risk aspects must be considered to prevent impacts, particularly for outsourced services, strategic or sensitive activities for the Bank's operations.

For such purpose, a Risk Management Policy for Outsourced Services has been implemented, which establishes a process for the classification of outsourced services, evaluation and monitoring of services and suppliers, which allows managing the different risks in the services provided to third parties.

- **Insurance**

The Bank has risk mitigation programs through insurance policies that transfer the risk of high-severity losses.

- **Security procedures and controls**

The Bank has adequate security controls for the physical protection of cash, negotiable instruments, precious metals, and client assets.

- **Regulatory Risk Prevention:**

Regulatory management

The Bank has implemented procedures, programs and processes that ensure that all its activities are perform strictly complying with applicable external and internal regulations, and regarding all the countries and jurisdictions in which it operates, contemplating the processes of control and continuous monitoring of the management of several risks such as Crime Prevention, which ensures due compliance with the Law on Criminal Liability of Legal Entities; the Protection of Free Competition; the Protection of Consumer Rights and the Protection of Personal Data. In addition, it has a continuous process for the review of new external regulations so that these are incorporated into the internal regulatory framework.

Crime prevention program

Bci has a crime prevention program certified by an independent organization, established in accordance with the provisions of Law No. 20,393 on Criminal Liability of Legal Entities, which establishes a corporate organization to prevent the commission of these and other crimes by some of the members of Bci, Therefore, it seeks to prevent and avoid the commission of behaviors described in this regulation and to guarantee that, in the event that any employee engages in any of these behaviors, he/she will do so not only in contradiction with the corporate culture, but also in spite of the efforts made by the company to prevent it.

Program for the Protection of Free Competition

The objective of the Program for the Protection of Free Competition is to avoid anti-competitive practices, which are established in DL 211, because they can delay the development of new goods and services, the efficient allocation of resources, the adequate satisfaction of needs, and the participation of new and better suppliers of goods and services in the different markets.

Exposure to losses from Operational Risk events

Figures are in millions of Chilean pesos and correspond to the accumulated between January and March 2024:

Event type	Net Loss	Recovery	Net recovery (loss)
Internal fraud	(31)	1	**(30)**
External fraud	(4,112)	1,049	**(3,063)**
Labor practices and business safety	(341)	-	**(341)**
Customers, products and business practices	(333)	3	**(330)**
Damage to physical assets	(44)	66	**22**
Business interruption and system failures	(112)	2	**(110)**
Process execution, delivery and management	(185)	16	**(169)**
Totals	**(5,158)**	**1,137**	**(4,021)**

NOTE 48 – INFORMATION ON REGULATORY CAPITAL AND CAPITAL ADEQUACY RATIOS

a) Regulatory capital strategy and objectives

The management of the Bank's regulatory capital seeks to ensure: (i) a level of capital adequacy in the short, medium, and long term, (ii) a profitability commensurate with the risks assumed by the business units, (iii) compliance with strategic financial objectives and (iv) compliance with internal limits and the regulatory framework.

To this end. The main ratios and metrics associated with capital management are periodically generated, analyzed, and reported to the relevant governing bodies (Profitability and Capital Adequacy Council, Executive Committee and Board of Directors) and the necessary action plans are drawn up.

BCI defines its capital management objectives considering the level of effective equity that the entity considers necessary to maintain both now and, in the future, formally contemplated in its capital planning process and that is consistent with the risks inherent to its activity, to the economic environment in which it operates, its governance, risk management and control systems, its strategic business plan, the quality of the available assets and the real possibilities of obtaining greater own resources.

As from December 31, 2023, the minimum regulatory capital requirement is 11.38%, in accordance with the transitory provisions applicable to the systemic charge and conservation buffer, indicated in the Basel III implementation schedule for Chile.

Banco BCI´s minimum capital requirements as of March 31, 2024 under Basel III guidelines:

	Capital CET1	Capital T1	Capital T2	Total Regulatory Capital
Pillar I	4.50	1.50	2.00	**8.00**
Pillar II	0.00	0.00	0.00	**0.00**
Systemic charge (1)	0.88	0.00	0.00	**0.88**
Conservation buffer (2)	2.50	0.00	0.00	**2.50**
Countercyclical buffer	0.00	0.00	0.00	**0.00**
Total	**7.88**	**1.50**	**2.00**	**11.38**

(1) Systemic charge: considers the gradual incorporation (50% as of December 23) of the total charge of 1.75% of core capital with respect to total risk-weighted assets as established in the transitory provisions defined in chapter 21-11 of the RAN.
(2) Transitional provisions for the conservation buffer are not considered, considering that they do not apply to compliance with the conditions required in chapter 1-13 of the RAN to maintain an A solvency rating.

b) Policies and processes for capital management

To achieve the objectives, regulatory capital management will be articulated based on the following essential elements, in line with chapter 21-13 of the RAN on the evaluation of the sufficiency of effective equity of banks:

Identification and evaluation of risks: Senior Management must perform the corporate risk identification and evaluation process to assess the material risks to which the Bank and its subsidiaries are exposed.

Tolerance framework: There must be a tolerance framework that ensures the conduct of business within the established and approved risk ranges. The most relevant risks must have limits and regular monitoring by Senior Management.

Determination of an internal capital objective: The Bank must establish an internal capital objective higher than the minimum requirements established in article 66 of the LGB, which will be approved by the Board of Directors.

Stress tests: There must be a corporate stress testing program that identifies possible vulnerabilities and allows analysis of the ability to generate results and the adequacy of capital under severe, low probability but plausible scenarios. Additionally, the bank must have capital recovery plans that allow it to meet the target solvency levels.

Corporate strategic planning and monitoring process: The strategic planning process must be developed continuously considering a reflection and adaptation of the strategy, the prioritization of resource allocation, the definition of financial planning with a prospective vision, the setting of goals and the monitoring of strategic objectives.

Monitoring and follow-up: Adequate monitoring and follow-up systems must be established for risk assessment that allow effective supervision of compliance with business plans and determine how the incidence of changes in the risk profile could translate into capital requirements, additional.

Internal control: The internal control structure is a fundamental part of the capital evaluation process, Effective control over the capital evaluation process must incorporate an independent review, and when required, the involvement of internal auditors and/or an external audit firm.

c) External capital requirement

BCI manages the capital considering the definition of articles 66, 55 and 55bis of the LGB and chapter 21-1 of the RAN on equity for legal and regulatory purposes and is made up of basic capital (common equity tier 1 capital or CET1), additional tier 1 capital (AT1) and tier 2 capital (T2).

The CET1 corresponds to subscribed and paid shares plus the other items that are part of the accounting equity of the banks, with a floor of 4.5% of the RWA.

AT1 is defined in chapter 21-2 of the RAN and corresponds to preferred shares and bonds without a fixed maturity date, subordinated to T2 and subject to capitalization, depreciation and re-appreciation or expiration, depending on the issuance conditions. The LGB imposes a floor of 6% of the RWAs for Tier 1 capital (CET1+AT1).

T2 is made up of fixed-term bonds, subordinated to other obligations, for up to 50% of CET1, plus voluntary provisions (whatever exceeds the specific ones) for up to 1,25% of APRC, net of required provisions, when the banks use standardized methodologies to calculate the denominator, or 0.625%, in the case of using their own methodologies.

The minimum effective regulatory capital is specific to each bank and depends on the base capital requirement. Its systemic quality (systemic charge) and the additional capital required for the assessment of the adequacy of effective capital (Pillar 2).

On top of this specific minimum for each bank, basic capital buffers are added: the conservation and counter-cyclical buffer for solvency level A classification.

On March 31, 2024, the CMF approved to maintain the systemic quality of six banks in Chile, of which the Bank is among them. This rating is governed by requirements framed in RAN 21-11, which considers a systemic importance index per entity, the factors considered are the following:

- Bank size
- Interconnection with other financial entities
- Difficulty of replacing the Bank in the provision of financial services
- Complexity of its business model and operating structure

For the Bank, the additional core capital charge was maintained at 1.75%. These requirements are applied gradually, so that the additional core capital charges due in December 2023 will be equivalent to 50% of such percentage.

Additionally, on May 23, 2023, the board of the Central Bank of Chile, at its financial policy meeting, agreed to activate the countercyclical capital requirement at a level of 0.5% of risk-weighted assets; this requirement will be enforceable within one year and must be included in the May 2024 solvency report. The requirement is activated in accordance with the capital standards implemented by Basel III, which are in line with the provisions of the third paragraph of RAN 21-12, which frames the provisions of Article 66 ter of the General Banking Law.

As of March 31, 2024 and December 31, 2023, total assets, risk-weighted assets, and components of effective equity are as follows:

		Global Consolidated	Global Consolidated	Local Consolidated	Local Consolidated
		03-31-2024	12-31-2023	03-31-2024	12-31-2023
		MCh$	MCh$	MCh$	MCh$
1	Total assets according to the statement of financial position	86,363,789	79,301,150	63,239,226	58,604,114
2	Investment in subsidiaries that are not consolidated	-	-	2,593,531	2,194,630
3	Assets discounted from regulatory capital, other than item 2	719,675	625,736	464,172	413,059
4.a	Financial derivatives	9,500,296	8,000,370	9,419,257	7,940,817
4.b	Credit Equivalents	2,857,440	2,488,995	2,692,382	2,355,274
5	contingent loans	5,203,224	5,130,516	4,054,263	4,106,104
6	Assets generated by the intermediation of financial instruments	-	-	-	-
7	**= (1-2-3-4a+4b+5-6) Total assets for regulatory purposes**	**84,204,482**	**78,294,555**	**57,508,911**	**54,516,986**
8.a	Assets weighted by credit risk, estimated according to the standard methodology (APRC)	47,241,608	43,894,152	31,023,914	29,628,033
8.b	Assets weighted by credit risk, estimated according to internal methodologies (APRC)	-	-	-	-
9	Assets weighted by market risk (APRM)	4,487,560	3,965,708	4,509,218	3,859,249
10	Assets weighted by operational risk (APRO)	4,281,252	4,203,656	3,559,538	3,490,709
11th	**= (8.a/ 8.b +9+10) Risk-Weighted Assets (APR)**	**56,010,420**	**52,063,516**	**39,092,670**	**36,977,991**
11.b	**= (8.a/ 8.b +9+10) Risk-weighted assets, after applying the output floor (APR)**	**56,010,420**	**52,063,516**	**39,092,670**	**36,977,991**
12	owners' assets	6,550,229	6,065,795	6,550,229	6,065,795
13	Non-controlling interest	1,874	1,581	3	2
14	Goodwill	177,587	158,641	20,715	18,982
15	Excess minority investments	-	-	-	-
16	**= (12+13-14-15) Common Equity Tier 1 Capital (CET1)**	**6,374,516**	**5,908,735**	**6,529,517**	**6,046,815**
17	Additional deductions to ordinary capital level 1, other than item 2	162,934	140,375	133,038	118,224
18	**= (16-17-2) Common Equity Tier 1 (CET1)**	**6,211,582**	**5,768,360**	**3,802,948**	**3,733,961**
19	Voluntary provisions (additional) imputed as additional capital level 1 (AT1)	-	-	-	-
20	Subordinated bonds imputed as additional capital level 1 (AT1)	-	-	-	-
21	Preferred shares allocated to additional tier 1 capital (AT1)	-	-	-	-
22	Bonds without a fixed term of maturity imputed to additional capital level 1 (AT1)	491,140	-	491,140	-
23	Discounts applied to AT1	-	-	-	-
24	**= (19+20+21+22-23) Additional tier 1 capital (AT1)**	**491,140**	**-**	**491,140**	**-**
25	**= (18+24) Capital level 1**	**6,702,722**	**5,768,360**	**4,294,088**	**3,733,961**
26	Voluntary provisions (additional) imputed as Tier 2 capital (T2)	365,536	375,900	359,000	359,000
27	Subordinated bonds imputed as Tier 2 capital (T2)	1,380,232	1,364,048	1,380,232	1,364,048
28	**Equivalent tier 2 capital (T2)**	**1,745,768**	**1,739,948**	**1,739,232**	**1,723,048**
29	Discounts applied to T2	-	-	-	-
30	**= (28-29) Tier 2 capital (T2)**	**1,745,768**	**1,739,948**	**1,739,232**	**1,723,048**
31	**= (25+30) Effective equity**	**8,448,490**	**7,508,308**	**6,033,320**	**5,457,009**
32	**Additional basic capital required for the constitution of the conservation buffer**	**1,050,195**	**976,191**	**732,988**	**693,337**
33	**Additional basic capital required to set up the countercyclical buffer**	**-**	**-**	**-**	**-**
34	**Additional basic capital required for banks qualified as systemic**	**980,182**	**911,112**	**684,122**	**647,115**
35	**Additional capital required for the evaluation of the adequacy of effective equity (Pillar 2)**	**-**	**-**	**-**	**-**

N°	Item Description	Global Consolidated 03-31-2024	Global Consolidated 12-31-2023	Local Consolidated 03-31-2024	Local Consolidated 12-31-2023
		%	%	%	%
1	Leverage Indicator (T1_I18/T1_I7)	**7.377**	**7.368**	**6.613**	**6.849**
1.b	Leverage indicator that the bank must meet, considering the minimum requirements	3.000	3.000	3.000	3.000
2	Basic capital indicator (T1_I18/T1_I11.b)	**11.090**	**11.079**	**9.728**	**10.098**
2.a	Common Equity Tier 1 capital indicator that the bank must meet	5.375	5.375	5.375	5.375
2.b	Capital buffer shortfall	0.000	0.000	0.000	0.000
3	Tier 1 capital indicator (T1_I25/T1_I11.b)	**11.967**	**11.079**	**10.984**	**10.098**
3.a	Level 1 capital indicator that the bank must meet, considering the minimum requirements	6.000	6.000	6.000	6.000
4	Effective equity indicator (T1_I31/T1_I11.b)	**15.084**	**14.421**	**15.433**	**14.757**
4.1	Effective equity indicator that the bank must meet, considering the minimum requirements	8.000	8.000	8.000	8.000
4.b	Effective equity indicator that the bank must comply with, considering the charges for article 35 bis, if applicable	8.875	8.875	8.875	8.875
4.c	Effective equity indicator that the bank must meet, considering the minimum requirements, the conservation buffer, and the cyclical buffer	9.875	9.875	9.875	9.875
5	Solvency rating (Level A, B or C)	A	A	A	A
	Regulatory compliance indicators for solvency				
6	Voluntary provisions (additional) imputed in Tier 2 capital (T2) in relation to APRC (T1_I26 /(T1_I8.a or 8.b))	0.774	0.856	1.157	1.212
7	Subordinated bonds imputed in capital level 2 (T2) in relation to basic capital	22.220	23.647	36.294	36.531
8	Tier 1 additional capital (AT1) in relation to basic capital (T1_I24/T1_I18)	7.907	0.000	12.915	0.000
9	Voluntary provisions (additional) and subordinated bonds that are charged to additional tier 1 capital (AT1) in relation to RWAs ((T1_I19+T1_I 20)/ T1_I11.b)	0.000	0.000	0.000	0.000

NOTE 49 – SUBSEQUENT EVENTS

Between April 1, 2024 and the date of issuance of these Interim Consolidated Financial Statements, there have been no other subsequent events that may affect the presentation of these Interim Consolidated Financial Statements.

Alfredo Mendoza Osorio Chief Accounting Officer	Eugenio Von Chrismar Carvajal Chief Executive Officer


Bci
Hoy
puede ser
diferente.

Consolidated Financial Statements

As of December 31, 2023 and 2022

CONTENT

Independent Auditor's Report

The Shareholders and Directors of
Banco de Crédito e Inversiones:

Opinion

We have audited the accompanying consolidated financial statements of Banco de Crédito e Inversiones and its Subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of income, other comprehensive income, changes in equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Banco de Crédito e Inversiones and its Subsidiaries as of December 31, 2023 and 2022, and the results of their operations and their cash flows for the years then ended in accordance with accounting standards and instructions issued by the Chilean Financial Market Commission.

Basis for the opinion

We conducted our audits in accordance with Auditing Standards Generally Accepted in Chile. Our responsibilities under those standards are further described in paragraphs under section "Auditors Responsibilities for the Audit of the Consolidated Financial Statements" of our report. We are independent of Banco de Crédito e Inversiones and its Subsidiaries in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements, and we have fulfilled our ethical responsibilities in accordance with these and other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the standards and instructions provided by the Chilean Financial Market Commission. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing whether events or conditions exist, which, considered as a whole, may cast significant doubt as to Banco de Crédito e Inversiones and its Subsidiaries' ability to continue as a going concern for, at least, twelve months from the reporting period, without limiting to such period.

Santiago
Av. Presidente Riesco 5685,
piso 15, Las Condes

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Generally Accepted Auditing Standards in Chile will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, concealment, mis representations or Management's override of controls. A misstatement is considered material if, individually or in the aggregate, it could influence the judgment of a reasonable user of these consolidated financial statements.

As part of an audit conducted in accordance with Generally Accepted Auditing Standards in Chile, we also:

- Exercise professional judgement and maintain professional scepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. Those procedures include an examination, on a test basis, of evidence supporting the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Banco de Crédito e Inversiones and its Subsidiaries. Accordingly, we express no such opinion.
- We evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.
- We conclude whether, in our judgment, events or conditions exist that may cast significant doubt on Banco de Crédito e Inversiones and Subsidiaries' ability to continue as a going concern for a reasonable period of time.

We are required to communicate to those charged with governance, among other matters, the planned timing and scope of the audit, and significant audit findings, including any significant deficiencies and material weaknesses in internal control that we identified during our audit.

Ernesto Guzman V. KPMG Ltda.

Santiago, February 27, 2024

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BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of December 31, 2023 and 2022
(In millions of Chilean pesos - MCh$)

	Note	December 31, 2023 MCh$	December 31, 2022 MCh$
ASSETS			
Cash and bank deposits	7	**3,619,715**	**4,256,396**
Transactions in the course of collection	7	**475,440**	**404,209**
Financial assets held for trading at fair value through profit or loss		**7,088,697**	**7,680,615**
Financial derivative contracts	8	6,000,937	6,770,653
Debt financial instruments	8	974,506	770,101
Other	8	113,254	139,861
Financial assets not held for trading mandatorily measured at fair value through profit or loss	9	**58,963**	**71,282**
Financial assets at fair value through profit or loss	10	**-**	**-**
Financial assets at fair value through other comprehensive income		**8,991,137**	**10,477,361**
Debt financial instruments	11	8,991,137	10,477,361
Other	11	-	-
Financial derivative contracts for accounting hedge	12	**1,999,433**	**1,788,851**
Financial assets at amortized cost		**53,769,837**	**49,830,891**
Rights for reverse repurchase agreements and securities lending	13	207,114	182,061
Debt securities	13	4,322,383	3,581,998
Loans and advances to banks	13	680,190	767,700
Loans and receivables from customers - Commercial	13	31,940,712	29,276,944
Loans and receivables from customers - Mortgage	13	13,740,355	12,809,381
Loans and receivables from customers - Consumer	13	2,879,083	3,212,807
Investments in companies	14	**163,136**	**175,736**
Intangible assets	15	**446,546**	**411,009**
Property and equipment	16	**253,614**	**249,105**
Right-of-use assets	17	**143,886**	**152,886**
Current tax assets	18	**159,318**	**138,066**
Deferred tax assets	18	**492,461**	**482,714**
Other assets	19	**1,592,985**	**1,895,064**
Non-current assets and disposal groups held for sale	20	**45,985**	**34,934**
TOTAL ASSETS		**79,301,153**	**78,049,119**

The accompanying notes Nos, 1 to 49 are an integral part of these Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of December 31, 2023 and 2022
(In millions of Chilean pesos - MCh$)

	Note	December 31, 2023 MCh$	December 31, 2022 MCh$
LIABILITIES			
Transactions in the course of payment	7	**429,959**	**330,138**
Financial liabilities held for trading at fair value through profit or loss	21	**5,625,481**	**6,584,736**
Financial derivative contracts	21	5,625,481	6,584,736
Other	21	-	-
Financial liabilities designated at fair value through profit or loss	10	**-**	**-**
Financial derivative contracts for accounting hedge	12	**2,535,841**	**2,590,468**
Financial liabilities at amortized cost		**59,937,499**	**59,760,444**
Deposits and other on-demand liabilities	22	23,810,298	24,122,165
Deposits and other term deposits	22	18,442,271	18,245,965
Liabilities for repurchase agreements and securities lending	22	706,623	384,883
Bank borrowings	22	7,125,985	6,661,071
Debt financial instruments issued	22	8,112,510	8,107,260
Other financial liabilities	22	1,739,812	2,239,100
Lease liabilities	17	**129,349**	**136,448**
Regulatory capital financial instruments issued	23	**1,551,291**	**1,499,299**
Provisions for contingencies	24	**199,775**	**227,716**
Provisions for dividends, payment of interests and revaluation of regulatory capital financial instruments issued	25	**204,740**	**246,247**
Special provisions for credit loss	26	**452,398**	**491,055**
Current taxes	18	**33,659**	**17,493**
Deferred taxes	18	**2,106**	**1,612**
Other liabilities	27	**2,131,679**	**1,386,662**
Liabilities included in disposal groups held for sale	20	**-**	**-**
TOTAL LIABILITIES		**73,233,777**	**73,272,318**
EQUITY			
Share capital	28	**5,383,715**	**4,225,332**
Reserves	28	**-**	**(26,640)**
Accumulated other comprehensive income	28	**204,352**	**2,211**
Items that will not be reclassified to profit or loss	28	395	(182)
Items that may be reclassified to profit or loss	28	203,957	2,393
Retained earnings from prior years	28	-	**-**
Profit for the year	28	**682,468**	**820,822**
Less: Provisions for dividends, payment of interests and revaluation of regulatory capital financial instruments issued	28	(204,740)	(246,247)
Owners of the bank	28	**6,065,795**	**4,775,478**
Non-controlling interests	28	**1,581**	**1,323**
TOTAL EQUITY		**6,067,376**	**4,776,801**
TOTAL LIABILITIES AND EQUITY		**79,301,153**	**78,049,119**

The accompanying notes Nos, 1 to 49 are an integral part of these Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
As of December 31, 2023 and 2022
(In millions of Chilean pesos - MCh$)

	Note	December 31	
		2023	2022
		MCh$	MCh$
Interest income		4,102,634	2,903,692
Interest expenses		(2,539,336)	(1,343,274)
Net interest income	30	**1,563,298**	**1,560,418**
Inflation-indexation income		884,492	1,476,901
Inflation-indexation expenses		(426,479)	(727,603)
Net inflation-indexation income	31	**458,013**	**749,298**
Fee income		512,405	508,328
Fee expense		(171,600)	(141,417)
Net fee income	32	**340,805**	**366,911**
Finance income for:			
Financial assets and liabilities held for trading		247,786	23,774
Non-trading financial assets mandatorily measured at fair value through profit or loss		(13,750)	(24,090)
Financial assets and liabilities designated at fair value through profit or loss		-	-
Loss (income) arising from derecognition of financial assets and liabilities measured at amortized cost and financial assets measured at fair value through other comprehensive income		(12,105)	8,399
Foreign currency changes. Inflation-indexation, and hedge accounting		(141,510)	(56,135)
Reclassification of financial assets due to change in business model		-	-
Other finance income		-	-
Net finance income (expense)	33	**80,421**	**(48,052)**
Income from investments in companies	34	16,018	7,404
Income from non-current assets and disposal groups held for sale not admissible as discontinued operations	35	10,232	9,702
Other operating income	36	51,542	53,406
TOTAL OPERATING INCOME		**2,520,329**	**2,699,087**
Expenses for employee benefit obligations	37	(665,866)	(638,989)
Administrative expenses	38	(498,105)	(422,520)
Depreciation and amortization	39	(113,016)	(113,643)
Impairment of non-financial assets	40	(2,547)	(21,009)
Other operating expenses	36	(23,565)	(96,153)
TOTAL OPERATING EXPENSES		**(1,303,099)**	**(1,292,314)**
OPERATING INCOME BEFORE CREDIT LOSSES		**1,217,230**	**1,406,773**
Credit loss expense for:			
Provisions for credit loss of loans and advances to banks and loans and receivables from customers		(508,542)	(484,580)
Special provisions for credit loss		39,126	(81,910)
Recovery of written-off credits		77,158	78,217
Impairment due to credit loss of other financial assets at amortized cost and financial assets at fair value through other comprehensive income		(6,997)	(6,597)
Credit loss expense	41	**(399,255)**	**(494,870)**
OPERATING PROFIT		**817,975**	**911,903**
Profit from continuing operations before tax		**817,975**	**911,903**
Income tax	18	(135,404)	(90,879)
Profit from continuing operations after tax		**682,571**	**821,024**
Profit from discontinued operations before tax		-	-
Discontinued operations tax	42	-	-
Profit from discontinued operations after tax		-	-
CONSOLIDATED PROFIT FOR THE YEAR ENDED		**682,571**	**821,024**
Attributable to:			
Owners of the Bank		682,468	820,822
Non-controlling interests		103	202
Earnings per share:			
Basic earnings		3,639	5,664
Diluted earnings		3,639	5,664

The accompanying notes Nos, 1 to 49 are an integral part of these Consolidated Financial Statements,

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
For the year ended as of December 31, 2023 and 2022
(In millions of Chilean pesos - MCh$)

	Note	December 31	
		2023	2022
		MCh$	MCh$
CONSOLIDATED PROFIT FOR THE YEAR ENDED		**682,571**	**821,024**
Other comprehensive income from the period:			
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS			
Remeasurements of defined benefit liability (asset) and actuarial results for other employee benefit plans	28	91	(132)
Changes in fair value of equity instruments at fair value through other comprehensive income	28	486	(50)
Movements in fair value of financial liabilities at fair value through profit or loss attributable to changes in the credit risk of the financial liability		-	-
Other		-	-
OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO INCOME BEFORE TAX		**577**	**(182)**
Income tax on other comprehensive income that will not be reclassified to profit or loss		-	**-**
TOTAL OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS AFTER TAX	**28**	**577**	**(182)**
ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS			
Changes in fair value of financial assets at fair value through other comprehensive income	28	130,117	(384,996)
Translation differences for foreign operations	28	73,469	(19,997)
Hedge of net investments in foreign operations		-	-
Cash flow hedges	28	33,086	(36,129)
Undesignated items of accounting hedge instruments		-	-
Other		-	-
OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS BEFORE TAX	**28**	**236,672**	**(441,122)**
Income tax on other comprehensive income that may be reclassified to profit or loss	**28**	**(35,108)**	**154,260**
TOTAL OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS AFTER TAX	**28**	**201,564**	**(286,862)**
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED		**202,141**	**(287,044)**
COMPREHENSIVE INCOME FOR THE CONSOLIDATED YEAR ENDED		**884,712**	**533,980**
Attributable to:			
Owners of the Bank		884,609	533,778
Non-controlling interests		103	202

The accompanying notes Nos, 1 to 49 are an integral part of these Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the year ended as of December 31, 2023 and 2022

(In millions of Chilean pesos - MCh$)

	Equity attributable to owners													Non-controlling interests	Total equity
				Accumulated other comprehensive income						Retained earnings					
	Share capital	Reserves	Re-measurement of net defined benefit liabilities (assets)	Net changes in fair value of equity instruments at fair value through other comprehensive income	Changes in fair value of financial assets at fair value through other comprehensive income	Translation differences for foreign operations	Cash flow hedges	Income tax	Total	Retained earnings	Profit for the year	Provision for minimum dividends	Total		
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Closing balances as of December 31, 2021	3,862,386	(26,806)	-	-	(242,905)	405,367	177,037	(36,959)	**302,540**	-	520,391	(156,117)	**4,502,394**	1,400	**4,503,794**
Effects of changes in accounting policies		3,706			(13,285)				**(13,285)**	-	-	-	**(9,579)**	-	**(9,579)**
As of January 1, 2022	**3,862,386**	**(23,100)**	**-**	**-**	**(256,190)**	**405,367**	**177,037**	**(36,959)**	**289,255**	**-**	**520,391**	**(156,117)**	**4,492,815**	**1,400**	**4,494,215**
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	520,391	(520,391)	-	-	-	-
Other equity movements	-	(3,540)	-	-	-	-	-	-	-	-	-	-	**(3,540)**	(279)	**(3,819)**
Common shares issued with release of capitalization payment	362,946	-	-	-	-	-	-	-	-	(362,946)	-	-	-	-	-
Payment of ordinary share dividends	-	-	-	-	-	-	-	-	-	(157,445)	-	156,117	**(1,328)**	-	**(1,328)**
Provision for payment of ordinary share dividends	-	-	-	-	-	-	-	-	-	-	-	(246,247)	**(246,247)**	-	**(246,247)**
Subtotal of transactions with the owners in the period	**4,225,332**	**(26,640)**	**-**	**-**	**(256,190)**	**405,367**	**177,037**	**(36,959)**	**289,255**	**-**	**-**	**(246,247)**	**4,241,700**	**1,121**	**4,242,821**
Profit for the year	-	-	-	-	-	-	-	-	-	-	820,822	-	**820,822**	202	**821,024**
Other comprehensive income	-	-	(132)	(50)	(384,996)	(19,997)	(36,129)	154,260	**(287,044)**	-	-	-	**(287,044)**	-	**(287,044)**
Subtotal comprehensive income	**-**	**-**	**(132)**	**(50)**	**(384,996)**	**(19,997)**	**(36,129)**	**154,260**	**(287,044)**	**-**	**820,822**	**-**	**533,778**	**202**	**533,980**
Closing balance as of December 31, 2022	**4,225,332**	**(26,640)**	**(132)**	**(50)**	**(641,186)**	**385,370**	**140,908**	**117,301**	**2,211**	**-**	**820,822**	**(246,247)**	**4,775,478**	**1,323**	**4,776,801**
Effects of changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As of January 1, 2023	**4,225,332**	**(26,640)**	**(132)**	**(50)**	**(641,186)**	**385,370**	**140,908**	**117,301**	**2,211**	**-**	**820,822**	**(246,247)**	**4,775,478**	**1,323**	**4,776,801**
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	820,822	(820,822)	-	-	-	-
Other equity movements	-	-	-	-	-	-	-	-	-	-	-	-	-	155	**155**
Common shares subscribed and fully paid	617,457	-	-	-	-	-	-	-	-	-	-	-	617,457	-	**617,457**
Common shares issued with release of capitalization payment	540,926	26,640	-	-	-	-	-	-	-	(567,566)	-	-	-	-	-
Payment of ordinary share dividends	-	-	-	-	-	-	-	-	-	(253,256)	-	246,247	(7,009)	-	**(7,009)**
Provision for payment of ordinary share dividends	-	-	-	-	-	-	-	-	-	-	-	(204,740)	(204,740)	-	**(204,740)**
Subtotal of transactions with the owners in the period	**5,383,715**	**-**	**(132)**	**(50)**	**(641,186)**	**385,370**	**140,908**	**117,301**	**2,211**	**-**	**-**	**(204,740)**	**5,181,186**	**1,478**	**5,182,664**
Profit for the year	-	-	-	-	-	-	-	-	-	-	682,468	-	682,468	103	**682,571**
Other comprehensive income	-	-	91	486	130,117	73,469	33,086	(35,108)	**202,141**	-	-	-	202,141	-	**202,141**
Subtotal comprehensive income	**-**	**-**	**91**	**486**	**130,117**	**73,469**	**33,086**	**(35,108)**	**202,141**	**-**	**682,468**	**-**	**884,609**	**103**	**884,712**
Closing balance as of December 31, 2023	**5,383,715**	**-**	**(41)**	**436**	**(511,069)**	**458,839**	**173,994**	**82,193**	**204,352**	**-**	**682,468**	**(204,740)**	**6,065,795**	**1,581**	**6,067,376**

The accompanying notes Nos, 1 to 49 are an integral part of these Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the year ended as of December 31, 2023 and 2022
(In millions of Chilean pesos - MCh$)

	Note	December 31	
		2023	2022
		MCh$	MCh$
A) CASH FLOWS FROM OPERATING ACTIVITIES			
CONSOLIDATED PROFIT BEFORE TAX FOR THE YEAR ENDED		**817,975**	**911,903**
Debit (credit) to profit or loss that do not represent movements in cash flows			
Depreciation and amortization	39	113,016	113,643
Impairment of non-financial assets	40	2,547	21,009
Provisions for credit loss		469,416	566,490
Adjustment to market value of financial instruments		(34,621)	(8,837)
Net loss on investment in companies	34	(16,018)	(7,404)
Net loss on sale of assets received in payment	35	(2,769)	(186)
Net loss on sale of property and equipment	35	(823)	(96)
Net gain on sale of property and equipment	35	1	312
Write-off of assets received in payment	35	2,080	1,160
Net interest income	30	(1,563,298)	(1,560,418)
Net inflation-indexation income	31	(458,013)	(749,298)
Net fee income	32	(340,805)	(366,911)
Other debit (credit) that do not represent movements in cash flows		183,503	94,640
Changes due to increases/decreases in operating assets and liabilities:			
(Increase) decrease in loans and advances to banks		94,266	(120,952)
(Increase) decrease in loans and receivables from customers		(3,357,856)	(3,819,805)
(Increase) decrease in financial investments		(1,243,367)	(614,208)
Increase (decrease) in other on-demand liabilities		(311,696)	(3,536,163)
Increase (decrease) in repurchase agreements and securities lending		386,490	289,954
Increase (decrease) in deposits and other term deposits		70,453	6,899,121
Increase (decrease) in bank borrowings		(46,064)	(7,932)
Increase (decrease) in other financial liabilities		(504,810)	1,209,421
Loans from the Central Bank of Chile (long-term)		59,411	-
Repayment of loans from the Central Bank of Chile (long term)		-	(25,812)
Long-term foreign loans		444,338	-
Repayment of long-term foreign loans		-	(281,741)
Income tax		(125,729)	(309,643)
Interest and inflation-indexation received		4,987,126	4,380,594
Interest and inflation-indexation paid		(2,965,815)	(2,070,876)
Fees received	32	512,405	508,328
Fees paid	32	(171,600)	(141,417)
Total net cash (used in) from operating activities		**(3,000,257)**	**1,374,876**
B) CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of investments in companies	14	-	(55,990)
Sale of investments in companies	14	23,613	1,319
Dividends received from investments in companies	14	3,945	3,668
Acquisition of property and equipment	16	(20,849)	(19,002)
Sale of property and equipment		422	1,745
Acquisition of intangible assets	15	(111,373)	(71,957)
Sale of intangible assets		-	-
Sale of goods received in payment or awarded		11,411	7,269
Net increase (decrease) in other assets and liabilities		881,303	(293,969)
Total net cash from (used in) investing activities		**788,472**	**(426,917)**

The accompanying notes Nos, 1 to 49 are an integral part of these Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the year ended as of December 31, 2023 and 2022
(In millions of Chilean pesos - MCh$)

	Note	December 31 2023 MCh$	December 31 2022 MCh$
C) CASH FLOWS FROM FINANCING ACTIVITIES			
Attributable to interest of the owners:			
Issue of letters of credit		-	-
Redemption and payment of interest / principal of letters of credit		(1,225)	(2,493)
Issuance of current bonds		553,307	1,196,446
Redemption and payment of interest / principal of current bonds		(1,102,645)	(1,433,026)
Issue of mortgage bonds		-	-
Redemption and payment of interest / principal of mortgage bonds		-	-
Payment of interest / principal of lease liabilities		(2,639)	(2,897)
Issue of subordinated bonds		-	-
Payment of interest and principal of subordinated bonds		(71,499)	(59,127)
Issue of bonds with no fixed maturity date		-	-
Redemption and payment of interest on bonds with no fixed maturity date		-	-
Issue of preferred shares		-	-
Redemption of preference shares and payment of preference share dividends		-	-
Increase in share capital for the issuance of ordinary shares		617,457	-
Payment of ordinary shares dividends	28	(253,256)	(157,445)
Attributable to non-controlling interests:			
Dividend payment and/or withdrawals of share capital related to subsidiaries corresponding to non-controlling interest		-	-
Total net cash used in financing activities		**(260,500)**	**(458,542)**
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS FOR THE YEAR ENDED		**(2,215,382)**	**1,091,210**
EFFECT OF EXCHANGE RATE FLUCTUATIONS		**(256,903)**	**(601,793)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**7,309,537**	**6,820,120**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**7**	**4,837,252**	**7,309,537**

The accompanying notes Nos, 1 to 49 are an integral part of these Consolidated Financial Statements

NOTE 1 – REPORTING ENTITY

a) The Bank

Banco de Crédito e Inversiones (hereinafter “BCI” or “the Bank”) is a company incorporated in Chile, regulated by the Financial Market Commission, hereinafter the “CMF”. In accordance with the amendments to the General Banking Law under Law No. 21,130, which defines this commission as regulatory entity from June 1, 2019 (Official Gazette Publication No. 42,343 of Thursday, May 2, 2019). Its registered office is at Avenida El Golf 125, in the municipality of Las Condes. The Consolidated Financial Statements as of December 31, 2023 and 2022 and for the years ended December 31, 2023 and 2022 include the Bank and its subsidiaries detailed in the following paragraph as well as the Miami Branch. The Bank is involved in all the businesses and operations that the General Banking Law allows it, such as personal, corporate, and real estate banking, large and medium-sized companies banking, private banking, and asset management services.

NOTE 2 – BASIS OF ACCOUNTING

a) Basis of preparation of the financial statements

These Consolidated Financial Statements have been prepared in accordance with the Compendium of Accounting Standards for Banks (CNCB) and instructions issued by the Financial Market Commission (hereinafter "CMF"), a regulatory body that in accordance with Law No. 21,000 that " Creates the Financial Market Commission”, provides in number 6 of article 5 that the Financial Market Commission may “set the standards for the preparation and presentation of the annual reports, balance sheets, statements of financial position and other financial statements of the regulated entities and determine the principles to which they must keep their accounting and in everything that is not treated by it if it does not contradict their instructions, they must adhere to the generally accepted accounting policies, which correspond to the technical standards issued by Colegio de Contadores de Chile AG, matching the International Financial Reporting Standards (IFRS) agreed upon by the International Accounting Standards Board (IASB). In case of discrepancies between the International Financial Reporting Standards (IFRS) and the accounting policies issued by the CMF in its Compendium of Accounting Standards for Banks and Instructions, the latter will prevail.

The notes to the Consolidated Financial Statements contain additional information to that presented in the Consolidated Statements of Financial Position, the Consolidated Statements of Income, the Consolidated Statements of Other Comprehensive Income, the Consolidated Statements of Changes in Equity and the Consolidated Statements of Cash Flows.

b) Controlled entities (subsidiaries)

The Consolidated Financial Statements as of December 31, 2023 and 2022 include the financial statements of the Bank and the controlled companies (subsidiaries), Control is obtained when the Bank is exposed, or has the right to variable returns from its involvement with the investee and has the ability to influence those returns through its power over the investee.

Specifically, the Bank controls an investee only if it meets the following elements:

I. Power over the investee (that is, it has rights that give it the current ability to direct the relevant activities of the investee)
II. exposure, or right., to variable returns from its involvement with the investee; and
III. ability to use its power over the investee to influence the amount of the investor's returns.

When the Bank has less than most of the voting rights over an investee; but such voting rights are sufficient to have the practical ability to direct the relevant activities unilaterally, then it will be concluded that the Bank has control. The Bank considers all relevant factors and circumstances in assessing whether the voting rights are sufficient to obtain control, these include:

- The size of the Bank’s voting rights relative to the size and dispersion of holdings of the other vote holders.
- The potential voting rights held by the investor, other vote holders or other parties.
- Rights arising from other contractual arrangements.
- Any additional facts and circumstances that indicate the investor has or does not have. The current ability to direct the relevant activities at the time those decisions need to be made, including voting patterns at previous shareholders' meetings.

The Bank reassesses whether it has control over an investee when the facts or circumstances indicate that there are changes in one or more of the control elements listed above.

Loss of control generates de-recognition of assets and liabilities of the former subsidiary in the Consolidated Statements of Financial Position and the recognition of the loss or gain associated with the loss of control.

The Consolidated Financial Statements consider the separate (stand-alone) financial statements of the Bank and of the companies included in the consolidation and include the necessary adjustments and reclassifications to standardize the accounting policies and valuation criteria applied by the Bank, together with the elimination of all balances and transactions between the consolidated companies.

Additionally, the participation of third parties in the equity of the consolidated Bank is presented as "non-controlling interest" in the Consolidated Statements of Financial Position, their share of profits for the period is presented as "Profit attributable to non-controlling interest" in the Consolidated Statements of Income for the year ended.

The following table shows the composition of the entities over which the Bank can exercise control, therefore, they are part of the scope of consolidation:

	Interest %			
	Direct		Indirect	
	2023	2022	2023	2022
Entities controlled by the Bank	%	%	%	%
BCI Asset Management Administradora General de Fondos S.A.	99.90	99.90	0.10	0.10
BCI Asesoría Financiera S.A.	99.00	99.00	1.00	1.00
BCI Corredor de Bolsa S.A.	99.95	99.95	0.05	0.05
BCI Corredores de Seguros S.A.	99.00	99.00	1.00	1.00
BCI Factoring S.A.	99.97	99.97	0.03	0.03
BCI Securitizadora S.A.	99.90	99.90	-	-
Banco de Crédito e Inversiones Miami Branch	100.00	100.00	-	-
Servicio de Normalización y Cobranza, Normaliza S.A.	99.90	99.90	0.10	0.10
BCI Securities INC.	99.90	99.90	0.10	0.10
BCI Corredores de Bolsa de Productos S.A.	99.00	99.00	1.00	1.00
BCI Financial Group. Inc. and Subsidiaries	100.00	100.00	-	-
Servicios Financieros y Administración de Créditos Comerciales S.A.	99.98	99.98	0.02	0.02
Administradora de Tarjetas Servicios Financieros Limitada	99.99	99.99	0.01	0.01
SSFF Corredores de Seguros y Gestión Financiera Limitada	99.00	99.00	1.00	1.00
Servicios y Cobranzas SEYCO Limitada	99.00	99.00	1.00	1.00
BCI Perú S.A.	99.99	99.99	-	-

The lines of business of the entities controlled by the Bank are as follows:

BCI Asset Management Administradora de Fondos S.A., was incorporated by public deed dated January 7, 1988. Its line of business is the management all types of mutual funds, investment funds and individual portfolios regulated by Law 20,712, including the development of plans voluntary pension savings and collective voluntary pension savings, other supplementary activities authorized by the CMF through Circular No. 1,566 of 2001, and the administration of third-party investment funds and portfolios, authorized by Circular No. 1,897 of 2008.

BCI Asesoría Financiera S.A. was incorporated as a closely held shareholders’ corporation via public deed dated October 23, 1992. Its line of business is the provision of advisory on the study, analysis, evaluation, and search for alternative sources of financing, the restructuring of liabilities, the negotiations to acquire, capitalize, sell, or merge companies, the issuance and placement of bonds and debentures, and the placement of funds in the capital market.

BCI Corredor de Bolsa S.A. was incorporated by public deed dated July 24, 1987. Its line of business is the intermediation and brokerage of securities, and in general all those activities permitted by law in its capacity as stockbroker.

BCI Corredores de Seguros S.A. was incorporated by public deed dated January 15, 1997. Its line of business is the remunerated brokerage of general and life insurance contracts with any insurance company located in the country, and the provision of advice and services related to contracting insurance policies.

BCI Factoring S.A. was incorporated by public deed dated December 13, 1994. Its lines of business is the provision of all types of factoring services, being able to purchase and discount documents, bills of exchange and. In general, develop and exploit the factoring business. Under its different forms and types. Invest, reinvest and acquire quotas, shares or rights, in all types of movable, tangible or intangible property, real estate and in companies, whether civil, commercial, communities or absorptions and in all class of titles or transferable securities, manage and exploit said goods in any capacity and receive their benefits.

BCI Securitizadora S.A. was incorporated as a shareholders’ corporation. As stated in a public deed dated March 1, 2001. Its line of business is the acquisition of credits referred to in Article No. 135 of Law No. 18,045 or the regulations that substitute, replace, or complement it, and the issuance of debt securities, short or long term, originating for each issue, the formation of equity separate from the common equity of the company, which is under the supervision of the Financial Market Commission.

Banco de Crédito e Inversiones Miami Branch is a branch of Banco de Crédito e Inversiones. Incorporated in the state of Florida in the United States of America. The company was initially authorized to operate as an international banking agency by the Department of Banking and Finance of the State of Florida on May 10, 1999. The Branch is not a separate legal entity, it conducts banking activities that provide a full range of banking services to national and foreign individuals and legal entities, mainly from Latin America.

Servicio de Normalización y Cobranza, Normaliza S.A. is a closely held shareholder’s corporation. Incorporated via public deed dated June 8, 1990, and its line of business is the provision of out-of-court collection services. On its own or on behalf of third parties of any document representing liabilities, as well as the background check of natural persons or legal entities and the delivery of commercial reports and any other business that the partners agree to perform.

BCI Securities INC. a subsidiary incorporated in the state of Florida in the United States on July 6, 2011. The company’s line of business is the purchase and sale of shares, mutual funds, corporate debt, United States government bonds, sovereign debt and call and put options for its clients residing primarily in South America. The Company may establish network agreements with banks, savings banks or savings and credit cooperatives. This investment was authorized by the Financial Market Commission on January 10, 2013, and by the Central Bank of Chile on February 21, 2013. It began operations on March 1, 2016.

BCI Corredores de Bolsa de Productos S.A. was incorporated by public deed on April 16, 2015. The company’s purpose is the intermediation of products, understanding as such, what is stated in articles 4th and 5th of Law No. 19 .920. In his capacity as a stockbroker of products, including the purchase or sale of products on the stock market on its own with the intention of transferring rights over them, the brokering of off-exchange products, and the supplementary activities authorized by the Financial Market Commission, for which it may perform all acts and enter into all contracts and transactions typical of brokers of products. In accordance with the current regulations or those that will be put into force in the future.

BCI Financial Group. Inc. and Subsidiaries, parent company of City National Bank (CNB), acquired in 2015, CNB is a financial institution incorporated in 1946 based on the city of Miami, which offers a wide range of financial products, including real estate, commercial and retail banking to more than 61,000 customers, with 32 branches distributed in four Florida counties. Also, during 2017, the Financial Market Commission approved the lease transaction operations through a new subsidiary of CNB on March 10, 2017, through letter No. 02751 issued by this regulatory body. The new subsidiary of CNB is a corporation that started operations on June 28, 2017, under the business name City National Capital Finance Inc. (CNCF). On August 1, 2018, the subsidiary City National Capital Finance. Inc. (CNCF) changed its business name to BCI CAPITAL. Inc.

Servicios Financieros y Administración de Créditos Comerciales S.A. acquired in December 2018**,** was incorporated as a limited liability company via public deed dated November 4, 1997, and has been subject to various modifications. Its current line of business is /i/ the issuance of credit cards and the performance of activities complementary to said specific line of business authorized by the Financial Market Commission, or the body that succeeds it in its attributions and competences, by means of a general standard to credit card issuers, and /ii/ the granting of general loans as a subsidiary of a bank.

Administradora de Tarjeta Servicios Financieros Limitada, acquired in December 2018, was incorporated as a shareholders' corporation via public deed dated August 6, 1998, and has been subject to various modifications. Its current line of business is the provision of services and the development of all type of activities related to the operation of debit, credit and payment cards with provision of funds, issued in accordance with the Compendium of Financial Regulations of the Central Bank of Chile and other applicable regulations. Including but not limited to: /i/ the provision of services linked to the physical issuance of credentials or any other material and immaterial support of all types of payment cards; /ii/ the provision, maintenance and administration of computer channels and systems for the issuance and operation and /iii/ all other types of related, supplementary, required or convenient activities for the issuance or operation of payment cards. To the extent that said services and activities do not involve settlement and/or payment of benefits owed to affiliated entities for the use of said instruments.

Servicios y Cobranzas SEYCO Limitada, acquired in December 2018, was incorporated as a limited liability company via public deed dated December 31, 2010, and has been subject to various modifications.

Its current line of business is: /a/ the provision of prejudicial and judicial collection services regarding all types of payment obligations, whatever their cause or origin; /b/ the provision of collection and payment services in general, including, but not limited to, the collection and payment on behalf of third parties of the payment of all types of accounts and obligations; /c/ the provision of custody services for all types of documents and administrative procedures in general; / d / the provision of marketing services, programming or execution of campaigns, preparation of databases, in all its forms and by all existing means or that in the future will be created for that purpose, all insofar as it is conducive, necessary or recommended for the proper provision of credit collection services; /e/ the provision of services for the collection, storage, custody, administration, processing, studies and analysis of data, background and/or information of any type that is related, comes from, has been provided or is necessary for the development of the services of credit collection, whatever the element or support material of the same, and /f/ acquire or acquire interest in other companies, subject to the requirements and limitations established in the current regulations.

All the activities outlined in the line of business may be performed by the company, by itself or through third parties, by contracting or subcontracting them. For the fulfillment of its purpose. The company may execute all the necessary contracts for the indicated purposes or for the development of its business.

SSFF Corredores de Seguros y Gestión Financiera Limitada, acquired in December 2018, was incorporated as a limited liability company via public deed dated November 17, 2004, and has been subject to various modifications. Its current line of business is /a/ the remunerated intermediation of general and life insurance policies with any national insurance company based in the country and the advisory services inherent to this type of contract with respect to all types of natural persons and legal entities, Notwithstanding the foregoing, the company may perform activities such as home assistance, route and travel assistance, legal and medical assistance, extended warranty regarding goods and services sold or provided by third parties and of a similar nature; /b/ provide pension advisory service, in accordance with the provisions of Decree Law No.3,500, subject to the provisions of article 70 bis of the General Banking Law, or the one that succeeds or replaces it. For the fulfillment of its purpose, the company may execute all the necessary contracts for the indicated purposes, the development of its business or trade or the investment of the funds available to the company.

Banco BCI Perú S.A. was incorporated via public deed dated September 14, 2021, In the Republic of Peru and registered with the Registry of Legal Entities of Lima and Callao on September 28, 2021. Likewise, on August 20, 2021, the Superintendence of Banking, Insurance and Pension Fund Administrators through SBS Resolution No. 02454-2021 authorized the incorporation of the banking company called Banco BCI Perú. The line of business of Banco BCI Perú will be operating as a bank in accordance with the provisions of the General Laws of the Financial System (LGSF) and other applicable regulations.

The Bank may carry out all operations and provide all services through the corresponding modalities and forms that are applicable, as established in the legal provisions that regulate banking companies in Peru.

And without this reference being limiting, it may carry out the operations and provide the services indicated in articles 221 and 283 of the LGSF, as well as in the amending or substituting provisions of said rule. Likewise, it may perform all those operations and services authorized or that may be developed according to its uses, practices and customs that are applicable to banking companies in Peru, including operations of derivative financial products for hedging and/or negotiation purposes, with the prior authorization of the Superintendence of Banking, Insurance and Pension Fund Administrators (SBS).

Additionally, the Bank may enter into other acts and supplementary and related contracts related to the operations it enters into or in which it participates, as well as all acts and contracts that are required for its proper functioning and operation.

On 29 April 2022, the Superintendency of Banking, Insurance and Pension Fund Administrators (hereinafter the SBS) issued SBS Resolution No. 1440-2022 authorizing the Bank to operate as a banking company with multiple operations. On July 15, 2022, the Bank commenced operations in the Peruvian financial system.

i. Entities consolidated by the Bank through other considerations:

Despite not holding the majority of the voting rights and/or not having any interest, the following companies have been consolidated on the basis that the Bank, directly or through some of its subsidiaries, has some type of influence over them:

Entities consolidated by the Bank through other considerations:	Interest %			
	Direct		Indirect	
	2023	2022	2023	2022
	%	%	%	%
BCI Activos Inmobiliarios Fondo de Inversión Privado (1)	40.00	40.00	-	-
Fondo de Inversión Privado BCI LMV II (2)	100.00	100.00	-	-
Incentivos y Promociones Limitada (3)	EE	EE	EE	EE

(1) Fund in which the subsidiary BCI Asset Management Administradora General de Fondos SA has influence and/or control.
(2) Fund that has been organized and constituted by the subsidiary BCI Asset Management Administradora General de Fondos SA, which manages it in its entirety.
(3) Structured Entity (EE) in charge of promoting credit and debit card products. The Bank has no interest in said company and does not exercise control; however. Its revenue depends on the Bank.

c) Associates and joint arrangements

Associates are those entities in which the Bank has significant influence, but no control. Significant influence is the power to participate in financial and operating policy decisions, but not control or joint control over those policies.

A joint arrangement is an arrangement in which there is joint control, which exists only when the strategic decisions of the activities, both financial and operating, require the unanimous consent of the parties sharing control. Investments in joint arrangements may be classified as a business or as a joint operation.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e., joint ventures) have rights to the assets, and obligations for the liabilities, related to the arrangement.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e., participants in a joint venture) have rights to the net assets of the arrangement.

Investments in associates and joint ventures are accounted for using the equity method and are initially recognized at cost, and their carrying amount is increased or decreased to recognize the corresponding share of profit or loss for the year ended and in comprehensive income. The dividends received are recognized by reducing the investment.

If the acquisition cost is less than the fair value of the net assets of the acquired associate. The difference is recognized directly in profit or loss and is presented under Other Gains (Losses). Investments in associates and joint ventures are presented in the Consolidated Statements of Financial Position under the item “Investment in companies”. Only if the investor has incurred legal or constructive obligations or has made payments on behalf of the associate or the joint venture, should recognize a liability, otherwise, leaving the investment at zero until the moment it generates profits that reverse the negative equity generated previously as a result of the losses generated. Otherwise, a liability is not recognized, but the investment is also left at zero,

The following entities are considered “Associates”:

Company	Interest %	
	2023	2022
	%	%
Redbanc S.A.	12.71	12.71
Combanc S.A.	13.30	13.30
Transbank S.A.	8.72	8.72
Servicio de Infraestructura de Mercado OTC S.A.	13.61	13.61
Administrador Financiero del Transantiago S.A.	20.00	20.00
Centro de Compensación Automatizado S.A.	33.33	33.33
Sociedad Interbancaria de Depósitos de Valores S.A.	7.03	7.03
Pagos y Servicios S.A.	49.90	49.90

The following entities are considered “Joint Ventures”:

Company	Interest %	
	2023	2022
	%	%
Servipag Ltda.	50.00	50.00
Artikos Chile S.A.	50.00	50.00

For companies in which they have less than 20% interest, the Bank appoints a director on the board of such companies, which is why Management has concluded that it has significant influence over them.

d) Equity instruments for minority investments in companies

This caption includes those entities in which the Bank has no control or significant influence, includes minority permanent investments in companies in the country and abroad that are recorded and presented subsequent to the initial recognition at fair value, with the variations recognized in Other Comprehensive Income in accordance with IFRS 9.

As of December 31, 2023 and 2022. The Bank presents shares in BLADEX.

Additionally, the Bank presents other equity instruments for minority investments at their acquisition cost less any impairment in accordance with IFRS 9, considering that the cost is a reasonable approximation of the fair value.

As of December 31, 2023 and 2022, the Bank presents the following investments in other companies: SWIFT, FHLB and FRB shares.

e) Basis of consolidation

These Consolidated Financial Statements comprise the Financial Statements of the Bank and subsidiaries as of December 31, 2023 and 2022.

The Financial Statements of the subsidiaries (including the entities controlled by the Bank through other considerations) have been standardized in accordance with the standards established in the Compendium of Accounting Standards for Banks and Instructions issued by the CMF.

The uniformity of accounting policies also includes investments recognized under the equity method.

Intra-group balances and unrealized gains or losses arising from intra-group transactions between entities included in the consolidation are eliminated during the preparation of these Consolidated Financial Statements. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Bank's interest in these companies.

The translation of the financial statements of the companies with a functional currency other than the Chilean peso is performed as follows:

- **a.** Assets and liabilities, using the exchange rate effective at the reporting date.
- **b.** Items in the statements of income and comprehensive income, using the average monthly exchange rate (unless this average is not a reasonable approximation of the cumulative effect of the exchange rates existing on the dates of the transactions, in which case the exchange rate at the date of each transaction is used).
- **c.** The equity is maintained at the historical exchange rate at the date of its acquisition or approval, and the retained earnings according to letter b above.
- **d.** The exchange differences arising from the translation of the financial statements are recorded in the caption “Profit (loss) on accumulated adjustment for translation difference” in the Consolidated Statements of Other Comprehensive Income for the year ended.
- **e.** Non-controlling interest

The non-controlling interest represents the portion of gains or losses and net assets, of which, directly or indirectly, the Bank does not own, the non-controlling interest is presented separately in the Consolidated Statements of Income for the year ended, Consolidated Statements of Other Comprehensive Income for the year ended and the Consolidated Statements of Financial Position.

f. Functional currency

The Bank has determined the Chilean peso (Ch$) as its functional and presentation currency, as well as all the Group entities, except for the subsidiaries BCI Financial Group. Inc., and Subsidiaries and BCI Securities INC., which have determined the US dollar as their functional currency as well as BCI Peru, which uses the Peruvian sol as its functional currency.

All information presented in Chilean pesos has been rounded to the nearest million.

g. Foreign currency transactions

Balances and transactions in currencies other than the Chilean peso are considered “foreign currency.” Transactions performed by each entity in a currency other than its functional currency are recorded at the exchange rates at the dates of the transactions. During the period, differences between the exchange rate accounted for and that effective at the following collection or payment date are recognized as exchange differences in the Consolidated Statements of Income for the year ended.

Exchange differences arising on translation of foreign currency balances into the functional currency are recorded in the account "Net foreign exchange result" in the Consolidated Statements of Income for the year ended.

As of December 31, 2023 and 2022, the Bank's foreign currency assets and liabilities are presented at their equivalent value in Chilean pesos, calculated at the exchange rate of Ch$874.50 as of December 31, 2023 and Ch$849.25 as of December 31, 2022.

h. Business segments

The Bank's business segments are determined based on the different business units, considering the following:

(i) That it engages in business activities from which it may earn revenue and incur expenses (including transactions with other components of the same entity).
(ii) whose operating income (loss) is reviewed on a regular basis by the unit's highest authority in making operating decisions. To decide on the resources that should be assigned to the segment and evaluate its performance; and
(iii) in relation to which differentiated financial information is available.

These business units deliver products and services subject to different risks and returns and, therefore, the Bank's key decision-making bodies evaluate their performance separately.

i. Classification and measurement of financial instruments

Financial instruments are classified and measured in accordance with International Financial Reporting Standard 9 (IFRS 9) – Financial Instruments, which established a guide for financial information on financial assets and financial liabilities that will present relevant and useful information to users of the financial statements for its evaluation of the amounts, timing, and uncertainty of an entity's future cash flows.

j. Classification of financial assets

Financial assets are classified into a measurement category based on both the Bank's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

In accordance with IFRS 9, the business models are:

a) Holding assets to collect contractual cash flows: Financial assets held in the business model whose objective is to hold assets to collect contractual cash flows are managed to produce cash flows by collecting contractual payments over the life of the instrument. The business model may be to hold assets to collect cash flows, even if the entity sells financial assets whether there has been an increase in the assets’ credit risk; and for sales made to manage credit concentration risk.

b) Holding assets to collect contractual cash flows and sell financial assets: Financial assets under this business model achieve the objective by collecting contractual cash flows and selling financial assets, which implies a higher frequency and value of sales than the previous business model.

c) Other business models: the financial assets held in this business are intended to generate cash flows through the sale of the assets. The Bank makes decisions based on the fair values of the assets and manages the assets to realize those fair values.

The evaluation of the contractual cash flows determines if the cash flows of the financial asset meet the SPPI criterion (solely payments of principal and interests), i.e., if the contractual terms of the financial asset generate. On specific dates, cash flows of cash that are solely payments of principal and interest. Principal is the fair value of financial assets at initial recognition, and interest is consideration for the time value of money. The credit risk associated with the outstanding principal, and may also include liquidity risk, administrative expenses, and profit margin.

For the classification process, the Bank performs the SPPI test, which assesses the contractual term to identify if it meets the SPPI criteria, i.e., The contract is a basic lending arrangement, the Bank applies judgment and considers relevant factors such as the currency in which the financial asset is denominated and the period for which the interest rate is set.

The business model refers to how the Bank manages its financial assets to generate cash flows. The Bank determined its business model in the initial application of IFRS 9 at the level that best reflects how it manages the groups of financial assets to achieve its business objective.

The Banks' business model is not assessed instrument by instrument, but at a higher level of aggregate portfolio and is based on observable factors such as: the performance of financial assets. The risk that affects performance and the expected frequency, value, and time of sales.

i. Classification of financial liabilities

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

ii. Reclassification

The reclassification of financial assets is required when, and only when. The objective of the Bank's business model to manage these financial assets changes, financial liabilities cannot be reclassified.

iii. Initial Measurement

At initial recognition, financial assets and financial liabilities are measured at the transaction price, i.e., the fair value of the consideration given or received (IFRS 13). In the case of financial instruments that are not at fair value through profit or loss, transaction costs are directly attributable to the acquisition or issue of the financial asset or financial liability.

iv. Subsequent measurement of financial assets

After initial recognition, the Bank shall measure a financial asset at:

a) Financial assets at amortized cost (CA)

Financial assets that are held in a business model to collect contractual cash flows and contain contractual terms that give rise to cash flows that are SPPI on specific dates, are measured at amortized cost.

The effective interest method is used in calculating the amortized cost of a financial asset or financial liability and in allocating and recognizing interest income or interest expense in profit or loss during the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the expected useful life of the financial asset or financial liability to the gross carrying amount of a financial asset or the amortized cost of a financial liability.

The caption financial assets at amortized cost presents the following:

- Rights for repurchase agreements and securities lending
- Debt financial instruments
- Loans and advances to banks
- Loans and receivables from customers

b) Financial assets at fair value through other comprehensive income (FVOCI)

- Debt financial instruments

Financial assets that are debt instruments held in a business model that is achieved through collection of contractual cash flows and sale, and that contain contractual terms that give rise to cash flows that are SPPI on specific dates, are measured at FVOCI, Subsequently, they are re-measured at fair value and changes in them (except those related to impairment. Interest income and foreign currency gains and losses) are recognized in other comprehensive income, until the assets are sold. At the time of disposal. The accumulated gains, and losses in OCI are recognized in the statements of income.

- Equity financial instruments

For certain equity instruments. The Bank may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of the instrument, except for dividend income that is recognized in profit or loss. Gains or losses on the derecognition of these equity instruments are not transferred to profit or loss.

c) Financial asset held for trading at fair value through profit or loss (FVPL)

Includes financial assets whose business model aims at generating benefits through purchases and sales or generate short-term profit or loss, Financial assets that do not contain contractual terms that give rise to cash flows that are SPPI on specific dates, or if the financial assets, is not held in a business model that is (i) a business to collect the contractual cash flows or (ii) a business model that is achieved by collecting the contractual cash flows and selling them.

Gains and losses are recognized in the statement of income under financial income for financial assets held for trading at fair value.

- Derivative financial instruments

Derivative financial instruments are also classified under financial assets at fair value through profit or loss, which include foreign currency forwards and Unidades de Fomento, interest rate futures, currency and interest rate swaps, currency options and interest rate and other derivative financial instruments, are initially recognized in the Consolidated Statements of Financial Position at their fair value (including transaction costs), except for those classified as level 3 of the hierarchy (when applicable), and subsequently measured at its fair value. The fair value is obtained from market quotations, cash flow discount models and option valuation models, as appropriate. Derivative contracts are reported as an asset when their fair value is positive and as a liability when it is negative, in the line “Financial derivative contracts” under the caption financial assets held for trading at fair value through profit or loss.

The purpose of the credit valuation adjustment (CVA) is to determine the expected losses due to counterparty risk in OTC derivative contracts. The CVA of a derivative is defined as the difference between the value of the derivative free of counterparty risk (equivalent to the original derivative but without risk of default by any of the parties) and the value of the risky derivative (which corresponds to the original derivative, which has an inherent risk) that considers the possibility of default by the counterparty. In this way, the CVA of a client can be obtained from the expected exposure (EE) due to counterparty risk (how much is expected to lose) and the expected loss rate (EP) associated with the default of the counterparty.

The valuation adjustment due to the existence of the bid-offer spread in the financial instrument markets that is applied to all financial instruments that are recognized at their market value both under normal market conditions and under financial stress conditions, is based on the best practices. The recommendations of the Basel Committee and the requirements of the CMF and the Central Bank of Chile.

In order to carry out the bid-offer adjustment to the valuation of financial instruments belonging to Banco de Crédito e Inversiones own portfolios, the following methodology was established:

i. Define condition of market makers or customer of the Bank

On an annual basis, the condition of the Bank will be redefined to be considered market makers (the Bank must be among the 4 main market operators) or clients in each of the financial products that it operates.

This will be done with information from the two main brokers in the national market: Tradition and ICAP.

ii. Condition of market makers

For products (markets) where the Bank is a liquidity provider, they will be valued at mid-price and no bid-offer adjustment will be made to their valuation.

iii. Condition of customer

For products (markets) where the Bank is considered that the Bank is a requestor of instruments of a different nature, they will be valued at mid-price and the bid-offer adjustment will be made to their valuation or they will be valued at bid if there are liquid peaks.

The Bank also makes an adjustment associated with the FVA (Funding Valuation Adjustment) financing risk was added, which captures the financing differential of unsecured derivatives above the risk-free rate and other technical considerations.

iv. Subsequent measurement of financial liabilities

After initial recognition, the Bank will measure a financial liability at amortized cost.

v. Derecognition of financial assets and liabilities

Financial assets are derecognized when, and only when:

- The contractual rights to the cash flows of the financial asset expire, or
- The Bank transfers substantially all the risks and rewards of ownership of the financial asset, and therefore the Bank derecognizes the financial asset and separately recognizes the rights and obligations created or retained in the transfer.

In some cases, the Bank enters into transactions for which it retains the contractual rights to receive the cash flows of the financial asset, but assumes the contractual obligation to pay the cash flows in an agreement that meets all the required conditions, that is, the Bank only transfers amounts collected from original assets, the sale or pledge of original assets is prohibited, and the Bank is required to remit the cash flows collected without significant delay.

When a financial asset is sold and the Bank agrees to buy it (or an asset that is substantially the same) at a fixed price at a future date, the Bank continues to recognize the financial assets in full in the statements of financial position, because it retains substantially all risks and rewards of ownership, the cash consideration received is recognized as a financial asset, and a financial liability is recognized for the obligation to pay the repurchase price.

Financial liabilities are derecognized when, and only when, they are discharged, canceled, or expire.

vi. Impairment of a financial asset according to IFRS 9

The Bank applies the value impairment requirements for the recognition and measurement of a loss allowance to financial assets according to the model of "expected credit losses" (ECL) to assets financial assets measured at amortized cost and fair value through other comprehensive income (FROCI), excluding loans ("Loans and advances to banks" and "Loans and receivables from customers commercial, residential and consumer "), of the caption "Financial assets at amortized cost", or on “Contingent Loans”, since the criteria for these issues are dealt with in accordance with Chapters B-1 on provisions for credit loss B-3 on contingent loans of the Compendium of Accounting Standards for Banks, respectively.

The new model uses a dual measurement approach, whereby the loss margin is measured as:

- 12-month expected credit losses.
- Lifetime expected credit losses.

The measurement basis depends on whether there has been a significant increase in credit risk since initial recognition, in accordance with changes in credit quality since initial recognition. IFRS 9 describes a “three-stage” impairment model according to the following table:

Change in credit quality since initial recognition		
Stage 1	**Stage 2**	**Stage 3**
Initial recognition	Significant increase in credit risk since initial recognition	Credit-impaired assets
12-month ECL	Lifetime ECL	Lifetime ECL

At the end of each reporting period, the Bank assessed whether the credit risk of financial instruments has increased significantly since initial recognition or whether an asset is considered credit-impaired and, consequently, is classified as a financial instrument at the respective stage:

- Stage 1: Financial assets that have not significantly increased their credit risk with respect to their assessment at origination, 12-month ECL are recognized.

- Stage 2: When a Financial asset has shown a significant increase in credit risk since origination, the Bank records an allowance for lifetime ECL, Loans in this stage also include facilities, where the credit risk has improved, and the loan has been returned to stage 2.

- Stage 3: Financial instruments that are considered to be in default are included in this stage, Similar to stage 2, the allowance for credit losses is made on the basis of the expected credit losses over the life of the instrument.

The Bank considers reasonable and supportable information that is available without undue cost or effort and that may affect the credit risk in a financial instrument, including forward-looking information to determine a significant increase in credit risk since initial recognition. Forward-looking information includes past events, current conditions, and forecast of future economic conditions (macroeconomic data).

Credit risk assessment and forward-looking information (including macroeconomic factors), includes quantitative and qualitative information based on the Bank's historical experience, some examples are:

i. Financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligations.
ii. An actual or expected internal credit rating downgrade for the borrower or a behavioral rating downgrade.
iii. An actual or expected significant change in the operating results of the borrower.
iv. IV, Significant increases in credit risk on other financial instruments of the same borrower.
v. Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.
vi. Reductions in financial support from a parent entity or other affiliate.
vii. Expected changes in loan documentation, including expected breach of contract that may lead to covenant waivers or amendments, interest rate step-ups, requiring additional collateral or guarantees, or other changes in the contractual framework of the instrument.

I. Measurement of expected credit losses

ECLs are a probability-weighted estimate of credit losses, i.e., the present value of all cash shortfalls.

A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. The three main components for measuring the ECL are:

PD: The probability of default is an estimate of the likelihood of default over a particular time horizon, A default can only occur at a certain time during the evaluated period if the operation has not previously been derecognized and is still in the portfolio.

LGD: The loss given default that arises in the event that a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, even from the realization of any collateral.

EAD: Exposure at default is an estimate of exposure at a future default date, considering expected changes in exposure after the reporting date, including repayments of principal and interest, whether contractually scheduled or otherwise. The expected withdrawal of the committed facilities and accrued interest for late payments.

To measure 12-month and lifetime ECL, cash shortfalls are identified as follows:

- 12-month expected credit losses: the portion of lifetime expected credit losses that represents expected credit losses that result from default events on a financial instrument that are possible within 12 months after the reporting date.

- Lifetime expected credit losses: the expected credit losses that result from all possible default events during the expected useful life of a financial instrument.

A financial asset is assessed at each reporting date to determine whether there is objective evidence of impairment. Such asset is impaired if there is objective evidence that one or more events have had a future negative effect on the asset.

An impairment loss in respect of financial assets measured at amortized cost is calculated as the difference between the carrying amount of the asset and the present value of the estimated cash flows, discounted at the effective interest rate.

An impairment loss in respect of a financial asset at fair value through other comprehensive income is calculated by reference to its fair value.

All impairment losses are recognized in the Consolidated Statements of Income. Any accumulated loss in relation to a financial asset at fair value through other comprehensive income previously recognized in equity, is transferred to the Consolidated Statements of Income.

An impairment loss is reversed only if it can be related objectively to an event occurring after it was recognized. The reversal of an impairment loss cannot exceed the carrying amount that could have been obtained had no impairment loss been recognized for that asset in prior periods. The reversal is recognized in profit or loss for the period, except for financial assets at fair value through other comprehensive income, in which case the accumulated impairment loss recognized in other comprehensive income will be reclassified from equity to profit or loss as a reclassification adjustment, even if the financial asset has not been derecognized.

k. Operations with reverse repurchase, repurchase and securities lending agreements

Reverse repurchase agreement operations are performed as a form of investment. Under these agreements, financial instruments are purchased, which are included as assets in the caption “Repurchase agreements and securities lending”, which are measured according to the agreed interest rate.

Repurchase agreements are also performed as a form of financing. In this regard, investments that are sold subject to a repurchase obligation and that serve as collateral for the operation, are part of their respective captions "financial assets at fair value through profit or loss" or "financial assets at fair value through other comprehensive income-”

l. Financial derivative contracts for accounting hedges

The Bank has chosen to continue using the guidelines of IAS 39 for hedge accounting. If the derivative instrument is classified for hedge accounting purposes, it can be: (1) a fair value hedge of existing assets or liabilities or firm commitments, or (2) a cash flow hedge related to existing assets or liabilities or expected transactions, A hedging relationship for hedge accounting purposes shall meet all the following conditions: (a) at the inception of the hedge, there is formal designation and documentation of the hedging relationship; (b) the hedge is expected to be highly effective; (c) the effectiveness of the hedge can be reasonably measured and (d) the hedge is highly effective relative to the hedged risk on a continuous basis throughout the hedging relationship.

When a derivative hedge the exposure to changes in the fair value of an existing asset or liability, the latter is recognized at its fair value in relation to the specific hedged risk. The gain or loss from re-measuring the fair value, both hedged item and of the hedging derivative, are recognized in profit or loss for the period.

If the hedged item in a fair value hedge is a firm commitment, changes in the fair value of the commitment with respect to the hedged risk are recognized as an asset or liability with effect on profit or loss for the period. The gain or loss from re-measuring the hedging instrument at fair value are recognized in profit or loss the period. When an asset or liability is acquired as a result of the commitment, the initial recognition of the acquired asset or liability is adjusted to incorporate the cumulative change in the fair value measurement of the firm commitment that was recognized in the Consolidated Statements of Financial Position.

When a derivative hedge the exposure to changes in the cash flows of existing assets or liabilities or expected transactions, the effective portion of the changes in fair value with respect to the hedged risk is recognized in equity. Any ineffective portion is recognized directly in profit or loss for the period.

The amounts recognized directly in equity are accounted for in profit or loss in the same periods in which hedged assets or liabilities affect profit or loss.

When a fair value hedge of interest rates is made for a portfolio and the hedged item is a currency amount rather than individual assets or liabilities. The gains or losses from the fair value measurement of both the hedged portfolio and of the hedging derivative, are recognized with effect to profit or loss for the period, but the measurement at fair value of the hedged portfolio is presented in the Consolidated Statements of Financial Position under the captions "Other assets" or "Other liabilities", depending on the hedged portfolio position at a point in time.

m. Loans and receivables from customers (loans and advances)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not intend to sell immediately or in the short term.

Loans and receivables are initially measured at fair value plus direct transaction costs and subsequently measured at amortized cost using the effective interest rate method. These include commercial and foreign trade loans, consumer, and mortgage loans, among others.

i. Lease agreements:

Receivables from lease agreements, included in the caption "Loans and receivables from customers", correspond to the periodic rental payments of agreements that meet the requirements to be classified as finance leases and are presented at their present value.

ii. Factoring operations:

The Bank, through its subsidiary BCI Factoring SA, performs operations with its customers, whereby it receives invoices and other commercial papers representing the credit with or without recourse to the transferor, paying the transferor a percentage of the total amount's receivable from the debtor for the transferred documents.

n. Provisions for credit loss of loans and contingent loans

The allowances required to cover the risk of credit losses have been established following the standards and instructions issued by the CMF.

Loans are recorded net of such allowances or showing the deduction. In the case of the provisions for contingent loans, they are presented as liabilities in the "Allowances" caption.

The Bank and its subsidiaries use models or methods, based on the individual and group analysis of the debtors, which were approved by the Board of Directors to establish the loan allowances indicated in the Compendium of Accounting Standards of the Financial Market Commission.

i. Allowances for individual assessment:

The individual assessment of debtors is necessary when dealing with clients that, due to their size, complexity, or exposure level, required to be known and analyzed in detail.

Naturally, the analysis of debtors should focus on their capacity and willingness to meet their credit obligations, through sufficient and reliable information, and must also analyze their credits in terms of guarantees, terms, interest rates, currency, adjustability, etc.

For establishing the allowance, debtors and their operations related to loans and receivables and contingent loans must be classified in the corresponding categories, with the prior assignment to one of the following three portfolio categories: normal, substandard, and non-performing.

- Regular and substandard performance portfolios:

The regular performance portfolio includes those debtors whose payment ability allows them to meet their obligations and commitments, and according to the assessment of their economic-financial situation, it is not expected that this condition will change. The classifications assigned to this portfolio are categories A1 to A6.

The substandard portfolio will include debtors with financial difficulties or a significant deterioration of their ability to pay and on which reasonable doubt exists as to the repayment of principal and interest in the contractual terms agreed, showing low margins to meet their short-term financial obligations.

This portfolio also includes debtors, which recently have shown delinquency (payments overdue) in excess of thirty days. The classifications assigned to this portfolio are categories B1 to B4 of the rating scale.

As a result of the individual analysis of these debtors, they must be classified in the following categories; subsequently assigning them the probability of default and loss given default percentages that result in the subsequent loss percentage:

Type of portfolio	Debtor rating	Probability of default (PD) (%)	Loss given default (LGD) (%)	Expected loss (%)
Regular portfolio	A1	0.04	90.00	0.036000
	A2	0.10	82.50	0.082500
	A3	0.25	87.50	0.218750
	A4	2.00	87.50	1.750000
	A5	4.75	90.00	4.275000
	A6	10.00	90.00	9.000000
Substandard portfolio	B1	15.00	92.50	13.875000
	B2	22.00	92.50	20.350000
	B3	33.00	97.50	32.175000
	B4	45.00	97.50	43.875000

Provision on regular and substandard performance portfolios:

To determine the amount of the allowances that must be established for the regular and substandard performance portfolios. The exposure subject to provisions should first be estimated, to which the respective loss percentages (expressed in decimals) will comprise the probability of default (PD) and loss given default (LGD) established for the category within which the debtor and/or its qualified co-debtor is included, as applicable.

The exposure subject to provisions corresponds to loans plus contingent loans, less amounts that would be recovered by means of executing guarantees, Likewise, placement is understood as the carrying amount of the loans and receivables from the corresponding debtor, while for contingent loans. The value resulting from the application of the provisions stated in No. 3 of Chapter B-3 of the Compendium of Accounting Standards.

- Non-performing portfolio:

It includes debtors and their loans whose recovery is deemed to be remote, because their ability to pay is deteriorated or non-existent. Those debtors with clear indications of a possible bankruptcy are part of this portfolio, as well as those in which a forced restructuring of debts is necessary to avoid default and. In addition, any debtor whose repayment of principal and interest of a credit is overdue for a period equal or exceeding 90 days.

This portfolio comprises debtors from categories C1 to C6 of the classification scale established below and all loans, including 100% of the amount of contingent loans, held by those same debtors.

For purposes of establishing allowances on the non-performing portfolio, the use of allowance percentages that must be applied to the amount of the exposure is established, which corresponds to the sum of loans and contingent loans held by the same debtor. To apply this percentage, an expected loss rate must first be estimated, deducting from the amount of the exposure the amounts recoverable through the execution of the guarantees and, if there is specific background information that justifies it, also deducting the present value of the recoveries that can be obtained by exerting collection actions, net of the expenses associated with them. This loss rate must fall into one of the six categories defined according to the range of losses effectively expected by the Bank for all operations of the same debtor.

These categories, their range of loss as estimated by the Bank and the allowance percentages that should ultimately be applied on the amounts of the exposures, are indicated in the following table:

Type of portfolio	Risk Scale	Expected Loss Range	Allowance (%)
Non-performing portfolio	C1	Until 3 %	2
	C2	More than 3% up to 20%	10
	C3	More than 20% up to 30%	25
	C4	More than 30% up to 50%	40
	C5	More than 50% up to 80%	65
	C6	More than 80%	90

ii. Allowances for group assessment:

The group assessment is aimed at group commercial loan portfolios classified in the model of group, consumer, and home mortgage allowances.
For the determination of allowances of the group portfolio, groups of loans with homogeneous characteristics in terms of the type of debtor and agreed conditions are analyzed. In this way, allowances are established based on the expected losses derived from a certain probability of default (PD) and a percentage of severity of the loss, or loss given default (LGD), both parameters based on historical analysis and technically based estimates.

The amount of allowances to establish will be obtained by multiplying the total amount exposed in the respective group by the percentages of estimated default and loss given default.

a. Group commercial loans:

The Bank applies the standard model of allowances for commercial loans of the group portfolio, whether corresponds to commercial lease transactions, student loans or other types of commercial loans.

Commercial lease transactions

For these transactions, the allowance factor must be applied to the current value of the commercial lease transactions (including the purchase option) and will depend on the delinquency of each operation. The type of leased asset and the relationship, at the closing of each month, between the current value of each operation and the value of the leased asset (PVB), as indicated in the following tables:

Probability of Default (PD) applicable according to delinquency and type of asset (%)		
Past due days of the operation at the end of the month	Type of Good	
	Residential	Non-residential
0	0.79	1.61
01-29	7.94	12.02
30-59	28.76	40.88
60-89	58.76	69.38
Non-performing portfolio	**100.00**	**100.00**

Loss Given Default (LGD) applicable according to PVB tranche and type of asset (%)		
PVB = Current value of the operation / Value of the leased asset		
PVB Section	Residential	Non-residential
PVB <= 40%	0.05	18.20
40% < PVB <= 50%	0.05	57.00
50% < PVB <= 80%	5.10	68.40
80% < PVB <= 90%	23.20	75.10
PVB > 90%	36.20	78.90

The determination of the PVB ratio will be made considering the appraisal value, expressed in UF for residential and in pesos for non-residential, recognized at the time they corresponding loan is granted, taking into account possible situations that at that time may be causing transitory increases in the prices of the good.

Student loans

For these transactions, the allowance factor must be applied on the student loan and the exposure of the contingent loan, when applicable. The determination of said factor depends on the type of student loan and the demand for payment of principal or interest, at the end of each month. When payment is due, the factor will also depend on its delinquency.

For loan classification purposes, a distinction is made between those granted to finance higher education in accordance with Law No. 20,027 (CAE) and. On the other hand, CORFO-guaranteed loans, or other student loans.

Probability of Default (PD) applicable according to payment enforceability, delinquency, and type of loan (%)			
Presents enforceability of the payment of principal or interest at the end of the month	Days past due at the end of the month	Type of Student Loan	
		CAE	CORFO or other
Yes	0	5.20	2.90
	01-29	37.20	15.00
	30-59	59.00	43.40
	60-89	72.80	71.90
	Portfolio in Default	100.00	100.00
No	n/a	41.60	16.50

Loss given the Default (LGD) applicable according to payment enforceability and type of loan		
Presents enforceability of the payment of principal or interest at the end of the month	Type of Student Loan	
	CAE	CORFO or other
Yes	70.90	
No	50.30	45.80

Generic commercial loans and factoring

For factoring transactions and other commercial loans, the allowance factor, applicable to the amount of the loan and to the exposure of the contingent loan, will depend on the delinquency of each operation and the relationship that exists, at the end of each month, between the obligations that the debtor has with the bank and the value of the real guarantees that protect them (PTVG). As indicated in the following tables:

Probability of Default (PD) applicable according to delinquency and PTVG (%) tranche			
Days past due at the end of the month	With guarantee		Without guarantee
	PTVG<=100%	PGTV>100%	
0	1.86	2.68	4.91
01-29	11.60	13.45	22.93
30-59	25.33	26.92	45.30
60-89	41.31	41.31	61.63
Non-performing portfolio	100.00	100.00	100.00

Loss Given Default (PDI) applicable according to PTVG (%) tranche			
(With/without) guarantees	PTVG	Generic commercial transactions or factoring without recourse of the transferor	Factoring with recourse of the transferor
With guarantee	PTVG <= 60%	5.00	3.20
	60% < PTVG <= 75%	20.30	12.80
	75% < PTVG <= 90%	32.20	20.30
	90% < PTVG	43.00	27.10
Without guarantees		56.90	35.90

The guarantees used for purposes of calculating the PTVG ratio of this method may be specific or general. Including those that are simultaneously specific and general.

A guarantee may only be considered if, according to the respective hedge clauses, it was established in the first place in favor of the bank and only guarantees the debtor's credits with respect to which it is debited (not shared with other debtors). The invoices assigned in the factoring transactions, or the guarantees associated with the residential loans of the mortgage portfolio, regardless of their coverage clauses, will not be considered in the calculation.

To calculate the PTVG ratio. The following should be considered:

I. Transactions with specific guarantees: when the debtor granted specific guarantees. For generic commercial loans and factoring, the PTVG ratio is calculated independently for each guaranteed transaction, as the division between the amount of the loan and the contingent loan exposure and the value of the actual guarantee that covers.

II. Transactions with general guarantees: when the debtor granted general or general and specific guarantees, the Bank calculates the corresponding PTVG, jointly for all generic commercial loans and factoring and not included in i) above, as the result of the sum of the amounts of the loans and exposures of contingent loans and the general, or general and specific guarantees that, according to the scope of the remaining hedge clauses, protect the credits considered in the numerator of the aforementioned ratio.

The amounts of the guarantees used in the PTVG ratio described above must be determined according to:

- The last valuation of the guarantee, whether appraisal or fair value, depending on the type of real guarantee in question.

To determine the fair value. The criteria indicated in Chapter 7-12 of the Updated Compendium of Standards must be considered.

- Eventual situations that could be generating transitory increases in the values of the guarantees
- Limitations to the amount of hedge established in their respective clauses
- Provisions for deductible amount related to FOGAPE Covid-19 guarantees

To determine the specific provisions of the loans guaranteed by the FOGAPE Covid-19 guarantee, the expected losses shall be determined by estimating the risk of each operation, without considering the substitution of the credit quality of the guarantor, according to the corresponding individual or group analysis method, in accordance with the provisions of Chapter B-1 of the Compendium of Accounting Standards.

The loan amounts associated with such operations that had been written off must be added to the aforementioned expected losses, in accordance with the provisions established in Chapter B-2 of the Compendium.

Therefore, the total amount of expected losses resulting from the aggregate calculation of each group of operations, including the amounts written off for that group as indicated in the preceding paragraph, shall be compared to the corresponding total amount of deductible amount, and perform the following:

- Expected losses less than the deductible amount

When the expected losses of the operations of a group to which the same deductible amount percentage applies, determined according to the procedure indicated above, are less than or equal to the aggregate amount of the deductible amount, the provisions will be determined without considering the FOGAPE Covid-19 coverage, 19, i.e., without substituting the credit quality of the direct debtor for that of the guarantor.

- Expected losses greater than the deductible amount

When the expected losses of the operations of a group to which the same deductible amount percentage applies, determined according to the procedure indicated above, are greater than the aggregate amount of the deductible amount, the provisions will be determined using the substitution method provided in 4,1 letter a) of Chapter B-1 of the Compendium of Accounting Standards.

For these purposes, the proportion to be replaced will be the one that corresponds to the limits indicated in article 13 of the Regulations for the Administration of the Guarantee Fund for Small and Medium-sized Entrepreneurs, applicable to the COVID-19 Guarantee Lines.

Additionally, the ratio associated with the deductible amount resulting from multiplying the guaranteed amount of the corresponding group by the percentage of the applicable deductible amount shall be determined.

b. Consumer loans:

Group portfolio credit risk allowance model

According to chapter B-1 of the Compendium of Accounting Standards issued by the CMF. The credit risk allowance models are based on a look at expected losses, following "through the cycle" approach and not "at a point in time" approach.

These expected loss (EL) models are used to estimate future portfolio losses and are based on three fundamental components: Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). The final objective is to establish a sufficient level of allowances to cover future expected losses:

$$EL = Exposure * PD * LGD$$

The allowance models are organized according to segments, which are defined according to the types of debtors and the types of loans: Consumer, Commercial and mortgage. Reasonableness criteria prevail in this macro-segmentation, depending on how customers and products are managed from a commercial and risk point of view.

From these macro-segments, higher segmentation levels are generated to the extent that they improve the estimates of the parameters, and scores are given on these levels of segmentation to identify homogeneous groups of debtors, which allow better distribution of the risk in the customer portfolio.

Currently, the Bank makes an allowance using the maximum value between the result obtained by the standard matrix, the Compendium of Accounting Standards, chapter B-1, and the internal models.

c. Home mortgages:

The home mortgage loan portfolio includes loans that have the following characteristics: their destination is the financing of the acquisition, expansion, repair, or construction of a house. The debtor is the natural person who buys or owns the house, and the value of the mortgage guarantee covers all the loan.

The Bank uses the "Standard Method of Allowances for Mortgage Loans for Housing", which establishes the applicable allowance factors, represented by the expected loss on the amount of mortgage loans for housing, applied based on the delinquency of each loan and the ratio at the end of each month, between the amount of outstanding principal of each loan and the value of the mortgage guarantee (PVG) that covers it. As indicated in the following table:

Allowance factor applicable according to delinquency and PVG						
PVG Tranche	Concept	Days past due at the end of the month				Non-performing portfolio
		Current	01-29	30-59	60-89	
PVG≤ 40%	PD (%)	1.0916	21.3407	46.0536	75.1614	100.0000
	LGD (%)	0.0225	0.0441	0.0482	0.0482	0.0537
	EL (%)	0.0002	0.0094	0.0222	0.0362	0.0537
40%<PVG≤ 80%	PD (%)	1.9158	27.4332	52.0824	78.9511	100.0000
	LGD (%)	2.1955	2.8233	2.9192	2.9192	3.0413
	EL (%)	0.0421	0.7745	1.5204	2.3047	3.0413
80%<PVG≤ 90%	PD (%)	2.5150	27.9300	52.5800	79.6952	100.0000
	LGD (%)	21.5527	21.6600	21.9200	22.1331	22.2310
	EL (%)	0.5421	6.0496	11.5255	17.6390	22.2310
PVG>90%	PD (%)	2.7400	28.4300	53.0800	80.3677	100.0000
	LGD (%)	27.2000	29.0300	29.5900	30.1558	30.2436
	EL (%)	0.7453	8.2532	15.7064	24.2355	30.2436

Where:
PD = Probability of default
LGD = Loss given default
EL = Expected loss
LtV = Outstanding principal/Value of the mortgage guarantee

In the event that the same debtor maintains more than one home mortgage loan with the Bank and one of them is 90 days or more past due, all these loans will be assigned to the non-performing portfolio, calculating the allowances for each of them according to their respective percentages of PVG.

i. Loan write-off:

As a general rule, write-offs should be made when the contractual rights to the cash flows expire. In the case of loans, even if the foregoing does not occur, the corresponding asset balances will be written off in accordance with the provisions of title II of Chapter B-2 of the Compendium of Accounting Standards issued by the CMF.

The write-offs in question refer to the derecognition in the Consolidated Statements of Financial Position of the asset corresponding to the respective transaction. Including, therefore, that part that may not be due if it were a credit payable in installments or payments, or a lease transaction (No partial write-offs exist).

Write-offs are always accounted for with a debit to the provisions for credit loss established. In accordance with the provisions of Chapter B-1 of the Compendium of Accounting Standards, regardless of the reason for which the write-off is made. Subsequent payments obtained from written-off operations will be recognized in the Consolidated Statements of Income for the period as recoveries of written-off loans.

The write-offs of loans and receivables are performed on overdue, past due and current installments, and the period must be considered from the beginning of their delinquency, that is, performed when the delinquency period of an installment or portion of loan transaction reaches the write-off term. As provided below:

Type of loan	Term
Consumer loans – secured and unsecured	6 months
Other transactions - unsecured	24 months
Commercial loans - secured	36 months
Residential mortgage loans	48 months
Consumer lease agreement	6 months
Other non-real estate lease transactions	12 months
Real estate lease agreement (commercial or residential)	36 months

The term corresponds to the time elapsed from the date on which the payment of all or part of the past due liability became due.

ii. Recovery of written-off loans:

Recoveries of written-off loans are recognized in profit or loss as recoveries of written-off loans.

o. Fee income and expense

Fee income and expense are recognized in revenue according to the 5-step approach established by IFRS 15:

Step 1: Identify the contract with the customer;
Step 2: Identify the performance obligations in the contract;
Step 3: Determine the transaction price;
Step 4: Allocate the transaction price to the performance obligations of contracts;
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

p. Impairment

For the assets in the caption "Loans and receivables from customers". The impaired portfolio is defined according to Chapter B-2 of the Compendium of Accounting Standards issued by the CMF as "loans from debtors for which there is evidence that they will comply with any of their obligations in the agreed payment conditions, regardless of the possibility of recovering the amount owed by resorting to guarantees, through the period of judicial collection actions or agreeing on different conditions".

The policies on impairment measurement. Assessed on a monthly basis, consider the following criteria:

i. Addition to impaired portfolio:

Transactions included by credit risk rating classified as substandard in categories B3 and B4, and the non-perform portfolio are recorded in individually classified transactions.

The rest of the transactions are classified in groups and are added when they are:

- Credit transactions that are past due for a period greater than or equal to 90 days.
- Renegotiated transactions.
- 100% of the transactions associated with the customer are carried over to the impaired portfolio.

Operations linked to residential mortgage loans or loans to finance higher education are not included in Law N. 20027, which may be excluded as long as they do not present the conditions of non-compliance established in Circular No. 3454 of December 10, 2008.

The behavior in the financial system is not considered to determine the addition to the impaired portfolio.

Removal conditions

- Individual case: for having improved their risk rating over the B3 category of the individual classification.
- Group case:

a) Non-renegotiated transactions: credit transactions included in impaired portfolio may return to the normal portfolio, only if the transaction in question meets the following conditions:

   - Register at least six consecutive payments of principal and interest, paying them at maturity or within the next 30 days.
   - That it is up to date with all its obligations and has no other credit transaction in an impaired portfolio.
   - In any case, it must not record any delinquency in the rest of the financial system for the last 90 days (last three years reported to the CMF at the date of consultation).

b) Renegotiated operations: may be removed from the impaired portfolio, only if the operation in question meets the following conditions:

   - Register at least six consecutive payments of principal and interest, paying them at maturity or within the next 30 days.
   - That it is up to date with all its obligations and has no other credit transaction in an impaired portfolio.
   - That it does not have another renegotiated transaction during the last nine months.
   - In any case. It must not record any delinquency in the rest of the financial system in the last 90 days (last three years reported in the CMF at the date of consultation).

c) Renegotiated group portfolio from write-off: written-off commercial transactions that have been renegotiated, may be removed from the impaired portfolio, and added to the normal portfolio, only if the transaction in question meets the following conditions:

   - Payment of 30% of the originally renegotiated transaction (total balance of the renegotiated transaction) or that first six payments have been made, agreed in the renegotiated commercial transaction.
   - Be up to date with the principal and interest payments.
   - Have no other transaction in the impaired portfolio.
   - Register no delinquency in the rest of the financial system in the last 90 days.

ii. Non-financial assets:

The carrying amount of the Bank's non-financial assets, other than investment properties and deferred tax assets, is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indications exist, then the asset’s recoverable amount is estimated. In the case of goodwill and intangible assets that have indefinite useful lives or not yet available for use, the recoverable amounts are estimated at each presentation date.

In accordance with IAS 36 "Impairment of Assets", the entity shall assess at the end of each reporting period whether there is any indication of impairment of its intangible assets with indefinite useful lives, as well as of the goodwill acquired in a business combination. On the other hand, the Financial Market Commission (CMF) requires that "the valuations of goodwill and other non-amortizable intangible assets must be supported by two reports issued by professionals independent of the bank and its external auditors. Both reports support the initial value of intangible assets and valuations as of December 31 of each year.

An impairment loss in relation to goodwill is not reversed. In relation to other assets, impairment losses recognized in prior periods are assessed at each reporting period whether there is any indication that the loss may have decreased or disappeared. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized.

On a quarterly basis, the Bank follows up on intangible assets and goodwill generated from the business combination of its subsidiaries BCI Servicios Financieros and City National Bank in Chile and the United States, respectively. As of December 31, 2023, a loss of MCh$2,530 was recorded in the Financial Services CGU, which arises from two concepts, the first equivalent to MCh$1,499 associated with the relationship with customers and the second associated with Goodwill of MCh$1,031 (see further detail in Note No. 15, letter b). As of December 31, 2022, the Bank recognized an impairment loss associated with goodwill assigned to the Financial Services CGU of MCh$20,442 (see further detail in Note No. 15, letter b).

q. Interest and inflation-indexation income and expense

Interest and inflation-indexation income and expenses are recognized in the Consolidated Statements of Income based on the accrual principle using the effective interest method.

The effective interest rate is the discount rate that exactly matches the estimated cash flows receivable or payable over the expected life of the financial instrument (or, where appropriate, in a shorter period) with the net carrying amount of the financial asset or liability. To calculate the effective interest rate, the Bank determines the cash flows taking into account all the contractual conditions of the financial instrument, the calculation of said rate includes all commissions and other concepts paid or received that are part of it.

Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

However, in the case of past due loans and current loans with a high risk of irrecoverability, the prudent criterion of suspending the accrual of interest and inflation-indexation has been followed; and are recognized when received.

- Amount to be suspended:

The amount of income to be suspended on an accrual basis corresponds to that calculated between the date of suspension and the cut-off date of the Consolidated Statements of Financial Position, which corresponds to the last day of the month.

- Suspension date:

The Bank will stop recognizing income on an accrual basis for the assets at amortized cost "Loans and advances to banks" and "Loans and receivables from customers" in the Statement of Income when the loan or one of its installments is 90 days past due.

The suspension of the recognition of income on an accrual basis implies that, from the date on which it must be suspended and until such loans are no longer in the impaired portfolio, the corresponding assets will not be increased with interest, inflation-indexation or fees in the Consolidated Statements of Financial Situation and no income will be recognized for these concepts in the Consolidated Statements of Income, unless they are actually received. In this regard, income actually received from interest, inflation-indexation or fees shall be recognized as indicated in Chapter C-3 of the CNCB.

For the determination of the gross assets on which the provisions for credit loss are calculated according to chapter B1, suspended interest, adjustments and commissions will not be included.

r. Intangible assets

i) Software

The software acquired by the Bank is recognized at cost, less accumulated amortization, and accumulated impairment losses.

Disbursements or expenses for internally developed software are recognized as assets when the Bank can demonstrate its intent and ability to complete its development and use it internally to generate future economic benefits, and the cost of completing its development can be measured reliably. The capitalization of internally developed software expenses includes all direct costs attributable to the development of the software and is amortized over its useful life. Internally developed software is recognized at capitalized cost less accumulated amortization and accumulated impairment losses.

The subsequent expenses of the recognized asset are capitalized only when the future economic benefits of the specific assets in the related areas increase. All other expenses are recognized in the Consolidated Statements of Income.

Amortization is recognized on a straight-line basis in profit or loss considering the estimated useful life of the software from the date it is available for use, which is generally six years.

ii) Intangible assets acquired in business combinations

As a consequence of the purchase process of BCI Financial Group, Inc. and Subsidiaries that was completed in October 2015, the merger between City National Bank of Florida and Total Bank completed on June 15, 2018, and the acquisition of the credit card business from Walmart (Financial Services) that was completed on June 4, December 2018, amortizable intangible assets with an indefinite useful life were recognized, which originated during the Purchase Price Allocation (PPA) process. The Bank permanently assesses its intangible assets for impairment. In this regard and, in accordance with the CMF regulations of the Compendium of Accounting Standards, Chapter A-2 number 7, two independent consultants of the Bank and different from the external auditors reviewed the basis of is valuation during the 2019 financial year.

According to IFRS 3 "Business Combinations", for the acquisition of Total Bank the values were definitively determined on December 31, 2018, which were adjusted within the term established by the standard.

According to IFRS 3 "Business Combinations", for the acquisition of BCI Servicios Financieros the values were definitively determined on December 4, 2019, which were adjusted within the term established by the standard.

Amortizable intangible assets recognized their portion of amortization on a straight-line basis according to the estimated useful life.

iii) Goodwill

The goodwill arising from a business combination will be allocated from the date of acquisition to each of the cash-generating unit (CGU) or group of CGUs of the acquirer, which are expected to benefit from the synergies of the business combination, regardless of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

Goodwill is tested annually for impairment, and when circumstances indicate that it is carrying amount may be impaired.

Impairment losses in respect of goodwill is not reversed in future periods.

Intangible assets. Including goodwill, were subjected to impairment tests as indicated in IAS 36.

As of December 31, 2023 and 2022, the Bank's Management estimated the recoverable amount of its Financial Services CGU that records balances in intangible assets, resulting in the recognition of an impairment loss associated with goodwill and customer relationship assigned to this CGU. For further information, refer to note 15, letter c).

s. Business combinations

Business acquisitions are accounted by applying the acquisition method, the consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Company, the liabilities incurred by the acquirer to former owners of the acquiree, and the equity interests issued by the Company in exchange for control of the acquiree. Acquisition-related costs are recognized in profit or loss when incurred.

In a business acquisition, an independent specialist is used to determine the fair value of the net assets acquired and the identification of intangible assets is considered. For the valuation of these intangible assets identified in a business combination, cash flow projections are used based on the performance estimates of the acquiree.

At the acquisition date. The identifiable assets acquired, and liabilities assumed are recognized at fair value, except for the following:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit agreements are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19, respectively.
- liabilities or equity instruments related to share-based payment agreements of the acquiree, or share-based payment agreements of the company entered to replace the share-based payment agreements of the acquiree are measured in accordance with IFRS 2 at the date of acquisition; and
- the assets (or group of assets for disposal) that are classified as held for sale.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the equity interest previously held by the acquirer (if any) in the acquiree over the net amounts at the acquisition date of the identifiable assets acquired and liabilities assumed. If, after a reassessment, the acquisition-date net amounts of the identifiable assets acquired and liabilities assumed exceed the sum of the consideration transferred. The amount of any non-controlling interest in the acquiree, and the fair value of the interest previously owned by the acquirer in the acquiree (if any), such excess is immediately recognized in profit or loss as a gain from a bargain purchase.

Non-controlling interests that are present ownership interests and entitle their holders a share to a proportionate share of the entity's net assets in the event of liquidation may be measured initially, either at fair value or the proportionate share of non-controlling interests, of the recognized amounts of the acquiree's identifiable net asset.

The choice of measurement basis is made on a transaction-by-transaction basis.

Remeasurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which may not exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

t. Property and equipment

Items of property and equipment, excluding real estate, are measured at cost less accumulated depreciation and impairment losses.

The cost includes expenses that have been directly attributable to the acquisition of the asset and any other cost directly attributable to the process of bringing the asset to a working condition.

When part of an item of property and equipment has a different useful life. It is accounted for as a separate item (remodeling of real estate).

Depreciation is recognized in the Consolidated Statements of Income based on the straight-line depreciation method over the useful lives of each part of an item of property and equipment. Leased assets are depreciated over the shorter of the lease period and their useful lives, unless it is certain that the Bank will obtain the property at the end of the lease period.

The estimated useful lives as of December 31, 2023 and 2022, are as follows:

	December 31, 2023	December 31, 2022
Buildings	50 years	50 years
Machinery and equipment	3 - 10 years	3 - 10 years
Facilities	7 - 10 years	7 - 10 years
Furniture and fixtures	7 years	7 years
Computing equipment	3 - 6years	3 - 6 years
Real estate improvements	10 years	10 years
Other property, plant, and equipment	3 - 6 years	3 - 6 years

u. Assets received in lieu of payment

They are classified under the caption "non-current assets and disposal groups held for sale", they are recorded at the lower of their foreclosure cost or the net realizable value, less regulatory write-offs required by the CMF and are presented net of allowances. Write-offs are required if the asset is not sold within 18 months of receipt.

v. Personnel benefits

i. Vacation:

The annual vacation cost is recognized on an accrual basis.

ii. Short term benefits:

The Bank contemplates an annual incentive plan for its employees for meeting objectives, consisting of a certain number or portion of monthly remuneration and is provisioned based on the estimated amount to be distributed.

iii. Severance indemnity payments:

The Bank and its subsidiaries have not agreed with their staff to make severance indemnity payments to all events, except for the subsidiaries BCI Servicios Financieros y Administración de Créditos Comerciales SA and BCI Administradora de Tarjeta Servicios Financieros Limitada, which have defined benefit plans in a collective agreement with part of their employees, these plans correspond to contracts with severance indemnity payments to all events, whose obligation is recorded at its actuarial value.

These companies recognize a provision (see note 37) to reflect the obligation to pay severance indemnity to employees who are entitled to receive this benefit in any event. This provision has been calculated using an actuarial methodology that considers estimates of staff turnover, discount rate, salary increase rate and mortality. The liability for employee benefits is presented at present value using the projected unit credit method. In accordance with the provisions of "IAS 19 Employee Benefits". Actuarial gains or losses related to experience adjustments and changes in variables are recognized as other comprehensive income and form part of the balance of Other Equity Reserves.

The cost of services for the current period is the increase in the present value of the defined benefit obligation, which occurs as a result of the services provided by employees in the current period.

The financial cost is the increase produced during a period in the present value of the obligations for defined benefits, as a result of the fact that such benefits are a period closer to their expiration.

A present obligation exists when, and only when. The Entity has no realistic alternative but to make the corresponding payments.

The assumptions used are the following:

Detail	Source
Mortality	Mortality tables "RV-2014" and "CB-2014" established by the Financial Market Commission (CMF) were used
Employee turnover	The historical turnover for executives in the collective agreement, voluntary resignation or company needs is 3.33%
Discount rate	The discount rate used to discount benefit payment flows for severance indemnity corresponded to a real annual rate of 3.2%. This rate corresponds to the 20-year BCU as of December 31, 2023. (Source: Central Bank)
Salary increases rate	The increase in salaries used for the projections, both for increase of the base salary and for total remuneration and corresponds to a real annual rate of 3.0%
Retirement	The retirement ages used to make the payment projections correspond to the minimum legal ages for retirement in Chile (DL,3500), ages that are generally used in the market, except when the reality of the company indicates otherwise. These ages correspond to 65 years for men and 60 years for women.

As of December 31, 2023, because of changes in variables, a release against other reserves was made of MCh$91. As of December 31, 2022, because of changes in variables, the Bank made an adjustment against other reserves of MCh$132.

w. Leases

On the commencement date of a lease, the Bank recognizes a right-of-use asset and a lease liability in accordance with the provisions of IFRS 16.

i) Right-of-use assets

The Bank leases a number of office and branch premises, which are necessary to perform its activities. Contract terms are individually negotiated and comprise a wide range of terms and conditions.

Leases are recognized, measured, and disclosed in accordance with IFRS 16 “Leases”. This requires that a right-of-use asset and its corresponding liability be determined at the date the asset is available for use. Each lease payment is distributed between the liability and interest. The financial interest is charged to the financial margin during the period of the lease. As well as the right-of-use asset, which is depreciated on a straight-line basis over the term of the contract.

The lease term includes the non-cancellable period established in the lease agreements, and generally have an automatic renewal clause, which are not included in the calculation of the financial liability. Additionally, each of the parties can terminate the agreement early, prior notice. For both concepts, only the current contractual period has been considered to calculate the impact of this new regulation. For lease agreements with an indefinite useful life. The Bank has determined to assign a useful life equal to the longest non-cancellable period of its lease contracts.

The present value of the lease payments is determined using the discount rate that represents the Bank's incremental rate at the commencement of the contracts, based on the duration of each of them from the initial date of application.

At the initial measurement, the Bank measures the right-of-use asset at cost. The rent of the lease contracts is agreed in UF (inflation-adjusted unit) and paid in Chilean pesos. In accordance with the provisions of Circular No. 3649 issued by the CMF, the monthly variation in UF that affects the contracts established in such monetary unit must be treated as a remeasurement, and therefore, the adjustments must be recognized as a modification to the obligation and at the same time the amount of the asset must be adjusted for the right of use assets.

Contracts whose non-cancellable period is equal to or less than 12 months are treated as short-term leases, and therefore the associated payments are recorded as a linear expense, any modification in the terms or rental fee is treated as a remeasurement of the lease.

The Bank has not entered into lease agreements with residual value guarantee clauses or variable lease payments.

The Bank applies IAS 36 “Impairment of assets” to determine whether the right-of-use asset is impaired and to account for any identified impairment losses.

As of December 31, 2023 and 2022. The Bank has not identified impairment in the value of assets for the right of use assets.

ii) Lease liability

The Bank measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease if that rate could be readily determined. If that rate cannot be readily determined, the Bank shall use the incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise payments for the right to use the underlying asset during the lease term that are not paid at the measurement date, which include (a) fixed payments, less any lease incentives receivable; (b) variable lease payments that depend on an index or rate. Initially measured using the index or rate at the commencement date; (c) amounts expected to be payable by the lessee under residual value guarantees; (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (e) payments for penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Bank measures the lease liability to recognize (a) interest on the lease liability; (b) lease payments made; and (c) remeasurements or modifications to the lease, and to reflect revised in-substance fixed lease payments.

The Bank remeasures the lease liability by discounting the revised lease payments, if, among others, (a) there is a change in the amounts expected to be payable under a residual value guarantee.

A lessee shall determine the lease payments to reflect the change in amounts expected to be payable under the residual value guarantee; (b) a change in future lease payments results from a change in an index or rate used to determine those payments.

The Bank remeasures the lease liability to reflect those revised lease payments only when there is a change in the cash flows. The Bank shall determine the revised lease payments for the remainder of the lease term based on the revised contractual payments.

As of January 1, 2019. The date of implementation of the standard. The Bank measured the lease liability at the present value of discounted lease payments using the lessee’s incremental borrowing rate.

x. Statements of cash flows

For the preparation of the Consolidated Statements of Cash Flows, the indirect method has been used, in which, whereby taking profit or loss before tax for the period non-cash transactions are included, as well as income and expense associated with investing or financing cash flows.

For the preparation of the Consolidated Cash Flow Statements, the following terms are used:

- Cash flows: inflows and outflows of cash and cash equivalents, understood as short-term, highly liquid investments with insignificant risk of changes in value, such as: deposits in the Central Bank of Chile, deposits in domestic banks and foreign deposits.

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

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

- Financing activities: are activities that result in changes in the size and composition of equity and liabilities that are not operating and investing activities.

y. Provisions and contingent liabilities

Provisions are liabilities of uncertain timing and amount; these provisions are recognized in the Consolidated Statements of Financial Position when the following requirements are met collectively:

- A liability is a present obligation arising from past events, at the date of the Consolidated Financial Statements, it is likely that the Bank or its subsidiaries will have to use an outflow of economic benefits to settle the obligation and the amount of these outflows can be measured reliably.

A contingent asset or liability is any obligation arising from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events occur not wholly within the control of the Bank.

The provisions (which are measured considering the best information available on the outcome of the event that gave rise to them and are remeasured at each period-end) are used to meet the specific obligations for which they were originally recognized, proceeding to their reversal, totally or partially, when said obligations cease to exist or decrease.

Provisions are classified according to the obligations hedged, and are as follows:

- Provisions for employee benefit obligations
- Provision for lawsuits and litigation
- Provisions for obligations of customer loyalty programs
- Provisions for operational risk
- Other provisions for other contingencies

Provisions for country risk for operations with foreign debtors

The Bank makes provisions for country risk in accordance with chapter B-6 of the CNCB to hedge the risk that has been assumed by maintaining or committing resources in a foreign country. Said provisions must be made based on the country ratings made by the Bank in accordance with the provisions of RAN 7-13 on country risk and country ratings.

Provisions for credit loss for contingent loans

Contingent loans correspond to transactions or commitments in which the Bank assumes a credit risk by committing itself to third parties in the event of a future event, to make a payment or disbursement that must be recovered from its customers.

To calculate the provisions as indicated in Chapter B-1 of the CNCB, the amount of the exposure to be considered shall be equivalent to the percentage of the amounts of the contingent loans and which is established in Chapter B-3 of the CNCB. As indicated below:

Type of contingent exposure:	FCC
Freely available, immediate payment revolving credit facility	10%
Contingent loans linked to the CAE	15%
Letters of credit for goods movement operations	20%
Other freely available revolving credit facilities	40%
Debt purchase commitments in local currency abroad	50%
Transactions related to contingent events	50%
Co-debtor and guarantees	100%
Other credit commitments	100%
Other contingent loans	100%

Provisions for operational risk

The Bank constitutes provisions for operational risk in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", in which losses due to operational risk events are recognized, including external costs and eventual pending losses with a direct relationship to the operational risk event as established by Chapter 21-8 of the RAN.

i. Additional allowances:

The CMF has defined those additional allowances are those not derived from the application of the portfolio assessment models of each bank or to compensate for their deficiencies and must be to protect against the risk of unpredictable economic fluctuations.

The additional allowances are established to protect against the risk of macroeconomic fluctuations to anticipate situations of reversal of expansionary economic cycles that. In the future, could result in a worsening of the conditions of the economic environment and. In this way, function as an anti-cyclical mechanism of accumulation of additional allowances when the scenario is favorable and the use or allocation to specific allowances when conditions deteriorate.

The Bank has formal criteria and procedures for their use and establishment for the determination of additional allowances, which are approved by the Board of Directors.

As of December 31, 2023, the Bank has a stock of additional allowances of MCh$375,900 (MCh$415,022 as of December 31, 2022), which were made to anticipate the potential impairment of the loan portfolios arising from the crisis generated by the Covid-19 pandemic. During 2023, Management proposed and the Executive Committee of the Board of Directors approved a plan to release additional allowances, performed during the last quarter of MCh$50,000 in the commercial portfolio, which is explained by our counter-cyclical model and which, together with the experts' analysis, indicate that the latent risk that justified making additional provisions in this portfolio has not materialized and is not expected to materialize.

These allowances are in accordance with the provisions of Number 10 of Chapter B-1 of the Compendium of Accounting Standards issued by the Financial Market Commission, which will be presented in liabilities in the caption "Special provisions for credit loss" (see note 26).

ii. Minimum allowances required for the normal individual portfolio:

The CMF has defined that the Bank must maintain a minimum allowance percentage of 0.50% on loans and contingent loans of the normal individual portfolio in accordance with the provisions of number 2.1.3 of Chapter B-1 of the Compendium of accounting Standards, which are presented in liabilities.

z. Use of estimates and judgments

In preparing these Consolidated Financial Statements, the Bank's Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities. Income, and expenses. Actual results may differ from these estimates, which Management periodically evaluates and monitors.

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

Information about most significant areas of estimation of uncertainties and critical judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the Consolidates Financial Statements is included in the following notes:

- Provisions for credit loss (notes 13 and 26)
- Impairment losses on certain assets (note 40)
- Valuation of financial instruments (notes 8,9, 10 and 11)
- Useful life of intangible assets and property and equipment (notes 15 and 16)
- Use of tax losses (note 18)
- Contingencies and commitments (note 29)
- Employee benefits (note 37)

aa. Income tax and deferred taxes

The determination of corporate income tax expense is made in accordance with IAS 12 and the Income Tax Law, whose legal rate is 27% for the general regime of art.14 letter A of the law, which both BCI and its subsidiaries in Chile follow.

The Bank recognizes, when appropriate, deferred tax assets and liabilities for the future estimates of the tax effects attributable to differences between the carrying amounts of assets and liabilities and their tax base.

Deferred tax assets/liabilities are measured, in accordance with current Chilean tax legislation, at the tax rates that are expected to be applied in the year in which the asset and/or liability are realized or settle. Future effects from changes in tax legislation or income tax rate are recognized in deferred tax starting from the date in which the law approving such changes is enacted or substantially enacted.

As of December 31, 2023 and 2022, the Bank has recognized net deferred tax assets and liabilities as Management has assessed that it expects to obtain taxable profit in the future that allow using existing temporary differences at each period-end.

Deferred tax assets and liabilities are offset in the Statements of Financial Position, if there is a legally enforceable right to set off current tax assets against current tax liabilities, and only if these deferred taxes are related to income taxes corresponding to the same tax authority.

In February 2010, in Washington D.C., Chile and the United States of America entered into a tax treaty to avoid international double taxation, which was confirmed by the Chilean Congress in September 2015.

On December 19, 2023, the U.S. Treasury Department announced the entry into force of the treaty, indicating that the applicable procedures have been fulfilled. In Chile, the agreement was published in the official gazette on January 27, 2024, and is effective beginning in 2024.

bb. Dividends on ordinary shares

Dividends on ordinary shares are recognized in equity in the year in which they were approved by the Bank's Shareholders' Meeting.

The Bank recognizes in liabilities the share of profits for the year that will be distributed in compliance with the Law on Corporations, which establishes that at least 30% of the net income for the year will be distributed as a dividend, or in accordance with its dividend policy.

cc. Earnings per share

Basic earnings per share are determined by dividing net income attributable to the Bank for the year by the subscribed and fully-paid shares outstanding during the year.

Diluted earnings per share is determined similarly to basic earnings per share, but subscribed and fully-paid shares outstanding are adjusted for the potential dilutive effect of share options and convertible debt.

dd. Separate Equity performed by the subsidiary BCI Securitizadora SA

Securitization companies can acquire assets on behalf of the separate equities that support the issuance of securitized bonds. These assets must have similar characteristics and each issue will form a separate equity.

These assets can be from future cash flows (a "business plan" or future cash flows to be obtained from a specific asset or group of assets or company are securitized) or from an existing asset (a portfolio of receivables, mortgage loans, etc.).

The above distinction is relevant on how the Bank's debt should be accounted for; in the first case of future cash flows. It must be accounted for in Separate Equity and to the originator, and in the case of existing assets only in Separate Equity.

NOTE 3 – NEW ACCOUNTING PRONOUNCEMENTS ISSUED AND ADOPTED, OR ISSUED BUT NOT YET ADOPTED

Standards approved and/or amended by the International Accounting Standards Board (IASB)

a. **The following new standards and interpretations and/or amendments have been adopted in these financial statements:**

New IFRS	Mandatory implementation date
IFRS 17. Insurance contracts	Annual periods beginning on or after January 1, 2023. This date includes the exemption of insurers from the application of IFRS 9 to allow them to implement IFRS 9 and IFRS 17 at the same time. Early adoption is permitted for entities applying IFRS 9 and IFRS 15 on or before that date.
Amendments to IFRS	
Accounting policy disclosures (Amendments to IAS 1 and Statement of Practice 2 Making Materiality-Related Judgments)	Annual periods beginning on or after January 1, 2023. Early adoption is allowed.
Definition of accounting estimate (IAS 8 amendments)	Annual periods beginning on or after January 1, 2023. Early adoption is permitted and will be applied prospectively to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the first annual reporting period in which the company applies the modifications.
Deferred tax on assets and liabilities arising from a single transaction (amendments to IAS 12)	Annual periods beginning on or after January 1, 2023. Early adoption is allowed.
Initial implementation of IFRS 17 and IFRS 9 – Comparative information (Amendments to IFRS 17)	The amendment is applicable from the application of IFRS 17 Insurance Contracts.

IFRS 17. Insurance contracts

Issued on May 18, 2017, this Standard requires that insurance liabilities be measured at a current performance value and provides a more uniform approach to presentation and measurement for all insurance contracts. These requirements are designed to generate consistent, principle-based accounting.

In March 2020, the International Accounting Standards Board (the Board) decided to defer the effective date of IFRS 17 to 1 January 2023, allowing early adoption if IFRS 9 and IFRS 15 have been adopted. The Board also decided to extend the temporary exemption to IFRS 9, granted to insurers that meet the specified criteria, until January 1, 2023.

The application of this new regulation had no impact on the Consolidated Financial Statements, given that the companies in our consolidation radius do not issue insurance contracts.

Disclosures of accounting policies (Amendments to IAS 1 and Statement of Practice 2 Making Materiality Judgments)

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

In February 2021, the Board issued amendments to IAS 1 presentation of financial statements and an update to Practice Statement 2.

The modifications include the following:

- Requires companies to disclose their material accounting policies rather than meaningful accounting policies;
- Clarify that accounting policies relating to intangible transactions, other events or conditions are themselves immaterial and therefore do not need to be disclosed;
- Clarify that not all accounting policies that are related to material transactions, other events or conditions, are themselves material to the company's financial statements.

The amendments to Practice Statement 2 include two additional examples of the application of materiality in accounting policy disclosures.

The application of this amendment had no impact on the Consolidated Financial Statements.

Definition of accounting estimate (IAS 8 amendments)

In February 2021,the Board issued amendments to IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates, with the main focus on defining and clarifying accounting estimates.

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

The implementation of this amendment had no significant impact on the Consolidated Financial Statements.

Deferred tax relating to assets and liabilities arising from a single transaction (IAS 12 amendments)

In May 2021, the Board issued amendments to IAS 12 deferred tax related to assets and liabilities arising from a single transaction, to clarify how companies should account for deferred tax in certain types of transactions where an asset and a liability are recognized, such as leases and decommissioning obligations.

The amendments reduce the scope of the exemption in the initial recognition so that it does not apply to transactions that result in equal and countervailing temporary differences. As a result, companies will need to recognize a deferred tax asset and a deferred tax liability for temporary differences arising in the initial recognition of a lease and a retirement obligation.

The implementation of this amendment had no significant impact on the Consolidated Financial Statements.

Initial implementation of IFRS 17 and IFRS 9 – Comparative information (Amendments to IFRS 17)

In December 2021, the Board issued amendments to IFRS 17 Initial Application of IFRS 17 and IFRS 9 – Comparative Information, with the aim of alleviating the operational complexities between accounting for insurance contract liabilities and related financial assets in the initial application of IFRS 17.

The amendments allow the presentation of comparative information of financial assets related to insurance contracts to be presented in a manner consistent with the provisions of International Financial Reporting Standard 9 (IFRS 9) Financial Instruments.

The application of this amendment had no impact on the Consolidated Financial Statements, given that the companies in our consolidation radius do not issue insurance contracts.

b. The following new standards and interpretations have been issued but their implementation date is not yet in force:

Accounting pronouncements issued not yet in force

The following accounting statements issued are applicable to annual periods beginning after January 1, 2023, and have not been applied in the preparation of these consolidated financial statements. The Bank intends to adopt the accounting pronouncements that correspond to them on their respective dates of application and not in advance.

Amendments to IFRS	Mandatory implementation date
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2024. Early adoption is allowed
Sale or Contributions of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Effective date deferred indefinitely
Liabilities for Leases in a Sale with Subsequent Lease (Amendments to IFRS 16)	Annual periods beginning on or after January 1, 2024. Early adoption is allowed
Non-Current Liabilities with Covenants (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2024.
Supplier Financing Agreements (Amendments to IAS 7 and IFRS 7)	Annual periods beginning on or after January 1, 2024.
Lack of Exchangeability (Amendment to IAS 21)	Annual periods beginning on or after January 1, 2025. Early adoption is permitted.

Classification of Liabilities as Current or Non-Current (Amendment to IAS 1)

In order to promote uniformity of application and clarify the requirements for determining whether a liability is current or non-current. The International Accounting Standards Board has amended IAS 1, presentation of financial statements. As a result of this modification, banks must review their loan agreements to determine if their classification will change.

The amendments include the following:

- The right to defer cancellation must be substantiated: Current IAS 1 states that entities classify a liability as current when they do not have an unconditional right to defer cancellation of the liability for at least twelve months after the date of the reporting period. As part of its amendments. The IASB has removed the requirement that the right be unconditional and instead states that the right to defer cancellation must be substantiated and exist at the end of the reporting period.

- The classification of revolving credit lines may change: institutions classify a liability as non-current if they are entitled to defer its cancellation for at least twelve months from the end of the reporting period. Now, the IASB has clarified that the right to deferment exists only if the company meets the conditions specified in the loan agreement at the end of the reporting period, even if the lender does not verify compliance until a later date.

- Liabilities with equity cancellation characteristics: the amendments indicate that the cancellation of a liability includes the transfer of the entity's own equity instruments to the other party. The amendment clarifies how entities classify a liability that includes a conversion option of the other party, which could be recognized as equity or as a liability separately from the liability component in IAS 32 financial instruments: Presentation.

The amendment is effective, retroactively. For annual periods beginning on or after January 1, 2024. Early application is allowed. However, companies should consider including disclosures in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors in their subsequent annual financial statements.

Management has not determined the potential impact of the application of this amendment on its Consolidated Financial Statements.

Sale or Contributions of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

On September 11, 2014, this amendment was issued which requires that, when transfers of subsidiaries are made to an associate or joint venture, the entire gain is recognized when the transferred assets meet the definition of "business" under IFRS 3 Business Combinations. The amendment establishes a strong pressure in the definition of "business" for recognition in results. The amendment also introduces new and unexpected postings for transactions that consider partial maintenance on assets that are not businesses.

The effective date of application of this amendment has been postponed indefinitely.

The Bank's Management is waiting for the new term to evaluate the potential effects of this modification.

Leasing Liabilities on a Sale with Subsequent Lease (Amendments to IFRS 16)

In September 2022, the Board issued amendments to IFRS 16 Leases – Lease Liabilities in a Subsequent Lease Sale, which establishes the requirements for how an entity should account for a subsequent leaseback sale after the transaction date.

While IFRS 16 includes requirements on how to account for a sale with subsequent leaseback on the date the transaction takes place, the Standard does not specify what the subsequent measurement of this transaction would look like. The amendments issued by the Board are in addition to the requirements set out in IFRS 16 for sales with subsequent leaseback, and which support the consistent application of the Standard.

The Company does not expect that the application of these amendments will have a significant effect on the Consolidated Financial Statements.

Non-current liabilities with covenants (Amendments to IAS)

The International Accounting Standards Board (the Board) issued in October 2022 the amendment to IAS 1 presentation of financial statements. In which it states that only covenants that an enterprise must comply with at or before the reporting date affect the classification of a liability as current or non-current.

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

The Bank's Management has not determined the potential impact of the application of this amendment on its Consolidated Financial Statements.

Supplier Financing Agreements

The International Accounting Standards Board issued in May 2023 amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures, which establish additional disclosure requirements to be incorporated in the notes. In relation to the Supplier Financing Agreements, which will complement the requirements currently established by IFRS and will provide information that will allow the Users (investors) assess the effects of these arrangements on the institution's liabilities and cash flows. As well as the institution's exposure to liquidity risk.

It incorporates a requirement to disclose the type and effect of non-monetary changes in the carrying amounts of financial liabilities that are part of a supplier financing agreement.

The incorporated amendments apply to vendor financing agreements that have all of the following characteristics:

- The financing provider pays the amounts that a company (the buyer) owes to its suppliers.
- The company agrees to pay under the terms and conditions of the agreements on the same date or a later date than its suppliers are paid.
- The company has extended payment terms or suppliers benefit from advance payment terms, compared to the due date of the payment of the corresponding invoice.

No changes are incorporated with respect to the classification and presentation of liabilities and related cash flows and do not apply to financing agreements related to accounts receivable or inventories.

The Bank's Management has not determined the potential impact of the application of this amendment on its Consolidated Financial Statements.

Lack of Exchangeability (Amendment to IAS 21)

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

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

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

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

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

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

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

The Bank's management has not determined the potential impact of the application of this amendment on its Consolidated Financial Statements.

c. Sustainability regulatory pronouncements not yet in force

The following pronouncements issued are applicable for the preparation of sustainability reports. The Panel intends to adopt the pronouncements on their respective implementation dates and not in advance.

New Sustainability IFRS	Mandatory implementation date
IFRS S1 General Requirements for Sustainability Disclosures Related to Financial Reporting	Annual periods beginning on or after January 1, 2024. Early adoption is allowed with the joint implementation of IFRS S2.
IFRS S2 Climate-related disclosures	Annual periods beginning on or after January 1, 2024. Early adoption is permitted with the joint implementation of IFRS S1.

IFRS S1 General Requirements for Sustainability Disclosures Related to Financial Reporting

On 25 June 2023, the International Sustainability Standards Board (ISSB) issued the first Sustainability Standards, IFRS S1 sets out the general disclosure requirements for information on sustainability issues related to financial reporting that is useful to key users in decision-making.

This Standard requires an entity to disclose information on all relevant sustainability-related topics in the areas of governance, strategy, risk management, and metrics and objectives. Additionally, it establishes disclosure requirements about sustainability-related risks and opportunities that could affect short, medium- or long-term cash flows, access to financing, or cost of capital.

Its implementation date is effective. For annual periods beginning on, or after, January 1, 2024. Early adoption is permitted, with implementation in conjunction with IFRS S2 Climate-Related Disclosure.

The Company expects that the application of this new standard has no significant effect on the Consolidated Financial Statements.

IFRS S2 Climate-related disclosures

On 25 June 2023, the International Sustainability Standards Board (ISSB) issued the first Sustainability Standards, IFRS S2 sets out the information that an entity must disclose about its exposure to significant climate-related risks and opportunities, in order to:

- Users of general-purpose financial information can assess the effect of risks and opportunities on the business value of the entity.
- Understand how the entity's use of resources and the corresponding inputs, activities, outputs and outcomes support the entity's response and strategy to manage its significant climate change-related risks and opportunities.
- Assess the entity's ability to adapt its planning, business model and operations to the risks and opportunities identified.

Its implementation date is effective, for annual periods beginning on, or after, January 1, 2024. Its early adoption is allowed, with the application in conjunction with IFRS S1 General Requirements for Sustainability Disclosure related to Financial Reporting.

The Company expects that the application of this new standard has no significant effect on the Consolidated Financial Statements.

d. Standards and instructions issued by the CMF

Circular No. 2,330: On January 13, 2023, the Financial Market Commission incorporated a new Chapter 21-14 to the Updated Compilation of Rules for Banks, which contains the provisions related to the development of the Internal Liquidity Adequacy Assessment Process (ILAAP) and the general requirements and conditions considered by the Commission for the assessment of the adequacy of the liquidity position of banks.

The Bank's Management believes that the application of this standard will have no effect on the Bank's Consolidated Financial Statements.

Circular No. 2,331: On February 7, 2023, the Commission has decided to incorporate and/or update its information systems to require the audited institutions the necessary information to evaluate the operation of the FOGAPE Chile Apoya program, developed within the framework of the provisions of Law No. 21,514 and Supreme Decree No. 435 of the Ministry of Finance. Accordingly, the institutions should prepare the following periodic information files:

1. File C50 on operations associated with special FOGAPE guarantee programs. This is a modification to the current C50 file, which reports on a monthly basis the transactions subject to provisions for credit risk that have a FOGAPE COVID-19 and FOGAPE Reactivation guarantee, adding a code in field 16 to identify the transactions that have a FOGAPE Chile Apoya guarantee.
2. New D61 file on daily interest rates of operations guaranteed by FOGAPE Chile Apoya.
3. New E25 file on the detail of financing requests under the FOGAPE Chile Apoya program.

The application of this standard had no effect on the Bank's Consolidated Financial Statements.

Circular No. 2,333: On May 13, 2023, the CMF modified chapters 18-5 on debtor information of financial institutions. In order to improve the completeness of the information required from banks, banking support companies, credit card issuers and supervised credit unions, within the framework of the provisions of Article 14 of the General Banking Law, the Commission has deemed it appropriate to require them to continue reporting those transactions that, having been originated by them, are later assigned or sold to securitization companies or securitized credit funds. To the extent that the referred supervised institutions maintain the administration of such transactions.

Accordingly, it is necessary to incorporate new codes in field 4 of file D10 and D27, which will allow this Commission to distinguish the operations assigned or sold, as well as the fields that identify them in files R04 and R05.

The application of this standard had no effect on the Bank's Consolidated Financial Statements.

Circular No. 2,336: on June 20, 2023, the Commission considered it appropriate to repeal the RAN Chapter 12-21 rules on measurement and control of interest rate risk in the banking book and readjustment, since its provisions became ineffective as of April 2023, as established by Circular No. 2.312.

The application of this standard had no effect on the Bank's Consolidated Financial Statements.

Circular No. 2,337: On July 2, 2023, the CMF has resolved to update the disclosure requirements for institutions inspected that grant financing under the Special Guarantee Fund (hereinafter FOGAES), to evaluate the operation of their programs, for such purposes, financial institutions should prepare the following files:

- File C70 on accounting information of operations associated with FOGAES programs.
- New file D62 on daily interest rates of operations guaranteed by FOGAES.
- New file E26 on the detail of financing requests under FOGAES programs.

The application of this standard had no effect on the Bank's Consolidated Financial Statements.

General Standard No. 498: On October 11, 2023, the CMF issued a definition of the complementary activities that payment card operating companies may perform, as follows:

1. Sales reporting and reconciliation or cash balancing services.
2. Services related to the issuance of electronic receipts or invoices for transactions performed using any means of payment.
3. The collection of payments on behalf of third parties and their processing, provided that these are made through electronic means of payment, including the issuance of vouchers and receipts.

The Operator may offer the complementary services indicated in the list above only to companies with which it has contracts associated with its line of business; i.e. Issuers, other Operators, PSPs or to related and unrelated affiliated entities, and must provide them in compliance with the same principles established for the services included in its line of business.

The application of this standard had no effect on the Bank's Consolidated Financial Statements.

General Standard No. 500: On December 12, 2023, the CMF issued instructions and a regulatory file for compliance with the provisions of Article 28 of Law No. 14,908 on family abandonment and payment of alimony. Banks and banking support companies, Savings and Credit Cooperatives subject to oversight, Insurance Companies and Agents Administrators of Endorsable Mortgage Mutuals or any other provider of financial products and services subject to the oversight of CMF under Article 28 of Law No. 14,908, should consult the National Registry of Alimony Debtors (RNDPA) when entering into a loan transaction with a natural person in which the amount of the loan is equal to or higher than fifty Unidades de Fomento. In the event that the loan applicant has a current registration with the RNDPA, entities will be obliged to withhold from such funds an amount equivalent to fifty percent of the loan or such lesser amount sufficient to cover the total amount of alimony owed, in accordance with the information contained in the Register.

Additionally, entities subject to oversight must send regulatory file T01 reporting all money loan transactions entered into with natural persons associated with article 28 of Law No. 14,908 within the reporting period, for amounts equal to or higher than 50 Unidades de Fomento, within the first 7 business days of the month following the month reported.

The application of this standard had no effect on the Bank's Consolidated Financial Statements.

Circular No. 2,342: on December 28, 2023, the CMF incorporated a new regulatory file C64 on "Transactions that enter the non-performing portfolio and renegotiations, recoveries and expenses of non-performing loans" to the Banks' Information Systems Manual. The first report must be submitted in January 2025 containing closing information referring to December 2024.

The application of this standard will have no effect on the Bank's Consolidated Financial Statements.

NOTE 4 – ACCOUNTING CHANGES

During the year ended December 31, 2023, there have been no changes in accounting policy compared to the prior year that significantly affect these Consolidated Financial Statements.

NOTE 5 – SIGNIFICANT EVENTS

a) Agreement for the distribution of profits for the year 2022

On March 14, 2023, a Board of Directors meeting was held, where it was agreed to determine the distribution of the net profits obtained by the Bank in 2022, which was approved at the Ordinary Shareholders' Meeting held on April 4, 2023.

The approved subjects are the following:

Distribute the balance of net profits amounting to Ch$820,821,690,521 (MCh$820,822), as follows:

- Distribute a dividend of Ch$1,500 per share among the total of 168,837,345 shares issued and registered in the Shareholders' Registry, which implies allocating for this purpose the sum of Ch$253,256,017,500 (MCh$253,256), i.e., 30.85% of the distributable net income for the year 2022; and
- Allocate the remaining balance of profits for the year to the reserve fund from profit, i.e., the sum of Ch$567,565,673,021 (MCh$567,566).

At the Extraordinary Shareholders' Meeting held on April 4, 2023, the following was approved:

- Capitalize reserves from profit of Ch$540,925,430,023 (MCh$540,925) as follows:
    - The amount of Ch$540,925,422,275 (MCh$540,925), through the issuance of 21,700,678 paid-in shares without par value.
    - The amount of Ch$7,748, without the issuance of shares, through the capitalization of reserve funds from profits.

b) Issue and placement of bonds

During 2023, no subordinated bond issues or placements have been, made.

During 2023, the following issues and placements of Current Bonds in Chilean pesos were performed:

Series	Placement date	Nominal	Internal Return Rate (TIR) (%)	Due date
BBCIT40223	02-24-2023	35,000,000,000.00	6.800	02-01-2029
BBCIT50223	02-27-2023	15,000,000,000.00	6.580	02-01-2031
BBCIT50223	02-28-2023	10,500,000,000.00	6.580	02-01-2031
BBCIT50223	03-08-2023	9,500,000,000.00	6.520	02-01-2031
BBCIT10223	03-09-2023	5,000,000,000.00	7.050	02-01-2027
BBCIT10223	03-09-2023	1,500,000,000.00	7.050	02-01-2027
BBCIT60223	04-11-2023	31,000,000,000.00	6.240	02-01-2033
BBCIT30223	06-08-2023	10,000,000,000.00	6.520	02-01-2028
BBCIT30223	06-13-2023	8,500,000,000.00	6.400	02-01-2028
BBCIT30223	06-15-2023	9,000,000,000.00	6.340	02-01-2028
BBCIT30223	06-16-2023	1,000,000,000.00	6.340	02-01-2028
BBCIT30223	06-14-2023	6,500,000,000.00	6.400	02-01-2028
BBCIT60223	04-04-2023	4,000,000,000.00	5.900	02-01-2033
BBCIV50723	11-16-2023	8,000,000,000.00	6.470	01-01-2030
BBCIV50723	11-22-2023	4,500,000,000.00	6.450	01-01-2030
BBCIT20223	11-29-2023	7,000,000,000.00	6.360	08-01-2027
BBCIT20223	12-05-2023	9,000,000,000.00	6.350	08-01-2027
BBCIT20223	12-06-2023	4,000,000,000.00	6.300	08-01-2027
BBCIW50723	12-20-2023	5,000,000,000.00	6.230	07-01-2032
BBCIT10223	12-20-2023	2,000,000,000.00	6.170	02-01-2027
BBCIT20223	12-21-2023	10,000,000,000.00	6.200	08-01-2027
BBCIT20223	12-26-2023	2,500,000,000.00	6.200	08-01-2027
BBCIW50723	12-28-2023	4,000,000,000.00	6.200	07-01-2032

During 2023, the following issues and placements of Current Bonds in UF were performed:

Series	Placement date	UF	Internal Return Rate (TIR) (%)	Due date
BBCIS40223	07-04-2023	550,000	2.890	02-01-2031
BBCIS40223	08-01-2023	185,000	3.000	02-01-2031
BBCIU40223	08-29-2023	3,000,000	3.320	02-01-2035
BBCIU30223	08-29-2023	1,500,000	3.310	08-01-2034
BBCIU30223	08-29-2023	350,000	3.310	08-01-2034

During 2023, there have been no issues or placements of current Bonds in Japanese Yen.

During 2023, there have been no issues or placements of Current Bonds in Australian Dollars.

During 2023, there have been no issues or placements of Current Bonds in Euros.

During 2023, the following issue and placement of Current Bonds in U.S. dollars was performed:

Series	Placement date	US	Internal Return Rate (TIR) (%)	Due date
XS2668166775	08-18-2023	35,000,000,00	6.697	08-18-2028

During 2023, the following issue and placement of Current Bond in Swiss francs was performed:

Series	Date of issue	CHF	Internal Return Rate (TIR) (%)	Due date
CH1248666963	03-22-2023	135,000,000	2.8925	03-22-2028

c) Capital increase BCI Peru

On April 13, 2023, the shareholders of Banco BCI Peru agreed to a capital increase of which the Bank has contributed the amount of MCh$41,610.

d) Capital increase BCI Securities

On August 23, 2023, the shareholders of BCI Securities agreed to a capital increase to which the Bank contributed an amount of MCh$3,996.

e) Capital increase in the Bank

On July 4, 2023, the Bank's Board of Directors called an Extraordinary Shareholders' Meeting on July 21, 2023 to, among other things, propose to increase the Bank's share capital by MCh$600,000 through the issuance of cash shares. On July 21, 2023, the shareholders at the Extraordinary Shareholders' Meeting approved to increase share capital by MCh$600,000 through the issuance of 28,066,236 cash shares. On October 21, 2023, the pre-emptive subscription period for the shares whose issuance was as a result of the capital increase approved at the Extraordinary Shareholders' Meeting of July 21, 2023, ended. At the end of this period, 26,572,739 shares were subscribed and paid amounting to MCh$ 584,600, equivalent to 94.68% of the issue. On October 25, 2023, the remaining unsubscribed and unpaid shares were auctioned, resulting in the full subscription and payment of the capital increase, raising a total sum of MCh$617,457.

f) Capital increase BCI Financial Group

On November 20, 2023, a capital increase was agreed at BCIFG, generating a contribution from the Bank of MCh$87,638.

g) Capital increase at BCI Peru

On November 28, 2023, the shareholders of Banco BCI Peru agreed to a capital increase of which the Bank has contributed MCh$25,946.

h) Capital increase at BCI Securities

On November 28, 2023, the shareholders of BCI Securities agreed to a capital increase of which the Bank contributed MCh$20,979.

i) Resignation of Director

On December 7, 2023, at an extraordinary meeting, the Bank's Board of Directors accepted the resignation of Mario Gómez Dubravcic, which occurred on December 31, 2023. During this same meeting, the directors agreed to appoint Ignacio Yarur Arrasate as Director beginning on January 1, 2024 and until the next ordinary shareholders' meeting.

j) Capital increase at Servicios Financieros y Administración de Créditos Comerciales S.A.

On December 18, 2023, a capital increase was authorized for Servicios Financieros y Administración de Créditos Comerciales S.A. On January 4, 2024, this capital increase was made where the Bank contributed MCh$34,994.

NOTE 6 – BUSINESS SEGMENTS

Pursuant to IFRS 8, the Bank has aggregated operating segments with similar economic characteristics based on the aggregation criteria indicated in the standard. Thus, a business segment comprises customers to whom a differentiated product offering is addressed, but who are homogeneous in terms that their performance is measured in a similar way and are therefore part of the same business segment. In general terms, such aggregation has no significant impact on understanding the nature and effects of the business activities in which the Bank engages and the economic environment in which it operates.

The segment report is presented by the Bank based on the defined business structure, which is aimed at optimizing customer service with products and services, according to their relevant commercial characteristics.

To reliably reflect the nature of the Bank's business in the segments in which it engages, the presentation of the note includes the following:

The result of the Balance Sheet management is assigned to the commercial segments according to the composition of assets and liabilities of each business.

Corporate expenses are assigned to commercial segments, based on assignment criteria for each of the units established as Corporate (Comptrollership, Accounting, General Management, among others).

A minimum provision adjustment is assigned to the segments according to the classification of the customers that originated them.

Voluntary (additional) provisions expense is allocated to the Commercial Segments: Consumer and Housing 100% to Individuals and Commercial based on the weight of the Commercial provisions stock of SMEs and Wholesale in the related period.

In June 2021, Private Banking was integrated into Investment & Finance Banking to deepen our business model and enhance investment opportunities. In this way, Private Banking was transferred from the Wholesale segment to the Finance segment.

The commercial structure is presented below, with the segments defined by the Bank:

Retail: serves natural persons. Its business units are: Personal and Premium.

SME: this segment includes companies with sales of up to UF 80,000 per year.

Wholesale: considers all companies with sales of more than UF 80,000 per year.

Finance: includes the intermediation of financial positions and the management of the Bank's own investment portfolio. It also considers high-net-worth clients and investors that require high-value financial services (Private Banking).

BCI Financial Group: corresponds to business and operations performed in the United States through City National Bank of Florida (CNB), which operates as an independent unit, under the supervision of Management Control.

Financial Services: corresponds to businesses associated with the issuance and operation of BCI Líder Mastercard and Presto credit cards, the origination of low and high-amount cash advances and personal insurance brokerage, among others, which operates as an independent unit, under the supervision of Management Control.

Other: this concept includes expenses and/or income, which due to their nature are not directly identified with the business segments and therefore are not assigned.

Allocation of results of subsidiaries by customer:

Consistent with its customer-focused strategy, management of the segments considers in each one the income and expenses generated in the subsidiaries as a result of the attention/provision of services to the Bank's customers in each segment. As well as the distribution desk results.

Allocation of balance sheet management result:

To consider in each segment all, the benefits and costs associated with serving its customers, the result for managing currency and term mismatches is distributed to the segments. In proportion to the assets and liabilities of each segment.

Allocation of expenses to commercial segments:

Own expenses: correspond to the expenses of the commercial units that are divided into direct business expenses (personnel expenses, customer service, extra expenses, materials, and supplies, among others) and intercommercial expenses, which are assigned to the business by survey or ABC (transactions).

Assigned expenses: expenses of support units (Operations, Risk, Management, etc.) that are assigned based on surveys (according to the services they provide to the business) or ABC (transactions).

Technological expenses: correspond to technological expenses, whether depreciation, recurring expenses (software, licenses, maintenance, etc.) and expenses for new projects, which are grouped into the different technological applications of the Bank, which have a defined allocation driver for the banks based on their use (ABC model).

These criteria have been applied for the periods ended December 31, 2023, and 2022.

The management of the commercial areas indicated above is measured with the concepts presented in this note, which is based on the accounting principles applied to the Bank's Consolidated Statements of Income for the period.

a) Profit (loss) in 2023:

	As of December 31, 2023								
	Retail	SMEs	Wholesale	Finance	Total Segments	BCI Financial Group	Financial Services	Other	Total Consolidated
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Net interest and Inflation-indexation income	584,218	199,653	577,771	129,071	1,490,713	395,443	96,279	38,876	2,021,311
Net fee income	142,967	36,250	96,740	4,223	280,180	28,054	24,793	7,778	340,805
Other operating income	4,448	11,726	53,459	55,647	125,280	42,173	12,968	(38,226)	142,195
Total operating income	**731,633**	**247,629**	**727,970**	**188,941**	**1,896,173**	**465,670**	**134,040**	**8,428**	**2,504,311**
Provisions for credit risk	(235,917)	(20,491)	9,249	424	(246,735)	(35,284)	(116,027)	(1,209)	(399,255)
Net operating income	**495,716**	**227,138**	**737,219**	**189,365**	**1,649,438**	**430,386**	**18,013**	**7,219**	**2,105,056**
Total operating expenses	(438,243)	(145,610)	(221,883)	(68,734)	(874,470)	(268,042)	(84,000)	(76,587)	(1,303,099)
OPERATING INCOME (LOSS)	**57,473**	**81,528**	**515,336**	**120,631**	**774,968**	**162,344**	**(65,987)**	**(69,368)**	**801,957**
Income from investments in companies									16,018
Profit before tax									**817,975**
Income tax									(135,404)
CONSOLIDATED PROFIT FOR THE YEAR ENDED									**682,571**

	As of December 31, 2023							
	Retail	SMEs	Wholesale	Finance	Total Segments	BCI Financial Group	Financial Services	Total Consolidated
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS	14,339,908	2,756,126	12,722,331	26,082,253	55,900,618	22,864,395	536,140	**79,301,153**
Loans and receivables from customers (1)	**14,071,306**	**2,671,663**	**12,367,448**	**4,946,726**	**34,057,143**	**15,536,594**	**494,145**	**50,087,882**
LIABILITIES	8,179,626	2,557,461	10,713,321	30,510,595	51,961,003	20,807,674	465,100	**73,233,777**
On-demand and term deposits (2)	**7,011,060**	**2,337,343**	**9,998,858**	**4,465,011**	**23,812,272**	**18,437,355**	**2,942**	**42,252,569**
EQUITY								**6,067,376**

(1) Corresponds to loans receivable from customers plus loans and advances to banks, without deducting their corresponding allowances.
(2) Corresponds to deposits and other on-demand liabilities and deposits and other term deposits.

b) Profit (loss) in 2022:

	As of December 31, 2022								
	Retail	SMEs	Wholesale	Finance	Total Segments	BCI Financial Group	Financial Services	Other	Total Consolidated
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Net interest and Inflation-indexation income	636,270	205,406	550,144	206,028	1,597,848	540,863	119,378	51,627	2,309,716
Net fee income	174,296	36,202	85,443	8,696	304,637	34,816	30,166	(2,708)	366,911
Other operating income	9,581	12,373	45,204	(86,820)	(19,662)	37,743	19,844	(22,869)	15,056
Total operating income (loss)	**820,147**	**253,981**	**680,791**	**127,904**	**1,882,823**	**613,422**	**169,388**	**26,050**	**2,691,683**
Provisions for credit risk	(157,843)	(59,366)	(87,378)	(3,415)	(308,002)	(26,142)	(133,284)	(27,442)	(494,870)
Net operating income	**662,304**	**194,615**	**593,413**	**124,489**	**1,574,821**	**587,280**	**36,104**	**(1,392)**	**2,196,813**
Total operating expenses	(450,193)	(143,691)	(208,392)	(90,457)	(892,733)	(261,689)	(85,666)	(52,226)	(1,292,314)
OPERATING INCOME (LOSS)	**212,111**	**50,924**	**385,021**	**34,032**	**682,088**	**325,591**	**(49,562)**	**(53,618)**	**904,499**
Income from investments in companies									7,404
Profit before tax									**911,903**
Income tax									(90,879)
CONSOLIDATED PROFIT FOR THE YEAR ENDED									**821,024**

	As of December 31, 2022							
	Retail	SMEs	Wholesale	Finance	Total Segments	BCI Financial Group	Financial Services	Total Consolidated
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS	13,875,687	2,866,589	11,140,839	28,088,401	55,971,516	21,419,140	658,463	**78,049,119**
Loans and receivables from customers (1)	**13,581,676**	**2,801,911**	**10,824,273**	**4,940,259**	**32,148,119**	**14,127,100**	**669,739**	**46,944,958**
LIABILITIES	8,056,247	2,486,766	10,792,137	31,641,120	52,976,270	19,703,651	592,397	**73,272,318**
On-demand and term deposits (2)	**6,820,979**	**2,212,342**	**9,899,249**	**6,220,091**	**25,152,661**	**17,212,364**	**3,105**	**42,368,130**
EQUITY								**4,776,801**

(1) Corresponds to loans receivable from customers plus loans and advances to banks, without deducting their corresponding allowances.
(2) Corresponds to deposits and other on-demand liabilities and deposits and other term deposits.

c) In addition, the Bank presents, as required by IFRS 8, information on revenues from its products and/or services, on the countries in which it obtains revenues and holds assets, on the most significant customers, regardless of whether this information is used by Management in making decisions on operations. Information on revenues and assets by country is presented below:

	As of December 31, 2023			
	Chile	United States	Peru	Consolidated Total
	MCh$	MCh$	MCh$	MCh$
Total operating income	1,985,064	516,652	2,595	**2,504,311**
Assets	51,759,330	27,147,468	394,355	**79,301,153**

	As of December 31, 2022			
	Chile	United States	Peru	Consolidated Total
	MCh$	MCh$	MCh$	MCh$
Total operating income	2,100,547	588,769	2,367	**2,691,683**
Assets	51,747,780	26,177,219	124,120	**78,049,119**

NOTE 7 – CASH AND CASH EQUIVALENTS

a) The detail of the balances included under cash and cash equivalents as of December 31, 2023 and 20222, and reconciliation with the Consolidated Statements of Cash Flows at the end of each period, is as follows:

	December 31, 2023 MCh$	December 31, 2022 MCh$
Cash and bank deposits		
Cash	428,503	580,389
Deposits in the Central Bank of Chile (i)	1,008,523	1,357,600
Deposits in foreign central banks	1,725,256	2,128,274
Deposits in local banks	8,974	8,250
Deposits in foreign banks	448,459	181,883
Subtotal - Cash and bank deposits	**3,619,715**	**4,256,396**
Transactions in the course of collection or payment (ii)	45,481	74,071
Other cash equivalents (iii)	1,172,056	2,979,070
Total cash and cash equivalent	**4,837,252**	**7,309,537**

(i) The level of funds in cash and in the Central Bank of Chile responds to regulations on reserve requirements that the bank must maintain as a monthly average.

(ii) Transactions in the course of collection or payment correspond to transactions in which the settlement that will increase or decrease the funds in the Central Bank of Chile or in foreign banks is pending, normally within 12 or 24 working hours, which are detailed as follows.

(iii) Refers to instruments that meet the criteria to be considered as "cash equivalent" as defined by IAS 7, that is, for classification as "cash equivalent", investments in debt financial instruments must be short-term and highly liquid with an original maturity 90 days or less from the date of acquisition, that are readily convertible to known amounts of cash from the date of initial investment, and that are subject to an insignificant risk of changes in value.

b) The detail of the balances of operations with settlement in progress as of December 31, 2023 and 2022 ais as follows:

	December 31, 2023 MCh$	December 31, 2022 MCh$
Assets		
Notes payable to other banks (exchange)	47,685	57,687
Transfer of current funds receivable	427,755	346,522
Subtotal – assets	**475,440**	**404,209**
Liabilities		
Transfer of funds in process to be delivered	429,959	330,138
Subtotal - liabilities	**429,959**	**330,138**

NOTE 8 – FINANCIAL ASSETS HELD FOR TRADING AT FAIR VALUE THROUGH PROFIT OR LOSS

a) As of December 31, 2023 and 2022. The detail of financial assets held for trading at fair value through profit or loss is as follows:

	December 31, 2023 MCh$	December 31, 2022 MCh$
Financial derivative contracts	6,000,937	6,770,653
Debt financial instruments	974,506	770,101
Other financial instruments	113,254	139,861
Total	**7,088,697**	**7,680,615**

b) As of December 31, 2023 and 2022. The detail of financial derivatives is as follows:

	December 31, 2023								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Financial derivative contracts									
Forwards	-	18,180,525	18,290,069	22,116,555	6,318,869	1,673,473	2,947,724	**69,527,215**	**976,610**
Swaps	59,006	6,421,031	29,762,566	53,913,981	55,887,409	31,574,435	35,839,131	**213,457,559**	**5,022,596**
Call options	-	9,958	15,359	65,421	5,483	-	-	**96,221**	**1,709**
Put options	-	8,034	15,814	37,416	5,107	-	-	**66,371**	**22**
Futures	-	-	-	7,368	-	-	-	**7,368**	**-**
Other	-	-	-	-	-	-	-	**-**	**-**
Total	**59,006**	**24,619,548**	**48,083,808**	**76,140,741**	**62,216,868**	**33,247,908**	**38,786,855**	**283,154,734**	**6,000,937**

	December 31, 2022								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Financial derivative contracts									
Forwards	17,617	12,711,403	10,165,928	16,814,959	7,844,486	1,589,739	2,218,209	**51,362,341**	**1,256,776**
Swaps	162,974	4,717,715	13,435,556	35,220,126	44,734,107	26,679,810	27,825,048	**152,775,336**	**5,507,865**
Call options	-	21,074	50,119	106,155	1,699	114	-	**179,161**	**1,133**
Put options	-	20,104	48,269	94,005	1,189	-	-	**163,567**	**4,879**
Futures	-	-	-	3	-	-	-	**3**	**-**
Other	-	-	-	-	-	-	-	**-**	**-**
Total	**180,591**	**17,470,296**	**23,699,872**	**52,235,248**	**52,581,481**	**28,269,663**	**30,043,257**	**204,480,408**	**6,770,653**

c) As of December 31, 2023 and 2022, the composition of debt instruments is as follows:

	December 31, 2023								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Debt financial instruments									
Of the Government and Central Bank of Chile	5,224	43,006	98	728	254,966	146	156,615	**460,783**	**452,459**
Other debt financial instruments issued locally	-	28,140	10,633	262,236	174,285	20,420	15,192	**510,906**	**489,240**
Debt financial instruments issued abroad	-	8	-	586	-	-	32,213	**32,807**	**32,807**
Total	**5,224**	**71,154**	**10,731**	**263,550**	**429,251**	**20,566**	**204,020**	**1,004,496**	**974,506**

	December 31, 2022								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Debt financial instruments									
Of the Government and Central Bank of Chile	4,970	6,844	51,768	159	21,787	188,636	21,135	**295,299**	**290,249**
Other debt financial instruments issued locally	196,398	10,148	18,829	83,624	174,150	2,324	15,245	**500,718**	**478,970**
Debt financial instruments issued abroad	-	882	-	-	-	-	-	**882**	**882**
Total	**201,368**	**17,874**	**70,597**	**83,783**	**195,937**	**190,960**	**36,380**	**796,899**	**770,101**

d) As of December 31, 2023 and 2022, the composition of other financial instruments is as follows:

	December 31, 2023								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Debt financial instruments									
Investments in mutual funds	12,403	78,517	-	1,243	-	-	209	**92,372**	**92,371**
Equity instruments	17,669	-	-	-	-	-	3,214	**20,883**	**20,883**
Loans originated and acquired by the entity	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	**30,072**	**78,517**	**-**	**1,243**	**-**	**-**	**3,423**	**113,255**	**113,254**

	December 31, 2022								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Debt financial instruments									
Investments in mutual funds	20,362	57,340	-	1,130	-	-	31,040	**109,872**	**109,716**
Equity instruments	27,688	-	-	-	-	-	3,195	**30,883**	**30,145**
Loans originated and acquired by the entity	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	**48,050**	**57,340**	**-**	**1,130**	**-**	**-**	**34,235**	**140,755**	**139,861**

NOTE 9 – FINANCIAL ASSETS NOT HELD FOR TRADING MANDATORILY MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

As of December 31, 2023 and 2022, the composition of non-trading financial assets mandatorily measured at fair value through profit or loss is as follows:

	December 31, 2023	December 31, 2022
	MCh$	MCh$
Financial debt instruments		
Government and Central Bank of Chile	-	-
Other debt financial instruments issued in Chile	-	-
Debt financial instruments issued abroad	-	-
Subtotal debt financial instruments	**-**	**-**
Loans originated and acquired by the entity	58,963	71,282
Other	-	-
Subtotal other financial instruments	**58,963**	**71,282**
Total	**58,963**	**71,282**

NOTE 10 – FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

As of December 31, 2023 and 2022, the Bank has no financial assets and liabilities at fair value through profit or loss.

NOTE 11 – FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

a) As of December 31, 2023 and 2022, the detail of financial assets at fair value through other comprehensive income is as follows:

	December 31, 2023 MCh$	December 31, 2022 MCh$
Debt financial instruments		
Of the Government and Central Bank of Chile	3,836,396	4,876,148
Other debt financial instruments issued locally	913,670	1,501,544
Debt financial instruments issued abroad	4,241,071	4,099,669
Subtotal debt financial instruments	**8,991,137**	**10,477,361**
Loans originated and acquired by the entity	-	-
Other	-	-
Subtotal other financial instruments	**-**	**-**
Total	**8,991,137**	**10,477,361**

b) As of December 31, 2023 and 2022 the movement in financial assets at fair value through other comprehensive income is as follows:

	Changes in fair value				Expected credit loss			
	Stage 1 MCh$	Stage 2 MCh$	Stage 3 MCh$	Total stages MCh$	Stage 1 MCh$	Stage 2 MCh$	Stage 3 MCh$	Total stages MCh$
Opening balance as of January 1, 2023	**10,473,214**	**4,147**	**-**	**10,477,361**	**30,464**	**821**	**-**	**31,285**
Purchases made in the period	3,079,882	87,027	-	**3,166,909**	10,192	8,106	-	**18,298**
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Assets derecognized or matured	(4,777,377)	144	-	**(4,777,233)**	(11,678)	68	-	**(11,610)**
Changes due to modifications not derecognized	-	-	-	-	-	-	-	-
Exchange rate adjustments	123,980	120	-	**124,100**	644	24	-	**668**
Final balance as of December 31, 2023	**8,899,699**	**91,438**	**-**	**8,991,137**	**29,622**	**9,019**	**-**	**38,641**

	Changes in fair value				Expected credit loss			
	Stage 1 MCh$	Stage 2 MCh$	Stage 3 MCh$	Total stages MCh$	Stage 1 MCh$	Stage 2 MCh$	Stage 3 MCh$	Total stages MCh$
Opening balance as of January 1, 2022	**10,796,000**	**17,647**	**-**	**10,813,647**	**30,688**	**3,770**	**-**	**34,458**
Purchases made in the period	4,557,693	-	-	**4,557,693**	6,357	-	-	**6,357**
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Assets derecognized or matured	(4,772,759)	(13,393)	-	**(4,786,152)**	(6,448)	(2,926)	-	**(9,374)**
Changes due to modifications not derecognized	-	-	-	-	-	-	-	-
Exchange rate adjustments	(107,720)	(107)	-	**(107,827)**	(133)	(23)	-	**(156)**
Final balance as of December 31, 2022	**10,473,214**	**4,147**	**-**	**10,477,361**	**30,464**	**821**	**-**	**31,285**

c) As of December 31, 2023 and 2022, the detail of the present value, fair value, unrealized gains and losses, corresponding financial instruments is as follows:

	December 31, 2023			
	Present value MCh$	Market value MCh$	Unrealized gain MCh$	Unrealized loss MCh$
Debt financial instruments:				
Of the Government and Central Bank of Chile	3,930,868	3,836,396	38,833	133,305
Other debt financial instruments issued locally	922,562	913,670	4,899	13,791
Debt financial instruments issued abroad	4,854,439	4,241,071	2,207	615,575
Subtotal	**9,707,869**	**8,991,137**	**45,939**	**762,671**
Other financial instruments:				
Loans originated and acquired by the entity	-	-	-	-
Other	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**
Total	**9,707,869**	**8,991,137**	**45,939**	**762,671**

	December 31, 2022			
	Present value MCh$	Market value MCh$	Unrealized gain MCh$	Unrealized loss MCh$
Debt financial instruments:				
Of the Government and Central Bank of Chile	5,029,641	4,876,148	8,035	161,527
Other debt financial instruments issued locally	1,550,857	1,501,544	2,012	51,325
Debt financial instruments issued abroad	4,804,003	4,099,669	582	704,916
Subtotal	**11,384,501**	**10,477,361**	**10,629**	**917,768**
Other financial instruments:				
Loans originated and acquired by the entity	-	-	-	-
Other	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**
Total	**11,384,501**	**10,477,361**	**10,629**	**917,768**

NOTE 12 – FINANCIAL DERIVATIVES CONTRACT FOR ACCOUNTING HEDGE

a) As of December 31, 2023 and 2022, the detail of the portfolio of financial derivative contracts for accounting hedge is as follows:

	December 31, 2023								
	Notional amounts								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Fair value hedging derivatives:									
Forwards	-	-	-	-	-	-	-	-	-
Swaps	-	-	23,500	2,120,707	1,509,265	631,636	1,134,921	**5,420,029**	**438,020**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**23,500**	**2,120,707**	**1,509,265**	**631,636**	**1,134,921**	**5,420,029**	**438,020**
Cash flow hedging derivatives:									
Forwards	-	294,315	220,736	147,157	55,184	-	-	**717,392**	**4,016**
Swaps	-	81,111	169,588	916,422	2,560,750	1,722,413	3,567,936	**9,018,220**	**1,557,397**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**375,426**	**390,324**	**1,063,579**	**2,615,934**	**1,722,413**	**3,567,936**	**9,735,612**	**1,561,413**
Hedging derivative abroad									
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**375,426**	**413,824**	**3,184,286**	**4,125,199**	**2,354,049**	**4,702,857**	**15,155,641**	**1,999,433**

	December 31, 2023								
	Notional amounts								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Liabilities
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Fair value hedging derivatives:									
Forwards	-	-	-	-	-	-	-	-	-
Swaps	-	-	23,500	2,074,151	1,314,855	617,457	1,094,066	**5,124,029**	**227,454**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**23,500**	**2,074,151**	**1,314,855**	**617,457**	**1,094,066**	**5,124,029**	**227,454**
Cash flow hedging derivatives:									
Forwards	-	293,440	220,422	148,468	56,613	-	-	**718,943**	**5,864**
Swaps	-	121,405	230,451	1,020,886	3,292,295	1,756,713	3,910,191	**10,331,941**	**2,302,523**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**414,845**	**450,873**	**1,169,354**	**3,348,908**	**1,756,713**	**3,910,191**	**11,050,884**	**2,308,387**
Hedging derivative abroad									
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**414,845**	**474,373**	**3,243,505**	**4,663,763**	**2,374,170**	**5,004,257**	**16,174,913**	**2,535,841**

	December 31, 2022								
	Notional amounts								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Fair value hedging derivatives:									
Forwards	-	-	-	-	-	-	-	-	-
Swaps	-	-	436,838	920,149	2,230,098	1,546,913	1,429,932	**6,563,930**	**462,148**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**436,838**	**920,149**	**2,230,098**	**1,546,913**	**1,429,932**	**6,563,930**	**462,148**
Cash flow hedging derivatives:									
Forwards	-	-	35,111	245,777	-	-	-	**280,888**	**14,684**
Swaps	-	131,441	314,837	971,526	2,600,652	2,031,387	2,581,070	**8,630,913**	**1,312,019**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**131,441**	**349,948**	**1,217,303**	**2,600,652**	**2,031,387**	**2,581,070**	**8,911,801**	**1,326,703**
Hedging derivatives abroad									
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**131,441**	**786,786**	**2,137,452**	**4,830,750**	**3,578,300**	**4,011,002**	**15,475,731**	**1,788,851**

	December 31, 2022								
	Notional amounts								Fair Value
	On- demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Liabilities
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Fair value hedging derivatives:									
Forwards	-	-	-	-	-	-	-	-	-
Swaps	-	-	436,838	835,549	2,165,021	1,421,602	1,394,140	**6,253,150**	**345,873**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**436,838**	**835,549**	**2,165,021**	**1,421,602**	**1,394,140**	**6,253,150**	**345,873**
Cash flow hedging derivatives:									
Forwards	-	-	31,292	228,226	-	-	-	**259,518**	**43,365**
Swaps	-	150,411	331,240	1,232,501	3,050,767	2,126,869	2,988,529	**9,880,317**	**2,201,230**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**150,411**	**362,532**	**1,460,727**	**3,050,767**	**2,126,869**	**2,988,529**	**10,139,835**	**2,244,595**
Hedging derivative abroad									
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**150,411**	**799,370**	**2,296,276**	**5,215,788**	**3,548,471**	**4,382,669**	**16,392,985**	**2,590,468**

b) Types of derivatives

The Bank uses accounting hedges to manage the fair value and cash flow risk to which it is exposed.

i) Fair value hedges:

Fair value hedges for both foreign currency and local currency positions cover the fair value of the position against changes in the base rate, without considering the implicit credit spread. These operations reduce the risk of changes associated with fluctuations in their fair value as a result of changes in interest rate structures, among others.

Considering the different items in the balance sheet as derivatives that comply with the function of hedging such risks, either by Cash Flow or Fair Value Hedges, the objective of these tables is to show the management of risk hedges in P&L, as their presented values exclude adjustments and interest accrual.

A detailed summary of the hedging items and instruments used in fair value hedges as of December 31, 2023 and 2022 in notional amounts is presented below:

	December 31, 2023									
	Notional amounts								Fair Value	Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets	Liabilities
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item:										
Sensitivity	-	-	-	-	294,315	127,622	472,589	**894,526**	**11,150**	**9,137**
Items set / loans	-	-	444,775	-	889,550	-	-	**1,334,325**	**7,269**	**5,708**
Of the Government and Central Bank of Chile	-	-	23,500	471,000	-	168,000	322,885	**985,385**	**11,544**	**37,533**
Other instruments issued locally	-	-	-	444,775	471,212	31,303	-	**947,290**	**5,277**	**3,402**
Instruments issued abroad	-	-	-	-	9,666	52,471	219,837	**281,974**	**1,434**	**28,510**
Consumer	-	-	-	-	-	-	-	-	-	-
Mortgage	-	-	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	29,401	-	**29,401**	**1,049**	-
Items set / liabilities	-	-	-	1,125,218	52,470	-	-	**1,177,688**	**20,298**	**168**
Term deposit	-	-	-	119,474	-	-	-	**119,474**	**45**	**1,853**
Current bonds	-	-	-	405,016	1,154,870	264,053	591,805	**2,415,744**	**104,083**	**9,914**
Subordinated bonds	-	-	-	-	-	-	-	-	-	-
Mortgage bonds	-	-	-	-	-	-	-	-	-	-
Foreign investment	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**468,275**	**2,565,483**	**2,872,083**	**672,850**	**1,607,116**	**8,185,807**	**162,149**	**96,225**
Hedging instrument:										
Forwards	-	-	-	-	-	-	-	-	-	-
CCS	-	-	-	440,207	1,106,006	198,949	757,357	**2,502,519**	**2,232**	**76,792**
IRS	-	-	468,275	2,125,276	1,766,077	473,901	849,759	**5,683,288**	**101,730**	**93,557**
Options	-	-	-	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**468,275**	**2,565,483**	**2,872,083**	**672,850**	**1,607,116**	**8,185,807**	**103,962**	**170,349**

	December 31, 2022									
	Notional amounts								Fair Value	Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets	Liabilities
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item:										
Sensitivity	-	-	-	-	-	395,666	166,742	**562,408**	**691**	**20,267**
Items set / loans	-	-	-	-	-	-	-	-	-	-
Of the Government and Central Bank of Chile	-	-	25,000	-	-	-	442,385	**467,385**	**3,319**	**54,645**
Other instruments issued locally	-	-	-	-	-	-	-	-	-	-
Instruments issued abroad	-	-	-	-	40,380	60,030	253,404	**353,814**	-	**49,445**
Consumer	-	-	-	-	-	-	-	-	-	-
Mortgage	-	-	-	-	-	-	-	-	-	-
Commercial	-	-	-	-	-	-	-	-	-	-
Items set / liabilities	-	-	-	-	1,156,838	-	-	**1,156,838**	**78,617**	-
Term deposit	-	-	411,838	343,484	118,467	-	-	**873,789**	**6,288**	**2,486**
Current bonds	-	-	-	576,665	920,973	1,102,129	729,590	**3,329,357**	**177,121**	**7,731**
Subordinated bonds	-	-	-	-	-	-	-	-	-	-
Mortgage bonds	-	-	-	-	-	-	-	-	-	-
Foreign investment	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**436,838**	**920,149**	**2,236,658**	**1,557,825**	**1,592,121**	**6,743,591**	**266,036**	**134,574**
Hedging instrument:										
Forwards	-	-	-	-	-	-	-	-	-	-
CCS	-	-	-	569,149	879,658	984,648	631,053	**3,064,508**	**19,730**	**120,079**
IRS	-	-	436,838	351,000	1,357,000	573,177	961,068	**3,679,083**	**122,280**	**145,200**
Options	-	-	-	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**436,838**	**920,149**	**2,236,658**	**1,557,825**	**1,592,121**	**6,743,591**	**142,010**	**265,279**

c) As of December 31, 2023 and 2022, the estimation of the periods in which the cash flows by type of risk are expected to occur are as follows:

i) Cash flow projections for interest rate risk:

	As of December 31, 2023							
Cash flow projections for interest rate risk	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	10,894	22,922	109,671	355,920	149,433	1,180,963	**1,829,803**
Cash outflow	-	(13,772)	(23,567)	(128,826)	(350,109)	(156,568)	(1,192,734)	**(1,865,576)**
Net cash flows	**-**	**(2,878)**	**(645)**	**(19,155)**	**5,811**	**(7,135)**	**(11,771)**	**(35,773)**
Hedging instruments								
Cash inflow	-	13,772	23,567	128,826	350,109	156,568	1,192,734	**1,865,576**
Cash outflow	-	(10,894)	(22,922)	(109,671)	(355,920)	(149,433)	(1,180,963)	**(1,829,803)**
Net cash flows	**-**	**2,878**	**645**	**19,155**	**(5,811)**	**7,135**	**11,771**	**35,773**

Cash flow projections for interest rate risk	As of December 31, 2022							
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	32,867	102,860	33,690	237,916	89,650	177,565	**674,548**
Cash outflow	-	(27,947)	(87,543)	(10,382)	(212,732)	(71,366)	(155,586)	**(565,556)**
Net cash flows	**-**	**4,920**	**15,317**	**23,308**	**25,184**	**18,284**	**21,979**	**108,992**
Hedging instruments								
Cash inflow	-	27,947	87,543	10,382	212,732	71,366	155,586	**565,556**
Cash outflow	-	(32,867)	(102,860)	(33,690)	(237,916)	(89,650)	(177,565)	**(674,548)**
Net cash flows	**-**	**(4,920)**	**(15,317)**	**(23,308)**	**(25,184)**	**(18,284)**	**(21,979)**	**(108,992)**

ii) Cash flow projection for inflation risk:

Cash flow projection for inflation risk	As of December 31, 2023							
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	381,740	303,109	660,003	2,601,567	941,123	2,043,188	**6,930,730**
Cash outflow	-	(363,411)	(315,067)	(678,928)	(2,443,850)	(999,462)	(1,865,065)	**(6,665,783)**
Net cash flows	**-**	**18,329**	**(11,958)**	**(18,925)**	**157,717**	**(58,339)**	**178,123**	**264,947**
Hedging instruments								
Cash inflow	-	363,411	315,067	678,928	2,443,850	999,462	1,865,065	**6,665,783**
Cash outflow	-	(381,740)	(303,109)	(660,003)	(2,601,567)	(941,123)	(2,043,188)	**(6,930,730)**
Net cash flows	**-**	**(18,329)**	**11,958**	**18,925**	**(157,717)**	**58,339**	**(178,123)**	**(264,947)**

Cash flow projection for inflation risk	As of December 31, 2022							
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	64,999	(150,310)	1,345,828	2,079,239	1,393,146	2,358,432	**7,091,334**
Cash outflow	-	(83,197)	88,512	(1,360,180)	(2,013,063)	(1,486,558)	(2,195,749)	**(7,050,235)**
Net cash flows	**-**	**(18,198)**	**(61,798)**	**(14,352)**	**66,176**	**(93,412)**	**162,683**	**41,099**
Hedging instruments								
Cash inflow	-	83,197	(88,512)	1,360,180	2,013,063	1,486,558	2,195,749	**7,050,235**
Cash outflow	-	(64,999)	150,310	(1,345,828)	(2,079,239)	(1,393,146)	(2,358,432)	**(7,091,334)**
Net cash flows	**-**	**18,198**	**61,798**	**14,352**	**(66,176)**	**93,412**	**(162,683)**	**(41,099)**

iii) Cash flow projections for exchange rate risk:

Cash flow projections for exchange rate risk	As of December 31, 2023							
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	2,088	57,341	285,640	307,759	816,502	316,305	**1,785,635**
Cash outflow	-	(848)	(50,024)	(271,560)	(273,739)	(846,939)	(334,448)	**(1,777,558)**
Net cash flows	**-**	**1,240**	**7,317**	**14,080**	**34,020**	**(30,437)**	**(18,143)**	**8,077**
Hedging instruments								
Cash inflow	-	848	50,024	271,560	273,739	846,939	334,448	**1,777,558**
Cash outflow	-	(2,088)	(57,341)	(285,640)	(307,759)	(816,502)	(316,305)	**(1,785,635)**
Net cash flows	**-**	**(1,240)**	**(7,317)**	**(14,080)**	**(34,020)**	**30,437**	**18,143**	**(8,077)**

Cash flow projections for exchange rate risk	As of December 31, 2022							
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	1,702	112,577	83,099	442,884	780,459	332,830	**1,753,551**
Cash outflow	-	(794)	(132,189)	(36,992)	(401,345)	(747,909)	(343,000)	**(1,662,229)**
Net cash flows	**-**	**908**	**(19,612)**	**46,107**	**41,539**	**32,550**	**(10,170)**	**91,322**
Hedging instruments								
Cash inflow	-	794	132,189	36,992	401,345	747,909	343,000	**1,662,229**
Cash outflow	-	(1,702)	(112,577)	(83,099)	(442,884)	(780,459)	(332,830)	**(1,753,551)**
Net cash flows	**-**	**(908)**	**19,612**	**(46,107)**	**(41,539)**	**(32,550)**	**10,170**	**(91,322)**

d) As of December 31, 2023 and 2022, the valuation generated by those hedging instruments used in cash flow hedges whose effect was recognized in the Consolidated Statements of Changes in Equity, specifically in the caption "Accumulated other comprehensive income", in cash flow hedges, is as follows:

	December 31, 2023 MCh$	December 31, 2022 MCh$
Hedged item		
Sensitivity	-	-
Items set / loans	175,430	156,595
Of the Government and Central Bank of Chile	50,324	70,770
Other instruments issued locally	-	-
Instruments issued abroad	-	-
Consumer	-	-
Mortgage	-	-
Commercial	(21)	(166)
Items set / liabilities	699	(63,422)
Term deposit	(20,889)	-
Current bonds	(35,488)	(21,955)
Subordinated bonds	-	-
Mortgage bonds	-	-
Foreign investment	-	-
Dismantling	3,938	(914)
Deferred tax	(46,978)	(38,045)
Total	**127,015**	**102,863**

e) As of December 31, 2023 and 2022, profit or loss generated by those cash flow derivatives whose effect was transferred from other comprehensive income to profit or loss for the period is as follows:

	December 31, 2023 MCh$	December 31, 2022 MCh$
Hedged item		
Sensitivity	-	-
Items set / loans	(848,814)	(929,428)
Of the Government and Central Bank of Chile	(111,741)	(82,667)
Other instruments issued locally	-	-
Instruments issued abroad	-	-
Consumer	-	-
Mortgage	-	-
Commercial	(62)	(110)
Items set / liabilities	9,135	8,097
Term deposit	6,385	-
Current bonds	62,361	9,603
Subordinated bonds	-	-
Mortgage bonds	-	-
Foreign investment	-	-
Total	**(882,736)**	**(994,505)**

NOTE 13 – FINANCIAL ASSETS AT AMORTIZED COST

a) As of December 31, 2023 and 2022, the detail of financial assets at amortized cost is as follows:

	December 31, 2023 MCh$	December 31, 2022 MCh$
Rights for reverse repurchase agreements and securities lending	207,114	182,061
Debt financial instruments	4,322,383	3,581,998
Loans and advances to banks	680,190	767,700
Loans and receivables from customers - Commercial	31,940,712	29,276,944
Loans and receivables from customers - Mortgage	13,740,355	12,809,381
Loans and receivables from customers - Consumer	2,879,083	3,212,807
Total	**53,769,837**	**49,830,891**

b) As of December 31, 2023 and 2022, the rights under repurchase agreements and securities loans are as follows:

	Maturity of the commitment to December 31, 2023							
	On-demand	Up to a month	More than one month and three months	More than three months up to one year	Between 1 year and 3 years	More than 3 years up to 5 years	More than five years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Operations with banks in the country								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with the Central Bank of Chile	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Transactions with foreign banks								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with foreign Central Banks	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Operations with other entities in the country								
Repurchase contract with other entities in the country	-	177,157	27,510	2,447	-	-	-	**207,114**
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	**177,157**	**27,510**	**2,447**	-	-	-	**207,114**
Transactions with other entities abroad								
Transactions with other entities abroad	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Accumulated impairment in rights for repurchase agreements	-	-	-	-	-	-	-	-
Total	-	**177,157**	**27,510**	**2,447**	-	-	-	**207,114**

	Maturity of the commitment as of December 31, 2022							
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Transactions with local banks								
Reverse repurchases agreements with other banks	-	-	-	-	-	-	-	-
Reverse repurchases agreements with the Central Bank of Chile	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Transactions with foreign banks								
Reverse repurchases agreements with other banks	-	-	-	-	-	-	-	-
Reverse repurchases agreements with the Central Bank of Chile	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Transactions with other local entities								
Reverse repurchases agreements with local entities	-	142,319	21,264	18,478	-	-	-	182,061
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	**142,319**	**21,264**	**18,478**	-	-	-	**182,061**
Transactions with other foreign entities								
Transactions with other foreign entities	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Accumulated impairment on rights of reverse repurchases agreements	-	-	-	-	-	-	-	-
Total	-	**142,319**	**21,264**	**18,478**	-	-	-	**182,061**

c) As of December 31, 2023 and 2022, the detail of debt financial instruments is as follows:

	December 31, 2023 MCh$	December 31, 2022 MCh$
Debt financial instruments:		
Of the Government and Central Bank of Chile	1,777,173	1,145,241
Other debt financial instruments issued locally	56,159	43,345
Debt financial instruments issued abroad	2,501,824	2,405,089
Debt financial instruments	(12,773)	(11,677)
Total	**4,322,383**	**3,581,998**

d) As of December 31, 2023 and 2022, the movement in debt financial instruments at amortized cost is as follows:

	Changes in fair value				Expected credit loss			
	Stage 1	Stage 2	Stage 3	Total Stage	Stage 1	Stage 2	Stage 3	Total Stage
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Opening balance as of January 1, 2023	**3,581,998**	**-**	**-**	**3,581,998**	**11,675**	**-**	**-**	**11,675**
Purchases made during the year	808,373	-	-	808,373	1,787	-	-	1,787
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Assets derecognized or expired	(62,438)	-	-	(62,438)	(1,078)	-	-	(1,078)
Changes due to modifications not derecognized	-	-	-	-	-	-	-	-
Exchange rate adjustments	(5,550)	-	-	(5,550)	337	-	-	337
Final balance as of December 31, 2023	**4,322,383**	**-**	**-**	**4,322,383**	**12,721**	**-**	**-**	**12,721**

	Changes in fair value				Expected credit loss			
	Stage 1	Stage 2	Stage 3	Total Stage	Stage 1	Stage 2	Stage 3	Total Stage
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Opening balance as of January 1, 2022	**2,277,937**	**-**	**-**	**2,277,937**	**1,290**	**-**	**-**	**1,290**
Purchases made during the year	2,616,827	-	-	2,616,827	9,707	-	-	9,707
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Assets derecognized or expired	(1,305,162)	-	-	(1,305,162)	686	-	-	686
Changes due to modifications not derecognized	-	-	-	-	-	-	-	-
Exchange rate adjustments	(7,604)	-	-	(7,604)	(8)	-	-	(8)
Final balance as of December 31, 2022	**3,581,998**	**-**	**-**	**3,581,998**	**11,675**	**-**	**-**	**11,675**

e) As of December 31, 2023 and 2022, the detail of loans and advances to banks is as follows:

December 31, 2023	Financial assets before provisions				Provisions recorded				Net Financial Asset
	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	Total	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	Total	
	Individual assessment	Individual assessment	Individual assessment		Individual assessment	Individual assessment	Individual assessment		
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Local banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Interbank liquidity loans	-	-	-	-	-	-	-	-	-
Interbank commercial loans	-	-	-	-	-	-	-	-	-
Overdrafts in checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean exports	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third-party countries	-	-	-	-	-	-	-	-	-
Non-transferable deposits in local banks	-	-	-	-	-	-	-	-	-
Other credit balances with local banks	-	-	-	-	-	-	-	-	-
Foreign banks	**681,026**	**-**	**-**	**681,026**	**(836)**	**-**	**-**	**(836)**	**680,190**
Interbank liquidity loans	199,591	-	-	199,591	(204)	-	-	(204)	199,387
Interbank commercial loans	-	-	-	-	-	-	-	-	-
Overdrafts in checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean exports	134,761	-	-	134,761	(192)	-	-	(192)	134,569
Foreign trade loans - Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third-party countries	346,674	-	-	346,674	(440)	-	-	(440)	346,234
Deposits in current accounts in foreign banks for derivative transactions	-	-	-	-	-	-	-	-	-
Other non-transferable deposits in foreign banks	-	-	-	-	-	-	-	-	-
Other credit balances with foreign banks	-	-	-	-	-	-	-	-	-
Subtotal local and foreign banks	**681,026**	**-**	**-**	**681,026**	**(836)**	**-**	**-**	**(836)**	**680,190**
Central Bank of Chile	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Deposits in current account of the Central Bank of Chile for derivative transactions with a central counterparty	-	-	-	-	-	-	-	-	-
Other deposits in the Central Bank of Chile, not available	-	-	-	-	-	-	-	-	-
Other credit balances with the Central Bank of Chile	-	-	-	-	-	-	-	-	-
Foreign Central Banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Deposits in current accounts of foreign Central Banks for derivative transactions	-	-	-	-	-	-	-	-	-
Other deposits in foreign Central Banks, not available	-	-	-	-	-	-	-	-	-
Other credit balances with foreign Central Banks	-	-	-	-	-	-	-	-	-
Subtotal Central Bank of Chile and Foreign Central Banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**681,026**	**-**	**-**	**681,026**	**(836)**	**-**	**-**	**(836)**	**680,190**

December 31, 2022	Financial assets before provisions				Provisions recorded				Net Financial Asset
	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	Total	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	Total	
	Individual assessment	Individual assessment	Individual assessment		Individual assessment	Individual assessment	Individual assessment		
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Local banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Interbank liquidity loans	-	-	-	-	-	-	-	-	-
Interbank commercial loans	-	-	-	-	-	-	-	-	-
Overdrafts in checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean exports	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third-party countries	-	-	-	-	-	-	-	-	-
Non-transferable deposits in local banks	-	-	-	-	-	-	-	-	-
Other credit balances with local banks	-	-	-	-	-	-	-	-	-
Foreign banks	**768,663**	**-**	**-**	**768,663**	**(963)**	**-**	**-**	**(963)**	**767,700**
Interbank liquidity loans	304,484	-	-	304,484	(367)	-	-	(367)	304,117
Interbank commercial loans	-	-	-	-	-	-	-	-	-
Overdrafts in checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean exports	67,264	-	-	67,264	(102)	-	-	(102)	67,162
Foreign trade loans - Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third-party countries	396,915	-	-	396,915	(494)	-	-	(494)	396,421
Deposits in current accounts in foreign banks for derivative transactions	-	-	-	-	-	-	-	-	-
Other non-transferable deposits in foreign banks	-	-	-	-	-	-	-	-	-
Other credit balances with foreign banks	-	-	-	-	-	-	-	-	-
Subtotal local and foreign banks	**768,663**	**-**	**-**	**768,663**	**(963)**	**-**	**-**	**(963)**	**767,700**
Central Bank of Chile	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Deposits in current account of the Central Bank of Chile for derivative transactions with a central counterparty	-	-	-	-	-	-	-	-	-
Other deposits in the Central Bank of Chile, not available	-	-	-	-	-	-	-	-	-
Other credit balances with the Central Bank of Chile	-	-	-	-	-	-	-	-	-
Foreign Central Banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Deposits in current accounts of foreign Central Banks for derivative transactions	-	-	-	-	-	-	-	-	-
Other deposits in foreign Central Banks, not available	-	-	-	-	-	-	-	-	-
Other credit balances with foreign Central Banks	-	-	-	-	-	-	-	-	-
Subtotal Central Bank of Chile and Foreign Central Banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**768,663**	**-**	**-**	**768,663**	**(963)**	**-**	**-**	**(963)**	**767,700**

f) As of December 31, 2023 and 2022, the balances of loans and receivables from customers are as follows:

December 31, 2023	Financial assets before provisions						Provisions recorded								Net financial assets
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	FOGAPE Covid-19 guarantee deductible (i)	Total	
	Assessment		Assessment	Assessment			Assessment		Assessment	Assessment					
	Individual / Group		Individual	Individual / Group			Individual / Group		Individual	Individual / Group					
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans															
Commercial loans	21,219,213	3,369,142	1,516,751	668,652	359,636	27,133,394	(102,428)	(31,008)	(23,225)	(110,016)	(96,969)	(363,646)	(26,133)	(389,779)	26,743,615
Foreign trade credits Chilean exports	1,249,591	10,970	15,410	1,313	-	1,277,284	(4,594)	(233)	(1,226)	(525)	-	(6,578)	-	(6,578)	1,270,706
Foreign trade credits Chilean imports	354,379	28,212	11,836	6,692	-	401,119	(3,917)	(665)	(1,195)	(1,673)	-	(7,450)	-	(7,450)	393,669
Foreign trade credits between third countries	231,965	-	6,487	5,424	-	243,876	(606)	-	(2)	(4,881)	-	(5,489)	-	(5,489)	238,387
Debtors in current accounts	64,386	69,293	5,189	1,635	9,561	150,064	(339)	(1,887)	(581)	(865)	(5,202)	(8,874)	-	(8,874)	141,190
Credit card debtors	5,736	53,788	903	321	7,522	68,270	(94)	(1,645)	(107)	(229)	(4,196)	(6,271)	-	(6,271)	61,999
Factoring operations	1,253,883	71,277	42,702	117	356	1,368,335	(10,158)	(1,119)	(4,255)	(57)	(127)	(15,716)	-	(15,716)	1,352,619
Commercial finance lease operations	1,162,667	289,576	150,618	32,326	13,687	1,648,874	(9,245)	(2,628)	(3,025)	(4,267)	(3,778)	(22,943)	-	(22,943)	1,625,931
Student loans	-	100,286	-	-	15,224	115,510	-	(1,258)	-	-	(2,709)	(3,967)	-	(3,967)	111,543
Other loans and receivable	-	70	-	9,542	1,038	10,650	(1,109)	(2)	-	(7,982)	(504)	(9,597)	-	(9,597)	1,053
Subtotal	**25,541,820**	**3,992,614**	**1,749,896**	**726,022**	**407,024**	**32,417,376**	**(132,490)**	**(40,445)**	**(33,616)**	**(130,495)**	**(113,485)**	**(450,531)**	**(26,133)**	**(476,664)**	**31,940,712**
Mortgage loans															
Loans with letters of credit	-	514	-	-	55	569	-	(1)	-	-	(5)	(6)	-	(6)	563
Loans with endorsable mortgage mutual funds	-	3,319,410	-	-	6,570	3,325,980	-	(17,440)	-	-	(64)	(17,504)	-	(17,504)	3,308,476
Loans with mutual funds financed with mortgage bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other credits with mortgage loans	-	10,038,917	-	-	381,885	10,420,802	-	(17,526)	-	-	(35,901)	(53,427)	-	(53,427)	10,367,375
Financial lease operations for Mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other loans and accounts receivable	-	61,409	-	-	2,926	64,335	-	(148)	-	-	(246)	(394)	-	(394)	63,941
Subtotal	**-**	**13,420,250**	**-**	**-**	**391,436**	**13,811,686**	**-**	**(35,115)**	**-**	**-**	**(36,216)**	**(71,331)**	**-**	**(71,331)**	**13,740,355**
Consumer Loans															
Consumer loans in installments	-	1,579,211	-	-	174,027	1,753,238	-	(74,456)	-	-	(96,327)	(170,783)	-	(170,783)	1,582,455
Debtors in current accounts	-	91,476	-	-	19,090	110,566	-	(6,927)	-	-	(14,235)	(21,162)	-	(21,162)	89,404
Credit card debtors	-	1,192,207	-	-	78,984	1,271,191	-	(56,439)	-	-	(49,673)	(106,112)	-	(106,112)	1,165,079
Consumer finance lease operations	-	428	-	-	4	432	-	(4)	-	-	(2)	(6)	-	(6)	426
Other loans and receivable	-	41,996	-	-	371	42,367	-	(385)	-	-	(263)	(648)	-	(648)	41,719
Subtotal	**-**	**2,905,318**	**-**	**-**	**272,476**	**3,177,794**	**-**	**(138,211)**	**-**	**-**	**(160,500)**	**(298,711)**	**-**	**(298,711)**	**2,879,083**
TOTAL	**25,541,820**	**20,318,182**	**1,749,896**	**726,022**	**1,070,936**	**49,406,856**	**(132,490)**	**(213,771)**	**(33,616)**	**(130,495)**	**(310,201)**	**(820,573)**	**(26,133)**	**(846,706)**	**48,560,150**

December 31, 2022	Financial assets before provisions						Provisions recorded								Net financial assets
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	FOGAPE Covid-19 guarantee deductible (i)	Total	
	Assessment		Assessment	Assessment			Assessment		Assessment	Assessment					
	Individual / Group		Individual	Individual / Group			Individual / Group		Individual	Individual / Group					
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans															
Commercial loans	19,951,776	3,510,630	1,204,043	505,503	295,806	**25,467,758**	(103,881)	(32,537)	(24,571)	(106,151)	(87,099)	**(354,239)**	(36,659)	**(390,898)**	**25,076,860**
Foreign trade credits Chilean exports	595,146	7,962	22,896	8,014	-	**634,018**	(5,944)	(178)	(549)	(3,168)	-	**(9,839)**	-	**(9,839)**	**624,179**
Foreign trade credits Chilean imports	400,324	24,546	11,610	-	-	**436,480**	(4,106)	(602)	(2,293)	-	-	**(7,001)**	-	**(7,001)**	**429,479**
Foreign trade credits between third countries	185,475	-	11,505	-	-	**196,980**	(723)	-	(2,261)	-	-	**(2,984)**	-	**(2,984)**	**193,996**
Debtors in current accounts	55,205	69,125	10,076	1,086	7,140	**142,632**	(502)	(1,843)	(1,084)	(586)	(3,862)	**(7,877)**	-	**(7,877)**	**134,755**
Credit card debtors	6,079	53,459	930	418	5,300	**66,186**	(109)	(1,660)	(109)	(338)	(2,956)	**(5,172)**	-	**(5,172)**	**61,014**
Factoring operations	1,188,937	79,242	10,015	3,204	2,205	**1,283,603**	(11,619)	(1,256)	(326)	(1,889)	(787)	**(15,877)**	-	**(15,877)**	**1,267,726**
Commercial financial leasing operations	921,591	284,076	139,178	27,737	10,884	**1,383,466**	(5,555)	(2,738)	(1,535)	(6,476)	(4,015)	**(20,319)**	-	**(20,319)**	**1,363,147**
Student loans	-	116,262	-	-	11,468	**127,730**	-	(1,447)	-	-	(2,137)	**(3,584)**	-	**(3,584)**	**124,146**
Other loans and receivable	-	71	-	7,502	759	**8,332**	(1,188)	(8)	-	(5,181)	(313)	**(6,690)**	-	**(6,690)**	**1,642**
Subtotal	**23,304,533**	**4,145,373**	**1,410,253**	**553,464**	**333,562**	**29,747,185**	**(133,627)**	**(42,269)**	**(32,728)**	**(123,789)**	**(101,169)**	**(433,582)**	**(36,659)**	**(470,241)**	**29,276,944**
Mortgage loans															
Loans with letters of credit	-	1,278	-	-	121	**1,399**	-	(2)	-	-	(12)	**(14)**	-	**(14)**	**1,385**
Loans with endorsable mortgage mutual funds	-	2,930,600	-	-	21,244	**2,951,844**	-	(44,818)	-	-	(32)	**(44,850)**	-	**(44,850)**	**2,906,994**
Loans with mutual funds financed with mortgage bonds	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-	**-**	**-**
Other credits with mortgage loans	-	9,573,654	-	-	267,400	**9,841,054**	-	(13,773)	-	-	(23,862)	**(37,635)**	-	**(37,635)**	**9,803,419**
Finance lease operations for Mortgage	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-	**-**	**-**
Other loans and receivable	-	93,176	-	-	5,025	**98,201**	-	(215)	-	-	(403)	**(618)**	-	**(618)**	**97,583**
Subtotal	**-**	**12,598,708**	**-**	**-**	**293,790**	**12,892,498**	**-**	**(58,808)**	**-**	**-**	**(24,309)**	**(83,117)**	**-**	**(83,117)**	**12,809,381**
Consumer Loans															
Consumer loans in installments	-	1,757,905	-	-	152,122	**1,910,027**	-	(63,222)	-	-	(83,450)	**(146,672)**	-	**(146,672)**	**1,763,355**
Debtors in current accounts	-	90,767	-	-	14,404	**105,171**	-	(6,490)	-	-	(10,617)	**(17,107)**	-	**(17,107)**	**88,064**
Credit card debtors	-	1,366,870	-	-	106,046	**1,472,916**	-	(85,226)	-	-	(70,605)	**(155,831)**	-	**(155,831)**	**1,317,085**
Consumer finance lease operations	-	309	-	-	-	**309**	-	(4)	-	-	-	**(4)**	-	**(4)**	**305**
Other loans and receivable	-	47,930	-	-	259	**48,189**	-	(4,015)	-	-	(176)	**(4,191)**	-	**(4,191)**	**43,998**
Subtotal	**-**	**3,263,781**	**-**	**-**	**272,831**	**3,536,612**	**-**	**(158,957)**	**-**	**-**	**(164,848)**	**(323,805)**	**-**	**(323,805)**	**3,212,807**
TOTAL	**23,304,533**	**20,007,862**	**1,410,253**	**553,464**	**900,183**	**46,176,295**	**(133,627)**	**(260,034)**	**(32,728)**	**(123,789)**	**(290,326)**	**(840,504)**	**(36,659)**	**(877,163)**	**45,299,132**

g) As of December 31, 2023 and 2022, the balance of contingent loans related to commercial and consumer loans are as follows:

EXPOSURE TO CREDIT RISK FOR CONTINGENT LOANS December 31, 2023	Exposure for contingent loans before provisions						Provisions recorded						Net exposure for credit risk of contingent loans
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	
	Assessment		Assessment	Assessment			Assessment		Assessment	Assessment			
	Individual / Group		Individual	Individual / Group			Individual / Group		Individual	Individual / Group			
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Guarantees and bonds	297,995	3,093	1,328	-	-	**302,416**	(1,428)	(75)	(184)	-	-	**(1,687)**	**300,729**
Letters of credit for goods movement operations	66,969	5,830	1,049	2,492	270	**76,610**	(367)	(40)	(53)	(623)	-	**(1,083)**	**75,527**
Debt purchase commitments abroad in local currency	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**
Transactions related to contingent events	1,388,540	72,458	44,014	4,917	2,089	**1,512,018**	(8,800)	(1,517)	(8,389)	(3,009)	(1,142)	**(22,857)**	**1,489,161**
Lines of credit of freely available and immediate payment	-	362,998	-	-	8,914	**371,912**	-	(3,925)	-	-	(3,048)	**(6,973)**	**364,939**
Freely available lines of credit	1,383,180	524,809	50,991	921	4,547	**1,964,448**	(12,326)	(7,250)	(2,309)	(180)	(1,577)	**(23,642)**	**1,940,806**
Other credit commitments	917,082	50,156	2,346	-	7	**969,591**	(7,010)	(441)	(88)	-	(5)	**(7,544)**	**962,047**
Other contingent loans	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**
Total	**4,053,766**	**1,019,344**	**99,728**	**8,330**	**15,827**	**5,196,995**	**(29,931)**	**(13,248)**	**(11,023)**	**(3,812)**	**(5,772)**	**(63,786)**	**5,133,209**

EXPOSURE TO CREDIT LOSS FOR CONTINGENT LOANS December 31, 2022	Exposure for contingent loans before provisions						Provisions recorded						Net exposure for credit risk of contingent loans
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	
	Assessment		Assessment	Assessment			Assessment		Assessment	Assessment			
	Individual / Group		Individual	Individual / Group			Individual / Group		Individual	Individual / Group			
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Co-debtors and guarantees	322,449	2,296	1,283	3,658	-	**329,686**	(1,593)	(47)	(369)	(1,489)	-	**(3,498)**	**326,188**
Letters of credit for merchandise circulation operations	26,833	877	17	-	-	**27,727**	(620)	(23)	(3)	-	-	**(646)**	**27,081**
Debt purchase commitments in local currency abroad	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**
Transactions related to contingent events	1,218,934	61,529	51,295	6,104	1,826	**1,339,688**	(6,890)	(1,413)	(6,945)	(3,077)	(999)	**(19,324)**	**1,320,364**
Lines of credit of free disposal of immediate cancellation	-	335,957	-	-	10,581	**346,538**	-	(4,686)	-	-	(3,702)	**(8,388)**	**338,150**
Free lines of credit	2,959,218	906,167	56,411	6,908	4,847	**3,933,551**	(8,702)	(7,537)	(1,557)	(1,960)	(2,270)	**(22,026)**	**3,911,525**
Other credit commitments	788,400	49,153	1,016	-	-	**838,569**	(5,907)	(456)	(7)	-	-	**(6,370)**	**832,199**
Other contingent loans	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**
Total	**5,315,834**	**1,355,979**	**110,022**	**16,670**	**17,254**	**6,815,759**	**(23,712)**	**(14,162)**	**(8,881)**	**(6,526)**	**(6,971)**	**(60,252)**	**6,755,507**

h) As of December 31, 2023 and 2022, the summary of movements in provisions recorded by banks is as follows:

December 31, 2023	Movement in provisions constituted by portfolio in the period			
	Individual assessment			Total
	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks				
Opening balance as of January 1, 2023	**964**	**-**	**-**	**964**
Recording / (use) of provisions for:				
Change in measurement without portfolio reclassification during the period:	5	-	-	**5**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	-	-	-	-
Individual regular to Substandard	-	-	-	-
Individual regular to individual non-performing	-	-	-	-
Substandard to Individual normal	-	-	-	-
Substandard to regular individual	-	-	-	-
Individual non-performing to Substandard	-	-	-	-
Individual non-performing to Individual regular	-	-	-	-
New loans originated	779	-	-	**779**
New loans acquired	-	-	-	-
New loans for conversion of contingent to loans	-	-	-	-
Sale or transfer of loans	-	-	-	-
Loan repayment	(965)	-	-	**(965)**
Application of provisions for write-offs	-	-	-	-
Recovery of written-off credits	-	-	-	-
Translation difference	53	-	-	**53**
Balance as of December 31, 2023	**836**	**-**	**-**	**836**

December 31, 2022	Movement in provisions constituted by portfolio in the period			
	Individual assessments			Total
	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks				
Opening balance as of January 1, 2022	**799**	**-**	**-**	**799**
Recording / (use) of provisions for:				
Change in measurement without portfolio reclassification during the period:	-	-	-	-
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	-	-	-	-
Individual regular to Substandard	-	-	-	-
Individual regular to individual non-performing	-	-	-	-
Substandard to Individual normal	-	-	-	-
Substandard to regular individual	-	-	-	-
Individual non-performing to Substandard	-	-	-	-
Individual non-performing to Individual regular	-	-	-	-
New loans originated	980	-	-	**980**
New loans acquired	-	-	-	-
New loans for conversion of contingent to loans	-	-	-	-
Sale or transfer of loans	-	-	-	-
Loan repayment	(727)	-	-	**(727)**
Application of provisions for write-offs	-	-	-	-
Recovery of written-off credits	-	-	-	-
Translation difference	(88)	-	-	**(88)**
Balance as of December 31, 2022	**964**	**-**	**-**	**964**

i) As of December 31, 2023 and 2022, the summary of the movement of provisions recorded by commercial loans is as follows:

December 31, 2023	Movement in provisions recorded by portfolio in the period							
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19 (i)	Total
	Assessment			Assessment				
	Individual / group			Individual / group				
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans								
Opening balance as of January 1, 2023	**133,627**	**42,270**	**32,728**	**123,789**	**101,170**	**433,584**	**36,659**	**470,243**
Recording / (use) of provisions for:								
Change in measurement without portfolio reclassification during the period:	1,857	(1,179)	1,271	(15,288)	(7,245)	**(20,584)**	(8,052)	**(28,636)**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(6,296)	(2,778)	1,191	27,983	42,488	**62,588**	(2,830)	**59,758**
Regular individual to Substandard	(5,746)	-	9,199	-	-	**3,453**	(305)	**3,148**
Regular individual to Individual non-performing	(821)	-	-	15,943	-	**15,122**	(287)	**14,835**
Substandard to individual non-performing	-	-	(5,619)	12,582	-	**6,963**	(26)	**6,937**
Substandard to regular individual	1,262	-	(3,139)	-	-	**(1,877)**	(321)	**(2,198)**
Individual non-performing to Substandard	-	-	348	(300)	-	**48**	-	**48**
Individual non-performing to Individual regular	19	-	-	(244)	-	**(225)**	-	**(225)**
Group regular to Group non-performing	-	(5,071)	-	-	44,920	**39,849**	(1,342)	**38,507**
Group non-performing to Group regular	-	233	-	-	(3,806)	**(3,573)**	(78)	**(3,651)**
Individual (regular, substandard, non-performing) to Group (regular, non-performing)	(1,549)	2,405	(398)	(29)	1,374	**1,803**	(398)	**1,405**
Group (regular, non-performing) to Individual (regular, substandard, non-performing)	539	(345)	800	31	-	**1,025**	(73)	**952**
New loans originated	43,243	6,438	1,196	11,496	7,705	**70,078**	-	**70,078**
New loans for conversion of contingent to loans	506	1,620	109	333	1,781	**4,349**	-	**4,349**
New loans acquired	-	-	-	-	-	-	-	-
Sale or transfer of loans	-	-	-	-	-	-	-	-
Loan repayment	(41,049)	(5,886)	(2,887)	(9,194)	(9,313)	**(68,329)**	(850)	**(69,179)**
Application of provisions for write-offs	-	(509)	(29)	(10,108)	(23,134)	**(33,780)**	(2,751)	**(36,531)**
Recovery of written-off credits	-	-	-	-	-	-	-	-
Changes in models and methodologies	-	-	-	-	-	-	-	-
Translation differences	602	469	37	1,484	33	**2,625**	-	**2,625**
Other changes in provisions (if applicable)	-	-	-	-	-	-	3,957	**3,957**
Balance as of December 31, 2023	**132,490**	**40,445**	**33,616**	**130,495**	**113,485**	**450,531**	**26,133**	**476,664**

December 31, 2022	Movement in provisions recorded by portfolio in the period							
	Regular Portfolio – Assessment – Individual / group		Substandard Portfolio	Non-performing portfolio – Assessment – Individual / group		Subtotal	Deductible guarantees FOGAPE Covid-19 (i)	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans								
Opening balance as of January 1, 2022	**131,612**	**38,347**	**46,040**	**118,140**	**110,122**	**444,261**	**46,193**	**490,454**
Recording / (use) of provisions for:								
Change in measurement without portfolio reclassification during the period:	(4,290)	7,015	168	4,222	(9,714)	(2,599)	(1,056)	(3,655)
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(3,316)	(3,668)	(2,493)	17,890	33,713	42,126	(6,632)	35,494
Regular individual to Substandard	(1,896)	-	3,282	-	-	1,386	(3)	1,383
Regular individual to Individual non-performing	(1,424)	-	-	16,064	-	14,640	(843)	13,797
Substandard to individual non-performing	-	-	(1,374)	2,534	-	1,160	(135)	1,025
Substandard to regular individual	874	-	(4,014)	-	-	(3,140)	-	(3,140)
Individual non-performing to Substandard	-	-	14	(377)	-	(363)	-	(363)
Individual non-performing to Individual regular	1	-	-	(272)	-	(271)	-	(271)
Group regular to Group non-performing	-	(3,008)	-	-	40,485	37,477	(5,642)	31,835
Group non-performing to Group regular	-	338	-	-	(6,769)	(6,431)	-	(6,431)
Individual (regular, substandard, non-performing) to Group (regular, non-performing)	(2,224)	2,225	(578)	(59)	36	(600)	(9)	(609)
Group (regular, non-performing) to Individual (regular, substandard, non-performing)	1,353	(3,223)	177	-	(39)	(1,732)	-	(1,732)
New loans originated	53,094	6,132	7,728	17,116	5,916	89,986	(13)	89,973
New loans for conversion of contingent to loans	2,311	1,740	1,107	120	1,838	7,116	-	7,116
New loans acquired	-	-	-	-	-	-	-	-
Sale or transfer of loans	-	-	-	-	-	-	-	-
Loan repayment	(40,826)	(5,278)	(17,270)	(5,621)	(5,909)	(74,904)	(41)	(74,945)
Application of provisions for write-offs	(1)	(484)	(492)	(26,712)	(34,586)	(62,275)	(1,792)	(64,067)
Recovery of written-off credits	-	2	-	-	1	3	-	3
Changes in models and methodologies	-	-	-	-	-	-	-	-
Translation differences	(4,957)	(1,537)	(2,060)	(1,366)	(212)	(10,132)	-	(10,132)
Other changes in provisions (if applicable)	-	-	-	-	-	-	-	-
Balance as of December 31, 2022	**133,627**	**42,269**	**32,728**	**123,789**	**101,169**	**433,582**	**36,659**	**470,241**

j) As of December 31, 2023 and 2022, the detail of movements in provisions recorded for mortgage loans is as follows:

December 31, 2023	Movement in provisions recorded by portfolio in the period		
	Group assessment		Total
	Regular Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$
Mortgage loans			
Opening balance as of January 1, 2023	**58,809**	**24,309**	**83,118**
Change in measurement without portfolio reclassification during the period:	368	(457)	**(89)**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(2,474)	14,989	**12,515**
Group regular to Group non-performing	(2,828)	17,107	**14,279**
Group non-performing to Group regular	354	(2,118)	**(1,764)**
New loans originated	5,535	20	**5,555**
New credits for conversion of contingent to loans	-	-	-
New loans acquired	-	-	-
Sale or transfer of loans	-	-	-
Loan repayment	(28,239)	(2,318)	**(30,557)**
Application of provisions for write-offs	(19)	(343)	**(362)**
Recovery of written-off credits	-	-	-
Changes in models and methodologies	-	-	-
Translation differences	1,135	16	**1,151**
Other changes in provisions (if applicable)	-	-	-
Balance as of December 31, 2023	**35,115**	**36,216**	**71,331**

December 31, 2022	Movement in provisions recorded by portfolio in the period		
	Group assessment		Total
	Regular Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$
Mortgage loans			
Opening balance as of January 1, 2022	39,582	13,028	**52,610**
Change in measurement without portfolio reclassification during the period:	(1,391)	2,679	**1,288**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(990)	7,805	**6,815**
Group regular to Group non-performing	(1,418)	9,827	**8,409**
Group non-performing to Group regular	428	(2,022)	**(1,594)**
New loans originated	26,606	2,656	**29,262**
New credits for conversion of contingent to loans	-	-	-
New loans acquired	-	-	-
Sale or transfer of loans	-	-	-
Loan repayment	(3,197)	(1,407)	**(4,604)**
Application of provisions for write-offs	(15)	(360)	**(375)**
Recovery of written-off credits	-	-	-
Changes in models and methodologies	-	-	-
Translation differences	(1,787)	(92)	**(1,879)**
Other changes in provisions (if applicable)	-	-	-
Balance as of December 31, 2022	**58,808**	**24,309**	**83,117**

k) As of December 31, 2023 and 2022, the balances for this concept are as follows:

December 31, 2023	Movement in provisions recorded by portfolio in the period		
	Group assessment		Total
	Regular Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$
Consumer Loans			
Opening balance as of January 1, 2023	**158,957**	**164,848**	**323,805**
Change in measurement without portfolio reclassification during the period:	41,758	(7,989)	**33,769**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(18,652)	91,815	**73,163**
Group regular to Group non-performing	(19,422)	96,260	**76,838**
Group non-performing to Group regular	770	(4,445)	**(3,675)**
New loans originated	8,724	21,989	**30,713**
New credits for conversion of contingent to loans	22,454	9,403	**31,857**
New loans acquired	-	-	**-**
Sale or transfer of loans	-	-	**-**
Repayment of loans	(25,323)	(25,565)	**(50,888)**
Application of provisions for write-offs	(49,902)	(94,043)	**(143,945)**
Recovery of written-off credits	146	42	**188**
Changes in models and methodologies	-	-	**-**
Translation differences	49	-	**49**
Other changes in provisions (if applicable)	-	-	**-**
Balance as of December 31, 2023	**138,211**	**160,500**	**298,711**

December 31, 2022	Movement in provisions recorded by portfolio in the period		
	Group Evaluation		Total
	Regular Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$
Consumer Loans			
Opening balance as of January 1, 2022	111,912	95,740	**207,652**
Change in measurement without portfolio reclassification during the period:	51,133	(6,841)	**44,292**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(17,050)	110,801	**93,751**
Group regular to Group non-performing	(18,281)	118,105	**99,824**
Group non-performing to Group regular	1,231	(7,304)	**(6,073)**
New loans originated	10,988	27,460	**38,448**
New credits for conversion of contingent to loans	31,694	12,415	**44,109**
New loans acquired	-	-	**-**
Sale or transfer of loans	(1,945)	(1,791)	**(3,736)**
Repayment of loans	(14,472)	(17,749)	**(32,221)**
Application of provisions for write-offs	(14,927)	(55,351)	**(70,278)**
Recovery of written-off credits	1,862	169	**2,031**
Changes in models and methodologies	-	-	**-**
Translation differences	(238)	(5)	**(243)**
Other changes in provisions (if applicable)	-	-	**-**
Balance as of December 31, 2022	**158,957**	**164,848**	**323,805**

l) As of December 31, 2023 and 2022, the detail of the movement of provisions recorded by contingent loans is as follows:

December 31, 2023	Movement in provisions recorded by portfolio in the period					
	Regular Portfolio Individual / group assessment		Substandard Portfolio	Non-performing portfolio Individual / group assessment		Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Contingent loans						
Opening balance as of January 1, 2023	**23,712**	**14,162**	**8,881**	**6,526**	**6,971**	**60,252**
Change in measurement without portfolio reclassification during the period:	1,038	(458)	154	379	(587)	**526**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(438)	(289)	3,227	643	1,240	**4,383**
Regular individual to Substandard	(609)	-	3,454	-	-	**2,845**
Regular individual to Individual non-performing	(86)	-	41	2,019	-	**1,974**
Substandard to individual non-performing	-	-	(25)	234	-	**209**
Substandard to regular individual	116	-	(253)	-	-	**(137)**
Individual non-performing to Substandard	-	-	31	(50)	-	**(19)**
Individual non-performing to Individual regular	60	-	-	(1,560)	-	**(1,500)**
Group regular to Group non-performing	-	(329)	-	-	2,711	**2,382**
Group non-performing to Group regular	-	16	-	-	(1,492)	**(1,476)**
Individual (regular, substandard, non-performing) to Group (regular, non-performing)	(130)	95	(36)	-	21	**(50)**
Group (regular, non-performing) to Individual (regular, substandard, non-performing)	211	(71)	15	-	-	**155**
New loans originated	15,275	3,001	5,518	514	285	**24,593**
Contingent loans for conversion to loans	199	-	-	-	-	**199**
Loan repayment	(10,082)	(2,814)	(6,790)	(4,761)	(1,620)	**(26,067)**
Application of provisions for write-offs	-	(364)	-	-	(517)	**(881)**
Changes in models and methodologies	-	-	-	-	-	**-**
Translation differences	227	10	33	511	-	**781**
Other changes in provisions (if applicable)	-	-	-	-	-	**-**
Balance as of December 31, 2023	**29,931**	**13,248**	**11,023**	**3,812**	**5,772**	**63,786**

December 31, 2022	Movement in provisions recorded by portfolio in the period					
	Regular Portfolio Individual / group Assessment		Substandard Portfolio	Non-performing portfolio Individual / group Assessment		Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Contingent loans						
Opening balance as of January 1, 2022	**24,569**	**18,882**	**5,005**	**4,602**	**5,383**	**58,441**
Change in measurement without portfolio reclassification during the period:	1,474	(3,149)	151	362	(777)	**(1,939)**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(456)	(1,059)	194	3,772	3,074	**5,525**
Regular individual to Substandard	(507)	-	1,270	-	-	**763**
Regular individual to Individual non-performing	(35)	-	-	1,438	-	**1,403**
Substandard to individual non-performing	-	-	(751)	679	-	**(72)**
Substandard to regular individual	198	-	(266)	-	-	**(68)**
Individual non-performing to Substandard	-	-	4	(29)	-	**(25)**
Individual non-performing to Individual regular	-	-	-	(1)	-	**(1)**
Group regular to Group non-performing	-	(957)	-	-	5,050	**4,093**
Group non-performing to Group regular	-	26	-	-	(2,221)	**(2,195)**
Individual (regular, substandard, non-performing) to Group (regular, non-performing)	(166)	(167)	(64)	1,685	337	**1,625**
Group (regular, non-performing) to Individual (regular, substandard, non-performing)	54	39	1	-	(92)	**2**
New loans originated	13,182	2,997	6,487	848	1,810	**25,324**
Contingent loans for conversion to loans	489	-	-	-	-	**489**
Loan repayment	(14,470)	(3,053)	(2,478)	(2,532)	(2,059)	**(24,592)**
Application of provisions for write-offs	-	(416)	-	-	(345)	**(761)**
Changes in models and methodologies	-	-	-	-	-	**-**
Translation differences	(1,077)	(40)	(478)	(526)	(115)	**(2,236)**
Other changes in provisions (if applicable)	-	-	-	-	-	**-**
Balance as of December 31, 2022	**23,711**	**14,162**	**8,881**	**6,526**	**6,971**	**60,251**

m) As of December 31, 2023 and 2022, the concentration of credits by economic activity is as follows:

As of December 31, 2023	Loans and exposure to contingent loans			Constitutive provisions		
	Local /foreign Loans		Total	Local /foreign Loans		Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks	**-**	**681,026**	**681,026**	**-**	**(836)**	**(836)**
Commercial loans						
Agriculture and livestock	485,718	84,254	**569,972**	(13,951)	(6,431)	**(20,382)**
Fruit growing	319,891	29,421	**349,312**	(13,027)	(261)	**(13,288)**
Forestry and logging	120,471	10,925	**131,396**	(2,038)	(155)	**(2,193)**
Fishing	72,978	99,720	**172,698**	(2,205)	(905)	**(3,110)**
Exploitation of mines and quarries	292,609	410,011	**702,620**	(2,210)	(830)	**(3,040)**
Crude oil and natural gas production	36,223	34,617	**70,840**	(112)	(858)	**(970)**
Product Manufacturing Industry	**1,480,833**	**744,838**	**2,225,671**	**(40,168)**	**(4,670)**	**(44,838)**
Food, beverage, and tobacco industry	349,054	126,948	**476,002**	(7,348)	(957)	**(8,305)**
Textile and leather industry	30,190	5,439	**35,629**	(1,453)	(95)	**(1,548)**
Wood and furniture industry	41,812	13,150	**54,962**	(2,287)	(190)	**(2,477)**
Printing and publishing paper industry	62,473	2,277	**64,750**	(2,909)	(98)	**(3,007)**
Chemicals and petroleum derivatives	288,868	295,291	**584,159**	(7,936)	(652)	**(8,588)**
Metallic, non-metallic, machinery, or other	429,263	202,541	**631,804**	(13,892)	(1,462)	**(15,354)**
Other Manufacturing Industries	279,173	99,192	**378,365**	(4,343)	(1,216)	**(5,559)**
Electricity, gas, and water	981,981	14,016	**995,997**	(6,823)	(271)	**(7,094)**
Home building	135,204	43,920	**179,124**	(1,107)	(7)	**(1,114)**
Other works and constructions	1,341,279	250,175	**1,591,454**	(35,247)	(2,177)	**(37,424)**
Wholesale trade	1,556,737	384,003	**1,940,740**	(44,424)	(5,345)	**(49,769)**
Retail restaurants and hotels	845,796	1,252,157	**2,097,953**	(36,682)	(8,863)	**(45,545)**
Transport and storage	1,354,474	439,292	**1,793,766**	(20,082)	(5,273)	**(25,355)**
Telecommunications	400,210	78,186	**478,396**	(7,754)	(487)	**(8,241)**
Financial and insurance establishments	2,873,645	355,836	**3,229,481**	(30,298)	(7,009)	**(37,307)**
Real estate and services provided to companies	2,972,779	5,426,656	**8,399,435**	(50,013)	(14,633)	**(64,646)**
Community, social and personal services	2,902,202	4,586,319	**7,488,521**	(69,899)	(42,449)	**(112,348)**
Total Commercial loans	**18,173,030**	**14,244,346**	**32,417,376**	**(376,040)**	**(100,624)**	**(476,664)**
Mortgage loans	**10,486,943**	**3,324,743**	**13,811,686**	**(53,840)**	**(17,491)**	**(71,331)**
Consumer Loans	**3,123,048**	**54,746**	**3,177,794**	**(294,088)**	**(4,623)**	**(298,711)**
Contingent loan exposure	**2,667,974**	**2,529,021**	**5,196,995**	**(48,719)**	**(15,067)**	**(63,786)**

As of December 31, 2022	Loans and exposure to contingent loans			Constitutive provisions		
	Local /foreign Loans		Total	Local /foreign Loans		Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks	**-**	**768,663**	**768,663**	**-**	**(963)**	**(963)**
Commercial loans						
Agriculture and livestock	480,974	42,438	**523,412**	(12,652)	(2,983)	**(15,635)**
Fruit growing	361,523	18,490	**380,013**	(11,141)	(128)	**(11,269)**
Forestry and logging	146,189	5,697	**151,886**	(2,219)	(94)	**(2,313)**
Fishing	69,733	82,783	**152,516**	(2,801)	(1,801)	**(4,602)**
Exploitation of mines and quarries	239,527	101,399	**340,926**	(2,107)	(273)	**(2,380)**
Crude oil and natural gas production	162,883	25,978	**188,861**	(1,987)	(580)	**(2,567)**
Product Manufacturing Industry	1,592,811	519,150	**2,111,961**	(38,565)	(5,215)	**(43,780)**
Food, beverage, and tobacco industry	369,374	145,364	**514,738**	(7,878)	(1,009)	**(8,887)**
Textile and leather industry	69,779	9,374	**79,153**	(1,864)	(611)	**(2,475)**
Wood and furniture industry	47,086	1,325	**48,411**	(1,857)	(18)	**(1,875)**
Printing and publishing paper industry	60,462	4,538	**65,000**	(3,188)	(77)	**(3,265)**
Chemicals and petroleum derivatives	354,268	50,020	**404,288**	(6,451)	(450)	**(6,901)**
Metallic, non-metallic, machinery, or other	515,433	148,185	**663,618**	(14,126)	(1,604)	**(15,730)**
Other Manufacturing Industries	176,409	160,344	**336,753**	(3,201)	(1,446)	**(4,647)**
Electricity, gas, and water	796,927	22,544	**819,471**	(5,559)	(854)	**(6,413)**
Home building	102,829	52,116	**154,945**	(1,153)	(11)	**(1,164)**
Other works and constructions	1,638,735	219,508	**1,858,243**	(34,216)	(2,976)	**(37,192)**
Wholesale trade	1,684,563	437,973	**2,122,536**	(41,277)	(8,240)	**(49,517)**
Retail restaurants and hotels	917,926	1,371,085	**2,289,011**	(38,902)	(11,792)	**(50,694)**
Transport and storage	1,180,000	401,400	**1,581,400**	(19,317)	(3,306)	**(22,623)**
Telecommunications	390,451	106,784	**497,235**	(6,604)	(1,725)	**(8,329)**
Financial and insurance establishments	2,538,704	289,941	**2,828,645**	(33,258)	(5,801)	**(39,059)**
Real estate and services provided to companies	2,339,231	5,329,580	**7,668,811**	(55,569)	(18,252)	**(73,821)**
Community, social and personal services	2,711,516	3,365,797	**6,077,313**	(65,528)	(33,355)	**(98,883)**
Total Commercial loans	**17,354,522**	**12,392,663**	**29,747,185**	**(372,855)**	**(97,386)**	**(470,241)**
Mortgage loans	**9,942,313**	**2,950,185**	**12,892,498**	**(38,264)**	**(44,853)**	**(83,117)**
Consumer Loans	**3,484,883**	**51,729**	**3,536,612**	**(319,677)**	**(4,128)**	**(323,805)**
Contingent loan exposure	**6,016,625**	**799,134**	**6,815,759**	**(55,253)**	**(4,999)**	**(60,252)**

n) As of December 31, 2023 and 2022, the mortgage loans and its provisions recorded by tranches of outstanding principal owed of the loan on the value of the mortgage guarantee (PVG) and the days past due, are as follows:

December 31, 2023, Loan Tranche / Guarantee Value (%)	Mortgage loans (MCh$)						Provisions recorded for mortgage Loans (MCh$)					
	Days past due at the end of the period						Days past due at the end of the period					
	0	1 to 29	30 to 59	60 to 89	>= 90	Total	0	1 to 29	30 to 59	60 to 89	>= 90	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
PVG <= 40%	1,306,097	23,261	16,232	6,294	15,155	**1,367,039**	(7,082)	(902)	(715)	(455)	(1,515)	**(10,669)**
40% < PVG <= 80%	9,895,785	251,003	107,738	54,094	126,156	**10,434,776**	(23,782)	(7,588)	(4,880)	(3,241)	(12,630)	**(52,121)**
80% < PVG <= 90%	1,682,590	32,285	16,288	10,119	19,099	**1,760,381**	(2,673)	(909)	(655)	(438)	(1,895)	**(6,570)**
PVG > 90%	240,843	3,787	2,361	757	1,742	**249,490**	(1,650)	(86)	(52)	(19)	(164)	**(1,971)**
Total LTV	**13,125,315**	**310,336**	**142,619**	**71,264**	**162,152**	**13,811,686**	**(35,187)**	**(9,485)**	**(6,302)**	**(4,153)**	**(16,204)**	**(71,331)**

December 31, 2022, Tranche Loan / Guarantee Value (%)	Mortgage loans (MCh$)						Provisions recorded for mortgage Loans (MCh$)					
	Days past due at the end of the period						Days past due at the end of the period					
	0	1 to 29	30 to 59	60 to 89	>= 90	Total	0	1 to 29	30 to 59	60 to 89	>= 90	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
PVG <= 40%	1,105,938	34,743	12,160	3,544	8,713	**1,165,098**	(8,294)	(676)	(465)	(210)	(851)	**(10,496)**
40% < PVG <= 80%	9,056,788	315,448	74,115	34,145	88,835	**9,569,331**	(46,774)	(7,117)	(3,321)	(1,925)	(7,039)	**(66,176)**
80% < PVG <= 90%	1,865,001	25,694	13,200	4,782	8,246	**1,916,923**	(3,091)	(661)	(387)	(195)	(686)	**(5,020)**
PVG > 90%	227,966	5,613	4,630	575	2,362	**241,146**	(979)	(109)	(130)	(24)	(183)	**(1,425)**
Total LTV	**12,255,693**	**381,498**	**104,105**	**43,046**	**108,156**	**12,892,498**	**(59,138)**	**(8,563)**	**(4,303)**	**(2,354)**	**(8,759)**	**(83,117)**

o) As of December 31, 2023 and 2022, loans and advances to bank and commercial loans and their provisions recorded by classification category, are as follows:

As of December 31, 2023	Loans and advances to banks and commercial loans																								
	Assessment																							Total	Deductible provision guarantees FOGAPE Covid-19(i)
	Individual																				Group				
	Regular Portfolio							Substandard Portfolio					Non-performing portfolio							Total	Normal Portfolio	Portfolio in Default	Total		
		A2	A3	A4	TO 5	A6	Subtotal	B1	B2	B3	B4	Subtotal	C1	C2	C3	C4	C5	C6	Subtotal						
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks																									
Interbank liquidity loans	-	93,813	50,187	-	55,590	-	**199,590**	-	-	-	-	-	-	-	-	-	-	-	-	**199,590**	-	-	-	**199,590**	-
Commercial interbank loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overdrafts on checking accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign trade credits Chilean exports	-	75,556	59,205	-	-	-	**134,761**	-	-	-	-	-	-	-	-	-	-	-	-	**134,761**	-	-	-	**134,761**	-
Foreign trade credits Chilean imports	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign trade credits between third countries	-	233,645	113,030	-	-	-	**346,675**	-	-	-	-	-	-	-	-	-	-	-	-	**346,675**	-	-	-	**346,675**	-
Non-transferable deposits in banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other credit balances with banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**403,014**	**222,422**	**-**	**55,590**	**-**	**681,026**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**681,026**	**-**	**-**	**-**	**681,026**	**-**
Provisions recorded	-	(344)	(486)	-	(6)	-	**(836)**	-	-	-	-	-	-	-	-	-	-	-	-	**(836)**	-	-	-	**(836)**	-
% Provisions recorded	0.00%	0.09%	0.22%	0.00%	0.01%	0.00%	**0.12%**	0.00%	0.00%	0.00%	0.00%	**0.00%**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	**0.00%**	**0.12%**	0.00%	0.00%	**0.00%**	**0.12%**	
Commercial loans																									
Commercial loans	80,361	1,237,806	3,326,608	3,896,495	4,668,850	8,009,093	**21,219,213**	1,250,220	161,414	39,664	65,453	**1,516,751**	288,414	252,782	22,704	28,838	27,502	48,412	**668,652**	**23,404,616**	3,369,142	359,636	**3,728,778**	**27,133,394**	(26,133)
Foreign trade credits Chilean exports	-	597,032	406,200	169,836	43,606	32,917	**1,249,591**	5,099	10,311	-	-	**15,410**	-	-	-	1,313	-	-	**1,313**	**1,266,314**	10,970	-	**10,970**	**1,277,284**	-
Foreign trade credits Chilean imports	-	25,286	97,134	128,813	58,273	44,873	**354,379**	9,844	417	-	1,575	**11,836**	-	-	6,692	-	-	-	**6,692**	**372,907**	28,212	-	**28,212**	**401,119**	-
Foreign trade credits between third countries	-	15,290	170,799	3,706	31,627	10,543	**231,965**	433	6,054	-	-	**6,487**	-	-	-	-	-	5,424	**5,424**	**243,876**	-	-	-	**243,876**	-
Debtors in current accounts	-	11,707	35,642	6,249	9,183	1,605	**64,386**	3,562	1,462	87	78	**5,189**	420	159	71	71	114	800	**1,635**	**71,210**	69,293	9,561	**78,854**	**150,064**	-
Credit card debtors	-	914	1,309	2,171	817	525	**5,736**	771	116	11	5	**903**	11	34	11	6	52	207	**321**	**6,960**	53,788	7,522	**61,310**	**68,270**	-
Factoring operations	138,680	243,880	443,473	270,435	133,316	24,099	**1,253,883**	41,213	1,489	-	-	**42,702**	-	-	-	76	41	-	**117**	**1,296,702**	71,277	356	**71,633**	**1,368,335**	-
Commercial finance lease operations	-	79,284	229,066	294,182	212,759	347,376	**1,162,667**	118,134	25,078	3,092	4,314	**150,618**	20,188	2,594	5,696	2,327	477	1,044	**32,326**	**1,345,611**	289,576	13,687	**303,263**	**1,648,874**	-
Student loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100,286	15,224	**115,510**	**115,510**	-
Other loans and receivable	-	-	-	-	-	-	-	-	-	-	-	-	79	-	87	-	1,874	7,502	**9,542**	**9,542**	70	1,038	**1,108**	**10,650**	-
Subtotal	**219,041**	**2,211,199**	**4,710,231**	**4,771,887**	**5,158,431**	**8,471,031**	**25,541,820**	**1,429,276**	**206,341**	**42,854**	**71,425**	**1,749,896**	**309,112**	**255,569**	**35,261**	**32,631**	**30,060**	**63,389**	**726,022**	**28,017,738**	**3,992,614**	**407,024**	**4,399,638**	**32,417,376**	**(26,133)**
Provisions recorded	(79)	(2,694)	(9,387)	(28,556)	(31,435)	(60,339)	**(132,490)**	(19,285)	(6,830)	(957)	(6,544)	**(33,616)**	(6,678)	(25,611)	(8,842)	(13,244)	(19,770)	(56,350)	**(130,495)**	**(296,601)**	(40,445)	(113,485)	**(153,930)**	**(450,531)**	-
% Provisions recorded	0.04%	0.14%	0.15%	0.96%	0.79%	1.08%	**0.72%**	2.18%	2.23%	8.51%	4.01%	**2.75%**	2.01%	10.13%	25.02%	40.23%	65.16%	89.72%	**25.82%**	**1.35%**	1.64%	29.96%	**3.70%**	**1.76%**	-

December 31, 2022	Loans and advances to banks and commercial loans																								
	Assessment																							Total	Deductible provision guarantees FOGAPE Covid-19(i)
	Individual																				Group				
	Regular Portfolio							Substandard Portfolio					Non-performing portfolio							Total	Normal Portfolio	Portfolio in Default	Total		
		A2	A3	A4	TO 5	A6	Subtotal	B1	B2	B3	B4	Subtotal	C1	C2	C3	C4	C5	C6	Subtotal						
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks																									
Interbank liquidity loans	-	170,429	87,972	11,992	34,091	-	**304,484**	-	-	-	-	-	-	-	-	-	-	-	-	**304,484**	-	-	-	**304,484**	-
Commercial interbank loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overdrafts on checking accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign trade credits Chilean exports	-	33,388	33,876	-	-	-	**67,264**	-	-	-	-	-	-	-	-	-	-	-	-	**67,264**	-	-	-	**67,264**	-
Foreign trade credits Chilean imports	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign trade credits between third countries	-	274,268	122,647	-	-	-	**396,915**	-	-	-	-	-	-	-	-	-	-	-	-	**396,915**	-	-	-	**396,915**	-
Non-transferable deposits in banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other credit balances with banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**478,085**	**244,495**	**11,992**	**34,091**	**-**	**768,663**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**768,663**	**-**	**-**	**-**	**768,663**	**-**
Provisions recorded	-	(424)	(535)	(1)	(3)	-	**(963)**	-	-	-	-	-	-	-	-	-	-	-	-	**(963)**	-	-	-	**(963)**	-
% Provisions recorded	0.00%	0.09%	0.22%	0.01%	0.01%	0.00%	0.13%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.13%	0.00%	0.00%	0.00%	0.13%	
Commercial loans																									
Commercial loans	275,044	1,375,555	3,098,642	3,333,849	4,596,454	7,272,232	**19,951,776**	983,368	141,285	34,133	45,257	1,204,043	196,591	114,783	91,981	37,478	21,796	42,874	505,503	**21,661,322**	3,510,630	295,806	3,806,436	**25,467,758**	**(36,659)**
Foreign trade credits Chilean exports	-	76,245	275,315	137,794	81,639	24,153	**595,146**	15,523	689	2,341	4,343	22,896	-	3,711	-	-	4,303	-	8,014	**626,056**	7,962	-	7,962	**634,018**	-
Foreign trade credits Chilean imports	-	13,587	130,517	154,585	73,841	27,794	**400,324**	3,734	7,074	139	663	11,610	-	-	-	-	-	-	-	**411,934**	24,546	-	24,546	**436,480**	-
Foreign trade credits between third countries	-	-	102,637	17,579	49,745	15,514	**185,475**	525	5,832	-	5,148	11,505	-	-	-	-	-	-	-	**196,980**	-	-	-	**196,980**	-
Debtors in current accounts	189	8,133	33,235	5,876	5,947	1,826	**55,206**	7,224	2,196	359	297	10,076	180	182	4	133	77	510	1,086	**66,368**	69,124	7,140	76,264	**142,632**	-
Credit card debtors	-	1,059	1,102	2,163	978	777	**6,079**	740	101	18	71	930	-	11	-	46	22	339	418	**7,427**	53,459	5,300	58,759	**66,186**	-
Factoring operations	60,896	224,294	373,802	298,031	207,716	24,198	**1,188,937**	9,323	521	-	171	10,015	-	351	-	-	2,853	-	3,204	**1,202,156**	79,242	2,205	81,447	**1,283,603**	-
Commercial finance lease operations	-	71,715	148,067	295,506	228,258	178,045	**921,591**	97,890	25,280	7,006	9,002	139,178	12,478	5,548	1,155	3,009	3,254	2,293	27,737	**1,088,506**	284,076	10,884	294,960	**1,383,466**	-
Student loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	116,262	11,468	127,730	**127,730**	-
Other loans and receivable	-	-	-	-	-	-	-	-	-	-	-	-	90	-	-	2,154	1,632	3,626	7,502	**7,502**	71	759	830	**8,332**	-
Subtotal	**336,129**	**1,770,588**	**4,163,317**	**4,245,383**	**5,244,578**	**7,544,539**	**23,304,534**	**1,118,327**	**182,978**	**43,996**	**64,952**	**1,410,253**	**209,339**	**124,586**	**93,140**	**42,820**	**33,937**	**49,642**	**553,464**	**25,268,251**	**4,145,372**	**333,562**	**4,478,934**	**29,747,185**	**(36,659)**
Provisions recorded	(97)	(2,289)	(6,760)	(33,057)	(38,025)	(53,399)	(133,627)	(17,266)	(5,799)	(4,417)	(5,246)	(32,728)	(4,238)	(12,570)	(23,298)	(17,615)	(22,004)	(44,064)	(123,789)	**(290,144)**	(42,269)	(101,169)	(143,438)	**(433,582)**	-
% Provisions recorded	0.04%	0.14%	0.15%	0.96%	0.79%	1.08%	0.72%	2.18%	2.23%	8.51%	4.01%	2.75%	2.01%	10.13%	25.02%	40.23%	65.16%	89.72%	25.82%	**1.35%**	1.64%	29.96%	3.70%	**1.76%**	

p) As of December 31, 2023 and 2022, the balances for loans and their provisions recorded by tranches of days past due, are as follows:

As of December 31, 2023	Financial assets before provisions						Provisions constituted								Net financial assets
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19(i)	Total	
	Assessment Individual/group		Assessment Individual	Assessment Individual/group			Assessment Individual/group		Assessment Individual	Assessment Individual/group					
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks															
0 days	681,026	-	-	-	-	**681,026**	(836)	-	-	-	-	**(836)**	-	**(836)**	**680,190**
1 to 29 days	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-	**-**	**-**
30 to 59 days	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-	**-**	**-**
60 to 89 days	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-	**-**	**-**
>= 90 days	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-	**-**	**-**
Subtotal	**681,026**	**-**	**-**	**-**	**-**	**681,026**	**(836)**	**-**	**-**	**-**	**-**	**(836)**	**-**	**(836)**	**680,190**
Commercial loans															
0 days	24,415,352	3,807,935	1,521,912	484,404	119,536	**30,349,139**	(121,561)	(31,661)	(26,765)	(45,599)	(28,318)	**(253,904)**	(24,121)	**(278,025)**	**30,071,114**
1 to 29 days	1,087,433	120,046	179,517	48,737	36,261	**1,471,994**	(10,758)	(3,564)	(3,799)	(3,949)	(7,777)	**(29,847)**	(210)	**(30,057)**	**1,441,937**
30 to 59 days	19,816	50,682	41,056	25,936	32,324	**169,814**	(62)	(2,829)	(2,902)	(2,833)	(7,705)	**(16,331)**	(212)	**(16,543)**	**153,271**
60 to 89 days	19,194	13,951	7,411	18,682	22,554	**81,792**	(107)	(2,391)	(150)	(2,452)	(5,733)	**(10,833)**	(60)	**(10,893)**	**70,899**
>= 90 days	25	-	-	148,263	196,349	**344,637**	(2)	-	-	(75,662)	(63,952)	**(139,616)**	(1,530)	**(141,146)**	**203,491**
Subtotal	**25,541,820**	**3,992,614**	**1,749,896**	**726,022**	**407,024**	**32,417,376**	**(132,490)**	**(40,445)**	**(33,616)**	**(130,495)**	**(113,485)**	**(450,531)**	**(26,133)**	**(476,664)**	**31,940,712**
Mortgage loans															
0 days	-	13,033,864	-	-	91,451	**13,125,315**	-	(27,140)	-	-	(8,047)	**(35,187)**	-	**(35,187)**	**13,090,128**
1 to 29 days	-	257,429	-	-	52,907	**310,336**	-	(4,897)	-	-	(4,588)	**(9,485)**	-	**(9,485)**	**300,851**
30 to 59 days	-	95,789	-	-	46,830	**142,619**	-	(2,277)	-	-	(4,025)	**(6,302)**	-	**(6,302)**	**136,317**
60 to 89 days	-	33,168	-	-	38,096	**71,264**	-	(801)	-	-	(3,352)	**(4,153)**	-	**(4,153)**	**67,111**
>= 90 days	-	-	-	-	162,152	**162,152**	-	-	-	-	(16,204)	**(16,204)**	-	**(16,204)**	**145,948**
Subtotal	**-**	**13,420,250**	**-**	**-**	**391,436**	**13,811,686**	**-**	**(35,115)**	**-**	**-**	**(36,216)**	**(71,331)**	**-**	**(71,331)**	**13,740,355**
Consumer loans															
0 days	-	2,767,942	-	-	105,638	**2,873,580**	-	(84,935)	-	-	(53,266)	**(138,201)**	-	**(138,201)**	**2,735,379**
1 to 29 days	-	80,762	-	-	26,270	**107,032**	-	(23,641)	-	-	(13,746)	**(37,387)**	-	**(37,387)**	**69,645**
30 to 59 days	-	37,790	-	-	21,552	**59,342**	-	(19,061)	-	-	(12,264)	**(31,325)**	-	**(31,325)**	**28,017**
60 to 89 days	-	18,824	-	-	22,829	**41,653**	-	(10,574)	-	-	(15,229)	**(25,803)**	-	**(25,803)**	**15,850**
>= 90 days	-	-	-	-	96,187	**96,187**	-	-	-	-	(65,995)	**(65,995)**	-	**(65,995)**	**30,192**
Subtotal	**-**	**2,905,318**	**-**	**-**	**272,476**	**3,177,794**	**-**	**(138,211)**	**-**	**-**	**(160,500)**	**(298,711)**	**-**	**(298,711)**	**2,879,083**
TOTAL	**26,222,846**	**20,318,182**	**1,749,896**	**726,022**	**1,070,936**	**50,087,882**	**(133,326)**	**(213,771)**	**(33,616)**	**(130,495)**	**(310,201)**	**(821,409)**	**(26,133)**	**(847,542)**	**49,240,340**

As of December 31, 2022	Financial assets before provisions						Provisions constituted								Net financial assets
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19(i)	Total	
	Assessment Individual/group		Assessment Individual	Assessment Individual/group			Assessment Individual/group		Assessment Individual	Assessment Individual/group					
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks															
0 days	767,042	-	-	-	-	**767,042**	(959)	-	-	-	-	(959)	-	**(959)**	**766,083**
1 to 29 days	1,621	-	-	-	-	**1,621**	(4)	-	-	-	-	(4)	-	**(4)**	**1,617**
30 to 59 days	-	-	-	-	-	**-**	-	-	-	-	-	-	-	**-**	**-**
60 to 89 days	-	-	-	-	-	**-**	-	-	-	-	-	-	-	**-**	**-**
>= 90 days	-	-	-	-	-	**-**	-	-	-	-	-	-	-	**-**	**-**
Subtotal	**768,663**	**-**	**-**	**-**	**-**	**768,663**	**(963)**	**-**	**-**	**-**	**-**	**(963)**	**-**	**(963)**	**767,700**
Commercial loans															
0 days	21,345,722	3,989,817	1,276,874	325,555	104,823	**27,042,791**	(122,893)	(33,306)	(29,294)	(66,003)	(26,101)	(277,597)	(46,850)	**(324,447)**	**26,718,344**
1 to 29 days	1,943,151	114,542	123,644	31,876	26,346	**2,239,559**	(10,529)	(4,880)	(3,252)	(3,666)	(6,574)	(28,901)	(90)	**(28,991)**	**2,210,568**
30 to 59 days	14,465	31,003	7,488	12,779	24,208	**89,943**	(203)	(2,834)	(76)	(2,104)	(5,911)	(11,128)	62	**(11,066)**	**78,877**
60 to 89 days	1,172	10,010	2,169	19,362	21,083	**53,796**	-	(1,249)	(95)	(5,813)	(5,759)	(12,916)	83	**(12,833)**	**40,963**
>= 90 days	24	-	78	163,892	157,102	**321,096**	(2)	-	(11)	(46,203)	(56,824)	(103,040)	10,136	**(92,904)**	**228,192**
Subtotal	**23,304,534**	**4,145,372**	**1,410,253**	**553,464**	**333,562**	**29,747,185**	**(133,627)**	**(42,269)**	**(32,728)**	**(123,789)**	**(101,169)**	**(433,582)**	**(36,659)**	**(470,241)**	**29,276,944**
Mortgage loans															
0 days	-	12,167,990	-	-	87,703	**12,255,693**	-	(51,639)	-	-	(7,499)	(59,138)	-	**(59,138)**	**12,196,555**
1 to 29 days	-	342,490	-	-	39,008	**381,498**	-	(5,294)	-	-	(3,269)	(8,563)	-	**(8,563)**	**372,935**
30 to 59 days	-	69,646	-	-	34,459	**104,105**	-	(1,460)	-	-	(2,843)	(4,303)	-	**(4,303)**	**99,802**
60 to 89 days	-	18,582	-	-	24,464	**43,046**	-	(415)	-	-	(1,939)	(2,354)	-	**(2,354)**	**40,692**
>= 90 days	-	-	-	-	108,156	**108,156**	-	-	-	-	(8,759)	(8,759)	-	**(8,759)**	**99,397**
Subtotal	**-**	**12,598,708**	**-**	**-**	**293,790**	**12,892,498**	**-**	**(58,808)**	**-**	**-**	**(24,309)**	**(83,117)**	**-**	**(83,117)**	**12,809,381**
Consumer loans															
0 days	-	3,074,577	-	-	85,744	**3,160,321**	-	(89,531)	-	-	(42,220)	(131,751)	-	**(131,751)**	**3,028,570**
1 to 29 days	-	109,674	-	-	22,376	**132,050**	-	(30,371)	-	-	(11,296)	(41,667)	-	**(41,667)**	**90,383**
30 to 59 days	-	53,757	-	-	21,881	**75,638**	-	(25,872)	-	-	(12,874)	(38,746)	-	**(38,746)**	**36,892**
60 to 89 days	-	25,773	-	-	27,230	**53,003**	-	(13,183)	-	-	(18,353)	(31,536)	-	**(31,536)**	**21,467**
>= 90 days	-	-	-	-	115,600	**115,600**	-	-	-	-	(80,105)	(80,105)	-	**(80,105)**	**35,495**
Subtotal	**-**	**3,263,781**	**-**	**-**	**272,831**	**3,536,612**	**-**	**(158,957)**	**-**	**-**	**(164,848)**	**(323,805)**	**-**	**(323,805)**	**3,212,807**
TOTAL	**24,073,197**	**20,007,861**	**1,410,253**	**553,464**	**900,183**	**46,944,958**	**(134,590)**	**(260,034)**	**(32,728)**	**(123,789)**	**(290,326)**	**(841,467)**	**(36,659)**	**(878,126)**	**46,066,832**

q) The guarantees provided to the Bank to guarantee the payment of the rights reflected in its loan's portfolio correspond to mortgages, pledges, including warrants and trade and commercial financial instruments.

The Bank finances the acquisition of goods to its customers, both movable and real estate, through finance lease agreements between 1 and 10 years depending on each contract, which are presented in the caption lease operations. As of December 31, 2023 and 2022, MCh$1,126,289 and MCh$609,754, respectively, correspond to finance leases on personal property, and MCh$523,017 and MCh$774,021, respectively. To finance leases on real estate.

The detail of the reconciliation between the gross investment and the present value of the minimum collections as of December 31, 2023 and 2022, is as follows:

Net balance receivable	December 31, 2023	December 31, 2022
	MCh$	MCh$
Gross finance lease	1,880,391	1,597,939
Unaccrued finance income	(231,084)	(214,164)
Net finance lease	**1,649,307**	**1,383,775**

As of December 31, 2023 and 2022, the cash flows receivable by the Bank from finance lease agreements due to expiration are as follows:

Net balance receivable	December 31, 2023	December 31, 2022
	MCh$	MCh$
On-demand	-	-
Up to a month	173,594	181,837
More than 1 month to 3 months	213,471	175,167
More than 3e months to 1 year	409,576	288,009
More than 1 year to 3 years	349,344	291,959
More than 3 years to 5 years	204,524	184,310
More than 5 years	298,798	262,493
Total	**1,649,307**	**1,383,775**

There is no evidence of impairment for finance lease agreements entered into by the Bank.

The Bank has acquired financial assets corresponding to real estate for a value of MCh$12,899 for the period 2023 and MCh$8,913 for the period 2022, through the execution of guarantees or dations in payment of collateral.

NOTE 14 – INVESTMENTS IN COMPANIES

a) As of December 31, 2023 and 2022, the main investments in companies and joint ventures are detailed below:

	December 31, 2023			December 31, 2022		
	Equity	Ownership interest	Investment value	Equity	Ownership interest	Investment value
	MCh$	%	MCh$	MCh$	%	MCh$
Investments in associates						
Redbanc S.A.	12,468	12.71	1,585	11,368	12.71	1,445
Combanc S.A.	7,823	13.30	1,041	7,354	13.30	978
Transbank S.A.	133,894	8.72	11,674	110,929	8.72	9,672
Servicio de Infraestructura de Mercado OTC S.A.	14,310	13.61	1,948	13,222	13.61	1,800
AFT S.A.	20,341	20.00	4,068	20,626	20.00	4,125
Centro de Compensación Automatizado S.A.	14,082	33.33	4,694	15,047	33.33	5,015
Sociedad Interbancaria de Depósitos de Valores S.A.	8,413	7.03	591	7,255	7.03	510
Pagos y Servicios S.A.	3,487	49.90	1,740	5,126	49.90	2,558
Minority investments						
Shares in SWIFT	-	-	56	-	-	56
Shares in BLADEX	-	-	1,264	-	-	803
Shares FRB and FHLB	-	-	125,046	-	-	140,616
Other shares	-	-	3	-	-	11
Investments in joint ventures						
Servipag Ltda.	15,664	50.00	7,832	13,662	50.00	6,831
Artikos Chile S.A.	3,188	50.00	1,594	2,632	50.00	1,316
Total	**233,670**		**163,136**	**207,221**		**175,736**

b) Changes in investments in companies as of December 31, 2023 and 2022, are as follows:

	December 31, 2023	December 31, 2022
	MCh$	MCh$
Balance as of January 1,	**175,736**	**115,414**
Equity in profit or loss	16,018	7,404
Sale of investments in companies	(23,613)	(1,319)
Acquisition of investments in companies	-	55,990
Dividend received	(3,945)	(3,668)
Adjustment of provision for minimum dividend and results	5	(20)
Provision for minimum dividend	(1,088)	(615)
Capital increase adjustment	-	3,003
MTM shares	23	(453)
Total	**163,136**	**175,736**

c) The summarized information of associates and joint ventures as of December 31, 2023 and 2022 is as follows:

Associate or joint venture	As of December 31, 2023								
	Ownership interest	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Income	Expenses	Net income (loss)
	%	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Redbanc S.A.	12.71	11,054	16,275	11,626	3,236	12,468	58,960	(58,204)	117,164
Combanc S.A.	13.30	841	8,377	899	496	7,823	5,478	(4,906)	10,384
Transbank S.A.	8.72	1,363	165	1,356	37	135	974	(947)	1,921
Servicio de Infraestructura de Mercado OTC S.A.	13.61	21,040	11,788	18,560	-	14,268	10,156	(9,155)	19,311
Administrador Financiero del Transantiago S.A.	20.00	66,701	882	45,665	1,577	20,341	7,127	(3,512)	10,639
Centro de Compensación Automatizado S.A.	33.33	6,380	10,983	3,034	246	14,082	19,807	(14,749)	34,556
Sociedad Interbancaria de Depósitos de Valores S.A.	7.03	104	8,834	463	-	8,413	1,768	(50)	1,818
Pagos y Servicios S.A.	49.90	5,640	10,372	5,576	7,200	3,236	3,555	(6,518)	(2,963)
Servipag Ltda.	50.00	84,569	18,138	82,503	4,539	15,664	45,408	(41,006)	86,414
Artikos Chile S.A.	50.00	3,768	1,724	1,898	406	3,188	6,413	(4,774)	11,187

Associate or joint venture	As of December 31, 2022								
	Ownership interest	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Income	Expenses	Net income (loss)
	%	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Redbanc S.A.	12.71	14,459	16,058	17,595	1,554	11,368	52,525	(50,814)	103,339
Combanc S.A.	13.30	6,647	1,711	1,004	-	7,354	5,230	(4,299)	9,529
Transbank S.A.	8.72	1,357	140	1,384	4	110	969	(943)	1,912
Servicio de Infraestructura de Mercado OTC S.A.	13.61	31,105	4,459	20,672	1,670	13,222	9,846	(8,973)	18,819
Administrador Financiero del Transantiago S.A.	20.00	59,933	806	38,711	1,402	20,626	6,842	(2,820)	9,662
Centro de Compensación Automatizado S.A.	33.33	8,954	10,388	3,986	309	15,047	17,136	(12,434)	29,570
Sociedad Interbancaria de Depósitos de Valores S.A.	7.03	81	7,636	463	-	7,255	1,557	(49)	1,606
Pagos y Servicios S.A.	49.90	6,554	9,369	3,148	7,397	5,379	10,353	(11,688)	22,041
Servipag Ltda.	50.00	76,085	14,606	73,923	3,105	13,662	41,207	(37,475)	78,682
Artikos Chile S.A.	50.00	2,540	1,984	1,326	567	2,632	5,629	(4,267)	9,896

NOTE 15 – INTANGIBLE ASSETS

a) As of December 31, 2023 and 2022 intangible assets are as follows:

December 31, 2023	Average years of useful life	Average years of remaining useful life	Gross Balance MCh$	Accumulated amortization MCh$	Net Balance MCh$
Goodwill from business combination	-	-	158,641	-	**158,641**
Other intangible assets arising from business combinations:					
Customer relationships	10	7	33,391	(19,818)	**13,573**
Core deposits	8	2	109,216	(104,104)	**5,112**
Right to use trademarks	10	7	20,859	(2,602)	**18,257**
Right to use channels	10	7	2,538	(1,682)	**856**
Contract for collection of services	-	-	8,508	(4,325)	**4,183**
Mortgage loans servicing rights	-	-	1,292	(262)	**1,030**
Other intangible assets	11	7	9,227	(4,398)	**4,829**
Other independently generated intangible assets					
Software or computer programs purchased independently	6	4	443,122	(63,648)	**379,474**
Software or computer programs generated internally	6	5	124,963	(264,372)	**(139,409)**
Mortgage loans servicing rights	-	-	-	-	**-**
Other intangible assets	-	-	-	-	**-**
Total			**911,757**	**(465,211)**	**446,546**

December 31, 2022	Average years of useful life	Average years of remaining useful life	Gross Balance MCh$	Accumulated amortization MCh$	Net Balance MCh$
Goodwill from business combination	-	-	155,234	-	155,234
Other intangible assets arising from business combinations:					
Customer relationships	10	7	34,890	(17,103)	17,787
Core deposits	8	2	106,063	(86,366)	19,697
Right to use trademarks	10	7	20,405	(2,090)	18,315
Right to use channels	10	7	2,538	(1,508)	1,030
Contract for collection of services	-	-	8,508	(3,474)	5,034
Mortgage loans servicing rights	-	-	552	(136)	416
Other intangible assets	11	7	9,053	(3,645)	5,408
Other independently generated intangible assets					
Software or computer programs purchased independently	6	5	382,283	(226,041)	156,242
Software or computer programs generated internally	6	5	85,763	(53,939)	31,824
Mortgage loans servicing rights	-	-	-	-	-
Other intangible assets	-	-	22	-	22
Total			**805,311**	**(394,302)**	**411,009**

b) Changes in intangible assets as of December 31, 2023 and 2022, are as follows:

	Goodwill from business combination	Other intangible assets arising from business combinations							Other independently generated intangible assets				
		Customer relationships	Stable deposits	Right to use trademarks	Right to use channels	Contract for collection of services	Mortgage loans servicing rights	Other intangible assets	Software or computer programs purchased independently	Software or computer programs generated internally	Mortgage loans servicing rights	Other intangible assets	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Balance as of January 1, 2023	155,234	34,890	106,063	20,405	2,538	8,508	552	9,053	382,283	85,763	-	22	**805,311**
Acquisitions	-	-	-	-	-	-	724	-	7,140	103,509	-	-	**111,373**
Derecognition / disposal	-	-	-	-	-	-	-	-	-	(102)	-	(22)	**(124)**
Transfers	-	-	-	-	-	-	-	-	52,256	(64,207)	-	-	**(11,951)**
Exchange rate variation	4,438	-	3,153	454	-	-	16	174	1,443	-	-	-	**9,678**
Goodwill remeasurement	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Other	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Impairment	(1,031)	(1,499)	-	-	-	-	-	-	-	-	-	-	**(2,530)**
Gross balance as of December 31, 2023	**158,641**	**33,391**	**109,216**	**20,859**	**2,538**	**8,508**	**1,292**	**9,227**	**443,122**	**124,963**	**-**	**-**	**911,757**
Amortization for the period	-	(2,715)	(13,828)	(512)	(174)	(851)	(126)	(753)	(9,904)	(38,291)	-	-	**(67,154)**
Amortization accumulated at the beginning of the period	-	(17,103)	(86,366)	(2,090)	(1,508)	(3,474)	(136)	(3,645)	(226,041)	(53,939)	-	-	**(394,302)**
Derecognition / disposal	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Transfers	-	-	-	-	-	-	-	-	172,297	(172,142)	-	-	**155**
Other	-	-	(3,910)	-	-	-	-	-	-	-	-	-	**(3,910)**
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Total amortization and accumulated impairment	-	(19,818)	(104,104)	(2,602)	(1,682)	(4,325)	(262)	(4,398)	(63,648)	(264,372)	-	-	**(465,211)**
Net balance as of December 31, 2023	**158,641**	**13,573**	**5,112**	**18,257**	**856**	**4,183**	**1,030**	**4,829**	**379,474**	**(139,409)**	**-**	**-**	**446,546**

	Goodwill from business combination	Other intangible assets arising from business combinations							Other independently generated intangible assets				
		Customer relationships	Stable deposits	Right to use trademarks	Right to use channels	Contract for collection of services	Mortgage loans servicing rights	Other intangible assets	Software or computer programs purchased independently	Software or computer programs generated internally	Mortgage loans servicing rights	Other intangible assets	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Balance as of January 1, 2022	**176,582**	**34,890**	**106,706**	**20,498**	**2,538**	**8,508**	**2,697**	**9,089**	**380,093**	**33,388**	-	**45**	**775,034**
Acquisitions	-	-	-	-	-	-	(16)	-	11,875	60,098	-	-	**71,957**
Derecognition / disposal	-	-	-	-	-	-	-	-	(8,380)	(915)	-	(23)	**(9,318)**
Transfers	-	-	-	-	-	-	-	-	(1,941)	(6,241)	-	-	**(8,182)**
Exchange rate variation	(906)	-	(643)	(93)	-	-	(2,129)	(36)	636	-	-	-	**(3,171)**
Goodwill remeasurement	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment	(20,442)	-	-	-	-	-	-	-	-	(567)	-	-	**(21,009)**
Gross balance as of December 31, 2022	**155,234**	**34,890**	**106,063**	**20,405**	**2,538**	**8,508**	**552**	**9,053**	**382,283**	**85,763**	-	**22**	**805,311**
											-		
Amortization for the period	-	(3,183)	(15,245)	(512)	(254)	(851)	5	(660)	(40,126)	(2,298)	-	-	**(63,124)**
Amortization accumulated at the beginning of the period	-	(13,920)	(71,121)	(1,578)	(1,254)	(2,623)	(775)	(2,985)	(188,176)	(51,641)		-	**(334,073)**
Derecognition / disposal	-	-	-	-	-	-	634	-	2,196	-	-	-	**2,830**
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	65	-	-	-	**65**
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-
Total amortization and accumulated impairment	**-**	**(17,103)**	**(86,366)**	**(2,090)**	**(1,508)**	**(3,474)**	**(136)**	**(3,645)**	**(226,041)**	**(53,939)**	-	**-**	**(394,302)**
Net balance as of December 31, 2022	**155,234**	**17,787**	**19,697**	**18,315**	**1,030**	**5,034**	**416**	**5,408**	**156,242**	**31,824**	-	**22**	**411,009**

c) Impairment

The Bank assesses, at the end of each reporting period, whether there is any indication of impairment in the value of any amortizable and non- amortizable assets. If such indication exists, or when an impairment testing is required, the Bank estimates the recoverable amount of the asset.

As of December 31, 2023, two movements related to impairment of intangibles were recorded, the first impairment recorded relates to customers of MCh$1,499 and the second impairment relates to the CGU Financial Services, where the Bank's Management estimated the recoverable amount of its CGU, resulting in the recognition of an impairment loss associated with goodwill of MCh$1,031. As of December 31, 2022, the Bank recorded two impacts related to impairment of intangible assets, the first impairment related to obsolescence of internally generated software of MCh$567 and the second impairment related to the Financial Services CGU. the Bank's Management estimated the recoverable amount of its Financial Services CGU that records balances in intangible assets, resulting in the recognition of an impairment loss associated to the goodwill assigned to this CGU of MCh$20,442.

NOTE 16 – PROPERTY AND EQUIPMENT

a) As of December 31, 2023 and 2022, property and equipment are detailed as follows:

Concept	December 31, 2023				
	Average years of useful life	Average years of remaining useful life	Closing gross balance	Accumulated depreciation	Closing net balance
			MCh$	MCh$	MCh$
Buildings and land	37	29	249,075	(52,251)	196,824
Other property and equipment	6	5	216,761	(159,971)	56,790
Total			**465,836**	**(212,222)**	**253,614**

Concept	December 31, 2022				
	Average years of useful life	Average years of remaining useful life	Closing gross balance	Accumulated depreciation	Closing net balance
			MCh$	MCh$	MCh$
Buildings and land	36	28	245,329	(49,066)	196,263
Other property and equipment	6	5	203,319	(150,477)	52,842
Total			**448,648**	**(199,543)**	**249,105**

b) Changes in property and equipment As of December 31, 2023 and 2022, are as follows:

	Buildings and land	Other property and equipment	Total
	MCh$	MCh$	MCh$
Balance at January 1, 2023	245,329	203,319	448,648
Acquisitions	43	20,806	20,849
Derecognition/disposal	(1,443)	(9,652)	(11,095)
Transfers	3,669	1,580	5,249
Other	1,477	725	2,202
Impairment	-	(17)	(17)
Gross balance as of December 31, 2023	**249,075**	**216,761**	**465,836**
Depreciation for the year	(3,317)	(18,212)	(21,529)
Derecognition/disposal	262	7,719	7,981
Transfers	-	-	-
Accumulated depreciation at the beginning of the period	(49,066)	(150,477)	(199,543)
Other	(130)	999	869
Impairment	-	-	-
Total accumulated depreciation	**(52,251)**	**(159,971)**	**(212,222)**
Net balance as of December 31, 2023	**196,824**	**56,790**	**253,614**

	Buildings and land	Other property and equipment	Total
	MCh$	MCh$	MCh$
Balance at January 1, 2022	243,378	194,292	437,670
Acquisitions	650	18,352	19,002
Derecognition/disposal	(1,460)	(9,319)	(10,779)
Transfers	3,060	99	3,159
Other	(299)	(105)	(404)
Impairment	-	-	-
Gross balance as of December 31, 2022	**245,329**	**203,319**	**448,648**
Depreciation for the year	(3,076)	(21,417)	(24,493)
Derecognition/disposal	430	5,381	5,811
Transfers	-	-	-
Accumulated depreciation at the beginning of the period	(46,442)	(138,494)	(184,936)
Other	22	4,053	4,075
Impairment	-	-	-
Total accumulated depreciation	**(49,066)**	**(150,477)**	**(199,543)**
Net balance as of December 31, 2022	**196,263**	**52,842**	**249,105**

The Bank has no restrictions on property and equipment as of December 31, 2023 and 2022. Additionally, property and equipment have not been pledged as collateral for the fulfillment of obligations. On the other hand, there are no amounts owed on property and equipment by the Bank as of the same dates.

NOTE 17 – RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

a) As of December 31, 2023 and 2022, this caption is detailed as follows:

Concept	December 31, 2023				
	Average years of useful life	Average years of remaining useful life	Closing gross balance	Accumulated depreciation	Closing net balance
	MCh$	MCh$	MCh$	MCh$	MCh$
Buildings and land	9	6	206,975	(83,027)	**123,948**
Leasehold improvements	10	7	64,799	(44,861)	**19,938**
Other property and equipment	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Total			**271,774**	**(127,888)**	**143,886**

Concept	December 31, 2022				
	Average years of useful life	Average years of remaining useful life	Closing gross balance	Accumulated depreciation	Closing net balance
	MCh$	MCh$	MCh$	MCh$	MCh$
Buildings and land	10	8	199,378	(68,907)	130,471
Leasehold improvements	9	6	68,772	(46,357)	22,415
Other property and equipment	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Total			**268,150**	**(115,264)**	**152,886**

b) Changes in right-of-use assets as of December 31, 2023 and 2022, are as follows:

	Buildings and land	Leasehold improvements	Other property and equipment	Other intangible assets	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
Balance January 1, 2023	**199,378**	**68,772**	-	-	**268,150**
Acquisitions	59,200	385	-	-	59,585
Derecognition/disposal	(55,568)	(6,143)	-	-	(61,711)
Transfers	2,016	1,175	-	-	3,191
Other	1,949	610	-	-	2,559
Impairment	-	-	-	-	-
Gross balance as of December 31, 2023	**206,975**	**64,799**	-	-	**271,774**
Depreciation for the period	(20,599)	(3,734)	-	-	(24,333)
Derecognition/disposal	12,148	5,454	-	-	17,602
Transfers	-	-	-	-	-
Accumulated depreciation	(68,907)	(46,357)	-	-	(115,264)
Other	(5,669)	(224)	-	-	(5,893)
Impairment	-	-	-	-	-
Total accumulated depreciation	**(83,027)**	**(44,861)**	-	-	**(127,888)**
Net balance as of December 31, 2023	**123,948**	**19,938**	-	-	**143,886**

	Buildings and land	Leasehold improvements	Other property and equipment	Other intangible assets	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
Balance January 1, 2022	223,152	69,646	-	-	292,798
Acquisitions	35,175	4,777	-	-	39,952
Derecognition/disposal	(62,299)	(7,505)	-	-	(69,804)
Transfers	3,740	1,949	-	-	5,689
Other	(390)	(95)	-	-	(485)
Impairment	-	-	-	-	-
Gross balance as of December 31, 2022	**199,378**	**68,772**	-	-	**268,150**
Depreciation for the period	(19,869)	(4,624)	-	-	(24,493)
Derecognition/disposal	10,376	6,780	-	-	17,156
Transfers	-	-	-	-	-
Accumulated depreciation	(55,230)	(48,543)	-	-	(103,773)
Other	(4,184)	30	-	-	(4,154)
Impairment	-	-	-	-	-
Total accumulated depreciation	**(68,907)**	**(46,357)**	-	-	**(115,264)**
Net balance as of December 31, 2022	**130,471**	**22,415**	-	-	**152,886**

c) As of December 31, 2023 and 2022, lease liabilities are as follows:

	December 31, 2023	December 31, 2022
	MCh$	MCh$
Lease liabilities	129,349	136,448
Total	**129,349**	**136,448**

d) Lease liabilities As of December 31, 2023 and 2022 :

	December 31, 2023	December 31, 2022
	MCh$	MCh$
Depreciation	24,333	24,493
Interests	2,639	2,897
Short-term leases	-	-
Total	**26,972**	**27,390**

e) As of December 31, 2023 and 2022, the expenses related to right-of-use assets and lease liabilities are as follows:

	December 31, 2023 MCh$	December 31, 2022 MCh$
Contract maturity		
On demand	-	-
Up to one month	2,047	1,933
From 1 to 3 months	5,171	4,765
From 3 months to 1 years	18,398	20,395
Between 1 and 3 years	63,017	56,168
From 3 to 5 years	36,142	48,169
More than 5 years	4,574	5,018
Total	**129,349**	**136,448**

f) As of December 31, 2023 and 2022, the bank does not maintain future minimum lease payments to be received for non-cancellable operating leases,

NOTE 18 – CURRENT TAXES AND DEFERRED TAXES

a. Current tax

As of December 31, 2023 and 2022, the Bank has recorded provisions for Corporate Income Tax and Tax under Article No. 21 of the Income Law, based on current legal tax provisions, recording a recording a current tax asset of MCh$125,659 as of December 31, 2023 (MCh$120,573 as of December 31, 2022). Such provisions are presented net of recoverable taxes. As detailed below:

	December 31 2023 MCh$	December 31 2022 MCh$
Current tax assets	159,318	138,066
Current tax (liabilities)	(33,659)	(17,493)
Total assets (liabilities)	**125,659**	**120,573**

Legal fees by jurisdiction	As of December 31, 2023	2022
Chile	27.00%	27.00%
United States	21.00%	21.00%
Peru	29.50%	29.50%

	December 31, 2023			
	Chile MCh$	United States MCh$	Peru MCh$	Total MCh$
Income tax (27% tax rate)	(150,032)	(50,205)	115	**(200,122)**
Previous year provision	-	-	-	-
Provision for 40% of single tax	(286)	-	-	**(286)**
Provision 10% single tax Law 21420	-	-	-	-
Less:				
Monthly provisional payments	129,524	23,895	-	**153,419**
Tax credit for training expenses	190	-	-	**190**
Credit for acquisition of property and equipment	2,903	-	-	**2,903**
Credit for donations	3,664	-	-	**3,664**
Income tax recoverable	164,581	-	211	**164,792**
Other taxes and withholdings recoverable	1,099	-	-	**1,099**
Total	**151,643**	**(26,310)**	**326**	**125,659**

	December 31, 2022			
	Chile MCh$	United States MCh$	Peru MCh$	Total MCh$
Income tax (27% tax rate)	(133,310)	(74,794)	15	**(208,089)**
Previous year provision	-	-	-	-
Provision for 40% of single tax	(290)	-	-	**(290)**
Provision 10% single tax Law 21420	-	-	-	-
Less:				
Monthly provisional payments	250,537	59,107	-	**309,644**
Tax credit for training expenses	2,442	-	-	**2,442**
Credit for acquisition of property and equipment	11	-	-	**11**
Credit for donations	1,394	-	-	**1,394**
Income tax recoverable	11,289	-	143	**11,432**
Other taxes and withholdings recoverable	4,703	(674)	-	**4,029**
Total	**136,776**	**(16,361)**	**158**	**120,573**

The following is the detail of the net current tax, both by economic entity and by geographical unit. In accordance with the provisions of IAS 12:

	December 31, 2023			
	Chile MCh$	United States MCh$	Peru MCh$	Total MCh$
Current tax asset	158,993	-	325	**159,318**
Current tax liability	(7,349)	(26,310)	-	**(33,659)**
Net total	**151,644**	**(26,310)**	**325**	**125,659**

	December 31, 2022			
	Chile MCh$	United States MCh$	Peru MCh$	Total MCh$
Current tax asset	137,908	-	158	**138,066**
Current tax liability	(1,132)	(16,361)	-	**(17,493)**
Net total	**136,776**	**(16,361)**	**158**	**120,573**

b. Income tax

The effect of tax expenditure for the periods ended as of December 31, 2023 and 2022, is comprised of the following:

	As of December 31, 2023			
	Chile	United States	Peru	Total
	MCh$	MCh$	MCh$	MCh$
Income tax expense:				
Current year tax	(146,982)	(41,837)	(336)	(189,155)
Surplus/deficit in previous year provision	-	-	-	-
Deferred tax credit (debit):				
Origination and reversal of temporary differences	50,072	3,370	459	53,901
Subtotal	**(96,910)**	**(38,467)**	**123**	**(135,254)**
Tax for non-deductible expenses under Article 21	(254)	-	-	(254)
Others	104	-	-	104
Net income tax debit (credit) to profit or loss	**(97,060)**	**(38,467)**	**123**	**(135,404)**

	As of December 31, 2022			
	Chile	United States	Peru	Total
	MCh$	MCh$	MCh$	MCh$
Income tax expense:				
Current year tax	(133,310)	(61,713)	9	(195,014)
Surplus/deficit in previous year provision	(6,039)	-	(1)	(6,040)
Deferred tax credit (debit):				
Origination and reversal of temporary differences	107,534	1,695	1,183	110,412
Subtotal	**(31,815)**	**(60,018)**	**1,191**	**(90,642)**
Tax for non-deductible expenses under Article 21	(237)	-	-	(237)
Others	-	-	-	-
Net income tax debit (credit) to profit or loss	**(32,052)**	**(60,018)**	**1,191**	**(90,879)**

c. Effective Tax Rate Reconciliation

The following is the reconciliation between the income tax rate and the effective rate applied in determining the tax expense as of December 31, 2023 and 2022:

	As of December 31,			
	2023		2022	
	Tax rate	Amount	Tax rate	Amount
	%	MCh$	%	MCh$
Profit before tax		817,975		911,903
Tax at the prevailing tax rate	27.00%	220,853	27.00%	246,214
Tax effect of non-deductible expenses when calculating taxable income:				
Currency correction BCI Financial Group (1)	1.04%	8,512	0.50%	4,575
U.S. and Peru rate differences (2)	(2.40%)	(19,664)	(2.82%)	(25,680)
Government tax	1.30%	10,630	0.64%	5,859
Equity price-level adjustment	(9.27%)	(75,865)	(19.66%)	(179,305)
One-off tax (non-deductible expenses)	0.01%	120	0.03%	237
Taxes from prior years	(0.36%)	(2,980)	0.66%	6,005
Bonds under Article No. 104 Income Tax Law (3)	(0.81%)	(6,603)	0.03%	233
Price-level adjustment of investments	0.75%	6,154	0.81%	7,421
Amortization and impairment of goodwill	0.20%	1,665	0.82%	7,454
MTM Derivatives Miami (4)	(0.60%)	(4,904)	2.56%	23,300
Other gains (losses) not subject to taxes	(0.39%)	(3,227)	(0.62%)	(5,682)
Other permanent differences	0.09%	713	0.03%	248
Effective rate and income tax expense	**16.56%**	**135,404**	**9.98%**	**90,879**

(1) The investment that BCI maintains in the USA (CNB) for tax purposes in Chile is adjusted for the variation of the exchange rate (US dollar), which is affected by First Category Income Tax. The impact of this adjustment as of December 31, 2023 is a tax saving of MCh$8,512, while as of December 31, 202, the expense amounted to MCh$4,575.
(2) The legal tax rate in Chile is 27%, while in the US the tax rate is 25.345% (federal tax of 21% and state tax of 5.5%), Therefore, with respect to part of BCI's consolidated profit (CNB, Miami Branch and BCI Securities) there is a tax saving associated with the difference in tax rates in force at different jurisdictions.
(3) Relates to adjustments to market values and higher and lower values obtained on the sale of Chilean government bonds issued in the local market and recorded in the Bank's trading portfolio, since these papers are supported by Article 104 of the Income Tax Law (LIR), which exempts them from taxes on the gains or losses from the sale of such instruments.
(4) BCI Miami Branch records an accounting hedge that covers the market variation of investments in its bond investment portfolio. For Chilean tax purposes, the MTM of such bonds cannot be computed for the payment of Parent Bank's taxes.

The reconciliation between the income tax rate and the effective rate separated by geographic unit in the countries where BCI maintains operations is shown below:

	As of December 31, 2023					
	Chile		EE.UU.		Perú	
	Tax rate	Amount	Tax rate	Amount	Tax rate	Amount
	%	MCh$	%	MCh$	%	MCh$
Profit before tax		641,797		186,751		(10,573)
Tax at the prevailing tax rate	27.00%	173,285	27.00%	50,423	27.00%	(2,855)
Tax effect of expenses that are not deductible when calculating taxable income:						
Price-level adjustment, BCI Financial Group	1.33%	8,512	0.00%	-	0.00%	-
Equity price-level adjustment	(11.82%)	(75,865)	0.00%	-	0.00%	-
One-off tax (non-deductible expenses)	0.02%	120	0.00%	-	0.00%	-
Tax from prior years	(0.46%)	(2,980)	0.00%	-	0.00%	-
Bonds under Article No. 104 of the Income Tax Law	(1.03%)	(6,603)	0.00%	-	0.00%	-
Government tax	0.00%	-	5.69%	10,630	0.00%	-
Change in tax rate in the United States and Peru	0.00%	-	(11.42%)	(21,321)	(15.67%)	1,657
Price-level adjustment of investments	0.96%	6,154	0.00%	-	0.00%	-
Amortization and impairment of goodwill	0.26%	1,665	0.00%	-	0.00%	-
MTM Derivatives Miami	(0.76%)	(4,904)	0.00%	-	0.00%	-
Other gains (losses) nit subject to taxes	(0.31%)	(1,961)	(0.68%)	(1,266)	0.00%	-
Other permanent differences	(0.06%)	(360)	0.00%	-	(10.17%)	1,075
Effective rate and income tax expense	**15.13%**	**97,063**	**20.59%**	**38,466**	**1.16%**	**(123)**

	As of December 31, 2022					
	Chile		EE.UU.		Perú	
	Tax rate	Amount	Tax rate	Amount	Tax rate	Amount
	%	MCh$	%	MCh$	%	MCh$
Profit before tax		560,483		357,248		(5,828)
Tax at the prevailing tax rate	27.00%	151,330	27.00%	96,457	27.00%	(1,574)
Tax effect of expenses that are not deductible when calculating taxable income:						
Price-level adjustment, BCI Financial Group	0.82%	4,575	0.00%	-	0.00%	-
Equity price-level adjustment	(31.99%)	(179,305)	0.00%	-	0.00%	-
One-off tax (non-deductible expenses)	0.04%	237	0.00%	-	0.00%	-
Tax from prior years	2.55%	14,292	(2.32%)	(8,288)	0.00%	-
Bonds under Article No. 104 of the Income Tax Law	0.04%	233	0.00%	-	0.00%	-
Government tax	0.00%	-	1.64%	5,859	0.00%	-
Change in tax rate in the United States and Peru	0.00%	-	(7.15%)	(25,535)	2.50%	(146)
Price-level adjustment of investments	1.32%	7,421	0.00%	-	0.00%	-
Amortization and impairment of goodwill	1.33%	7,454	0.00%	-	0.00%	-
MTM Derivatives Miami	4.16%	23,300	0.00%	-	0.00%	-
Other gains (losses) nit subject to taxes	(0.52%)	(2,904)	(0.78%)	(2,778)	0.00%	-
Other permanent differences	0.98%	5,419	(1.60%)	(5,697)	(9.05%)	529
Effective rate and income tax expense	**5.73%**	**32,052**	**16.79%**	**60,018**	**20.45%**	**(1,191)**

d. Effect of deferred taxes in equity

The deferred tax that has been recognized as a debit to equity as of December 31, 2023 and 2022, is comprised of the following:

	Accumulated Amounts		Effect on Profit and Loos	
	December 31,		December 31,	
	2023	2022	2023	2022
	MCh$	MCh$	MCh$	MCh$
Financial investments available for sale	7,113	18,413	(11,301)	7,572
Investments for Cash Flow Hedge	(46,978)	(38,045)	(8,933)	9,755
Other deferred tax credit (debit) on equity	122,058	136,933	(14,874)	136,933
Deferred tax credit (debit on equity)	**82,193**	**117,301**	**(35,108)**	**154,260**

e. Deferred tax effect

As of December 31, 2023 and 2022, the Bank has recorded the effects of deferred taxes in accordance with IAS 12 in its Consolidated Financial Statements.

	December 31,	
	2023	2022
	MCh$	MCh$
Deferred tax assets:		
With effect in income	410,268	600,015
With effect in equity	82,193	(117,301)
Total deferred tax assets	**492,461**	**482,714**
Deferred tax liabilities:		
With effect in profit or loss	(2,106)	(1,612)
With effect in Shareholders' equity	-	-
Total deferred tax liabilities	**(2,106)**	**(1,612)**
Total net deferred tax assets:	**490,355**	**481,102**

The following are the effects of net deferred taxes by jurisdiction as of December 31, 2023 and 2022:

	December 31, 2023			
	Chile	United States	Peru	Total
	MCh$	MCh$	MCh$	MCh$
Detail of deferred tax assets (liabilities)				
Allowance for credit losses	242,764	56,516	-	**299,280**
Provision for employee vacations and bonuses	65,228	-	334	**65,562**
Leases (net)	18,259	(115,199)	-	**(96,940)**
Property and equipment	(13,972)	(441)	-	**(14,413)**
Transitory assets	(18,546)	21,107	-	**2,561**
Derivative contracts	39,906	(22,163)	-	**17,743**
Subordinated bonds	12,453	-	-	**12,453**
Tax loss	42,208	53,856	1,639	**97,703**
Other	16,526	7,476	211	**24,213**
Total net assets (liabilities)	**404,826**	**1,152**	**2,184**	**408,162**
Deferred tax credit (debit) on equity	(39,865)	122,058	-	**82,193**
Net effect of deferred tax asset	**364,961**	**123,210**	**2,184**	**490,355**

	December 31, 2022			
	Chile	United States	Peru	Total
	MCh$	MCh$	MCh$	MCh$
Detail of deferred tax assets (liabilities)				
Allowance for credit losses	257,852	34,830	-	292,682
Provision for employee vacations and bonuses	64,792	-	235	65,027
Leases (net)	26,720	(66,392)	-	(39,672)
Property and equipment	(14,794)	(421)	3	(15,212)
Transitory assets	(19,409)	11,995	-	(7,414)
Derivative contracts	9,017	(12,595)	-	(3,578)
Subordinated bonds	12,975	-	-	12,975
Tax loss	18,631	28,085	1,128	47,844
Other	13,054	(2,117)	212	11,149
Total net assets (liabilities)	**368,838**	**(6,615)**	**1,578**	**363,801**
Deferred tax credit (debit) on equity	(19,577)	136,878	-	117,301
Net effect of deferred tax asset	**349,261**	**130,263**	**1,578**	**481,102**

f) Supplementary Information on Current and Deferred taxes.

In accordance with the provisions of the joint circular issued by the CMF and the SII (Chilean Internal Revenue Service), as of December 31, 2022, and 2021, the Bank presents the following tax information related to provisions, write-offs, renegotiations, and loan referral. This information includes the Bank's operations, and therefore subsidiaries have been excluded.

a. Loans and receivables to customers

December 31, 2023	Carrying value in the financial statements	Assets at tax value		
		Total	Past-due portfolio secured	Past-due portfolio unsecured
	MCh$	MCh$	MCh$	MCh$
Commercial loans	14,979,525	14,997,579	21,862	136,841
Consumer loans	2,616,981	2,644,544	70	213,949
Mortgage loans	10,486,943	10,510,076	759	8,796
Total	**28,083,449**	**28,152,199**	**22,691**	**359,586**

December 31, 2022	Carrying value in the financial statements	Assets at tax value		
		Total	Past-due portfolio secured	Past-due portfolio unsecured
	MCh$	MCh$	MCh$	MCh$
Commercial loans	14,373,324	14,385,361	9,287	163,708
Consumer loans	2,814,835	2,836,843	322	121,117
Mortgage loans	9,942,313	9,963,138	631	3,660
Total	**27,130,472**	**27,185,342**	**10,240**	**288,485**

b. Provisions

Provisions on past-due portfolio	Balance as of 01.01.2023	Write-off against Provision	Provisions established	Provisions reversed	Balance as of 12.31.2023
	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans	106,958	(1,462)	96,243	(65,063)	136,676
Consumer loans	59,203	(72)	50,753	(58,595)	51,289
Mortgage loans	158	-	141	(126)	173
Total	**166,319**	**(1,534)**	**147,137**	**(123,784)**	**188,138**

Provisions on past-due portfolio	Balance as of 01.01.2022	Write-off against Provision	Provisions established	Provisions reversed	Balance as of 12.31.2022
	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans	117,775	(8,836)	83,789	(85,770)	106,958
Consumer loans	27,909	(9,875)	67,271	(26,101)	59,203
Mortgage loans	159	-	108	(109)	158
Total	**145,843**	**(18,711)**	**151,168**	**(111,980)**	**166,319**

c. Write-offs

Write offs and repossessions	December 31, 2023	December 31, 2022
	MCh$	MCh$
Direct write-off art.31 N°4 second paragraph	309,401	253,242
Condemnations that led to the reversal of provisions	-	-
Recovery or renegotiation of loans previously written off	68,191	63,790
Total	**377,592**	**317,032**

NOTE 19 – OTHER ASSETS

As of December 31, 2023 and 2022, other assets are as follows:

	As of December 31	
	2023	2022
	MCh$	MCh$
Assets to be leased in financial leases as lessor	271,771	209,763
Cash guarantees delivered for derivative financial transactions	482,804	150,486
Debtors for brokerage of financial instruments	-	-
Accounts receivable for use of payment cards with provision of funds	-	-
Accounts receivable from third parties	99,858	143,266
Investment property	-	-
VAT fiscal credit receivable	18,677	17,603
Prepaid expenses	71,341	64,535
Valuation adjustments for macro hedges	11,150	691
Assets to support obligations for post-employment defined benefit plans	462,355	437,480
Assets from revenue from ordinary activities from contracts with customers (*)	-	-
Investments in gold	8,348	7,127
Other cash collateral provided	34,912	564,658
Pending operations	55,812	238,494
Other assets	75,957	60,961
Total	**1,592,985**	**1,895,064**

(*) Corresponds to life insurance policies of the subsidiary City National Bank of BCI Financial Group, for certain executives and employees where CNB is the owner and beneficiary. Such policies are referred to as BOLI (Bank Owned Life Insurance).

NOTE 20 – NON-CURRENT ASSETS AND DISPOSAL GROUP HELD FOR SALE AND LIABILITIES INCLUDED IN DISPOSAL GROUP HELD FOR SALE

a) As of December 31, 2023 and 2022, non-current assets and disposal group held for sale are as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Assets received in payment or foreclosed at judicial auction (*):		
Goods received in payment	1,458	306
Assets foreclosed at judicial auction	8,139	5,199
Provisions for goods received in payment or foreclosed at judicial auction	(256)	(310)
Subtotal	**9,341**	**5,195**
Investment in companies	-	-
Intangible assets	-	-
Property and equipment	698	-
Assets for recovery of assets under finance leases	35,946	29,739
Other assets	-	-
Subtotal	**36,644**	**29,739**
Total	**45,985**	**34,934**

(*) The Bank receives assets when customers have payments of overdue debts or when it acquires them in a judicial auction for payment of debts previously contracted in its favor. These pools of assets do not exceed 20% of the Bank's effective equity at any time, 0.124409% as of December 31, 2023 and 0.082530% as of December 31, 2022.

b) As of December 31, 2023 and 2022, changes in provisions for assets received in payment are as follows:

	Provisions
	MCh$
Balance as of January 1, 2023	(310)
Provisions accrued	2,831
Provisions used	(2,777)
Balance as of December 31, 2023	**(256)**

	Provisions
	MCh$
Balance as of January 1, 2022	-
Provisions accrued	1,215
Provisions used	(1,525)
Balance as of December 31, 2022	**(310)**

c) As of December 31, 2023 and 2022, the Bank does not record liabilities included in a disposal group held for sale.

NOTE 21 – FINANCIAL LIABILITIES HELD FOR TRADING AT FAIR VALUE THROUGH PROFIT OR LOSS

a) As of December 31, 2023 and 2022, financial liabilities held for trading at fair value through profit or loss are as follows:

	December 31, 2023 MCh$	December 31, 2022 MCh$
Financial derivative contracts	5,625,481	6,584,736
Other financial instruments	-	-
Total	**5,625,481**	**6,584,736**

b) As of December 31, 2023 and 2022, financial derivative contracts are as follows:

	On demand MCh$	Up to 1 month MCh$	From 1 to 3 months months MCh$	From 3 months up to 1 year MCh$	From 1 to 3 years MCh$	From 3 to 5 years MCh$	Over 5 years MCh$	Total MCh$	Fair value as of December 31, 2023 MCh$
Financial derivative contracts									
Forwards	-	18,048,934	18,212,923	21,891,729	6,053,038	1,579,538	2,561,293	**68,347,455**	**1,004,414**
Swaps	59,004	6,420,768	29,470,627	53,462,106	55,508,896	31,336,427	35,450,163	**211,707,991**	**4,618,917**
Call Options	-	10,191	15,876	56,296	7,117	-	-	**89,480**	**397**
Put Options	-	7,480	14,864	36,682	4,205	-	-	**63,231**	**1,376**
Futures	-	-	-	7,368	-	-	-	**7,368**	**377**
Other	-	-	-	-	-	-	-	-	-
Total	**59,004**	**24,487,373**	**47,714,290**	**75,454,181**	**61,573,256**	**32,915,965**	**38,011,456**	**280,215,525**	**5,625,481**

	On demand MCh$	Up to 1 month MCh$	From 1 to 3 months MCh$	From 3 months to 1 year MCh$	From 1 to 3 years MCh$	From 3 to 5 years MCh$	Over 5 years MCh$	Total MCh$	Fair value as of December 31, 2022 MCh$
Financial derivative contracts									
Forwards	-	12,266,573	9,933,452	15,980,344	7,314,952	1,479,328	1,909,961	**48,884,610**	**1,547,496**
Swaps	161,085	4,724,891	13,447,198	34,989,607	44,640,387	26,403,165	27,487,773	**151,854,106**	**5,030,025**
Call Options	-	23,545	56,873	123,635	1,958	132	-	**206,143**	**1,966**
Put Options	-	20,441	50,127	97,991	1,190	-	-	**169,749**	**5,125**
Futures	-	-	-	-	-	-	-	-	**124**
Other	-	-	-	-	-	-	-	-	-
Total	**161,085**	**17,035,450**	**23,487,650**	**51,191,577**	**51,958,487**	**27,882,625**	**29,397,734**	**201,114,608**	**6,584,736**

c) As of December 31, 2023 and 2022, the Bank does not hold other financial liabilities for trading at fair value through profit or loss.

NOTE 22 – FINANCIAL LIABILITIES AT AMORTIZED COST

a) As of December 31, 2023 and 2022, financial liabilities at amortized cost are as follows:

	December 31, 2023 MCh$	December 31, 2022 MCh$
Deposits and other obligations on demand		
Current accounts	21,076,678	21,585,141
Demand deposit accounts	685,713	761,815
Other demand deposits	253,420	255,380
Obligations for fund provision accounts for payment cards	18,236	19,699
Other obligations on demand	1,776,251	1,500,130
Subtotal	**23,810,298**	**24,122,165**
Deposits and other time deposits		
Time deposits	18,375,288	18,172,045
Term savings accounts	63,772	71,647
Other term credit balances	3,211	2,273
Subtotal	**18,442,271**	**18,245,965**
Obligations for repurchase agreements and securities lending		
Transactions with domestic banks	107,171	127,673
Transactions with foreign banks	-	-
Transactions with other domestic entities	575,268	256,406
Transactions with other foreign entities	24,184	804
Subtotal	**706,623**	**384,883**
Bank borrowings		
Domestic banks	362,713	408,618
Foreign banks	2,188,144	1,736,799
Central Bank of Chile	4,575,128	4,515,654
Foreign Central Banks	-	-
Subtotal	**7,125,985**	**6,661,071**
Debt financial instruments issued		
Letters of credit	695	1,800
Current bonds	8,111,815	8,105,460
Subtotal	**8,112,510**	**8,107,260**
Other financial obligations		
Other financial obligations with the public sector	-	1,099
Other domestic financial obligations	85,824	79,780
Other foreign financial obligations	1,653,988	2,158,221
Subtotal	**1,739,812**	**2,239,100**
Total	**59,937,499**	**59,760,444**

b) As of December 31, 2023, current bonds are as follows:

CURRENT BONDS IN PESOS							
Series	Amount issued Ch$	Amount placed Ch$	Issuance date	Maturity Date	Average rate	Balance due Ch$	Balance due MCh$
SERIE_O1	100,000,000,000	100,000,000,000	12-01-2020	12-01-2025	8.25%	91,356,131,225	91,356
SERIE_O2	100,000,000,000	100,000,000,000	12-01-2020	12-01-2026	7.11%	89,859,185,371	89,859
SERIE_O3	100,000,000,000	100,000,000,000	12-01-2020	12-01-2027	5.49%	92,041,901,300	92,042
SERIE_Q1	50,000,000,000	50,000,000,000	09-01-2022	03-01-2025	7.20%	51,731,012,933	51,731
SERIE_T1	35,000,000,000	8,500,000,000	02-01-2023	02-01-2027	7.05%	8,538,581,498	8,539
SERIE_T2	35,000,000,000	32,500,000,000	02-01-2023	08-01-2027	6.36%	33,105,552,678	33,106
SERIE_T3	35,000,000,000	35,000,000,000	02-01-2023	02-01-2028	6.52%	35,464,004,196	35,464
SERIE_T4	35,000,000,000	35,000,000,000	02-01-2023	02-01-2029	6.80%	34,829,304,657	34,829
SERIE_T5	35,000,000,000	35,000,000,000	02-01-2023	02-01-2031	6.58%	34,951,550,818	34,952
SERIE_T6	35,000,000,000	35,000,000,000	02-01-2023	02-01-2033	6.24%	35,592,514,054	35,593
SERIE_V5	12,500,000,000	12,500,000,000	07-01-2023	01-01-2030	6.47%	12,646,998,552	12,647
SERIE_W5	9,000,000,000	9,000,000,000	07-01-2023	07-01-2032	6.23%	9,194,249,562	9,194
Fair value adjustment (fair value hedge)						11,327,582,066	11,328
Subtotal	**581,500,000,000**	**552,500,000,000**				**540,638,568,910**	**540,640**

CURRENT BONDS IN UNIDADES DE FOMENTO							
Series	Amount issued UF	Amount placed UF	Issuance Date	Maturity Date	Average Rate	Balance due UF	Balance due MCh$
SERIE_AI2	5,000,000	-	03-01-2014	03-01-2024	0.00%	-	-
SERIE_AJ2	20,000,000	20,000,000	10-01-2014	10-01-2024	2.23%	20,062,812	738,098
SERIE_AL3	3,000,000	3,000,000	06-01-2016	06-01-2024	2.40%	3,007,451	110,642
SERIE_AL4	3,000,000	3,000,000	06-01-2016	06-01-2028	2.36%	3,025,109	111,292
SERIE_AL5	3,000,000	3,000,000	06-01-2016	06-01-2031	2.50%	3,008,958	110,698
SERIE_AN2	3,000,000	3,000,000	12-01-2016	12-01-2024	1.95%	3,006,368	110,602
SERIE_AN3	3,000,000	3,000,000	12-01-2016	12-01-2026	2.00%	3,005,587	110,574
SERIE_A2	3,000,000	3,000,000	04-01-2017	04-01-2027	2.18%	2,999,067	110,334
SERIE_C3	3,000,000	3,000,000	07-01-2017	07-01-2025	2.28%	3,018,149	111,036
SERIE_C4	3,000,000	3,000,000	07-01-2017	07-01-2026	2.42%	3,000,547	110,388
SERIE_D2	3,000,000	3,000,000	11-01-2017	11-01-2025	2.04%	3,008,069	110,665
SERIE_D3	3,000,000	3,000,000	11-01-2017	11-01-2028	2.34%	2,964,929	109,078
SERIE_D4	3,000,000	3,000,000	11-01-2017	11-01-2029	2.45%	2,938,846	108,118
SERIE_F2	3,000,000	3,000,000	04-01-2018	04-01-2024	1.60%	3,017,901	111,027
SERIE_F3	3,000,000	3,000,000	04-01-2018	04-01-2025	2.00%	3,015,187	110,927
SERIE_F4	3,000,000	3,000,000	04-01-2018	04-01-2028	2.17%	2,995,469	110,201
SERIE_F5	3,000,000	3,000,000	04-01-2018	04-01-2029	2.36%	2,963,609	109,029
Serie_G1	3,000,000	3,000,000	06-01-2018	06-01-2025	1.47%	3,027,303	111,373
Serie_G2	3,000,000	3,000,000	06-01-2018	06-01-2026	1.09%	3,070,057	112,945
Serie_G3	3,000,000	3,000,000	06-01-2018	06-01-2029	2.10%	2,991,040	110,038
SERIE_I1	3,000,000	3,000,000	02-01-2019	02-01-2028	0.70%	3,181,716	117,053
SERIE_I2	3,000,000	3,000,000	02-01-2019	02-01-2029	0.72%	3,218,523	118,407

CURRENT BONDS IN UNIDADES DE FOMENTO							
Series	Amount issued	Amount placed	Issuance Date	Maturity Date	Average Rate	Balance due	Balance due
SERIE_I3	3,000,000	3,000,000	02-01-2019	02-01-2030	1.19%	3,167,520	116,531
SERIE_K2	3,000,000	1,450,000	05-01-2019	05-01-2025	1.90%	1,456,832	53,596
SERIE_K4	3,000,000	3,000,000	05-01-2019	05-01-2029	0.45%	3,254,800	119,742
SERIE_M3	3,000,000	3,000,000	10-01-2019	10-01-2028	-0.09%	3,238,352	119,137
SERIE_M4	3,000,000	3,000,000	10-01-2019	10-01-2029	-0.31%	3,326,632	122,385
SERIE_M5	3,000,000	3,000,000	10-01-2019	10-01-2030	0.27%	3,257,888	119,856
SERIE_N1	3,000,000	3,000,000	12-01-2020	06-01-2027	2.05%	2,950,341	108,541
SERIE_N2	3,000,000	3,000,000	12-01-2020	12-01-2027	2.76%	2,866,450	105,455
SERIE_N3	3,000,000	3,000,000	12-01-2020	12-01-2028	2.25%	2,900,850	106,720
SERIE_N4	3,000,000	3,000,000	12-01-2020	12-01-2030	2.84%	2,756,581	101,413
SERIE_P1	3,000,000	3,000,000	10-01-2021	10-01-2031	2.55%	3,119,801	114,775
SERIE_P2	3,000,000	3,000,000	10-01-2021	10-01-2032	3.04%	3,017,754	111,021
SERIE_P3	3,000,000	3,000,000	10-01-2021	10-01-2033	2.75%	3,091,596	113,738
SERIE_P4	3,000,000	3,000,000	10-01-2021	10-01-2035	2.59%	3,146,005	115,740
SERIE_P5	3,000,000	3,000,000	10-01-2021	10-01-2036	2.63%	3,146,860	115,771
SERIE_R1	1,000,000	1,000,000	09-01-2022	03-01-2028	2.85%	1,016,526	37,397
SERIE_R2	1,000,000	1,000,000	09-01-2022	09-01-2028	2.80%	1,019,325	37,500
SERIE_R3	1,000,000	1,000,000	09-01-2022	03-01-2029	2.80%	1,020,404	37,540
SERIE_S4	2,000,000	735,000	02-01-2023	02-01-2031	2.92%	748,816	27,548
SERIE_U3	3,000,000	1,850,000	02-01-2023	08-01-2034	3.31%	1,826,119	67,182
SERIE_U4	3,000,000	3,000,000	02-01-2023	02-01-2035	3.32%	2,955,347	108,725
Fair value adjustment (fair value hedge)						(1,028,540)	(37,839)
Subtotal	**141,000,000**	**132,035,000**				**132,782,956**	**4,884,999**

CURRENT BONDS FOREIGN CURRENCY US DOLLAR							
Series	Amount issued US$	Amount placed US$	Issuance Date	Maturity Date	Average rate	Balance due US$	Balance due MCh$
US05890MAA18	500,000,000	500,000,000	10-12-2017	12-10-2027	3.65%	499,278,365	436,619
XS1879614755	50,000,000	50,000,000	09-13-2018	03-13-2024	3.85%	50,559,500	44,214
XS1888335194	100,000,000	100,000,000	04-10-2018	04-04-2024	4.02%	100,925,950	88,260
XS1895749593	45,000,000	45,000,000	10-19-2018	04-19-2024	4.03%	45,339,121	39,649
XS1984711355	10,000,000	10,000,000	04-23-2019	04-23-2024	3.13%	10,118,950	8,849
XS2012024696	50,000,000	50,000,000	06-14-2019	06-14-2029	3.32%	49,810,145	43,559
XS2024766276	50,000,000	50,000,000	07-10-2019	07-10-2029	3.21%	50,488,456	44,152
XS2047630970	10,000,000	10,000,000	08-28-2019	08-28-2024	3.29%	10,048,850	8,788
XS2085920416	20,000,000	20,000,000	02-12-2019	02-06-2025	3.82%	20,036,184	17,522
XS2318617185	54,000,000	54,000,000	03-17-2021	03-12-2029	2.37%	53,600,611	46,874
XS2337108497	10,000,000	10,000,000	04-27-2021	04-27-2026	4.54%	10,066,971	8,804
XS2357310379	10,000,000	10,000,000	06-23-2021	06-23-2031	2.60%	9,915,331	8,671
XS2377687442	10,000,000	10,000,000	08-18-2021	08-18-2031	2.53%	9,998,229	8,743
XS2387450393	30,000,000	30,000,000	09-16-2021	09-16-2026	5.35%	29,898,779	26,146
XS2388190592	10,000,000	10,000,000	09-21-2021	09-21-2026	5.18%	9,940,721	8,693
XS2384719667	133,000,000	133,000,000	09-24-2021	09-24-2026	1.89%	132,646,790	116,000
XS2389126280	10,000,000	10,000,000	09-27-2021	09-27-2031	2.42%	9,973,130	8,722
US05890MAB90	500,000,000	500,000,000	10-14-2021	10-14-2031	3.08%	490,943,009	429,329
XS2398895651	17,000,000	17,000,000	10-19-2021	10-19-2026	5.30%	17,113,870	14,966
XS2402142371	20,000,000	20,000,000	10-27-2021	10-27-2028	5.78%	20,092,714	17,571
XS2407022313	20,000,000	20,000,000	01-12-2021	01-12-2026	5.43%	19,982,275	17,474
XS2454830824	10,000,000	10,000,000	03-10-2022	03-10-2029	6.07%	9,945,803	8,698
XS2457006521	25,000,000	25,000,000	03-15-2022	03-15-2027	5.89%	24,905,311	21,780
XS2668166775	35,000,000	35,000,000	08-18-2023	08-18-2028	6.71%	34,959,041	30,572
XS2697475015	10,000,000	10,000,000	09-28-2023	09-28-2028	6.60%	10,007,455	8,752
XS2737616164	15,000,000	15,000,000	12-22-2023	12-23-2024	5.57%	15,023,213	13,138
Fair value adjustment (fair value hedge)						(44,938,777)	(39,301)
Subtotal	**1,754,000,000**	**1,754,000,000**				**1,700,679,997**	**1,487,244**

CURRENT BONDS FOREIGN CURRENCY EURO							
Series	Amount issued EU	Amount placed EU	Issuance Date	Maturity Date	Average rate	Balance due EU	Balance due MCh$
XS1493734971	20,000,000	20,000,000	09-23-2016	09-23-2024	0.89%	20,020,592	19,352
Fair value adjustment (fair value hedge)						-	-
Subtotal	**20,000,000**	**20,000,000**				**20,020,592**	**19,352**

CURRENT BONDS FOREIGN CURRENCY AUD							
Series	Amount issued AUD	Amount placed AUD	Issuance Date	Maturity Date	Average rate	Balance due AUD	Balance due MCh$
XS1717587007	80,000,000	80,000,000	11-15-2017	11-15-2027	4.15%	80,019,874	47,683
XS1859545367	40,000,000	40,000,000	07-25-2018	07-25-2033	4.67%	40,536,458	24,155
XS1879612973	60,000,000	60,000,000	09-14-2018	09-14-2033	4.65%	60,363,164	35,969
XS1897619968	40,000,000	40,000,000	10-24-2018	10-24-2033	4.70%	39,796,505	23,714
XS2087687435	30,000,000	30,000,000	02-12-2019	03-12-2029	4.68%	29,930,750	17,835
Fair value adjustment (fair value hedge)						(3,397,951)	(2,025)
Subtotal	**250,000,000**	**250,000,000**				**247,248,800**	**147,331**

CURRENT BONDS FOREIGN CURRENCY SWISS FRANC							
Series	Amount issued CHF	Amount placed CHF	Issuance Date	Maturity Date	Average rate	Balance due CHF	Balance due MCh$
CH0471298007	175,000,000	175,000,000	05-22-2019	11-22-2024	0.32%	174,903,968	181,633
CH0494734376	100,000,000	100,000,000	09-24-2019	09-24-2029	0.22%	99,496,038	103,324
CH0505011889	105,000,000	105,000,000	10-29-2019	10-29-2025	0.25%	104,662,400	108,689
CH0506071239	125,000,000	125,000,000	03-18-2020	09-18-2026	0.10%	124,402,763	129,189
CH1120085696	100,000,000	100,000,000	07-15-2021	12-15-2026	0.39%	99,248,109	103,067
CH1142512339	200,000,000	200,000,000	01-26-2022	04-26-2027	0.60%	199,244,642	206,911
CH1248666963	135,000,000	135,000,000	03-22-2023	03-22-2028	2.89%	136,417,941	141,667
Fair value adjustment (fair value hedge)						(3,483,532)	(3,618)
Subtotal	**940,000,000**	**940,000,000**				**934,892,329**	**970,862**

CURRENT BONDS FOREIGN CURRENCY YEN							
Series	Amount issued YEN	Amount placed YEN	Issuance Date	Maturity Date	Average rate	Balance due YEN	Balance due MCh$
XS1830985781	5,000,000,000	5,000,000,000	06-01-2018	12-01-2028	0.75%	4,972,098,872	30,841
XS2424489958	5,000,000,000	5,000,000,000	01-07-2022	01-07-2027	0.50%	4,969,225,046	30,823
Fair value adjustment (fair value hedge)						(44,621,233)	(277)
Subtotal	**10,000,000,000**	**10,000,000,000**				**9,896,702,685**	**61,387**
Total current bonds							**8,111,815**

c) As of December 31, 2022, current bonds are as follows:

CURRENT BONDS IN PESOS							
Series	Amount issued Ch$	Amount placed Ch$	Issuance date	Maturity date	Average rate	Balance due Ch$	Balance due MCh$
SERIE_AM	50,000,000,000	50,000,000,000	06-01-2016	06-01-2023	4.90%	50,386,805,885	50,387
SERIE__E	100,000,000,000	100,000,000,000	12-01-2020	12-01-2025	8.25%	87,242,126,980	87,242
SERIE_O1	100,000,000,000	100,000,000,000	12-01-2020	12-01-2026	7.11%	86,760,286,472	86,760
SERIE_O2	100,000,000,000	100,000,000,000	12-01-2020	12-01-2027	5.49%	90,266,502,981	90,267
SERIE_O3	50,000,000,000	50,000,000,000	09-01-2022	03-01-2025	7.20%	52,054,876,632	52,055
Fair value adjustment (fair value hedge)						4,341,915,457	4,342
Subtotal	**400,000,000,000**	**400,000,000,000**				**371,052,514,407**	**371,053**

CURRENT BONDS IN UNIDADES DE FOMENTO							
Series	Amount issued UF	Amount placed UF	Issuance date	Maturity date	Average rate	Balance due UF	Balance due MCh$
SERIE_AI2	5,000,000	-	03-01-2014	03-01-2024	0.00%	-	-
SERIE_AJ2	20,000,000	20,000,000	10-01-2014	10-01-2024	2.23%	20,016,847	702,811
SERIE_AL2	3,000,000	3,000,000	06-01-2016	06-01-2023	2.15%	3,010,711	105,709
SERIE_AL3	3,000,000	3,000,000	06-01-2016	06-01-2024	2.40%	3,010,791	105,712
SERIE_AL4	3,000,000	3,000,000	06-01-2016	06-01-2028	2.36%	3,029,206	106,358
SERIE_AL5	3,000,000	3,000,000	06-01-2016	06-01-2031	2.50%	3,009,346	105,661
SERIE_AN2	3,000,000	3,000,000	12-10-2016	12-01-2024	1.95%	3,008,096	105,617
SERIE_AN3	3,000,000	3,000,000	12-01-2016	12-01-2026	2.00%	3,005,870	105,539
SERIE_A2	3,000,000	3,000,000	04-01-2017	04-01-2027	2.18%	2,994,439	105,138
SERIE_B2	3,000,000	3,000,000	05-01-2017	05-01-2023	1.67%	3,013,373	105,802
SERIE_C2	3,000,000	3,000,000	07-01-2017	07-01-2023	2.32%	3,025,544	106,230
SERIE_C3	3,000,000	3,000,000	07-01-2017	07-01-2025	2.28%	3,010,532	105,703
SERIE_C4	3,000,000	3,000,000	07-01-2017	07-01-2026	2.42%	2,989,294	104,957
SERIE_D1	3,000,000	3,000,000	11-01-2017	11-01-2023	1.84%	3,014,006	105,825
SERIE_D2	3,000,000	3,000,000	11-01-2017	11-01-2025	2.04%	3,007,229	105,587
SERIE_D3	3,000,000	3,000,000	11-01-2017	11-01-2028	2.34%	2,956,333	103,800
SERIE_D4	3,000,000	3,000,000	11-01-2017	11-01-2029	2.45%	2,927,725	102,795
SERIE_F2	3,000,000	3,000,000	04-01-2018	04-01-2024	1.60%	3,029,901	106,383
SERIE_F3	3,000,000	3,000,000	04-01-2018	04-01-2025	2.00%	3,015,459	105,876
SERIE_F4	3,000,000	3,000,000	04-01-2018	04-01-2028	2.17%	2,991,209	105,024
SERIE_F5	3,000,000	3,000,000	04-01-2018	04-01-2029	2.36%	2,954,585	103,738
Serie_G1	3,000,000	3,000,000	06-01-2018	06-01-2025	1.47%	3,042,859	106,838
Serie_G2	3,000,000	3,000,000	06-01-2018	06-01-2026	1.09%	3,096,521	108,722
Serie_G3	3,000,000	3,000,000	06-01-2018	06-01-2029	2.10%	2,988,696	104,936
SERIE_I1	3,000,000	3,000,000	02-01-2019	02-01-2028	0.70%	3,219,458	113,038
SERIE_I2	3,000,000	3,000,000	02-01-2019	02-01-2029	0.72%	3,256,263	114,331
SERIE_I3	3,000,000	3,000,000	02-01-2019	02-01-2030	1.19%	3,190,041	112,005
SERIE_K1	3,000,000	3,000,000	05-01-2019	05-01-2023	(0.03%)	3,030,302	106,397
SERIE_K2	3,000,000	1,450,000	05-01-2019	05-01-2025	1.90%	1,458,331	51,203
SERIE_K4	3,000,000	3,000,000	05-01-2019	05-01-2029	0.45%	3,300,061	115,868
SERIE_M3	3,000,000	3,000,000	10-01-2019	10-01-2028	(0.09%)	3,286,285	115,385
SERIE_M4	3,000,000	3,000,000	10-01-2019	10-01-2029	(0.31%)	3,382,047	118,747
SERIE_M5	3,000,000	3,000,000	10-01-2019	10-01-2030	0.27%	3,294,052	115,657
SERIE_N1	3,000,000	3,000,000	12-01-2020	06-01-2027	2.05%	2,935,446	103,066
SERIE_N2	3,000,000	3,000,000	12-01-2020	12-01-2027	2.76%	2,833,766	99,496
SERIE_N3	3,000,000	3,000,000	12-01-2020	12-01-2028	2.25%	2,881,357	101,167
SERIE_N4	3,000,000	3,000,000	12-01-2020	12-01-2030	2.84%	2,724,741	95,668
SERIE_P1	3,000,000	3,000,000	10-01-2021	10-01-2031	2.55%	3,131,101	109,936
SERIE_P2	3,000,000	3,000,000	10-01-2021	10-01-2032	3.04%	3,017,385	105,943
SERIE_P3	3,000,000	3,000,000	10-01-2021	10-01-2033	2.75%	3,097,805	108,767
SERIE_P4	3,000,000	3,000,000	10-01-2021	10-01-2035	2.59%	3,155,443	110,791
SERIE_P5	3,000,000	3,000,000	10-01-2021	10-01-2036	2.63%	3,155,059	110,777
SERIE_R1	1,000,000	1,000,000	09-01-2022	03-01-2028	2.85%	1,018,009	35,743
SERIE_R2	1,000,000	1,000,000	09-01-2022	09-01-2028	2.80%	1,021,219	35,856
SERIE_R3	1,000,000	1,000,000	09-01-2022	03-01-2029	2.80%	1,022,275	35,893
Fair value adjustment (fair value hedge)						(2,207,809)	(77,516)
Subtotal	**148,000,000**	**141,450,000**				**141,351,209**	**4,962,979**

CURRENT BONDS IN FOREIGN CURRENCY US DOLLAR							
Series	Amount issued US$	Amount placed US$	Placement date	Maturity date	Average rate	Balance due US$	Balance due MCh$ (*)
USP32133CG63	500,000,000	500,000,000	11-02-2013	11-02-2023	4.09%	507,689,997	431,156
US05890MAA18	500,000,000	500,000,000	12-10-2017	12-10-2027	3.65%	498,086,844	423,000
XS1879614755	50,000,000	50,000,000	13-09-2018	13-03-2024	3.85%	50,468,931	42,861
XS1888335194	100,000,000	100,000,000	04-10-2018	04-04-2024	4.02%	100,750,404	85,562
XS1895749593	45,000,000	45,000,000	19-10-2018	19-04-2024	4.03%	45,257,689	38,435
XS1919312626	25,000,000	25,000,000	07-12-2018	07-12-2023	2.86%	25,038,459	21,264
XS1984711355	10,000,000	10,000,000	23-04-2019	23-04-2024	2.88%	10,069,831	8,552
XS2012024696	50,000,000	50,000,000	14-06-2019	14-06-2029	3.32%	49,754,847	42,254
XS2024766276	50,000,000	50,000,000	10-07-2019	10-07-2029	3.21%	50,432,740	42,830
XS2047630970	10,000,000	10,000,000	28-08-2019	28-08-2024	3.08%	10,023,193	8,512
XS2085920416	20,000,000	20,000,000	02-12-2019	02-06-2025	3.53%	19,983,378	16,971
XS2318617185	54,000,000	54,000,000	17-03-2021	03-12-2029	2.37%	53,508,090	45,442
XS2337108497	10,000,000	10,000,000	27-04-2021	27-04-2026	3.81%	10,030,006	8,518
XS2357310379	10,000,000	10,000,000	23-06-2021	23-06-2031	2.60%	9,901,679	8,409
XS2377687442	10,000,000	10,000,000	18-08-2021	18-08-2031	2.53%	9,983,973	8,479
XS2387450393	30,000,000	30,000,000	16-09-2021	16-09-2026	4.80%	29,829,997	25,333
XS2388190592	10,000,000	10,000,000	21-09-2021	21-09-2026	4.63%	9,908,333	8,415
XS2384719667	133,000,000	133,000,000	24-09-2021	24-09-2026	1.89%	132,251,644	112,315
XS2389126280	10,000,000	10,000,000	09-27-2021	09-27-2031	2.42%	9,959,735	8,458
US05890MAB90	500,000,000	500,000,000	10-14-2021	10-14-2031	3.08%	489,400,240	415,623
XS2398895651	17,000,000	17,000,000	10-19-2021	10-19-2026	4.35%	17,022,540	14,456
XS2402142371	20,000,000	20,000,000	10-27-2021	10-27-2028	4.82%	20,025,145	17,006
XS2407022313	20,000,000	20,000,000	01-12-2021	01-12-2026	4.85%	19,921,103	16,918
XS2454830824	10,000,000	10,000,000	03-10-2022	03-10-2029	5.35%	9,919,692	8,424
XS2457006521	25,000,000	25,000,000	03-15-2022	03-15-2027	5.26%	24,838,300	21,094
Fair value adjustment (fair value hedge)						(71.647.887)	(54,135)
Subtotal	**2,219,000,000**	**2,219,000,000**				**2,142,408,903**	**1,826,152**

CURRENT BONDS IN FOREIGN CURRENCY EURO							
Series	Amount issued	Amount placed	Placement date	Maturity date	Average rate	Balance due	Balance due
	EU	EU				EU	MCh$
XS1493734971	20,000,000	20,000,000	09-23-2016	09-23-2024	0.89%	19,983,816	18,134
Fair value adjustment (fair value hedge)						-	-
Subtotal	**20,000,000**	**20,000,000**				**19,983,816**	**18,134**

CURRENT BONDS FOREIGN CURRENCY AUD							
Series	Amount issued	Amount placed	Placement date	Maturity date	Average rate	Balance due	Balance due
	AUD	AUD				AUD	MCh$
XS1717587007	80,000,000	80,000,000	15-11-2017	15-11-2027	4.15%	79,906,915	46,118
XS1859545367	40,000,000	40,000,000	25-07-2018	25-07-2033	4.67%	40,501,691	23,376
XS1879612973	60,000,000	60,000,000	14-09-2018	14-09-2033	4.65%	60,305,740	34,805
XS1897619968	40,000,000	40,000,000	24-10-2018	24-10-2033	4.70%	39,732,868	22,932
XS2087687435	30,000,000	30,000,000	02-12-2019	03-12-2029	3.92%	29,869,943	17,239
Fair value adjustment (fair value hedge)						(10,839,716)	(6,256)
Subtotal	**250,000,000**	**250,000,000**				**239,477,441**	**138,214**

CURRENT BONDS IN FOREIGN CURRENCY SWISS FRANC							
Series	Amount issued	Amount placed	Placement date	Maturity date	Average rate	Balance due	Balance due
	CHF	CHF				CHF	MCh$
CH0471298007	175,000,000	175,000,000	05-22-2019	11-22-2024	0.32%	174,662,351	160,428
CH0494734376	100,000,000	100,000,000	09-24-2019	09-24-2029	0.22%	99,332,320	91,237
CH0505011889	105,000,000	105,000,000	10-29-2019	10-29-2025	0.25%	104,406,038	95,897
CH0506071239	125,000,000	125,000,000	03-18-2020	09-18-2026	0.10%	124,097,896	113,985
CH1120085696	100,000,000	100,000,000	07-15-2021	12-15-2026	0.39%	98,903,688	90,844
CH1142512339	200,000,000	200,000,000	01-26-2022	04-26-2027	0.60%	198,594,342	182,410
Fair value adjustment (fair value hedge)						(9,100,743)	(8,359)
Subtotal	**805,000,000**	**805,000,000**				**790,895,892**	**726,442**

CURRENT BONDS IN FOREIGN CURRENCY YEN							
Series	Amount issued	Amount placed	Placement date	Maturity date	Average rate	Balance due	Balance due
	YEN	YEN				YEN	MCh$
XS1830985781	5,000,000,000	5,000,000,000	06-01-2018	12-01-2028	0.75%	4,967,057,088	31,992
XS2424489958	5,000,000,000	5,000,000,000	01-07-2022	01-07-2027	0.50%	4,956,915,287	31,926
Fair value adjustment (fair value hedge)						(222,356,272)	(1,432)
Subtotal	**10,000,000,000**	**10,000,000,000**				**9,701,616,103**	**62,486**
Total current bonds							**8,105,460**

d) As of December 31, 2023 and 2022 the maturity of current bonds is as follows:

	December 31, 2023		
	Long-term	Short- term	Total
	MCh$	MCh$	MCh$
Short and long-term maturity			
current bonds	6,637,563	1,474,252	8,111,815
Total	**6,637,563**	**1,474,252**	**8,111,815**

	December 31, 2022		
	Long-term	Short-term	Total
	MCh$	MCh$	MCh$
Short and long-term maturity			
Current bonds	7,073,083	1,032,377	8,105,460
Total	**7,073,083**	**1,032,377**	**8,105,460**

e) As of December 31, 2023 and 2022 the securities under sale and repurchase agreements are as follows:

Entity type	Maturity of the commitment as of December 31, 2023							
	On demand	Up to 1 month	From 1 to 3 months	From 3 months to 1 year	From 1 to 3 years	From 3 to 5 years	Over 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Transactions with domestic banks								
Repurchase agreements with other banks	-	107,171	-	-	-	-	-	**107,171**
Repurchase agreements with the Central Bank of Chile	-	-	-	-	-	-	-	-
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**107,171**	**-**	**-**	**-**	**-**	**-**	**107,171**
Transactions with foreign banks								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with foreign central banks	-	-	-	-	-	-	-	-
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transactions with other domestic entities								
Repurchase agreement	-	571,123	2,056	2,089	-	-	-	**575,268**
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**571,123**	**2,056**	**2,089**	**-**	**-**	**-**	**575,268**
Transactions with other foreign entities								
Repurchase agreement	-	23,926	258	-	-	-	-	**24,184**
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**23,926**	**258**	**-**	**-**	**-**	**-**	**24,184**
Total	**-**	**702,220**	**2,314**	**2,089**	**-**	**-**	**-**	**706,623**

Entity type	Maturity as of December 31, 2022							
	On demand	Up to 1 month	From 1 to 3 months	From 3 months to 1 year	From 1 to 3 years	From 3 to 5 years	Over 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Transactions with domestic banks								
Repurchase agreements with other banks	-	127,673	-	-	-	-	-	**127,673**
Repurchase agreements with the Central Bank of Chile	-	-	-	-	-	-	-	-
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**127,673**	**-**	**-**	**-**	**-**	**-**	**127,673**
Transactions with foreign banks								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with foreign central banks	-	-	-	-	-	-	-	-
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transactions with other domestic entities								
Repurchase agreement	-	254,716	1,535	155	-	-	-	256,406
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**254,716**	**1,535**	**155**	**-**	**-**	**-**	**256,406**
Transactions with other foreign entities								
Repurchase agreement	-	804	-	-	-	-	-	804
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**804**	**-**	**-**	**-**	**-**	**-**	**804**
Total	**-**	**383,193**	**1,535**	**155**	**-**	**-**	**-**	**384,883**

NOTE 23 – REGULATORY CAPITAL FINANCIAL INSTRUMENTS ISSUED

a) As of December 31, 2023 and 2022 the Bank and its subsidiaries do not record any default in the payment of their obligations with banks or any other associated breaches.

b) As of December 31, 2023 and 2022 the detail of the regulatory capital financial instruments issued is as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Regulatory capital financial instruments issued		
Subordinated bonds	1,551,291	1,499,299
Bonds without fixed maturity	-	-
Preferred stock	-	-
Total	**1,551,291**	**1,499,299**

c) As of December 31, 2023 and 2022, movements in regulatory capital financial instruments issued are detailed as follows:

	Regulatory capital financial instruments issued		
	Subordinated bonds	Bonds without fixed maturity	Preferred stock
	MCh$	MCh$	MCh$
Balances as of January 1, 2023	**1,499,299**	-	-
New issues	-	-	-
Acquisition or redemption by the issuer	-	-	-
Modification of the issuance conditions	-	-	-
Payment of interest to the holder	(71,499)	-	-
Payment of principal to the holder	-	-	-
Accrued interest	82,877	-	-
Inflation-indexation accrued by the UF and/or the exchange rate	63,148	-	-
Foreign currency translation differences	-	-	-
Depreciation	-	-	-
Revaluation	-	-	-
Maturity	-	-	-
Conversion to common stock	-	-	-
Other	(22,534)	-	-
Balances as of December 31, 2023	**1,551,291**	**-**	**-**

	Regulatory capital financial instruments issued		
	Subordinated bonds	Bonds without fixed maturity	Preferred stock
	MCh$	MCh$	MCh$
Balances as of January 1, 2022	**1,332,936**	-	-
New issues	-	-	-
Acquisition or redemption by the issuer	-	-	-
Modification of the issuance conditions	-	-	-
Payment of interest to the holder	(59,127)	-	-
Payment of principal to the holder	-	-	-
Accrued interest	71,540	-	-
Inflation-indexation accrued by the UF and/or the exchange rate	172,130	-	-
Foreign currency translation differences	-	-	-
Depreciation	-	-	-
Revaluation	-	-	-
Maturity	-	-	-
Conversion to common stock	-	-	-
Other	(18,180)	-	-
Balances as of December 31, 2022	**1,499,299**	**-**	**-**

As of December 31, 2023, subordinated bonds are as follows:

SUBORDINATED BONDS IN UNIDADES DE FOMENTO								
Series	Amount issued	Amount placed	Issuance date	Maturity date	Average rate	Balance due UF	Balance due	Amount issued
	UF	UF					MCh$	UF
SERIE_AD1	4,000,000	4,000,000	01-01-2010	06-01-2040	30	4.17%	3,711,637	136,549
SERIE_AD2	3,000,000	3,000,000	01-01-2010	06-01-2042	32	4.14%	2,759,335	101,514
SERIE_F	1,200,000	1,200,000	01-01-1999	05-01-2024	25	7.73%	51,047	1,878
SERIE_G	400,000	400,000	01-01-1999	05-01-2025	26	7.92%	49,126	1,807
SERIE_L	1,200,000	1,200,000	01-01-2001	10-01-2026	25	6.39%	275,145	10,122
SERIE_M	1,800,000	1,800,000	01-01-2001	10-01-2027	26	6.43%	521,411	19,182
SERIE_N	1,500,000	1,500,000	01-01-2004	06-01-2029	25	5.25%	546,116	20,091
SERIE_O	1,500,000	1,500,000	01-01-2004	06-01-2030	26	3.93%	567,418	20,875
SERIE_R	1,500,000	1,500,000	01-01-2005	06-01-2038	33	4.72%	873,967	32,153
SERIE_S	2,000,000	2,000,000	12-01-2005	12-01-2030	25	4.86%	826,173	30,394
SERIE_T	2,000,000	2,000,000	12-01-2005	12-01-2031	26	4.52%	912,457	33,569
SERIE_U	2,000,000	2,000,000	06-01-2007	06-01-2032	25	4.19%	1,773,900	65,261
SERIE_W	4,000,000	4,000,000	06-01-2008	06-01-2036	28	4.05%	2,442,224	89,848
SERIE_Y	4,000,000	4,000,000	12-01-2007	12-01-2030	23	4.25%	2,998,572	110,316
SERIE_AC	6,000,000	6,000,000	03-01-2010	03-01-2040	30	3.96%	5,714,810	210,244
SERIE_AH	15,000,000	9,000,000	09-01-2013	09-01-2043	30	3.63%	7,972,388	293,299
SERIE_B1S	3,000,000	3,000,000	12-01-2019	12-01-2039	20	1.32%	3,298,472	121,349
SERIE_B2S	3,000,000	3,000,000	12-01-2019	12-01-2044	25	1.30%	3,390,317	124,728
SERIE_B3S	3,000,000	3,000,000	12-01-2019	12-01-2049	30	1.28%	3,482,318	128,112
Total subordinated bonds	**60,100,000**	**54,100,000**					**42,166,833**	**1,551,291**

As of December 31, 2022, subordinated bonds are as follows:

Series	SUBORDINATED BONDS IN UNIDADES DE FOMENTO						
	Amount issued UF	Amount placed UF	Issuance date	Maturity date	Average rate	Balance due UF	Balance due MCh$
SERIE_AD1	4,000,000	4,000,000	06-01-2010	06-01-2040	4.17%	3,688,857	129,519
SERIE_AD2	3,000,000	3,000,000	06-01-2010	06-01-2042	4.14%	2,744,044	96,346
SERIE_F	1,200,000	1,200,000	05-01-1999	05-01-2024	7.73%	147,626	5,183
SERIE_G	400,000	400,000	05-01-1999	05-01-2025	7.92%	78,896	2,770
SERIE_L	1,200,000	1,200,000	10-01-2001	10-01-2026	6.39%	356,088	12,503
SERIE_M	1,800,000	1,800,000	10-01-2001	10-01-2027	6.43%	632,713	22,215
SERIE_N	1,500,000	1,500,000	06-01-2004	06-01-2029	5.25%	629,932	22,118
SERIE_O	1,500,000	1,500,000	06-01-2004	06-01-2030	3.93%	642,771	22,568
SERIE_R	1,500,000	1,500,000	06-01-2005	06-01-2038	4.72%	857,284	30,100
SERIE_S	2,000,000	2,000,000	12-01-2005	12-01-2030	4.86%	923,409	32,422
SERIE_T	2,000,000	2,000,000	12-01-2005	12-01-2031	4.52%	1,005,489	35,304
SERIE_U	2,000,000	2,000,000	06-01-2007	06-01-2032	4.19%	1,944,836	68,285
SERIE_W	4,000,000	4,000,000	06-01-2008	06-01-2036	4.05%	2,347,164	82,411
SERIE_Y	4,000,000	4,000,000	12-01-2007	12-01-2030	4.25%	2,876,328	100,991
SERIE_AC	6,000,000	6,000,000	03-01-2010	03-01-2040	3.96%	5,687,549	199,695
SERIE_AH	15,000,000	9,000,000	09-01-2013	09-01-2043	3.63%	7,919,664	278,068
SERIE_B1S	3,000,000	3,000,000	12-01-2019	12-01-2039	1.32%	3,314,978	116,392
SERIE_B2S	3,000,000	3,000,000	12-01-2019	12-01-2044	1.30%	3,406,294	119,598
SERIE_B3S	3,000,000	3,000,000	12-01-2019	12-01-2049	1.28%	3,497,802	122,811
Total subordinated bonds	**60,100,000**	**54,100,000**				**42,701,724**	**1,499,299**

NOTE 24 – PROVISIONS FOR CONTINGENCIES

a) As of December 31, 2023 and 2022 the provisions for contingencies are comprised of the following:

	December 31,	
	2023 MCh$	2022 MCh$
Provisions for employee benefit obligations	147,545	152,610
Provisions recorded by a foreign bank branch for remittances of profits to its parent	-	-
Provisions for restructuring plans	-	-
Provisions for lawsuits and litigation	4,732	401
Provisions for obligations related to customer loyalty and merit-based programs	8,839	7,827
Provisions for operational risk	496	576
Other provisions for other contingencies	38,163	66,302
Total	**199,775**	**227,716**

b) As of December 31, 2023 and 2022 the provisions for employee benefit obligations are as follows:

	December 31,	
	2023 MCh$	2022 MCh$
Provision for short-term employee benefits	112,381	104,496
Provision for post-employment employee benefits	-	-
Provision for long-term employee benefits	-	-
Provision for employee termination benefits	514	974
Provision for share-based or equity payments to employees	-	-
Provision for defined contribution post-employment plans	-	-
Provision for post-employment defined benefit plans	-	-
Provision for other personnel liabilities	34,650	47,140
Total	**147,545**	**152,610**

c) Movements in the provision for performance bonuses as of December 31, 2023 and 2022 are as follows:

	December 31,	
	2023 MCh$	2022 MCh$
Balance as of January 1,	**85,420**	62,167
Provisions recorded	78,715	83,419
Provisions accrued	(70,414)	(57,909)
Provisions used	(2,090)	(1,525)
Other changes	921	(732)
Total	**92,552**	**85,420**

d) Movements in the provision for accrued vacations as of December 31, 2023 and 2022 are as follows:

	December 31,	
	2023 MCh$	2022 MCh$
Balance as of January 1,	**21,391**	17,351
Provisions recorded	16,232	16,999
Provisions accrued	(17,285)	(15,286)
Provisions used	-	-
Other changes	1,811	2,327
Total	**22,149**	**21,391**

NOTE 25 – PROVISIONS FOR DIVIDENDS. INTEREST PAYMENTS AND REVALUATION OF REGULATORY CAPITAL FINANCIAL INSTRUMENTS

a) As of December 31, 2023 and 202, the detail of the provisions for dividends. Interest payments and revaluation of regulatory capital financial instruments is as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Provisions for dividends. Interest payment and revaluation of regulatory capital financial instruments issued		
Provisions for dividends	204,740	246,247
Provision for interest payment on bonds without fixed maturity	-	-
Provision for revaluation of bonds without fixed maturity	-	-
Total	**204,740**	**246,247**

b) As of December 31, 2023 and 2022, movements in provisions for dividends. Interest payments and revaluation of regulatory capital financial instruments are detailed as follows:

	Provisions				
	Provisions for dividends		Provision for interest payment on bonds without maturity date	Provision for revaluation of bonds without maturity date	Total
	Common stock	Preferred stock			
	MCh$	MCh$	MCh$	MCh$	MCh$
Balances as of January 1, 2023	**246,247**	-	-	-	**246,247**
Provisions recorded	204,740	-	-	-	204,740
Provisions accrued	(246,247)	-	-	-	(246,247)
Release of provisions	-	-	-	-	-
Balance as of December 31, 2023	**204,740**	**-**	**-**	**-**	**204,740**

	Provisions				
	Provisions for dividends		Provision for interest payment on bonds without maturity date	Provision for revaluation of bonds without maturity date	Total
	Common stock	Preferred stock			
	MCh$	MCh$	MCh$	MCh$	MCh$
Balances as of January 1, 2022	156,117	-	-	-	156,117
Provisions recorded	246,247	-	-	-	246,247
Provisions accrued	(156,117)	-	-	-	(156,117)
Provisions used	-	-	-	-	-
Balance as of December 31, 2022	**246,247**	**-**	**-**	**-**	**246,247**

NOTE 26 – SPECIAL PROVISIONS FOR CREDIT LOSS

a) As of December 31, 2023 and 2022, special provisions for credit loss are as follows:

	December 31,	
	2023 MCh$	2022 MCh$
Provisions for credit loss for contingent loans	63,786	60,252
Provisions for country risk for operations with debtors domiciled abroad	4,950	4,716
Special provisions for foreign loans	-	-
Additional provisions for loans (*)	375,900	415,022
Provisions for adjustments to the minimum required provision for normal portfolio assessed on a stand-alone basis	7,762	11,065
Provisions accrued for credit loss as a result of complementary prudential requirements	-	-
Total	**452,398**	**491,055**

(*) These provisions are determined as described in Note 2 y).

As of December 31, 2023 and 2022, the composition of special provisions for credit risk for contingent credits are as follows:

	December 31,	
	2023 MCh$	2022 MCh$
Provisions for credit loss for contingent loans		
Guarantors and surety bonds	1,687	3,498
Confirmed foreign letters of credit	1,083	646
Documentary letters of credit issued	-	-
Transactions related to contingent events	22,857	19,324
Subtotal	**25,627**	**23,468**
Undrawn lines of credit in:		
Current account - business portfolio	18,106	16,543
Credit card - business portfolio	3,879	3,980
Current account - consumer portfolio	1,650	1,492
Credit card - consumer portfolio	7	10
Subtotal	**23,642**	**22,025**
Other credit commitments		
Credits for higher education Law No. 20,027 (CAE)	3	3
Other irrevocable credit commitments	7,541	6,367
Subtotal	**7,544**	**6,370**
Undrawn credit lines with immediate termination in:		
Current account – business portfolio	-	-
Credit card – business portfolio	-	-
Current account – consumer portfolio	124	42
Credit card – consumer portfolio	6,849	8,347
Subtotal	**6,973**	**8,389**
Commitments to acquire debt in local currency abroad	-	-
Other contingent loans	-	-
Provisions for country risk for operations with debtors domiciled abroad	4,950	4,716
Special provisions for loans abroad	-	-
Additional provisions for loans	375,900	415,022
Provisions for adjustments to the minimum required provision for normal portfolio assessed on a stand-alone basis	7,762	11,065
Provisions accrued for credit loss as a result of complementary prudential requirements	-	-
Subtotal	**388,612**	**430,803**
Total	**452,398**	**491,055**

b) As of December 31, 2023 and 2022, movements in special provisions for credit loss are as follows:

	Credit risk for contingent loans	Country risk for transactions with debtors domiciled abroad	Special provisions for loans abroad	Additional provisions for loans	Adjustments to provisions for adjustments to the minimum required provision for normal portfolio assessed on a stand-alone basis	Provisions accrued for credit loss as a result of complementary prudential requirements	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Balance as of January 1, 2023	**60,252**	**4,716**	-	**415,022**	**11,065**	-	**491,055**
Provisions recorded	10,437	1,522	-	10,700	1,007	-	**23,666**
Provisions accrued	-	-	-	-	-	-	**-**
Provisions used	(7,684)	(1,412)	-	(50,000)	(4,310)	-	**(63,406)**
Exchange rate variation	781	124	-	178	-	-	**1,083**
Balance as of December 31, 2023	**63,786**	**4,950**	**-**	**375,900**	**7,762**	**-**	**452,398**

	Credit risk for contingent loans	Country risk for transactions with debtors domiciled abroad	Special provisions for loans abroad	Additional provisions for loans	Adjustments to provisions for adjustments to the minimum required provision for normal portfolio assessed on a stand-alone basis	Provisions accrued for credit loss as a result of complementary prudential requirements	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Balance as of January 1, 2022	58,440	3,482	-	350,143	-	-	**412,065**
Provisions recorded	41,145	1,447	-	81,900	11,065	-	**135,557**
Provisions accrued	-	-	-	-	-	-	**-**
Provisions used	(39,274)	(196)	-	(16,882)	-	-	**(56,352)**
Exchange rate variation	(59)	(17)	-	(139)	-	-	**(215)**
Balance as of December 31, 2022	**60,252**	**4,716**	**-**	**415,022**	**11,065**	**-**	**491,055**

NOTE 27 – OTHER LIABILITIES

As of December 31, 2023 and 2022, other liabilities are as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Cash guarantees received for derivative financial operations	647,548	715,387
Creditors for brokerage of financial instruments	-	-
Accounts payable to third parties	1,367,201	534,906
Accounts receivable from subsidiaries for services rendered (applicable only at individual bank level)	-	-
Agreed dividends payable	-	-
Valuation adjustments for macro hedges	9,111	20,267
Liability for revenue from contract with customers	48,922	41,229
VAT fiscal debit payable	19,185	15,031
Other cash collateral received	-	-
Pending transactions	28,686	38,707
Other liabilities	11,026	21,135
Total	**2,131,679**	**1,386,662**

NOTE 28 – EQUITY

a) Paid-in capital and shares

The changes in common shares as of December 31, 2023 and 2022, are as follows:

	December 31,	
	2023	2022
	Number	Number
Shares issued as of January 1	168,837,345	155,886,505
Issuance of bonus shares	21,700,678	12,950,840
Shares subscribed and paid for capital increase	28,066,236	-
Total issued	**218,604,259**	**168,837,345**

b) Shareholders

As of December 31, 2023 and 2022, the distribution of shareholders is as follows:

As of December 31, 2023	Shares	
	Number of shares	Ownership %
Empresas Juan Yarur S.P.A. (Parent)	121,017,770	55.36%
Banco de Chile on behalf of non-resident third parties	12,600,822	5.76%
Banco Santander on behalf of Foreign Investors	5,886,104	2.69%
Banchile Corredores de Bolsa S.A.	5,625,248	2.57%
AFP Habitat S.A.	5,416,072	2.48%
BCI Corredores de Bolsa SA on behalf of third parties,	4,862,484	2.22%
AFP Cuprum S.A.	4,487,156	2.05%
AFP Provida S.A.	4,443,183	2.03%
Inversiones Cerro Sombrero Financiero S.P.A.	4,051,822	1.85%
AFP Capital S.A.	3,719,525	1.70%
Imsa Financiera S.P.A.	3,262,820	1.49%
Larraín Vial S.A. Corredora de Bolsa	3,059,664	1.40%
Inversiones Nueva Altamira S.P.A.	2,539,450	1.16%
Inversiones VYR S.P.A.	2,491,841	1.14%
Inversiones Tarascona Corporation Agencia en Chile	1,977,063	0.90%
Jorge Juan Yarur Bascuñán	1,843,136	0.84%
Credicorp Capital SA Corredores de Bolsa	1,832,768	0.84%
AFP Modelo S.A.	1,601,361	0.73%
BTG Pactual Chile S.A. Corredores de Bolsa	1,380,631	0.63%
AFP Planvital S.A.	1,377,699	0.63%
Empresas JY S.A.	1,280,778	0.59%
Inversiones Colibrí Financiera S.A.	1,202,436	0.55%
BICE Inversiones Corredores de Bolsa S.A.	1,020,858	0.47%
Bolsa Electrónica de Chile Bolsa de Valores	1,009,716	0.46%
Bolsa de Comercio de Santiago Bolsa de Valores	793,499	0.36%
Other Shareholders	19,820,353	9.07%
Shares subscribed and paid	**218,604,259**	**100.00%**

As of December 31, 2022,	Shares	
	Number of shares	Ownership %
Empresas Juan Yarur S.P.A. (Parent)	93,467,212	55.36%
Banco de Chile on behalf of non-resident third parties	10,677,630	6.32%
Banchile Corredores de Bolsa S.A.	6,256,340	3.71%
Banco Santander on behalf of Foreign Investors	4,299,178	2.55%
AFP Habitat S.A.	4,204,591	2.49%
BCI Corredor de Bolsa S.A. on behalf of third parties,	3,997,804	2.37%
AFP Provida S.A.	3,289,875	1.95%
AFP Capital S.A.	3,086,939	1.83%
Larraín Vial S.A. Corredora de Bolsa	2,968,443	1.76%
Inversiones Cerro Sombrero Financiero S.P.A.	2,872,748	1.70%
Imsa Financiera S.P.A.	2,520,016	1.49%
Inversiones Nueva Altamira S.P.A.	2,229,718	1.32%
Inversiones VYR S.P.A.	1,924,556	1.14%
AFP Cuprum S.A.	1,831,166	1.08%
Inversiones Tarascona Corporation Agencia en Chile	1,721,399	1.02%
Jorge Yarur Bascuñán	1,624,031	0.96%
Luis Enrique Yarur Rey	1,125,267	0.67%
AFP Modelo S.A.	1,086,439	0.64%
BTG Pactual Chile S.A. Corredores de Bolsa	1,035,947	0.61%
Empresas JY S.A.	928,693	0.55%
Bolsa de Comercio de Santiago Bolsa de Valores	862,462	0.51%
Bolsa Electrónica de Chile Bolsa de Valores	789,698	0.47%
Inversiones Colibrí Financiera S.A.	788,452	0.47%
Credicorp Capital S.A. Corredores de Bolsa	770,064	0.46%
AFP Planvital S.A.	662,643	0.39%
Other Shareholders	13,816,034	8.18%
Shares subscribed and paid	**168,837,345**	**100.00%**

c) Dividends

a. During the periods ended December 31, 2023 and December 31, 2022, the following dividends were declared by the Bank:

	December 31,	
	2023	2022
Ch$ per common share	**Ch$1,500**	**Ch$1,010**

b. Dividends agreed and paid as of December 31, 2023 and 2022 are detailed as follows:

i. On March 14, 2023, the Board of Directors agreed to propose to the shareholders the distribution of the net profits obtained by the Bank in 2022, approving the distribution of net profits amounting to Ch$820,821,690,521 (MCh$820,822), as follows:

Distribute a dividend of Ch$1,500 per share among the total number of 168,837,345 shares issued and registered with the Shareholders' Registry, which implies allocating for this purpose the amount of Ch$253,256,017,500 (MCh$253,256), i.e., 30.85% of the net profit for distribution for 2022.

ii. On February 25, 2022, the Board of Directors agreed to propose to the shareholders the distribution of the net profits obtained by the Bank in 2021, approving the distribution of net profits amounting to Ch$520,391,300,750 (MCh$520,391), as follows:

To distribute a dividend of $1.010 per share among the total of 155,886,505 shares issued and registered in the Shareholders' Registry, which implies allocating for this purpose the amount of $157,445,370,050 (MCh$157,445), i.e., 30.26% of the distributable net income for the year 2021.

c. Provision for minimum dividends as of December 31, 2023 and 2022:

The provision for dividends as of December 31, 2023 amounted to MCh$204,740 (MCh$246,247 as of December 31, 2022).

d) As of December 31, 2023 and 2022, there are no dilutive securities, such that basic and diluted earnings per share are the same:

	December 31,	
	2023	2022
Earnings attributable to equity holders of the parent	682,468	820,822
Profit available to shareholders in MCh$	**682,468**	**820,822**
Weighted average number of shares	187,544,721	144,922,480
Basic earnings per share ($/share)	**3,639**	**5,664**

e) Other comprehensive income

Items that can be classified in profit or loss

- Foreign currency translation differences of foreign entities:

They arise from exchange differences arising from the translation of a net investment in foreign entities whose functional currency is different from the parent company's functional currency.

- Cash flow hedge:

They arise from the valuation at fair value at the end of each period of the derivative contracts that have been defined as cash flow hedges.

- Changes in the fair value of financial assets at fair value through other comprehensive income

The fair value reserve includes the accumulated net changes in the market value of financial assets at fair value through other comprehensive income. When (all or part of) the investment is sold or disposed of these reserves are recognized in the Consolidated Statements of Income for the period as part of the gain or loss related to investments (Note 1 (t) states the accounting treatment in case of impairment).

Items that will not subsequently be reclassified to profit or loss

- Remeasurement of the net defined benefit liability (asset) and actuarial gains and losses for other employee benefit plans

These mainly arise from actuarial gains and losses from increases or decreases in the present value of the defined benefit obligation due to changes in actuarial assumptions and experience adjustments.

- Net changes in the fair value of equity instruments designated at fair value through other comprehensive income:

They relate to equity instruments (shares) for minority investments in companies recorded in accordance with IFRS 9, under which changes in the fair value of such instruments shall irrevocably be recorded in other comprehensive income after initial recognition.

As of December 31, 2023 and 2022, changes in Other Comprehensive Income are as follows:

	Accumulated Other Comprehensive Income																	
	Items that will not be reclassified to profit or loss								Items that will not be reclassified to profit or loss									
	Re-measurement of the net defined benefit liability (asset) and actuarial results for other employee benefit plans	Net changes in the fair value of equity instruments at fair value through other comprehensive income	Changes in the fair value of financial liabilities at fair value through profit or loss attributable to changes in the credit risk of the financial liability	Share in other comprehensive income of entities accounted for under the equity method	Non-current assets and disposal groups held for sale	Other	Income tax	Subtotal	Changes in fair value of financial assets at fair value through other comprehensive income	Translation differences for foreign entities	Accounting hedges of net investments in foreign entities	Cash flow hedge	Items not designated as hedging instruments	Share in other comprehensive income of entities accounted for under the equity method	Non-current assets and disposal groups held for sale	Other	Income tax	Subtotal
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Closing balance as of December 31, 2022	**(132)**	**(50)**	**-**	**-**	**-**	**-**	**-**	**(182)**	**(641,186)**	**385,370**	**-**	**140,908**	**-**	**-**	**-**	**-**	**117,301**	**2,393**
Effect of the correction or errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting compendium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance as of January 1, 2023	**(132)**	**(50)**	**-**	**-**	**-**	**-**	**-**	**(182)**	**(641,186)**	**385,370**	**-**	**140,908**	**-**	**-**	**-**	**-**	**117,301**	**2,393**
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period	91	486	-	-	-	-	-	577	130,117	73,469	-	33,086	-	-	-	-	(35,108)	201,564
Closing balance as of December 31, 2023	**(41)**	**436**	**-**	**-**	**-**	**-**	**-**	**395**	**(511,069)**	**458,839**	**-**	**173,994**	**-**	**-**	**-**	**-**	**82,193**	**203,957**

	Accumulated Other Comprehensive Income																	
	Items that will not be reclassified to profit or loss								Items that will not be reclassified to profit or loss									
	Re-measurement of the net defined benefit liability (asset) and actuarial results for other employee benefit plans	Net changes in the fair value of equity instruments at fair value through other comprehensive income	Changes in the fair value of financial liabilities at fair value through profit or loss attributable to changes in the credit risk of the financial liability	Share in other comprehensive income of entities accounted for under the equity method	Non-current assets and disposal groups held for sale	Other	Income tax	Subtotal	Changes in fair value of financial assets at fair value through other comprehensive income	Translation differences for foreign entities	Accounting hedges of net investments in foreign entities	Cash flow hedge	Items not designated as hedging instruments	Share in other comprehensive income of entities accounted for under the equity method	Non-current assets and disposal groups held for sale	Other	Income tax	Subtotal
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Closing balance as of December 31, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(242,905)**	**405,367**	**-**	**177,037**	**-**	**-**	**-**	**-**	**(36,959)**	**302,540**
Effect of the correction or errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting compendium	-	-	-	-	-	-	-	-	(13,285)	-	-	-	-	-	-	-	-	(13,285)
Opening balance as of January 1, 2022	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(256,190)**	**405,367**	**-**	**177,037**	**-**	**-**	**-**	**-**	**(36,959)**	**289,255**
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period	(132)	(50)	-	-	-	-	-	(182)	(384,996)	(19,997)	-	(36,129)	-	-	-	-	154,260	(286,862)
Closing balance as of December 31, 2022	**(132)**	**(50)**	**-**	**-**	**-**	**-**	**-**	**(182)**	**(641,186)**	**385,370**	**-**	**140,908**	**-**	**-**	**-**	**-**	**117,301**	**2,393**

NOTE 29 – CONTINGENCIES AND COMMITMENTS

a) Lawsuits and legal proceedings

Banco BCI

The Bank and its subsidiaries record several lawsuits related to their activities which, considering their background and grounds for the defensive arguments presented. In the opinion of Management and the internal legal advisors, will not generate liabilities or obligations in addition to those previously recorded by the Bank and its subsidiaries, therefore it has not been considered necessary to record a provision in addition to the one recorded for these contingencies. As of December 31, 2023, the Bank and its subsidiaries had provisions for civil, labor, and other claims amounting to MCh$4,732 (MCh$401 as of December 31, 2022).

b) Guarantees granted for operations:

- Direct commitments

As of December 31, 2023 and 2022, the Bank does not maintain guarantees for this concept.

- Guarantees for operations

As of December 31, 2023 and 2022, the Bank has the following guarantees:

BCI Corredor de Bolsa S.A.

As of December 31, 2023 this Company has collateralized the commitments for simultaneous operations in the Santiago Stock Exchange, whose valuation amounts to MCh$46,534 (MCh$61,006 as of December 31, 2022).

As of December 31, 2023, the Company has provided guarantees for the correct fulfillment of the settlement of CCLV system operations in the Santiago Stock Exchange for MCh$22,139 (MCh$7,763 as of December 31, 2022).

As of December 31, 2023, the Company has provided guarantees for the correct fulfillment in the settlement of CCLV system operations with derivatives in the Santiago Stock Exchange MCh$178 (MCh$495 as of December 31, 2022).

As of December 31, 2023, the Company maintains guarantees abroad for international market operations for MCh$44 (MCh$42 as of December 31, 2022).

The Company has a guarantee amounting to UF20,000 to comply with the provisions of Article 30 of Law 18,045, which aims to ensure the correct and full compliance with all its obligations as a securities broker and whose beneficiaries are the present or future creditors that it has or may have as a result of its brokerage operations. This guarantee corresponds to a policy contracted on August 19, 2022 (Nº330-22-00033372) valid until August 19, 2024, with Compañía de Seguros de Mapfre Garantía y Crédito, being the Santiago Stock Exchange (Bolsa de Comercio de Santiago, Bolsa de Valores) the representative of the possible beneficiary creditors,

The Company maintains a guarantee amounting to UF10,000 to comply with the provisions of Article No. 12 and following and 99 and following of Law No. 20,712, which guarantees the faithful compliance with the obligations of BCI Corredor de Bolsa for the management of third-party funds and portfolio. This guarantee is effective from November 7, 2023 to November 7, 2024.

Employee fidelity insurance or employee loyalty insurance

BCI Corredor de Bolsa S.A. has an insurance policy taken out with Southbridge Compañía de Seguros Generales S.A., which covers Banco Crédito e Inversiones and its subsidiaries from May 31, 2023 to November 30, 2025. For an amount of UF500,000.

BCI Corredores de Seguros S.A.

As of December 31, 2023, the Company has contracted the following insurance policies to comply with the provisions of letter d) of Article No. 58 of Decree with Force of Law No. 251 of 1931 to guarantee the correct and full compliance with all the obligations arising from its activity:

Guarantee Policy for Insurance Brokers No. 6293449 for an insured amount of UF500 contracted with Compañía de Seguros Generales Consorcio Nacional de Seguros S.A., valid from April 15, 2023 to April 14, 2024, establishing the right of the insurance company to reimburse the broker for all amounts disbursed by the former to pay third-parties affected by the broker's deficient brokerage.

Professional Civil Liability Policy for Insurance Brokers No. 6293449 for an insured amount of UF60,000, contracted with Compañía de Seguros Generales Consorcio Nacional de Seguros S.A., valid from April 15, 2023 to April 14, 2024, to protect the broker against possible claims by third parties, with the insurance company having the power to request the broker to reimburse the amount paid to the claiming third-party.

BCI Factoring S.A.

As of December 31, 2023 the Company has approved coverage lines for operators of the Factor Chain International in the amount of MCh$1177 (ThCh$0 2022), of which MCh$0 have been used in 2023 (MCh$0 in 2022).

BCI Corredores de Bolsa de Productos S.A.

As of December 31, 2023, the Company has Surety Bond No.675251 taken with Banco de Crédito e Inversiones. For UF2,000. In favor of Bolsa de Productos SA., to guarantee compliance with the Company's obligations as a product broker in favor of its principals in compliance with article 11 of Law 19,220. The possibility of paying this bond is covered by a "credit line opening agreement to cover potential guarantee payments issued in Chilean pesos or foreign currency", which is in the possession of the financial institution and is valid up to April 17, 2025.

As of December 31, 2023, the Company has Bond No.675252 taken with Banco de Crédito e Inversiones. For UF6,000. In favor of Bolsa de Productos SA. To guarantee compliance with all its obligations as a product broker in relation to operations invoiced to the Company. The possibility of paying this bond is covered by a "credit line opening agreement to cover potential guarantee payments issued in Chilean pesos or foreign currency", which is in the possession of the financial institution and is valid up to October 17, 2025.

As of December 31, 2023, the Company has Bond No. 693799 taken with Banco de Crédito e Inversiones. For UF 2,000 in favor of Bolsa de Productos SA. To guarantee compliance with all its obligations as a contract broker to its customers in accordance with Article 8 of the Manual of operations with credits or loans, which is held by the financial institution and is valid up to September 15, 2025.

BCI Asset Management Administradora General de Fondos S.A.

Guarantees established in articles 12, 13 and 14 of the Single Fund Law No.20,712.

As of December 31, 2023, there are guarantee policies for all funds and portfolio management, amounting to MCh$85.863.

Fund	Type of Guarantee	Amount	Amount Issued
		MCh$	UF
Fund	Surety bonds in UF	74,687	2,030,124.40
Portfolio Management	Surety bonds in UF	11,166	303,508.58
Other guarantees	Surety bonds in UF	10	0.00
Total		**85,863**	**2,333,632.98**

This is in conformity with the provisions of article 226 of Law No.18,045 of the Securities Market and NCG No.125 of 2001, which state that General Fund Administrators must permanently maintain a guarantee for each managed fund, which must always be equivalent to UF10,000 or 1% of the average equity of the corresponding calendar year prior to the date of its determination.

Similarly, in order to comply with the requirements of Title IV of Circular 1790, mutual funds defined as collateralized structured funds must have at all times a guarantee granted by a third-party other than the management company.

To ensure compliance with these regulations, BCI Asset Management Administradora General de Fondos S.A. maintains Surety Bonds with the Bank.

c) As of December 31, 2023 and 2022, the composition of the contingent receivables are as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Guarantees and finance	**302,416**	**329,686**
Guarantees and finance in Chilean currency	-	-
Guarantees and finance in foreign currency	302,416	329,686
Letters of credit for merchandise circulation transactions	**372,001**	**257,529**
Commitments to purchase debt in local currency abroad	-	-
Transactions related to contingent events	**3,017,031**	**2,681,573**
Transactions related to contingent events in Chilean currency	1,865,551	1,742,679
Transactions related to contingent events in foreign currencies	1,151,480	938,894
Undrawn lines of credit with immediate cancellation	**3,638,891**	**3,833,454**
Available balance of line of credit and overdraft line of credit agreed in current account - commercial portfolio	-	-
Available balance of credit line in credit card - commercial portfolio	-	-
Available balance of line of credit and overdraft line of credit agreed in current account - consumer portfolio	8,024	1,915
Available balance of line of credit on credit card - consumer portfolio	3,630,867	3,831,539
Available balance of line of credit and overdraft line of credit agreed on current account - portfolio due from banks	-	-
Unrestricted lines of credit	**4,902,918**	**4,790,828**
Available balance of line of credit and overdraft line of credit agreed in current account - commercial portfolio	4,187,063	4,044,000
Available balance of credit line in credit card - commercial portfolio	301,518	316,846
Available balance of line of credit and overdraft line of credit agreed in current account - consumer portfolio	414,337	429,982
Available balance of line of credit on credit card - consumer portfolio	-	-
Available balance of line of credit and overdraft line of credit agreed on current account - portfolio due from banks	-	-
Other credit commitments	**970,533**	**970,826**
Loans for higher education studies Law No. 20,027	1,106	2,260
Other irrevocable credit commitments	969,427	968,566
Other contingent loans	-	-
Total	**13,203,790**	**12,863,896**

NOTE 30 – INTEREST INCOME AND EXPENSES

a) The composition of interest income and expenses for the years ended December 31, 2023 and 2022, is as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Interest income	4,102,634	2,903,692
Interest expenses	(2,539,336)	(1,343,274)
Total net interest income	**1,563,298**	**1,560,418**

b) The detail of net interest income for the years ended December 31, 2023 and 2022, is as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Interest income		
Financial assets at amortized cost:		
Rights for repurchase agreements and securities lending	12,676	5,871
Debt financial instruments	105,063	45,590
Debts held by banks	34,407	21,614
Commercial loans	2,143,680	1,561,194
Mortgage housing loans	438,561	275,849
Consumer loans	548,832	512,443
Other financial instruments	121,823	77,156
Subtotal	**3,405,042**	**2,499,717**
Financial assets at fair value through other comprehensive income:		
Debt financial instruments	579,007	365,897
Other financial instruments	-	-
Subtotal	**579,007**	**365,897**
Gain (loss) from interest rate risk hedges		
Profit from financial derivative contracts for accounting hedge	189,609	221,410
Loss from financial derivative contracts for accounting hedge	(124,363)	(183,332)
Results from adjustment of hedged financial assets	53,339	-
Subtotal	**118,585**	**38,078**
Total interest income	**4,102,634**	**2,903,692**
Interest expenses		
Financial liabilities at amortized cost:		
Deposits and other obligations on demand	(341,389)	(95,419)
Deposits and other time deposits	(1,484,854)	(768,882)
Obligations for repurchase agreements and securities lending	(50,682)	(21,320)
Bank borrowings	(208,386)	(95,268)
Debt financial instruments issued	(199,577)	(185,000)
Other financial obligations	(107,111)	(36,189)
Subtotal	**(2,391,999)**	**(1,202,078)**
Lease liabilities	**(2,639)**	**(2,897)**
Regulatory capital financial instruments issued	**(51,988)**	**(48,567)**
Gain (loss) from interest rate risk hedges		
Gain from financial derivative contracts for accounting hedge	1,029,265	425,576
Loss from financial derivative contracts for accounting hedge	(1,043,289)	(508,177)
Gain (loss) from adjustment of hedged financial liabilities	(78,686)	(7,131)
Subtotal	**(92,710)**	**(89,732)**
Total interest expense	**(2,539,336)**	**(1,343,274)**
Net interest income	**1,563,298**	**1,560,418**

c) The stock of interest income suspended for the years ended December 31, 2023 and 2022, is as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Suspended interest income		
Debts held by banks	-	-
Commercial loans	4,561	4,932
Mortgage housing loans	7,732	3,671
Consumer loans	171	287
Total	**12,464**	**8,890**

d) The stock of interest income received for the years ended December 31, 2023 and 2022, is as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Interest received from impaired portfolio		
Debts held by banks	-	-
Commercial loans	13,954	7,844
Mortgage housing loans	13,191	9,627
Consumer loans	7,817	5,566
Total	**34,962**	**23,037**

NOTE 31 – INFLATION-INDEXATION INCOME AND EXPENSES

a) The composition of inflation-indexation income and expenses for the years ended December 31, 2023 and 2022, is as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Inflation-indexation income from	884,492	1,476,901
Inflation-indexation expenses	(426,479)	(727,603)
Total net inflation-indexation income	**458,013**	**749,298**

b) The detail of net inflation-indexation income for the years ended December 31, 2023 and 2022, is as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Inflation-indexation income		
Financial assets at amortized cost:		
Rights for repurchase agreements and securities lending	56	-
Debt financial instruments	-	-
Debts held by banks	-	-
Commercial loans	259,792	664,291
Mortgage housing loans	469,899	1,140,179
Consumer loans	627	2,665
Other financial instruments	10,049	12,114
Subtotal	**740,423**	**1,819,249**
Financial assets at fair value through other comprehensive income:		
Debt financial instruments	92,547	228,673
Other financial instruments	-	-
Subtotal	**92,547**	**228,673**
Gain (loss) from interest rate risk hedges		
Gain from financial derivative contracts for accounting hedge	448,236	83,137
Loss from financial derivative contracts for accounting coverage	(396,714)	(651,625)
Results from adjustment of hedged financial assets	-	(2,533)
Subtotal	**51,522**	**(571,021)**
Total Inflation-indexation income	**884,492**	**1,476,901**
Inflation-indexation expenses		
Financial liabilities at amortized cost:		
Deposits and other obligations on demand	(3,684)	(8,297)
Deposits and other time deposits	(42,061)	(51,792)
Obligations for repurchase agreements and securities lending	(1,229)	435
Bank borrowings	(234)	1,061
Debt financial instruments issued	(233,441)	(567,054)
Other financial obligations	(10,768)	(31,593)
Subtotal	**(291,417)**	**(657,240)**
Gain (loss) from interest rate risk hedges		
Gain from financial derivative contracts for accounting hedge	465,914	691,149
Loss from financial derivative contracts for accounting hedge	(490,092)	(584,588)
Gain (loss) from adjustment of hedged financial liabilities	(39,381)	-
Subtotal	**(63,559)**	**106,561**
Regulatory capital financial instruments issued:		
Subordinated bonds	(71,503)	(176,924)
Bonds without fixed maturity	-	-
Subtotal	**(71,503)**	**(176,924)**
Total inflation-indexation expenses	**(426,479)**	**(727,603)**
Net inflation-indexation income	**458,013**	**749,298**

c) The detail of income from suspended inflation-indexation for the years ended December 31, 2023 and 2022, is as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Income from suspended inflation-indexation		
Debts held by banks	-	-
Commercial loans	3,501	1,071
Mortgage housing loans	43,410	37,802
Consumer loans	16	35
Total	**46,927**	**38,908**

d) The detail of income from inflation-indexation received for the years ended December 31, 2023 and 2022, is as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Income from inflation-indexation received		
Debts held by banks	-	-
Commercial loans	4,937	7,971
Mortgage housing loans	16,833	9,846
Consumer loans	636	827
Total	**22,406**	**18,644**

NOTE 32 – FEE INCOME AND EXPENSES

The composition of fee income and expenses for the years ended December 31, 2023 and 2022, is as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Fee income		
Loan prepayment fees	6,075	4,508
Fes for loans with letters of credit	-	-
Fees for lines of credit and checking account overdrafts	5,187	5,453
Fees for guarantees and letters of credit	34,369	29,550
Fees for card services	104,232	112,827
Account management fees	64,520	60,022
Fees for collections and payments	83,450	82,067
Fees for securities brokerage and management (Stockbrokers and/or Securities Agency)	5,800	7,313
Fees for administration of mutual funds. Investment funds or other	58,468	59,463
Fees for brokerage and insurance advisory services	59,591	58,652
Fees for factoring services	5,134	5,277
Fees for finance lease transaction services	-	-
Fees for securitizations	125	159
Fees for financial advisory services	15,369	11,095
Other fees earned	70,085	71,942
Total fee income	**512,405**	**508,328**
Fee expenses		
Fee for card operation	(50,545)	(42,709)
License fees for the use of card brands	(5,871)	-
Other fees for services linked to the credit card system and payment cards with provision of funds as a means of payment	-	-
Expenses for obligations of loyalty programs and merits for card customers	(33,455)	(27,039)
Fees for securities trading	(51,819)	(42,072)
Other commissions for services received	(29,910)	(29,597)
Total commission expenses	**(171,600)**	**(141,417)**
Net fee income	**340,805**	**366,911**

NOTE 33 – NET FINANCE INCOME (EXPENSE)

The composition of the net finance income (expense) for the years ended December 31, 2023 and 2022, is as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Financial assets held for trading at fair value through profit or loss:		
Financial derivative contracts	152,078	37,067
Debt financial instruments	95,453	64,736
Other financial instruments	(24,277)	3,654
Equity instruments	25,008	(81,421)
Loans granted and received by the entity	(476)	(296)
Other	-	34
Subtotal	**247,786**	**23,774**
Financial liabilities held for trading at fair value through profit or loss		
Financial derivative contracts	-	-
Other financial instruments	-	-
Subtotal	-	-
Financial assets not held for trading mandatorily measured at fair value through profit or loss		
Debt financial instruments	-	-
Other	(13,750)	(24,090)
Subtotal	**(13,750)**	**(24,090)**
Financial assets at fair value through profit or loss		
Debt financial instruments	-	-
Other financial instruments	-	-
Loans granted and received by the entity (debts held by banks, commercial loans, mortgage housing loans and consumer loans)	-	-
Other	-	-
Subtotal	-	-
Financial liabilities designated at fair value through profit or loss		
Deposits, other obligations and deposits on demand and other loans	-	-
Debt instruments issued	-	-
Other	-	-
Subtotal	-	-
Financial result on derecognition of financial assets and liabilities at amortized cost and financial assets at fair value through other amortized cost and financial assets at fair value through other comprehensive income comprehensive income		
Financial assets at amortized cost	1,488	8,399
Financial assets at fair value through other comprehensive income	(13,593)	-
Financial liabilities at amortized costs	-	-
Regulatory capital financial instruments issued	-	-
Subtotal	**(12,105)**	**8,399**
Financial income (expense) for changes, adjustments, and foreign currency hedge		
Gain (loss) from foreign currency translation	(179,285)	43,278
Gain (loss) from exchange rate adjustments	-	-
Financial assets held for trading at fair value through profit or loss	-	-
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	-
Financial assets at fair value through profit or loss	-	-
Financial assets at fair value through other comprehensive income	-	(5,653)
Financial assets at amortized cost:		
Debts held by banks	-	-
Commercial loans	-	-
Mortgage housing loans	-	-
Consumer loans	-	-
Other assets	11,636	(1,862)
Financial liabilities at amortized cost	-	-
Financial liabilities held for trading at fair value through profit or loss	-	-
Financial liabilities designated at fair value through profit or loss	-	-
Regulatory capital financial instruments issued	-	-
Net income (expense) from derivatives in foreign currency risk hedges	26,139	(91,898)
Subtotal	**(141,510)**	**(56,135)**
Financial income (loss) from reclassification of financial assets due to change in business model		
From financial assets at amortized cost to financial assets held for trading at fair value through profit or loss	-	-
From financial assets at fair value through other comprehensive income to financial assets held for trading at fair value through profit or loss	-	-
Subtotal	-	-
Reclassifications of financial assets due to changes in business models		
From financial assets at amortized cost to financial assets held for trading at fair value through profit or loss	-	-
From financial assets at fair value through other comprehensive income to financial assets held for trading at fair value through profit or loss	-	-
Subtotal	-	-
Other financial income (expense) from changes in financial assets and liabilities		
Financial assets at fair value through other comprehensive income	-	-
Financial liabilities at amortized cost	-	-
Lease liabilities	-	-
Issued regulatory capital financial instruments	-	-
Subtotal	-	-
Other financial income (expense) from ineffective accounting hedges		
Income (expense) from ineffective cash flow hedges	-	-
Income (expense) from ineffective hedges of net foreign investment	-	-
Subtotal	-	-
Other financial income (expense) from other hedges		
Hedges of other types of financial assets	-	-
Subtotal	-	-
Total net finance income (expense)	**80,421**	**(48,052)**

NOTE 34 – INCOME FROM INVESTMENTS IN COMPANIES

The income from investment in companies for the years ended December 31, 2023 and 2022, are as follows:

	December 31,					
	2023			2022		
	Profit/ Loss	Ownership	Accrued income	Profit/ Loss	Ownership	Accrued income
	MCh$	%	MCh$	MCh$	%	MCh$
Investments in associates						
Redbanc S.A.	756	12.71	96	1,711	12.71	217
Combanc S.A.	572	13.30	76	930	13.30	124
Transbank S.A.	26,814	8.72	2,338	26,031	8.72	2,270
Servicio de Infraestructura de Mercado OTC S.A.	1,060	13.61	144	872	13.61	119
AFT S.A.	3,616	20.00	723	4,021	20.00	804
Centro de Compensación Automatizado S.A.	5,058	33.33	1,686	4,702	33.33	1,567
Sociedad Interbancaria de Depósitos de Valores S.A.	1,718	7.03	121	1,508	7.03	106
Pago y Servicios S.A.	(1,891)	49.90	(944)	(1,588)	49.90	(792)
Minority investments						
Shares of SWIFT	-	-	-	-	-	-
Shares of BLADEX	-	-	710	-	-	409
CNB shares (FHLB and FRB)	-	-	8,043	-	-	-
Other actions	-	-	4	-	-	33
Investments in joint ventures						
Servipag Ltd,	4,402	50.00	2,201	3,732	50.00	1,866
Artikos Chile S.A.	1,639	50.00	820	1,361	50.00	681
Total	**43,744**		**16,018**	**43,280**		**7,404**

NOTE 35 – INCOME FROM NON-CURRENT ASSETS AND DISPOSAL GROUPS HELD FOR SALE NOT ADMISSIBLE AS DISCONTINUED OPERATIONS

The composition of the income from non-current assets and disposal groups held for sale not admissible as discontinued operations for the years ended December 31, 2023 and 2022, are as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Net income for assets received in payment or foreclosed at judicial auction:		
Other income from sale of assets received in payment or foreclosed at judicial auction	2,769	186
Other income from assets received in payment or foreclosed judicial auction	2,664	3,355
Provisions for adjustments to the net realizable value of assets received in payment or foreclosed at judicial auction	-	(397)
Write-offs of assets received in payment or foreclosed at judicial auction	(2,080)	(1,160)
Expenses for maintenance of assets received in payment or foreclosed at judicial auction	(1,730)	(797)
Subtotal	**1,623**	**1,187**
Non-current assets held for sale:		
Investments in companies	-	-
Intangible assets	-	-
Property and equipment	822	(216)
Assets for recovery of assets under finance lease agreements	7,787	8,731
Other assets	-	-
Subtotal	**8,609**	**8,515**
Disposal group held for sale	-	-
Total	**10,232**	**9,702**

NOTE 36 – OTHER OPERATING INCOME AND EXPENSES

The composition of other operating income and expenses for the years ended December 31, 2023 and 2022, are as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Other operating income		
Payments from insurance companies for claims other than operational risk related events	-	23
Net income from investment property	-	-
Income from card brands issued (VISA, MC, etc.)	5,941	10,190
Income from correspondent banks	-	-
Income other than interest and fees from lease agreements	-	-
Income from expense recovery	4,116	4,432
Other income	41,485	38,761
Total	**51,542**	**53,406**
Other operating expenses		
Insurance premium expense to cover operational risk events	(395)	-
Gross loss expense from operational risk events	(13,743)	(14,008)
Recovery of expenses for operational risk events	7,548	3,640
Expense for provision for unearned insurance brokerage fees	-	-
Expense for provision for unearned insurance premium collection fees	-	-
Provisions for restructuring plans	-	-
Provisions for lawsuits and litigation	(12,620)	(5,520)
Other provisions for other contingencies	19,295	(53,597)
Expenses for finance lease credit transactions	-	-
Expenses for factoring credit transactions	-	-
Expenses for administration, maintenance, and support of ATMs	-	-
Expenses for adoption of new technologies in cards	-	-
Other operating expenses	(23,650)	(26,668)
Total	**(23,565)**	**(96,153)**

NOTE 37 – EXPENSES FOR EMPLOYEE BENEFITS OBLIGATIONS

The composition of expenses for employee benefit obligations for the years ended December 31, 2023 and 2022, are as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Short-term employee benefits		
Remuneration	(363,316)	(352,548)
Incentives (performance bonuses)	(111,831)	(129,075)
Legal bonus	(61,279)	(54,281)
Other	(88,209)	(67,105)
Subtotal	**(624,635)**	**(603,009)**
Post-employment benefits		
Post-employment employee benefits	-	-
Subtotal	**-**	**-**
Long-term employee benefits		
Remuneration	-	-
Incentives (performance bonuses)	-	-
Other	-	-
Subtotal	**-**	**-**
Termination benefits		
Severance indemnity	(23,816)	(20,966)
Other	-	-
Subtotal	**(23,816)**	**(20,966)**
Share-based or equity-based payment transactions		
Equity-settled share-based payment transactions	-	-
Cash-settled share-based payment transactions	-	-
Subtotal	**-**	**-**
Expenses for defined contribution post-employment plans	-	-
Expenses for defined benefit post-employment plans	-	-
Expenses for other personnel obligations with	-	-
Other personnel expenses	(17,415)	(15,014)
Subtotal	**(17,415)**	**(15,014)**
Total	**(665,866)**	**(638,989)**

NOTE 38 – ADMINISTRATIVE EXPENSES

The composition of administrative expenses for the years ended December 31, 2023 and 2022, are as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Administrative expenses	**(306,465)**	**(271,354)**
Expenses for short-term leases	-	-
Expenses for leases of low-value assets	-	(11,058)
Other expenses for lease liabilities	(7,529)	-
Maintenance and repair of property and equipment	(18,183)	(15,296)
Insurance premiums except for those intended to cover operational risk events	(41,243)	(14,444)
Office supplies	(2,616)	(3,048)
IT and communications expenses	(124,243)	(110,880)
Lighting, heating, and other services	(8,511)	(8,610)
Surveillance services and transportation of securities	(11,646)	(13,519)
Staff representation and travel expenses	(8,217)	(4,707)
Legal and notary expenses	(2,980)	(1,749)
Fees for review and audit of the financial statements by the external auditor	(6,762)	(5,979)
Fees for advisory and consulting services by the external auditor	-	-
Fees for advisory and consulting services by other auditing companies	-	-
Title classification fees	-	-
Fees for other technical reports	(40,834)	(6,553)
Fines by the CMF	-	-
Fines by other agencies	(186)	(57)
Other general administrative expenses	(33,515)	(75,454)
Outsourced services	**(83,875)**	**(64,113)**
Board Expenses	**(7,609)**	**(6,774)**
Board Remuneration	(7,032)	(6,285)
Other expenses of the Board of Directors	(577)	(489)
Advertising	**(53,264)**	**(42,194)**
Taxes, property taxes and other legal charges	**(46,892)**	**(38,085)**
Property taxes	(4,837)	(3,455)
Municipal patents	(2,745)	(2,388)
Other taxes other than income tax	(18,622)	(14,055)
Control contributions to the regulator	(20,604)	(18,187)
Other legal fees	(84)	-
Total	**(498,105)**	**(422,520)**

NOTE 39 – DEPRECIATION AND AMORTIZATION

The amounts corresponding to charges to results for depreciation and amortization for the years ended December 31, 2023 and 2022, are as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Amortization of intangible assets	(67,154)	(64,653)
Depreciation of property and equipment	(21,529)	(24,493)
Depreciation and amortization of right-of-use assets under lease agreements	(24,333)	(24,497)
Total	**(113,016)**	**(113,643)**

NOTE 40 – IMPAIRMENT OF NON-FINANCIAL ASSETS

The impairment of non-financial assets for the years ended December 31, 2023 and 2022, is as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Impairment of investments in companies	-	-
Impairment of intangible assets (*)	(2,530)	(21,009)
Impairment of property and equipment	(17)	-
Impairment of right-of-use assets under lease agreements	-	-
Impairment of other assets for investment property	-	-
Impairment of assets from revenue	-	-
Gain from an acquisition through a business combination in a bargain condition	-	-
Total	**(2,547)**	**(21,009)**

(*) As of December 31, 2023, this relates to impairment of goodwill in the Financial Services CGU of MCh$1,031 and customer relationships of MCh$1,499. As of December 31, 2022, it relates to impairment of goodwill in the Financial Services CGU of MCh$20,442 and intangible assets due to obsolescence of internally generated software of MCh$567.

Determination of impairment of goodwill as of December 31, 2023 and 2022

The Bank's Management estimated the recoverable amount of its Financial Services CGU that present balances in intangible assets, resulting in the recognition of an impairment loss associated with the goodwill assigned to this CGU of MCh$1,031 as of December 31, 2023 and MCh$20,442 as of December 31, 2022.

I. Key assumptions used for the calculations of recoverable amount

i) Methodology

The methodology used is the income approach using the Dividend Flow model discounted at Ke rate (discount rate). The income approach focuses on the income-producing capacity of an asset. The critical premise in this approach is that the value of an asset can be measured by the present value of the net economic benefit receivable over the useful life of the asset.

The dividend flow methodology systematically integrates the key factors that affect the value of a business, among which the following stand out:

- Business growth potential.
- Compliance with liquidity and efficiency ratios required by the regulatory context.
- Flow of distributable dividends.
- Time horizon in which the market believes that management can obtain returns above the cost of capital.
- Expected rate of return on equity.
- Business risk.

The first four factors determine cash flows, whereas the other two factors determine the discount rate used to obtain the present value of dividend flows.

ii) Forecast period

A time horizon of 6 years was considered with a perpetuity captured from an exit ratio based on comparable data from January 1, 2023 through December 31, 2028.

iii) Discount rate

A shareholder discount rate, in Chilean pesos, of 14.70% was considered.

The discount rate reflects both the time value of money and the risks inherent to the business and represents the return that would be required to invest in the Company. The discount rate should be consistent with the cash flow being used and accordingly, in the particular case of financial institutions, the dividend flow should be discounted at the cost of equity rate.

II. Results from the evaluation of goodwill

As a result of the impairment evaluation process described above, Management has concluded that the relationship between the recoverable amount and the carrying amount of the Financial Services CGU as of December 31, 2023 and 2022, is detailed as follows:

Goodwill	As of December 31,	
	2023	2022
Discount rate	14.70%	14.70%
Recoverable amount/ carrying amount	82.70%	83.90%
Impairment	17.30%	16.10%

The recoverable amount for each intangible asset corresponds to the value in use, as it is the higher of fair value less costs to sell and value in use.

Impairment of customer relationship

i) At the time of purchase, Walmart Chile Servicios Financieros generated interest income associated with its customer portfolio, commissions for card use, commissions for insurance sales intermediation, and commissions for use of Líder cards in associated stores (Merchant Discount).

ii) The value of the relationship with customers was estimated as the difference between the value of the discounted cash flows of the business considering the customer portfolio at the date of taking control ("With" business) minus the value of the discounted cash flows of the business without the portfolio and taking into account the time it would take to generate a portfolio of clients with these characteristics ("Without" business).

iii) An annual attrition rate of 14.7% was considered based on historical data. The attrition rate was also used as the basis for estimating the amortization of this intangible asset.

iv) The actual attrition rate between December 2020 and December 2021 amounts to 17.6%, which is above that considered in the PPA model. However, in December 2022 and September 2023, the attrition rate has been reduced reaching levels of -15.0% and -16.3%, respectively.

Customer Relationship	As of December 31,
	2023
Amortization (in MCh$)	(13,567)
Active customers	546,586
Attrition rate (%)	16.30%

NOTE 41 – EXPENSES FOR CREDIT LOSSES

a) The summary of the expense for credit losses for the years ended December 31, 2023 and 2022, is as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Expense for provisions for credit loss of loans	(508,542)	(484,580)
Expense for special provisions for credit loss	39,126	(81,910)
Recovery of written-off loans	77,158	78,217
Impairment due to credit risk of other financial assets not measured at fair value through profit or loss	(6,997)	(6,597)
Total	**(399,255)**	**(494,870)**

b) The summary of credit risk allowance expense and credit loss expense for the years ended December 31, 2023 and 2022, is as follows:

December 31, 2023	Expense for provisions recorded for loans during the year							
	Normal Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19(i)	Total
	Assessment		Assessment	Assessment				
	Individual/group		Individual	Individual/group				
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks								
Provisions recorded	-	-	-	-	-	-	-	-
Provisions used	(158)	-	-	-	-	(158)	-	(158)
Subtotal	**(158)**	**-**	**-**	**-**	**-**	**(158)**	**-**	**(158)**
Commercial loans								
Provisions recorded	10,408	-	-	19,799	92,382	122,589	-	122,589
Provisions used	-	(3,255)	(1,226)	-	-	(4,481)	(10,526)	(15,007)
Subtotal	**10,408**	**(3,255)**	**(1,226)**	**19,799**	**92,382**	**118,108**	**(10,526)**	**107,582**
Mortgage loans								
Provisions recorded	-	4,540	-	-	21,850	26,390	-	26,390
Provisions used	-	-	-	-	-	-	-	-
Subtotal	**-**	**4,540**	**-**	**-**	**21,850**	**26,390**	**-**	**26,390**
Consumer loans								
Provisions recorded	-	-	-	-	395,887	395,887	-	395,887
Provisions used	-	(21,159)	-	-	-	(21,159)	-	(21,159)
Subtotal	**-**	**(21,159)**	**-**	**-**	**395,887**	**374,728**	**-**	**374,728**
Expense of provisions recorded for loan credit risk: (A)	**10,250**	**(19,874)**	**(1,226)**	**19,799**	**510,119**	**519,068**	**(10,526)**	**508,542**
Recovery of written-off loans: (B) (ii)								
Loans and advances to banks								-
Commercial loans								25,880
Mortgage loans								3,899
Consumer Loans								47,379
Subtotal								**77,158**
Expense for loan losses: (AB) (ii)								**431,384**

December 31, 2022	Expense for provisions recorded for loans during the year							
	Normal Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19(i)	Total
	Assessment		Assessment	Assessment				
	Individual/group		Individual	Individual/group				
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks								
Provisions recorded	199	-	-	-	-	199	-	199
Provisions used	-	-	-	-	-	-	-	-
Subtotal	**199**	**-**	**-**	**-**	**-**	**199**	**-**	**199**
Commercial loans								
Provisions recorded	9,308	2,979	-	41,364	89,942	143,593	-	143,593
Provisions used	-	-	(5,641)	-	-	(5,641)	(9,534)	(15,175)
Subtotal	**9,308**	**2,979**	**(5,641)**	**41,364**	**89,942**	**137,952**	**(9,534)**	**128,418**
Mortgage loans								
Provisions recorded	-	-	-	-	20,471	20,471	-	20,471
Provisions used	-	(4,417)	-	-	-	(4,417)	-	(4,417)
Subtotal	**-**	**(4,417)**	**-**	**-**	**20,471**	**16,054**	**-**	**16,054**
Consumer loans								
Provisions recorded	-	144,625	-	-	195,284	339,909	-	339,909
Provisions used	-	-	-	-	-	-	-	-
Subtotal	**-**	**144,625**	**-**	**-**	**195,284**	**339,909**	**-**	**339,909**
Expense of provisions recorded for loan credit risk: (A)	**9,507**	**143,187**	**(5,641)**	**41,364**	**305,697**	**494,114**	**(9,534)**	**484,580**
Recovery of written-off loans: (B) (ii)								
Loans and advances to banks								-
Commercial loans								29,896
Mortgage loans								4,856
Consumer Loans								43,465
Subtotal								**78,217**
Expense for loan losses: (AB) (ii)								**406,363**

c) The summary of the expense for special provisions for credit risk for the years ended December 31, 2023 and 2022, is as follows:

	December 31,	
	2023	2022
	MCh$	MCh$
Expense of provisions for credit loss for contingent loans	**(3,057)**	**(2,584)**
Loans and advances to banks	-	-
Commercial loans	(4,436)	(4,599)
Consumer Loans	1,379	2,015
Expense of provisions for country risk for operations with debtors domiciled abroad	**(460)**	**(1,577)**
Expense of special provisions for loans abroad	**-**	**-**
Expense of additional provisions for loans	**39,341**	**(66,685)**
Additional provisions for commercial loans	39,341	(47,785)
Additional provisions for mortgage loans	-	(5,000)
Additional provisions for consumer loans	-	(13,900)
Expense of provisions for adjustments to the minimum provision required for normal portfolio with individual evaluation	**3,302**	**(11,064)**
Expense of provisions constituted for credit risk as a result of complementary prudential requirements	**-**	**-**
Total	**39,126**	**(81,910)**

NOTE 42 – PROFIT OR LOSS FROM DISCONTINUED OPERATIONS

The Bank has no results from discontinued operations for the years ended December 31, 2023 and 2022,

NOTE 43 – RELATED PARTIES DISCLOSURES

a) As of December 31, 2023 and 2022 the assets and liabilities for transactions with related parties are as follows:

As of December 31, 2023	Related Party Type				
	Parent entity (i)	Other legal entity (ii)	Key personnel of the Consolidated Bank (iii)	Other related parties (iv)	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS					
Financial assets held for trading at fair value through profit or loss:	**-**	**-**	**88**	**312**	**400**
Financial derivative contracts	-	-	88	312	400
Debt financial instruments	-	-	-	-	-
Financial assets not held for trading mandatorily measured at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**39**	**39**
Financial assets at fair value through other comprehensive income:	**-**	**-**	**-**	**-**	**-**
Financial derivative contracts for accounting hedge	-	-	-	-	-
Financial assets at amortized cost:	**1**	**9,415**	**4,631**	**297,950**	**311,997**
Rights for reverse repurchase agreements and securities lending	-	-	-	318	318
Debt financial instruments	-	-	-	-	-
Loans and receivables from customers - Commercial	1	9,436	817	219,293	229,547
Loans and receivables from customers - Mortgage	-	-	3,516	71,391	74,907
Loans and receivables from customers - Consumption	-	-	302	9,092	9,394
Provisions for credit loss	-	(21)	(4)	(2,144)	(2,169)
Other assets	**37**	**6,546**	**-**	**7,271**	**13,854**
Contingent loans	**26**	**83,141**	**1,392**	**65,244**	**149,803**
LIABILITIES					
Financial liabilities held for trading at fair value through profit or loss	**-**	**-**	**88**	**310**	**398**
Financial derivative contracts	-	-	88	310	398
Financial liabilities designated at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**
Financial derivative contracts for accounting hedge	**-**	**-**	**-**	**-**	**-**
Financial liabilities at amortized cost:	**8**	**40,709**	**7,571**	**298,131**	**346,419**
Deposits and other on-demand deposits	8	32,611	1,098	86,994	120,711
Deposits and other term deposits	-	8,098	6,473	180,019	194,590
Obligations for repurchase agreements and securities lending	-	-	-	318	318
Bank borrowings	-	-	-	-	-
Debt financial instruments issued	-	-	-	30,800	30,800
Other financial obligations	-	-	-	-	-
Lease liabilities	**-**	**-**	**-**	**-**	**-**
Other liabilities	**-**	**1,536**	**7**	**16,989**	**18,532**

As of December 31, 2022	Related Party Type				
	Parent entity (i)	Other legal entity (ii)	Key personnel of the Consolidated Bank (iii)	Other related parties (iv)	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS					
Financial assets to be traded at fair value through profit or loss:	**-**	**-**	**-**	**-**	**-**
Financial derivative contracts	-	-	-	-	-
Debt financial instruments	-	-	-	-	-
Financial assets not held for trading compulsorily valued at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income:	**-**	**-**	**-**	**-**	**-**
Financial derivative contracts for accounting coverage	-	-	-	-	-
Financial assets at amortized cost:	**-**	**5,380**	**6,130**	**224,615**	**236,125**
Rights for repurchase agreements and securities lending	-	-	868	129	**997**
Debt financial instruments	-	-	-	-	-
Loans and accounts receivable from customers - Commercial	-	5,392	844	147,344	**153,580**
Loans and accounts receivable from customers - Housing	-	-	4,098	68,009	**72,107**
Loans and accounts receivable from customers - Consumption	-	-	326	9,717	**10,043**
Provisions made for credit risk	-	(12)	(6)	(584)	**(602)**
Other assets	**20**	**8,308**	-	29,469	37,797
Contingent loans	**27**	**75,698**	**1,378**	**43,362**	**120,465**
LIABILITIES					
Financial liabilities to be traded at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**
Financial derivative contracts	-	-	-	-	-
Financial liabilities designated at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**
Financial derivative contracts for accounting coverage	**-**	**-**	**-**	**-**	**-**
Financial liabilities at amortized cost:	**5**	**91,203**	**8,610**	**368,939**	**468,757**
Deposits and other on-demand deposits	5	30,597	346	84,987	**115,935**
Deposits and other term deposits	-	60,606	7,385	283,636	**351,627**
Obligations for repurchase agreements and securities lending	-	-	879	129	**1,008**
Bank borrowings	-	-	-	-	-
Debt financial instruments issued	-	-	-	187	**187**
Other financial obligations	-	-	-	-	-
Lease liabilities	**-**	**-**	**-**	**-**	**-**
Other liabilities	**-**	**1,158**	**-**	**24,311**	**25,469**

b) As of December 31, 2023 and 2022. Income and expenses from related party transactions, is as follows:

December 31, 2023	Related Party Type				
	Parent entity (i)	Other legal entity (ii)	Key personnel of the Consolidated Bank (iii)	Other related parties (iv)	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
Interest income	-	1,372	137	17,151	**18,660**
Inflation-indexation income	-	5	219	4,991	**5,215**
Fee income	304	7,694	144	58,905	**67,047**
Net financial result	-	171,569	-	6,500	**178,069**
Other income	-	-	-	19	**19**
Total income	**304**	**180,640**	**500**	**87,566**	**269,010**
Interest expense	-	(1,780)	(678)	(11,706)	**(14,164)**
Inflation-indexation expense	-	(129)	(36)	(201)	**(366)**
Commission expense	-	(359)	(1)	(249)	**(609)**
Credit loss expense	-	(61)	2	(1,146)	**(1,205)**
Expenses for employee benefit obligations	-	-	-	-	**-**
Administrative expenses	-	2,369	-	13,417	**15,786**
Other expenses	(1)	(66)	(19)	(519)	**(605)**
Total expenses	**(1)**	**(26)**	**(732)**	**(404)**	**(1,163)**

As of December 31, 2022	Related Party Type				
	Parent entity (i)	Other legal entity (ii)	Key personnel of the Consolidated Bank (iii)	Other related parties (iv)	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
Interest income	-	605	102	11,162	**11,869**
Inflation-indexation income	-	56	589	15,531	**16,176**
Fee income	378	9,246	117	76,874	**86,615**
Net financial result	-	(93,337)	-	(36,712)	**(130,049)**
Other income	-	-	19	249	**268**
Total income	**378**	**(83,430)**	**827**	**67,104**	**(15,121)**
Interest expense	-	(1,449)	(418)	(5,152)	(7,019)
Inflation-indexation expense	-	(310)	(52)	(673)	(1,035)
Commission expense	-	(19)	(1)	(197)	(217)
Credit loss expense	-	411	5	398	814
Expenses for employee benefit obligations	-	-	(32)	(65)	(97)
Administrative expenses	-	(1,757)	-	(1,516)	(3,273)
Other expenses	(1)	(58)	(19)	(474)	(552)
Total expenses	**(1)**	**(3,182)**	**(517)**	**(7,679)**	**(11,379)**

c) As of December 31, 2023 and 2022, related-party transactions in the period are as follows:

December 31, 2023										
Business name	Nature of the relationship with the bank	Description of the transaction			Transactions under equivalence conditions to those transactions with mutual independence between the parties	Amount	Effect on the Statement of Income		Effect on the Statement of Financial Position	
		Type of service	Term	Renewal Conditions			Income	Expense	Receivables	Payables
						MCh$	MCh$	MCh$	MCh$	MCh$
BCI Seguros de Vida S.A.	Other	Collection service and use of channels, suitcase	Annual	Annual Hiring	Yes	2,703	2,703	-	-	-
BCI Seguros de Vida S.A.	Other	brand use	Annual	Annual Hiring	Yes	1,656	1,656	-	-	-
BCI Seguros de Vida S.A.	Other	Suitcase	Annual	Annual Hiring	Yes	158	158	-	-	-
BCI Seguros de Vida S.A.	Other	Use of channels	Annual	Annual Hiring	Yes	552	552	-	-	-
BCI Seguros de Vida S.A.	Other	Marketing	Annual	Annual Hiring	Yes	204	-	204	-	-
BCI Seguros de Vida S.A.	Other	Financial Bond	Annual	Annual Hiring	Yes	8,399	-	433	-	-
BCI Seguros de Vida S.A.	Other	Bank charges	Annual	Annual Hiring	Yes	238	184	-	-	-
BCI Seguros de Vida S.A.	Other	Commissions for collection Servicios Financieros y Administración de Créditos Comerciales S.A.	Annual	Annual Hiring	Yes	3,806	2,926	-	-	-
BCI Seguros de Vida S.A.	Other	Brokerage commissions SSFF Corredores de Seguros y Gestión Financiera Ltda.	Annual	Annual Hiring	Yes	10,371	10,371	-	-	-
BCI Seguros Generales S.A.	Other	brand use	Annual	Annual Hiring	Yes	1,656	1,656	-	-	-
BCI Seguros Generales S.A.	Other	Use of channels	Annual	Annual Hiring	Yes	552	552	-	-	-
BCI Seguros Generales S.A.	Other	Marketing	Annual	Annual Hiring	Yes	1,425	-	1,425	-	-
BCI Seguros Generales S.A.	Other	Commissions use of Channel	Annual	Annual Hiring	Yes	411	345	-	-	-
BCI Seguros Generales S.A.	Other	Time Deposits	Annual	Annual Hiring	Yes	5,991	-	1,373	-	-
BCI Seguros Generales S.A.	Other	Financial Bond	Annual	Annual Hiring	Yes	14,396	-	520	-	-
BCI Seguros Generales S.A.	Other	Subordinated bond	Annual	Annual Hiring	Yes	296	-	22	-	-
BCI Seguros Generales S.A.	Other	Insurance	Annual	Annual Hiring	Yes	8,868	-	7,644	-	-
BCI Seguros Generales S.A.	Other	Brokerage commissions SSFF Corredores de Seguros y Gestión Financiera Ltda.	Annual	Annual Hiring	Yes	2,911	2,451	-	-	-
BCI Seguros Generales S.A.	Other	Brokerage commissions BCI CCSS	Annual	Annual Hiring	Yes	39,500	39,500	-	-	-
Zenit General Insurance SA	Other	Investments at Fair Value, Financial Bond	Annual	NA	No	590	-	130	-	-
Artikos Chile S.A.	Joint venture	Procurement service	Undefined	Automatic renewal every 1 year	Yes	1,287	-	1,287	-	-
Boston Consulting Group	Other	Strategic consulting	Defined	Defined	Yes	1,812	-	1,812	-	-
Centro de Compensación Automatizado S.A.	Other	Electronic banking transactions	Undefined	Automatic renewal every 1 year.	Yes	2,578	-	2,578	-	-
Combanc S.A.	associate	Compensation and high value payments	Undefined	Automatic renewal.	Yes	596	-	596	-	-
Comder Contraparte Central S.A.	associate	bank processing	Undefined	Automatic renewal.	Yes	1,673	-	1,673	-	-
Conexxion Spa	Other	postal mail service	Undefined	Automatic renewal every 1 year.	Yes	241	-	241	-	-
DCV Registros S.A.	Other	Administration shareholder registry	Undefined	Automatic renewal.	Yes	150	-	150	-	-
Demos una Oportunidad al Menor	Other	Corporation	Defined	Automatic renewal.	Yes	258	-	258	-	-
Depósitos Central de Valores S.A.	Other	Custody of financial	Undefined	Automatic renewal.	Yes	654	-	654	-	-

December 31, 2023										
Business name	Nature of the relationship with the bank	Description of the transaction			Transactions under equivalence conditions to those transactions with mutual independence between the parties	Amount	Effect on the Statement of Income		Effect on the Statement of Financial Position	
		Type of service	Term	Renewal Conditions			Income	Expense	Receivables	Payables
						MCh$	MCh$	MCh$	MCh$	MCh$
		instruments								
Digitech Solutions S.A.	Other	Digitalization of documents	Undefined	Automatic renewal.	Yes	152	-	152	-	-
Inmobiliaria Anya S.A.	Other	Real estate projects	8 years	Automatic renewal.	Yes	154	-	154	-	-
Inmobiliaria JY S.P.A	Other	Real estate projects	Undefined	Automatic renewal.	Yes	280	-	280	-	-
Inmobiliaria SB S.P.A.	Other	Office rental	Undefined	Automatic renewal.	Yes	166	-	166	-	-
Jordan (Chile) S.A.	common controller	Printing of forms	Undefined	Automatic renewal every 1 year.	Yes	2,759	-	2,759	-	-
Redbank SA	associate	ATM operation	Undefined	Automatic renewal every 3 years.	Yes	7,790	-	7,790	-	-
Salcobrand S.A.	common controller	ATM's space for rent	Undefined	Automatic renewal every 1 year.	Yes	252	-	252	-	-
Servipag Ltda.	joint venture	Collection and payment of services	Undefined	Automatic renewal.	Yes	4,414	-	4,414	-	-
Transbank SA	Other	Administration of credit cards and income from the use of credit cards	Undefined	Automatic renewal every 2 years.	Yes	2,103	549	1,554	-	-

December 31, 2022										
Business name	Nature of the relationship with the bank	Description of the transaction			Transactions under equivalence conditions to those transactions with mutual independence between the parties	Amount	Effect on the Statement of Income		Effect on the Statement of Financial Position	
		Type of service	Term	Renewal Conditions			Income	Expense	Receivables	Payables
						MCh$	MCh$	MCh$	MCh$	MCh$
Artikos Chile S.A.	Joint venture	Procurement service	Undefined	Automatic renewal every 1 year	Yes	1,122	-	1,122	-	-
BCI Seguros de Vida S.A.	Other	Collection service and use of channels, suitcase	Annual	Annual Hiring	Yes	2,623	2,623	-	-	-
BCI Seguros de Vida S.A.	Other	brand use	Annual	Annual Hiring	Yes	1,580	1,580	-	-	-
BCI Seguros de Vida S.A.	Other	Suitcase	Annual	Annual Hiring	Yes	190	190	-	-	-
BCI Seguros de Vida S.A.	Other	Use of channels	Annual	Annual Hiring	Yes	527	527	-	-	-
BCI Seguros de Vida S.A.	Other	Marketing	Annual	Annual Hiring	Yes	524	524	-	-	-
BCI Seguros de Vida S.A.	Other	Subordinated bond	Annual	Annual Hiring	Yes	433	-	94	-	-
BCI Seguros de Vida S.A.	Other	Financial Bond	Annual	Annual Hiring	Yes	8,126	-	907	-	-
BCI Seguros de Vida S.A.	Other	Bank charges	Annual	Annual Hiring	Yes	232	-	195	-	-
BCI Seguros de Vida S.A.	Other	Commissions for collection Servicios Financieros y Administración de Créditos Comerciales S.A.	Annual	Annual Hiring	Yes	7,903	6,641	-	-	-
BCI Seguros de Vida S.A.	Other	Insurance	Annual	Annual Hiring	Yes	5,842	-	4,356	-	-
BCI Seguros de Vida S.A.	Other	Brokerage commissions SSFF Corredores de Seguros y Gestión Financiera Ltda.	Annual	Annual Hiring	Yes	6,752	5,556	-	-	-
BCI Seguros de Vida S.A.	Other	Brokerage commissions BCI CCSS	Annual	Annual Hiring	Yes	36,712	36,712	-	-	-
Zenit General Insurance SA	Other	Investments at Fair Value, Financial Bond	Annual	NA	No	1,161	-	129	-	-
Centro de Compensación Automatizado S.A.	Other	Electronic banking transactions	Undefined	Automatic renewal every 1 year.	Yes	2,274	-	2,274	-	-
Combanc S.A.	associate	Compensation and high value payments	Undefined	Automatic renewal.	Yes	517	-	517	-	-
Comder Contraparte Central S.A.	associate	bank processing	Undefined	Automatic renewal.	Yes	1,453	-	1,453	-	-
Conexxion Spa	Other	postal mail service	Undefined	Automatic renewal every 1 year.	Yes	240	-	240	-	-
Inmobiliaria JY S.P.A	Other	Real estate projects	Undefined	Automatic renewal.	Yes	256	-	256	-	-
Jordan (Chile) S.A.	common controller	Printing of forms	Undefined	Automatic renewal every 1 year.	Yes	2,728	-	2,728	-	-
Redbank SA	associate	ATM operation	Undefined	Automatic renewal every 3 years.	Yes	8,673	-	8,673	-	-
Salcobrand S.A.	common controller	ATM's space for rent	Undefined	Automatic renewal every 1 year.	Yes	246	-	246	-	-
Servipag Ltda.	joint venture	Collection and payment of services	Undefined	Automatic renewal.	Yes	4,429	-	4,429	-	-
Inmobiliaria SB SPA	Other	Office rental	Undefined	Automatic renewal.	Yes	152	-	152	-	-
Boston Consulting Group	Other	Strategic consulting	Undefined	Automatic renewal.	Yes	5,846	-	5,846	-	-
Demos una Oportunidad al Menor	Other	Social donations	Defined	52 Months (4 years and 4 months)	Yes	271	-	271	-	-
Transbank SA	Other	Administration of credit cards and income from the use of credit cards	Undefined	Automatic renewal every 2 years.	Yes	2,234	714	1,520	-	-

d) As of December 31, 2023 and 2022, the compensation of the key personnel of the Bank and its subsidiaries is as follows:

	As of December,	
	2023	2022
	MCh$	MCh$
Directors:		
Payment of salaries and expenses of the Board of Directors - Bank and Bank Subsidiaries	7,032	6,285
Key personnel of the Management of the Bank and its Subsidiaries:		
Payment for short-term term employee benefits	33,841	32,819
Payment for benefits to post-employment employees	-	-
Payment for benefits to long-term employees	-	-
Payment for benefits to employees for termination of employment contract	-	-
Payment to employees based on shares or equity instruments	-	-
Payment for obligations for defined contribution post-employment plans	-	-
Payment for obligations for post-employment defined benefit plans	-	-
Payment for other staff obligations	-	-
Subtotal - Payments for employee benefit obligations:	**33,841**	**32,819**
TOTAL	**40,873**	**39,104**

e) As of December 31, 2023 and 2022, the Bank presents Number of key management personnel members of the Bank and its Subsidiaries:

	As of December 31,	
	2023	2022
	Number of Executives	
Directors:		
Directors - Bank and Bank Subsidiaries	89	89
Key personnel of the Management of the Bank and its Subsidiaries:		
General Manager - Bank	1	1
General managers - Bank subsidiaries	16	16
Division/Area Managers - Bank	11	11
Division/Area Managers - Bank Subsidiaries	80	68
Subtotal	**108**	**96**
TOTAL	**197**	**185**

NOTE 44 – FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Assets and liabilities at fair value

The following table summarizes the carrying amounts and fair values of the main financial assets and liabilities not presented in the Consolidated Financial Statements at their fair values.

	As of December 31,			
	2023		2022	
	Carrying amount	Fair Values	Carrying amount	Fair Values
	MCh$	MCh$	MCh$	MCh$
ASSETS				
Cash and bank deposits	3,619,715	3,619,715	4,256,396	4,256,396
Transactions in course of collection	475,440	475,440	404,209	404,209
Financial assets held for trading at fair value through profit or loss	7,088,697	7,088,697	7,680,615	7,680,615
Financial assets not held for trading mandatorily measured at fair value through profit or loss	58,963	58,963	71,282	71,282
Financial assets designated at fair value through profit or loss	-	-	-	-
Financial assets at fair value through other comprehensive income	8,991,137	8,991,137	10,477,361	10,477,361
Financial derivative contracts for accounting hedge	1,999,433	1,999,433	1,788,851	1,788,851
Financial assets at amortized cost	53,769,837	58,083,376	49,830,891	54,297,122
Total assets	**76,003,222**	**80,316,761**	**74,509,605**	**78,975,836**
LIABILITIES				
Financial liabilities held for trading at fair value through profit or loss	429,959	429,959	330,138	330,138
Financial liabilities designated at fair value through profit or loss	5,625,481	5,625,481	6,584,736	6,584,736
Financial liabilities designated at fair value through profit or loss	-	-	-	-
Financial derivative contracts for accounting hedge	2,535,841	2,535,841	2,590,468	2,590,468
Financial liabilities at amortized cost	59,937,499	63,899,190	59,760,444	63,862,236
Total liabilities	**68,528,780**	**72,490,471**	**69,265,786**	**73,367,578**

The fair value estimates presented above do not attempt to estimate the value of the Bank's earnings, generated by its business, or future activities, and therefore, do not represent the value of the Bank as a going concern, Loans are shown net of provisions.

The methods used to estimate the fair value of financial instruments are detailed below.

Financial assets at amortized cost

This account includes Loans and receivables from customers and repurchase agreements.

Loans and receivables from customers are shown net of their provision for credit or impairment risk, the estimated fair value of loans represents the discounted amount of future cash flows expected to be received.

Cash flows are discounted at the base market interest rate; in this case, we use an interbank rate, considering the relevant term and currency.

The criteria used for the incorporation of credit risk of the assets considered for these purposes are:
1. From the expected loss estimation models. It is possible to infer about the credit quality of the portfolio (at least in qualitative terms). For the residual term of the operations that make up the asset accounts considered (commercial loans, mortgage loans for housing and consumer loans).
2. In quantitative terms. The provision percentage assigned to an operation is an approximation variable to the credit profile of saidoperation.
3. The amount resulting from applying the 'provisions/total loans' factor to the present value of the respective loans is an approximation of the adjustment for credit risk.

Liabilities at amortized cost

In this section we include on-demand and term deposits, bank borrowings and debt instruments issued.

The estimated fair value of on demand accounts and deposits, that is, without an established term. Including those accounts that do not accrue interest, is the amount to be paid when the client demands it. Therefore, the amortized cost of these deposits is a reasonable approximation of their fair value.

The fair value of term deposits has been estimated based on discounted future cash flows based on interest rate structures adjusted from transactions observed at the measurement date.

The fair value of liabilities with financial institutions has been determined using discounted cash flow models, based on the relevant interest rate curve for the remaining term of the instrument until maturity.

The fair value of these liabilities has been determined using discounted cash flow models, based on the relevant interest rate curve for the remaining term of the instrument until maturity.

Financial assets and liabilities held for trading through profit or loss

The fair value of financial assets and liabilities (fixed income instruments classified as financial assets at fair value through other comprehensive income. In addition to Derivative instruments) is estimated using the valuation techniques detailed in the following letters.

Financial instruments measured at fair value

Please refer to Note 2, letter j) for further details on the criteria used to determine fair value.

Hierarchy used to determine fair value

The regulations distinguish between different hierarchies of inputs used for valuation techniques, discriminating between "observable" or "unobservable" inputs. Observable inputs reflect market data obtained from independent sources, and unobservable inputs reflect the assumptions of the Bank and subsidiaries in relation to market behavior. From these two types of inputs, the following hierarchy has been created:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities to those being measured. This level includes debt instruments, whether they are fixed or variable income, equity instruments and derivative financial instruments traded on local or international stock markets.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable inputs directly (i.e., as prices) or indirectly (i.e., derived from prices) for assets and liabilities. This category includes prices that require interpolation within a price structure, such as derivative instruments. The same occurs with bonds valued with some valuation technique such as interpolation or matrix pricing, based on inputs that are observable.

Level 3 – Inputs that are not based on observable market data (unobservable inputs). This level includes equity and debt instruments that have significant unobservable inputs.

This hierarchy requires that when there are observable market data, they are used. The Bank and subsidiaries consider observable relevant market data in their valuations whenever possible.

Non-recurring assets and liabilities are presented below according to the hierarchy to determine the fair value.

	As of December 31, 2023			
	Total	Level 1	Level 2	Level 3
	MCh$	MCh$	MCh$	MCh$
Assets				
Financial assets at amortized cost	58,083,376	-	58,083,376	-
Total	**58,083,376**	**-**	**58,083,376**	**-**
Liabilities				
Financial liability at amortized cost	63,899,190	-	63,899,190	-
Total	**63,899,190**	**-**	**63,899,190**	**-**

	As of December 31, 2022			
	Total	Level 1	Level 2	Level 3
	MCh$	MCh$	MCh$	MCh$
Assets				
Financial assets at amortized cost	54,297,122	-	54,297,122	-
Total	**54,297,122**	**-**	**54,297,122**	**-**
Liabilities				
Financial liability at amortized cost	63,862,236	-	63,862,236	-
Total	**63,862,236**	**-**	**63,862,236**	**-**

The Bank and Subsidiaries have not made transfers of financial assets or liabilities between levels 1, 2 and 3 as of December 31, 2023 and 2022.

	As of December 31, 2023			
	Level 1	Level 2	Level 3	Total
	MCh$	MCh$	MCh$	MCh$
FINANCIAL ASSETS				
Financial assets held for trading at fair value through profit or loss:	**1,087,760**	**6,000,876**	**61**	**7,088,697**
Financial derivative contracts	-	6,000,876	61	**6,000,937**
Debt instruments	974,506	-	-	**974,506**
Other Financial Instruments	113,254	-	-	**113,254**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	**-**	**-**	**58,963**	**58,963**
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income:	**8,896,697**	**-**	**94,440**	**8,991,137**
Debt financial instruments	8,896,697	-	94,440	**8,991,137**
Other Financial Instruments	-	-	-	**-**
Financial derivative contracts for accounting hedge	**-**	**1,999,433**	**-**	**1,999,433**
Total financial assets	**9,984,457**	**8,000,309**	**153,464**	**18,138,230**
FINANCIAL LIABILITIES				
Financial liabilities held for trading at fair value through profit or loss	**-**	**5,625,481**	**-**	**5,625,481**
Financial derivative contracts	-	5,625,481	-	**5,625,481**
Other	-	-	-	**-**
Financial liabilities designated at fair value through profit or loss	**-**	**-**	**-**	**-**
Financial derivative contracts for hedging	**-**	**2,535,841**	**-**	**2,535,841**
Total financial liabilities	**-**	**8,161,322**	**-**	**8,161,322**

	As of December 31, 2022			
	Level 1	Level 2	Level 3	Total
	MCh$	MCh$	MCh$	MCh$
FINANCIAL ASSETS				
Financial assets held for trading at fair value through profit or loss:	**909,962**	**6,770,350**	**303**	**7,680,615**
Financial derivative contracts	-	6,770,350	303	**6,770,653**
Debt instruments	770,101	-	-	**770,101**
Other Financial Instruments	139,861	-	-	**139,861**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	**71,282**	**-**	**-**	**71,282**
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income:	**10,393,918**	**-**	**83,443**	**10,477,361**
Debt financial instruments	10,393,918	-	83,443	**10,477,361**
Other Financial Instruments	-	-	-	-
Financial derivative contracts for accounting hedge	**-**	**1,788,851**	**-**	**1,788,851**
Total financial assets	**11,375,162**	**8,559,201**	**83,746**	**20,018,109**
FINANCIAL LIABILITIES				
Financial liabilities held for trading at fair value through profit or loss	**-**	**6,584,736**	**-**	**6,584,736**
Financial derivative contracts	-	6,584,736	-	6,584,736
Other	-	-	-	-
Financial liabilities designated at fair value through profit or loss	**-**	**-**	**-**	**-**
Financial derivative contracts for hedging	**-**	**2,590,468**	**-**	**2,590,468**
Total financial liabilities	**-**	**9,175,204**	**-**	**9,175,204**

a) Valuation of La Polar Bonds

As of December 31, 2023 and 2022, the Bank has applied valuation techniques to determine the fair value of the financial instruments “BLAPO-F” and “BLAPO- G”. Such valuation is based on the IRR of the last existing market transaction between the closing date of the Consolidated Financial Statements and the exchange date of said financial instrument.

b) Level 3 Reconciliation

Value changes in level 3 financial assets as of December 31, 2023 and 2022 are explained by the following reconciliation table:

	As of December31, 2023					
Reconciliation level 3	Opening balance	Gain (loss) recognized in profit or loss	Gain (loss) recognized in Equity	Net of purchase, sales, and agreements	Transfers from level 1 and 2	Closing balance
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Assets						
Derivative Contracts	-	-	-	-	-	-
Forwards	-	-	-	-	-	-
Swaps	303	(242)	-	-	-	**61**
Call Options	-	-	-	-	-	-
Put Options	-	-	-	-	-	-
Financial assets not held for trading mandatorily measured at fair value	71,282	(12,319)	-	-	-	**58,963**
Financial assets at fair value	83,443	-	10,997	-	-	**94,440**
Total	**155,028**	**(12,561)**	**10,997**	**-**	**-**	**153,464**
	-	-	-	-	-	-
Liabilities	-	-	-	-	-	-
Derivative Contracts	-	-	-	-	-	-
Forwards	-	-	-	-	-	-
Swaps	-	-	-	-	-	-
Call Options	-	-	-	-	-	-
Put Options	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

	As of December 31, 2022					
Reconciliation level 3	Opening balance	Gain (loss) recognized in profit or loss	Gain (loss) recognized in Equity	Net of purchase, sales, and agreements	Transfers from level 1 and 2	Closing balance
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Assets						
Derivative Contracts	-	-	-	-	-	-
Forwards	-	-	-	-	-	-
Swaps	1,127	(824)	-	-	-	303
Call Options	-	-	-	-	-	-
Put Options	-	-	-	-	-	-
Financial assets not held for trading mandatorily measured at fair value	-	-	-	-	71,282	**71,282**
Financial assets at fair value	-	-	-	-	83,443	**83,443**
Total	**1,127**	**(824)**	**-**	**-**	**154,725**	**155,028**
	-	-	-	-	-	-
Liabilities	-	-	-	-	-	-
Derivative Contracts	-	-	-	-	-	-
Forwards	-	-	-	-	-	-
Swaps	-	-	-	-	-	-
Call Options	-	-	-	-	-	-
Put Options	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

NOTE 45 – MATURITY OF FINANCIAL ASSETS AND LIABILITIES AS PER THEIR REMAINING TERMS

a) As of December 31, 2023 and 2022. The new contractual maturities according to remaining terms of financial assets and liabilities, are as follows:

As of December 31, 2023	On-demand	Up to a month	More than one month and three months	More than three months up to one year	Between 1 year and 3 years	More than 3 years up to 5 years	More than five years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS								
Cash and bank deposits	3,619,715	-	-	-	-	-	-	**3,619,715**
Transactions in course of collection	-	475,440	-	-	-	-	-	**475,440**
Financial assets held for trading at fair value through profit or loss	-	632,008	813,056	1,842,147	1,807,749	812,869	1,180,868	**7,088,697**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	2,607	4,371	10,972	11,330	4,884	24,799	**58,963**
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	**-**
Financial assets at fair value through other comprehensive income	-	397,503	666,592	1,673,018	1,727,606	744,777	3,781,641	**8,991,137**
Financial derivative contracts for hedge accounting	-	50,014	51,601	422,217	555,065	320,955	599,581	**1,999,433**
Financial assets at amortized cost	-	10,895,646	3,678,635	7,737,995	7,480,762	4,718,764	19,258,035	**53,769,837**
Total assets	**3,619,715**	**12,453,218**	**5,214,255**	**11,686,349**	**11,582,512**	**6,602,249**	**24,844,924**	**76,003,222**
LIABILITIES								
Transactions in course of payment	-	429,959	-	-	-	-	-	**429,959**
Financial liabilities held for trading at fair value through profit or loss	-	531,298	691,688	1,528,363	1,322,670	689,404	862,058	**5,625,481**
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	**-**
Financial derivative contracts for accounting hedge	-	69,525	65,419	533,471	706,272	389,175	771,979	**2,535,841**
Financial liabilities at amortized cost	23,810,298	10,501,589	6,866,973	11,107,206	2,097,952	2,648,959	2,904,522	**59,937,499**
Lease liabilities	-	1,483	3,745	12,776	42,880	58,029	10,436	**129,349**
Issued regulatory capital financial instruments	-	-	-	30,368	59,298	51,388	1,410,237	**1,551,291**
Total Liabilities	**23,810,298**	**11,533,854**	**7,627,825**	**13,212,184**	**4,229,072**	**3,836,955**	**5,959,232**	**70,209,420**
Net mismatch between financial assets and liabilities	**(20,190,583)**	**919,364**	**(2,413,570)**	**(1,525,835)**	**7,353,440**	**2,765,294**	**18,885,692**	**5,793,802**

December 31, 2022	On-demand	Up to a month	More than one month and three months	More than three months up to one year	Between 1 year and 3 years	More than 3 years up to 5 years	More than five years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS								
Cash and bank deposits	4,256,396	-	-	-	-	-	-	4,256,396
Transactions in course of collection	-	404,209	-	-	-	-	-	404,209
Financial assets held for trading at fair value through profit or loss	-	617,286	789,479	1,982,622	2,047,161	1,188,390	1,055,677	7,680,615
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	32,002	1,449	9,773	7,537	4,673	15,848	71,282
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	-	4,703,904	213,020	1,436,419	1,107,804	686,846	2,329,368	10,477,361
Financial derivative contracts for hedge accounting	-	14,268	68,107	274,450	563,104	385,633	483,289	1,788,851
Financial assets at amortized cost	-	11,216,391	3,166,941	6,441,563	7,235,662	4,231,119	17,539,215	49,830,891
Total assets	**4,256,396**	**16,988,060**	**4,238,996**	**10,144,827**	**10,961,268**	**6,496,661**	**21,423,397**	**74,509,605**
LIABILITIES								
Transactions in course of payment	-	330,138	-	-	-	-	-	**330,138**
Financial liabilities held for trading at fair value through profit or loss	-	511,967	603,412	1,730,518	1,701,356	892,406	1,145,077	**6,584,736**
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	**-**
Financial derivative contracts for accounting hedge	-	49,578	77,961	461,040	768,065	452,455	781,369	**2,590,468**
Financial liabilities at amortized cost	-	24,503,023	6,334,141	4,716,604	7,250,380	1,729,546	15,226,750	**59,760,444**
Lease liabilities	-	1,565	3,951	13,478	45,232	61,214	11,008	**136,448**
Issued regulatory capital financial instruments	-	-	-	29,796	57,835	56,033	1,355,635	**1,499,299**
Total Liabilities	**-**	**25,396,271**	**7,019,465**	**6,951,436**	**9,822,868**	**3,191,654**	**18,519,839**	**70,901,533**
Net mismatch between financial assets and liabilities	**4,256,396**	**(8,408,211)**	**(2,780,469)**	**3,193,391**	**1,138,400**	**3,305,007**	**2,903,558**	**3,608,072**

NOTE 46 – FINANCIAL AND NON-FINANCIAL ASSETS AND LIABILITIES BY CURRENCY

a) As of December 31, 2023 and 2022, financial and non-financial assets and liabilities by currency are detailed as follows:

As of December 31, 2023	Chilean pesos		Adjustable by CT	US dollars	Colombian pesos	Pound sterling	Euro	Swiss francs	yen	Chinese yuan	Other Foreign Currencies	Total
	CLP	UF	CT	USD	COP	GBP	EUR	CHF	JPY	CNY	OTHER	
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSET												
Cash and bank deposits	1,067,688	-	-	2,324,295	-	3,638	75,743	1,752	34,716	7,326	104,557	**3,619,715**
Transactions in course of collection	268,971	-	-	167,086	-	74	38,698	148	75	-	388	**475,440**
Financial assets held for trading at fair value through profit or loss	6,553,290	432,637	-	102,051	14	-	-	-	-	-	705	**7,088,697**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	-	-	58,963	-	-	-	-	-	-	-	**58,963**
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	**-**
Financial assets at fair value through other comprehensive income	2,547,336	1,983,849	-	4,309,623	-	-	93,720	-	-	-	56,609	**8,991,137**
Financial derivative contracts for hedge accounting	1,458,124	74,914	-	2,736	-	-	45	462,528	19	-	1,067	**1,999,433**
Financial assets at amortized cost:	12,659,715	16,493,364	150,119	24,112,962	-	-	61,206	-	9,648	-	282,823	**53,769,837**
Investments in companies	38,090	-	-	125,046	-	-	-	-	-	-	-	**163,136**
Intangible Assets	246,780	-	30,973	158,807	-	-	-	-	-	-	9,986	**446,546**
Property and equipment	198,434	-	-	53,620	-	-	-	-	-	-	1,560	**253,614**
Right-of-use assets	14,164	79,865	-	48,542	-	-	-	-	-	-	1,315	**143,886**
Current tax assets	158,993	-	-	-	-	-	-	-	-	-	325	**159,318**
Deferred tax assets	367,066	-	-	123,211	-	-	-	-	-	-	2,184	**492,461**
Other assets	497,599	52	42,239	1,044,835	-	-	(652)	-	-	-	8,912	**1,592,985**
Non-current assets and disposal groups held for sale	45,985	-	-	-	-	-	-	-	-	-	-	**45,985**
Total assets	**26,122,235**	**19,064,681**	**223,331**	**32,631,777**	**14**	**3,712**	**268,760**	**464,428**	**44,458**	**7,326**	**470,431**	**79,301,153**
LIABILITIES												
Transactions in course of payment	202,754	-	-	213,439	-	2,467	9,515	-	-	1,622	162	**429,959**
Financial liabilities held for trading at fair value	5,583,270	-	-	33,837	-	-	-	-	-	-	8,374	**5,625,481**
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	**-**
Financial derivative contracts for accounting hedge	740,410	1,328,076	-	467,355	-	-	-	-	-	-	-	**2,535,841**
Financial liabilities at amortized cost	22,035,899	5,745,874	-	30,603,112	-	746	101,425	978,716	84,287	4,535	382,905	**59,937,499**
Lease liabilities	-	89,209	-	38,855	-	-	-	-	-	-	1,285	**129,349**
Issued regulatory capital financial instruments	-	1,551,291	-	-	-	-	-	-	-	-	-	**1,551,291**
Provisions for contingencies	145,423	-	-	53,302	-	-	-	-	-	-	1,050	**199,775**
Provisions for dividends, payment of interest and revaluation of regulatory capital financial instruments issued	204,740	-	-	-	-	-	-	-	-	-	-	**204,740**
Special provisions for credit loss	405,961	-	-	46,149	-	-	243	31	-	-	14	**452,398**
Current tax	7,349	-	-	26,310	-	-	-	-	-	-	-	**33,659**
Deferred tax	2,106	-	-	-	-	-	-	-	-	-	-	**2,106**
Other liabilities	511,307	297,706	10,343	1,310,704	-	-	-	-	-	-	1,619	**2,131,679**
Liabilities included in disposal groups held for sale	-	-	-	-	-	-	-	-	-	-	-	**-**
Total liabilities	**29,839,219**	**9,012,156**	**10,343**	**32,793,063**	**-**	**3,213**	**111,183**	**978,747**	**84,287**	**6,157**	**395,409**	**73,233,777**
Mismatches by currency as of December 310, 2023	**(3,716,984)**	**10,052,525**	**212,988**	**(161,286)**	**14**	**499**	**157,577**	**(514,319)**	**(39,829)**	**1,169**	**75,022**	**6,067,376**

December 31, 2022	Chilean pesos		Adjustable by Exchange rate	Us dollars	Colombian pesos	Pound sterling	Euro	Swiss francs	Yen	Chinese yuan	Other Foreign Currencies	Total
	CLP	UF	ER	USD	COP	GBP	EUR	CHF	JPY	CNY	OTHER	
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSET												
Cash and bank deposits	1,532,258	-	-	2,599,848	-	2,774	55,165	5,887	8,598	3,117	48,749	**4,256,396**
Transactions in course of collection	182,046	-	-	191,837	-	74	30,065	44	88	-	55	**404,209**
Financial assets held for trading at fair value through profit or loss	7,091,044	457,807	-	131,749	15	-	-	-	-	-	-	**7,680,615**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	-	-	71,282	-	-	-	-	-	-	-	**71,282**
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	**-**
Financial assets at fair value through other comprehensive income	4,366,177	1,746,743	-	4,227,268	-	-	123,142	-	-	-	14,031	**10,477,361**
Financial derivative contracts for hedge accounting	1,458,464	64,779	-	1,089	-	-	42	263,436	20	-	1,021	**1,788,851**
Financial assets at amortized cost:	12,623,917	15,146,723	133,826	21,700,978	-	425	79,822	-	43,542	1,827	99,831	**49,830,891**
Investments in companies	35,119	-	-	140,617	-	-	-	-	-	-	-	**175,736**
Intangible Assets	200,338	-	36,327	164,988	-	-	-	-	-	-	9,356	**411,009**
Property and equipment	193,559	-	-	53,950	-	-	-	-	-	-	1,596	**249,105**
Right-of-use assets	19,828	85,678	-	45,976	-	-	-	-	-	-	1,404	**152,886**
Current tax assets	137,908	-	-	-	-	-	-	-	-	-	158	**138,066**
Deferred tax assets	350,871	-	-	130,265	-	-	-	-	-	-	1,578	**482,714**
Other assets	409,236	48	40,941	1,437,323	-	-	-	-	-	-	7,516	**1,895,064**
Non-current assets and disposal groups held for sale	34,934	-	-	-	-	-	-	-	-	-	-	**34,934**
Total assets	**28,635,699**	**17,501,778**	**211,094**	**30,897,170**	**15**	**3,273**	**288,236**	**269,367**	**52,248**	**4,944**	**185,295**	**78,049,119**
LIABILITIES												
Transactions in course of payment	177,910	-	-	145,710	-	3	6,325	19	-	171	-	**330,138**
Financial liabilities held for trading at fair value	6,535,373	-	-	49,363	-	-	-	-	-	-	-	**6,584,736**
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	**-**
Financial derivative contracts for accounting hedge	825,245	1,426,917	-	337,767	-	-	-	539	-	-	-	**2,590,468**
Financial liabilities at amortized cost	22,584,996	5,937,240	1	30,096,130	-	2,675	123,641	739,007	66,695	4,424	205,635	**59,760,444**
Lease liabilities	-	100,064	-	35,001	-	-	-	-	-	-	1,383	**136,448**
Issued regulatory capital financial instruments	-	1,499,299	-	-	-	-	-	-	-	-	-	**1,499,299**
Provisions for contingencies	158,568	-	-	68,351	-	-	-	-	-	-	797	**227,716**
Provisions for dividends, payment of interest and revaluation of regulatory capital financial instruments issued	246,247	-	-	-	-	-	-	-	-	-	-	**246,247**
Special provisions for credit loss	455,437	-	-	34,955	-	-	639	18	2	1	3	**491,055**
Current tax	1,131	-	-	16,362	-	-	-	-	-	-	-	**17,493**
Deferred tax	1,612	-	-	-	-	-	-	-	-	-	-	**1,612**
Other liabilities	389,143	207,953	2,166	784,599	-	-	-	-	-	-	2,801	**1,386,662**
Liabilities included in disposal groups held for sale	-	-	-	-	-	-	-	-	-	-	-	**-**
Total liabilities	**31,375,662**	**9,171,473**	**2,167**	**31,568,238**	**-**	**2,678**	**130,605**	**739,583**	**66,697**	**4,596**	**210,619**	**73,272,318**
Mismatches by currency as of December 31, 2022	**(2,739,963)**	**8,330,305**	**208,927**	**(671,068)**	**15**	**595**	**157,631**	**(470,216)**	**(14,449)**	**348**	**(25,324)**	**4,776,801**

NOTE 47 – RISK MANAGEMENT AND REPORTING

1. INTRODUCTION

Financial risk management is performed throughout the organization, under a framework containing policies that define the criteria and procedures guiding the actions of the Bank and its subsidiaries.

Business activities performed by the Bank involve identifying, assessing, accepting, and managing different types of risks or combinations of risks. The main risk categories to which the Bank is exposed are financial risk, market risk, structural risk, and liquidity risk.

To manage financial risks, the Bank's Board of Directors and Senior Management are responsible for:

- understanding the nature and magnitude of the financial risks assumed. As well as the strategies implemented to manage them;
- directing the management of financial risks using prudential criteria, which avoid exposing the Bank to insolvency or financial instability;
- defining a framework of policies that comprehensively regulate the management of financial risks, considering the best practices in the market, current regulations and the Bank's culture;
- establishing a structure of limits structure that covers all relevant risks, is consistent with the Board of Directors' risk tolerance and current regulatory margins;
- establishing a clear segregation of duties between trading and control activities, so that risk measurement, supervision and information are performed by units that are independent from the risk-assuming areas;
- receiving relevant, complete and timely information; and
- verifying the application of policies and compliance with limits through a continuous internal audit process.

2. GOVERNANCE AND MANAGEMENT

The Board of Directors, through the Executive Committee, approves the policies and defines the level of financial risk tolerance. The Comptroller supervises compliance with risk policies, using independent evaluations. Likewise, the Bank controls exposure to financial risks through the Finance and Risk Committee.

The Chief Executive Officer. as the main individual responsible for the Bank's overall management, must conduct the business strictly adhering to the current legal framework and internal policies, limits and procedures established. He chairs the Assets and Liabilities Committee (ALCO), a body where he is informed about the risks assumed by the Bank and provides guidelines for such purposes.

The Assets and Liabilities Committee (ALCO) is the highest-ranking executive body assigned to manage financial risks. In its regular meetings, the ALCO Committee reviews the liquidity position, asset and liability management and investment strategies, with due regard to risks assumed.

The Finance Department is responsible for the direct management of financial risks. Such department must implement business, investment, and financing strategies for the Bank to achieve its objectives while minimizing the risks assumed.

The Market and Liquidity Risk Management measures and controls financial risks, this Department is responsible for proposing policies and limits to mitigate risks, as well as designing measurement tools according to the size and complexity of operations.

The limit structure and daily control ensure that risks are within the margins established by the ALCO Committee and approved by the Executive Committee. This is strengthened by an adequate segregation of duties and the control by opposition established in the Bank's organizational structure, which allows managing risks without any conflict of interest.

The Market and Liquidity Risk Management reports on a daily basis risk exposures and the use of limits. In addition, on a monthly basis it communicates the overall financial risk position to the ALCO Committee, so that Senior Management understands the risks assumed, and if required, establishes guidelines.

The supervision of the financial risks performed by the Bank on the subsidiaries is covered by the Subsidiary Control Policy, this is performed through the process of annual review of policies, quantification of risks, definition of stand-alone or consolidated limits, and coordination between the different vehicles when appropriate.

3. MARKET RISK

Market risk represents losses that could affect the value of investment portfolios because of adverse movements in market prices.

Principles for managing market risk include: the use of methodologies to quantify market risks in accordance with the volume and complexity of the activities performed; mechanisms for periodic review of the models used to quantify market risks. Including their independent validations; formal and periodic performance of stress exercises, appropriate for the scale and complexity of transactions and daily monitoring of limits and excesses.

In the field of market risks. The following are managed:

Price risk: it is the risk of losses that can cause a change in the value of a portfolio of financial instruments, in trading activities with customers (*market making)* and proprietary investments. This risk is found in all portfolios subject to market valuation.

Basis risk: losses that may originate from an imperfect correlation between two or more market variables used to hedge the risk of a financial position.

Convexity or mismatch risk: losses that may originate when assuming positions in a risk factor, generating mismatches in time periods. Those terms where there is greater market depth should be considered as one of the important variables.

Optionality risk: Buying or writing options carries its own risks. These are closely characterized by the non-linear relationship between the gain generated by the option. The value of the underlying factors and the volatility of such factors.

The Bank separate the management, control, and measurement of market risks between trading portfolios and financial assets at fair value through other comprehensive income portfolios. The former includes positions as a result of the flow of sales to corporate and institutional customers, positions as a result of the market making business, and hedge or trading positions. The latter holds positions that come mainly from the management of interest rates associated with personal and commercial banking loans. In addition to a portfolio of financial investments.

3.1 MARKET RISK IN THE TRADING BOOK

The main market risks generated in the trading book are the following:

Interest rate risk: arise as a result of exposure to movement in the different interest rate curves on which a current position is maintained. The typical products that generate this sensitivity correspond to interest rate derivative products (Swap or Cross Currency Swap), such as those products of the capital market business (Debt Securities, Term Deposits, Futures or other). However, in practice, all financial products are exposed to movements in interest rates due to the effect on the valuation associated with their discount factor.

Currency risk: this risk is generated by the movements from the several exchange rates with the currencies on which current positions are held. This risk is generated in currency spot positions, as well as in any derivative product whose underlying is an exchange rate.

Optionality risk: The purchase or writing of options carries its own risks. These are closely characterized by the non-linear relationship between the gain generated by the option, the value of the underlying factors and the volatility of said factors.

Equity security risk arises as a result of movements in share prices. Such risk is generated in cash positions of shares as well as in any derivative product whose underlying is a share or a variable income index. This type of instrument mainly arises from the subsidiary BCI Corredor de Bolsa, whereas Bank BCI, by regulation, does not have access to these markets.

3.1.1 Management and Limits

The functions established for Financial Risk include the daily control of market risk positions, which implies ensuring compliance with the limits and/or alerts approved by Senior Management. This follow-up is performed regularly to assess the evolution of risk metrics and their significant movements, as well as communicate risks and possible excesses through the channels established for such purposes.

Setting limits for trading market risk is a dynamic process that is associated with the level of risk appetite established by the Bank. Such process is part of the annual limit review and update plan.

Limits are established on different metrics and are intended to cover all activities subject to this risk from multiple views, applying a prudent criterion, where the main are as follows:

- VaR limits (Total and by risk factor)
- Sensitivity limits to the exchange rate
- Interest rate sensitivity limits (total and by terms)
- Sensitivity limits for positions in significant products
- Sensitivity limits for positions in significant spread
- Vega limits

These general limits are supplemented by other sub-limits for structure that is granular to allow the effective control of the different types of trading market risk factors to which the Bank is exposed in its trading activities.

These limits are approved by senior management (ALCO and/or Board of Directors).

3.1.2 Metrics

a) **VaR (Value at Risk):** this is a methodology that estimates losses that a portfolio would incur as a result of an adverse movement of interest rates and/or market prices over a time horizon and for a certain confidence level.

The VaR methodology used is historical simulation that recognizes the fat-tail property of financial returns. A 2-year rolling window of daily data is used. The 1st percentile of the P&L distribution is measured, or VaR at 99% confidence. The volatility updating technique is used, which recognizes the existence of volatility clusters.

Objectives and limitations of the VaR methodology: The objective of VaR is to measure the risk of a portfolio of assets by determining how much it can lose over a period and with a given level of confidence. Under normal market conditions. This method is applied to portfolios that have information on the relevant market variables. In addition, it does not depend on the calculation of correlations and volatilities, as these are calculated implicitly when using historical information, which means having the history of the associated variables to perform this calculation.

The 1-day VaR for each portfolio is shown below.

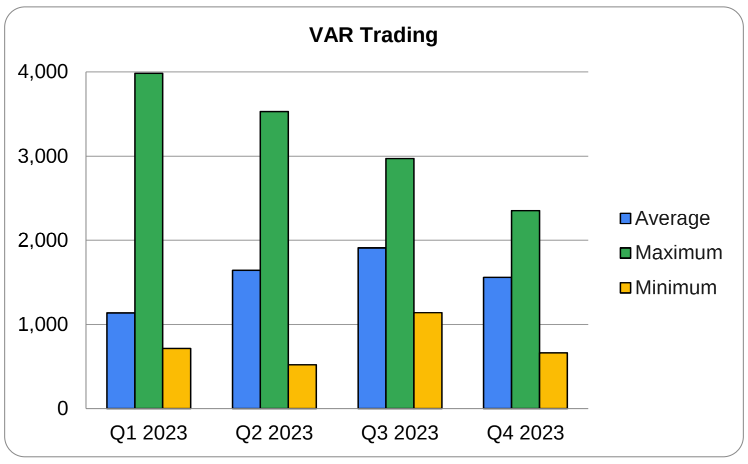
VaR tables by Portfolio: annual comparison as of December 31, 2023

Figures in millions of Chilean pesos, with a 1-day time horizon.

VAR	2023	2022	Variance
	MCh$	MCh$	MCh$
Trading	**1,213**	**1,771**	**(558)**
Maximum	3,981	5,312	(1,331)
Minimum	521	303	218
Average	1,558	2,307	(749)
Balance	**636**	**800**	**(164)**
Maximum	1,541	1,517	24
Minimum	149	247	(98)
Average	538	727	(189)
BCI Corredor de Bolsa	**863**	**1,421**	**(558)**
Maximum	1,950	1,855	95
Minimum	476	213	263
Average	922	666	256
BCI Asset Management	**45**	**187**	**(142)**
Maximum	106	323	(217)
Minimum	23	114	(91)
Average	51	212	(161)

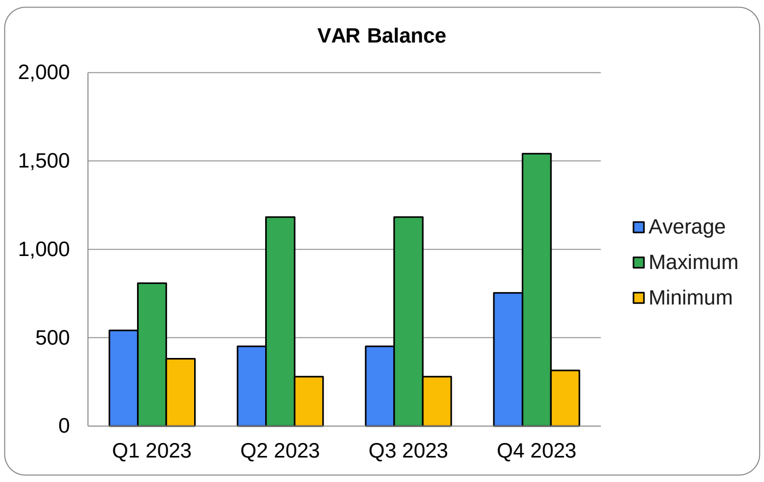
VaR Trading: quarterly graphic comparison as of December 31, 2023

Amounts in millions of Chilean pesos, with a 1-day time horizon.



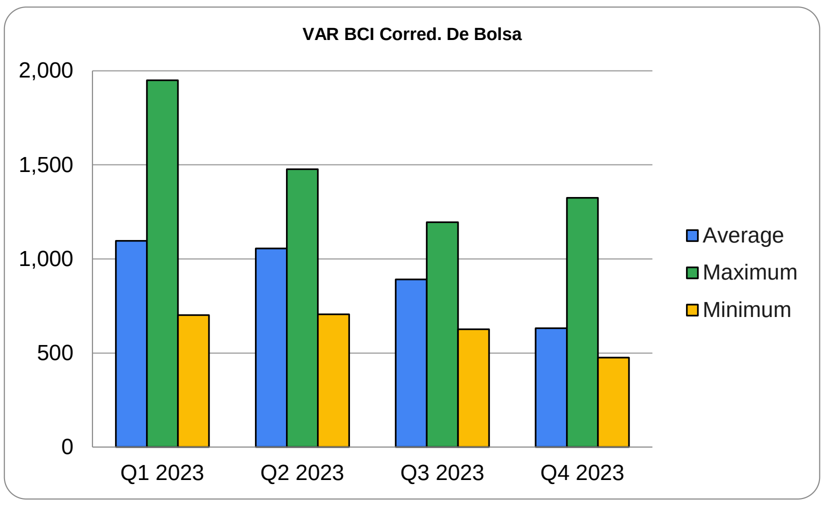
VaR Balance: quarterly graphic comparison as of December 31, 2023

Amounts in millions of Chilean pesos, with a 1-day time horizon.



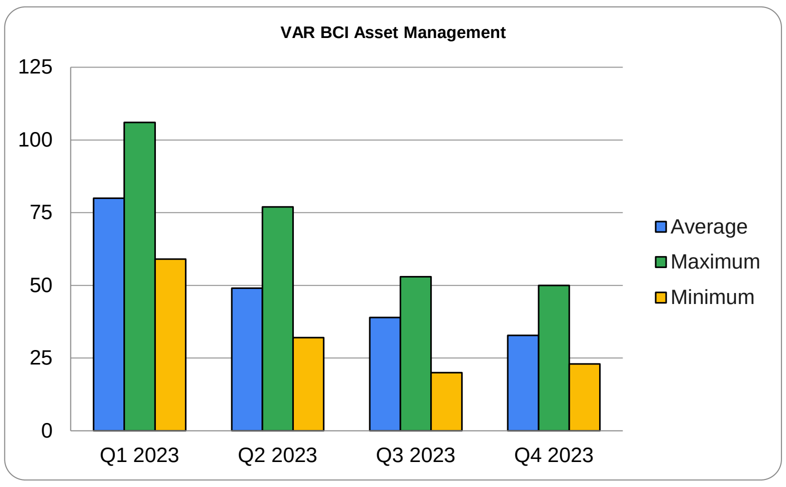
VaR Bci Corredora de Bolsa: quarterly graphic comparison as of December 31, 2023

Amounts in millions of Chilean pesos, with a 1-day time horizon.



VaR Bci Asset Management: quarterly graphic comparison as of December 31, 2023

Amounts in millions of Chilean pesos, with a 1-day time horizon.



For the current period. The VaR (Value at Risk) is broken down into the different risk factors that compose it for its management, this corresponds to:

VaR by Risk factor: As of December 31, 2023

Amounts in millions of Chilean pesos

Value at Risk	2023	2022	Variance
	MCh$	MCh$	MCh$
Total	**1,213**	**1,771**	**(558)**
Interest rate	690	1,580	(890)
Foreign currency	600	271	329
Optionality	18	15	3

Note: consider that the calculation of VAR having correlations. The sum of its factors is not the same related to the Total VAR,

a) **Stressed VaR (sVaR):** there are limitations of the VaR models, mainly in the face of extreme events that have not been noted in the historical information or because they do not capture the intra-day movements in the portfolio. Because of this, stress situations are modeled to assess potential impacts on the value of the most extreme event portfolios. The following analysis presents the Stress VaR study for the main current risks.

Stress VaR: As of December 31, 2023

Amounts in millions of Chilean pesos, with a 1-day time horizon.

STRESS VAR	2023	2022	Variance
	MCh$	MCh$	MCh$
Total	**4,029**	**3,130**	**899**
Maximum	9,988	8,844	1,144
Minimum	2,202	2,366	(164)
Average	4,746	4,657	89

3.2 COUNTERPARTY MARKET RISK

Counterparty risk management encompasses the management of financial risks that seeks to recognize and subsequently manage the possible credit deterioration of each counterparty, arising from investments and/or businesses related to the capital market.

This risk is defined as the possibility that the issuer or the counterparty does not comply with its obligations or commitments within the agreed terms and amounts. This risk is determined by the debt at the time of default, by the probability of default by the counterparty, and by the loss given default. On a daily basis, the current market value plus the potential future exposure of the derivatives is calculated; estimating the value of the debt in an event of default that has not yet occurred. The potential future exposure represents the maximum market value that the instruments could reach during the remaining term of the contract. The result of this calculation determines the use of the credit facility associated with derivative instruments.

As part of counterparty risk management, Senior Management encourages direct involvement in both local and foreign clearing houses. As applicable, and the trading of derivative instruments must be conducted in accordance with the policies, limits and procedures established by the Bank, in compliance with internal and external regulations, and all new products must comply with the provisions of the New Products Policy prior to being traded.

3.2.1 Management and Limits

The Bank manages its counterparty risk through analysis of the future exposure of financial instruments, called PFE (Potential Future Exposure) and in turn through adjustments to the Fair value of derivative instruments, referred to as CVA (Credit Value Adjustment).

3.2.2 Metrics

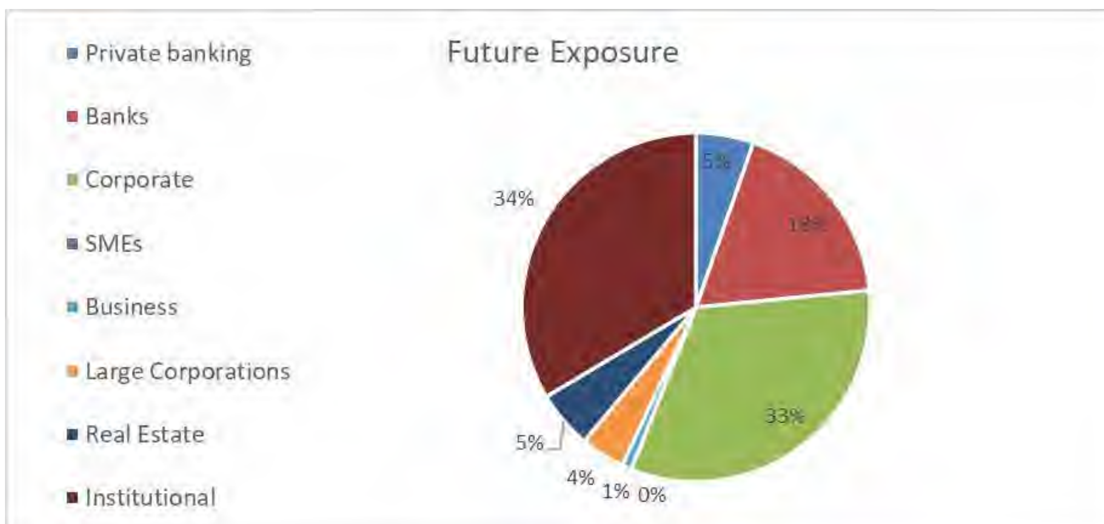
a) **Future Exposures:** The future exposure of an *over-the-counter (OTC) derivative* is directly related to the credit exposure generated by this type of product for BCI. The risk from such contracts exists when the valuation or *mark-to-market (MTM)* is positive in favor of BCI. These contracts are measured on a daily basis, and the risk or uncertainty arises regarding the potential value that the MTM may reach throughout the life of the operation.

Montecarlo simulation techniques are used to calculate future exposures by counterparty, specific limits by counterparty ensure that defined risk levels are not exceeded, and adequate diversification is achieved. The following table provides the detail of the exposure for each segment for the periods ended December 31, 2023 and 2022.

Future Exposure by Banks: As of December 31, 2023

Amounts in millions of Chilean pesos,

Future Exposure		
Banking	December 31, 2023 MCh$	December 31, 2022 MCh$
Banco BCI	**2,772,591**	**2,672,646**
Private Banking	148,512	162,221
Banks	501,509	263,355
Corporate	904,197	1,078,829
SMEs	1,116	1,364
Business	24,339	31,526
Large Corporations	114,474	132,170
Real Estate	148,239	109,839
Institutional	930,205	893,342
Total	**2,772,591**	**2,672,646**

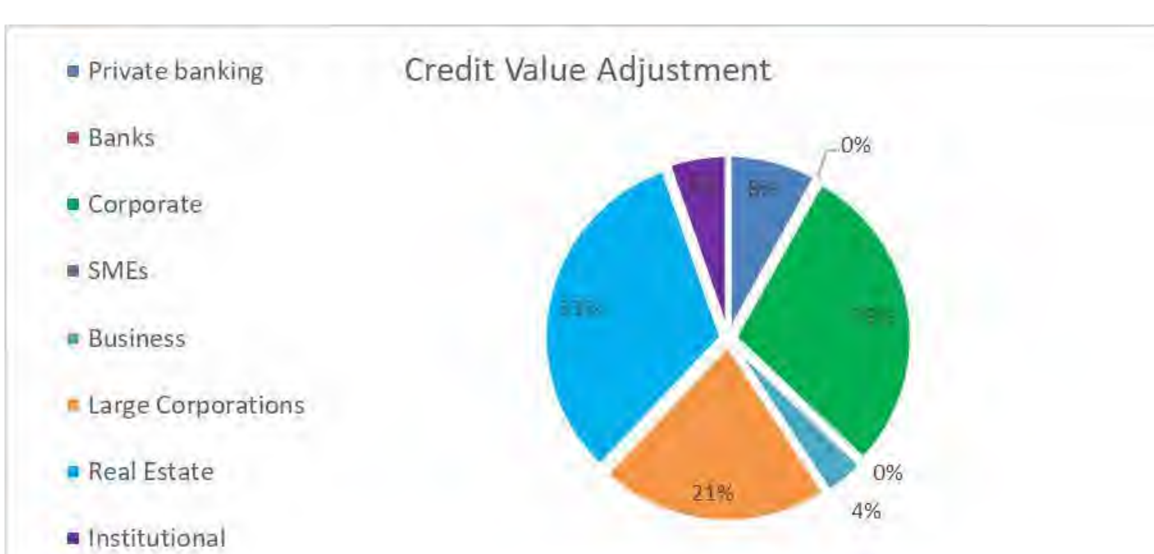


b) Derivative credit valuation adjustment (CVA): The objective is to determine the expected losses due to counterparty risk in OTC derivative contracts. The CVA of a derivative is defined as the difference between the market value free of credit risk (without risk of default by the counterparty) and the value of the derivative engaged that carries the possibility of default by the counterparty. Accordingly, the CVA of a customer can be obtained from the expected exposure (EE) by counterparty risk (the expected loss amount) and the expected loss rate (EL) associated with the default of the counterparty. The table below details the allowance for CVA by segment as of December 31, 2023 and 2022.

CVA (Credit Value Adjustment): as of December 31, 2023

Amounts in millions of Chilean pesos,

Credit Value Adjustment (CVA)			
Banking	December 31, 2023 MCh$	December 31, 2022 MCh$	Variation MCh$
Banco BCI	**8,149**	**13,015**	**(4,866)**
Private Banking	654	666	(12)
Banks	8	7	1
Corporate	2,360	6,044	(3,684)
SMEs	3	12	(9)
Business	297	569	(272)
Large Corporations	1,730	1,944	(214)
Real Estate	2,662	3,284	(622)
Institutional	435	489	(54)
City National Bank	**826**	**1,736**	**(910)**
BCI CdB	**0,33**	**0,48**	**(0,15)**
Total	**8,975**	**14,751**	**(5,776)**



3.3 MARKET RISK OUTSIDE OF THE TRADING BOOK

Financial assets at fair value through other comprehensive income relate to all financial instruments that have not been acquired for trading them at short-term, where the Bank intends to keep them on its balance sheet Instruments that are classified as financial assets at fair value through other comprehensive income may not be subsequently reclassified to the category financial assets held for trading at fair value through profit or loss.

Certain definitions that should be considered for the market of these assets are included below:

Debt Securities (IRF): this is the name given to securities representing medium and long-term obligations, issued in series. Intended to finance different production and housing activities. They bear interest and are generally quoted as a percentage of par value.

Portfolio of Non-Derivative Financial Instruments: relates to the set of investment debt securities classified as financial assets at fair value through other comprehensive income. Investments to Maturity and the portfolio of corporate bonds classified in Trading, which weight different economic sectors, issuers, terms, rates (fixed versus floating or mixed rates), currencies, prepayment options, etc.

Investment Grade Instruments: relate to instruments to which the investment grade classification has been associated by one of the international rating agencies: S&P, Moody's and Fitch. This is equivalent to a BBB- or higher rating for the International market and A- for domestic instruments.

Covenants: restrictions used by banks or institutional investors to ensure that issuers will operate prudently, allowing them to pay their debt on agreed terms, A *covenant* may require the issuer to present its financial statements to the bank or, an extreme covenant, would prohibit it from assuming new debt.

3.3.1 Management and Limits

Like the management of limits for the trading book, for the financial assets at fair value through other comprehensive income book, the duties established by Financial Risk are in general, the definition of measurement criteria and regular control of the portfolio, which implies ensuring compliance with the limits and/or warnings approved by Senior Management.

Setting market risk limits for financial assets at fair value through other comprehensive income is a dynamic process associated with the level of risk appetite established by the Bank. This process is part of the annual limit review and update plan.

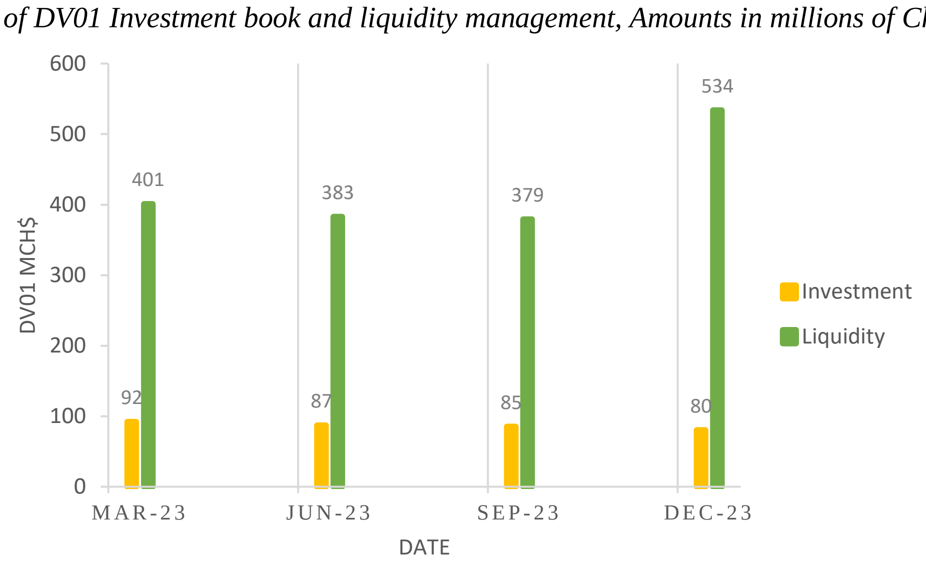
Limits applied are different for the different portfolios due to their different nature and objectives. We highlight the following market risk limits associated with available-for-sale instruments:

- ➔ Interest rate sensitivity limits. It is the maximum amount by which the market value of the investment portfolio can change due to a one basis point increase in discount rates.
- ➔ Diversification limits. Investment concentration limits by country, type of industry and business.
- ➔ Portfolio permanence limits. According to the business model the investments must remain a minimum amount of time in the portfolio as a whole.

3.3.1.1 Metrics Sensitivities and positions

The sensitivity analysis assesses the impact of one basis point on the interest rates at which each of the instruments in the financial assets at fair value through other comprehensive income investment portfolio are performed at fair value.

Evolution of DV01 Investment book and liquidity management, Amounts in millions of Chilean pesos



The main positions in investments available for sale by type of issuer and currency are detailed below. The risk rating of such positions at the end of the most recent period is also reported.

Financial assets at fair value through other comprehensive income
Fair value as of December 31, 2023 (MCh$)
Banco de Crédito e Inversiones and City National Bank

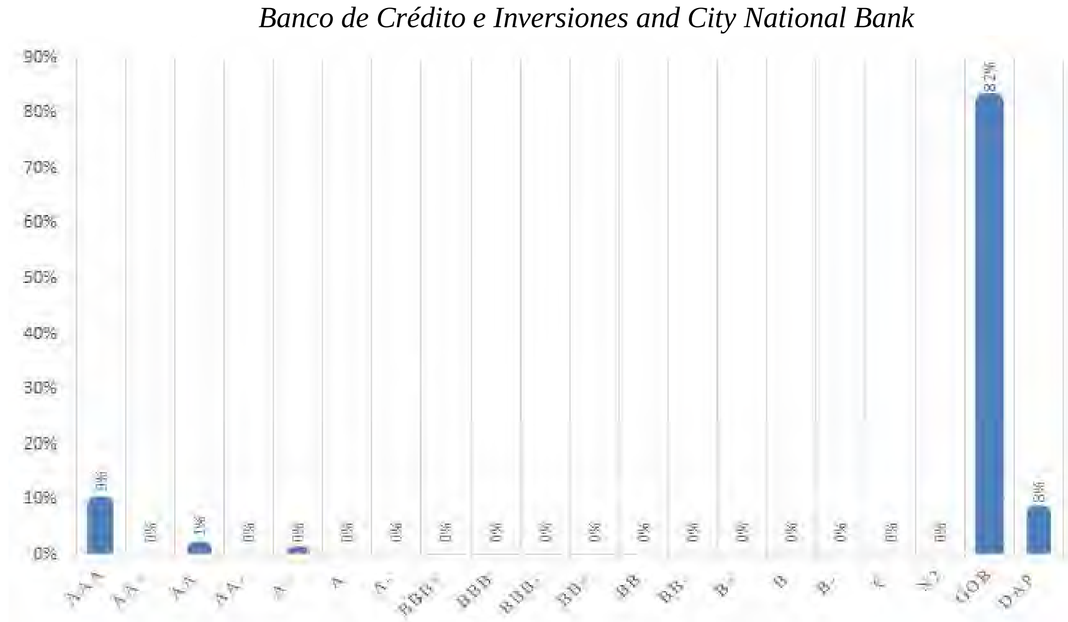
	CLP	UF	USD	EUR	OTHER
Sovereign bonds	3,445,861	751,304	796,623	-	-
Corporate bonds	-	11,004	230,992	9,524	-
Financial institutions bonds	2,026	568,634	3,350,488	-	-
Mortgage-funding notes	-	18,542	-	-	-
Time deposits	317,116	-	-	-	-
Investments funds	-	-	33,652	-	-
Shares	-	-	124,602	-	-
Total	**3,765,003**	**1,349,484**	**4,536,357**	**9,524**	**-**

Financial assets at fair value through other comprehensive income
Fair value as of December 31, 2022 (MCh$)
Banco de Crédito e Inversiones and City National Bank

	CLP	UF	USD	EUR	OTHER
Sovereign bonds	1,556,869	304,394	557,132	-	-
Corporate bonds	-	10,561	277,287	48,265	-
Financial institutions bonds	11,115	893,170	3,153,683	-	-
Mortgage-funding notes	-	23,447	-	-	-
Time deposits	576,739	34,628	-	-	-
Investments funds	-	-	32,680	-	-
Shares	-	-	121,003	-	-
Total	**2,144,723**	**1,266,200**	**4,141,785**	**48,265**	**-**

Financial assets at fair value through other comprehensive income
International bond portfolio risk rating as of December 31, 2023 (%)
Banco de Crédito e Inversiones and City National Bank

Financial assets at fair value through other comprehensive income
Risk rating of bond portfolio and LCH of national issue as of December 31, 2022 (%)
Banco de Crédito e Inversiones and City National Bank



4. STRUCTURAL INTEREST RATE RISK

The management of the structural risks of interest rates and inflation seeks to manage the risks arising from the Bank's operations and asset and liability positions, derivatives, and non-derivatives, excluding trading activities.

In this area. The following risks are managed:

➔ **Interest rate risk**: possibility of economic losses in the Bank's equity position (profit or loss or equity) as a result of adverse and unexpected changes in interest rates (parallel movements in the level of general rates and spreads).

➔ **Repricing risk**: arises from differences in the maturity or repricing structure between assets and liabilities, as well as off-balance sheet positions. Repricing risk occurs when there are gaps or mismatches in the maturity structure or " *repricing* " of the Bank's assets and liabilities, whether on or off the balance sheet (e.g., positions in derivative financial instruments, contingent loans, etc.). Exposure varies according to the magnitude of the mismatches and the direction of the change in rates.

➔ **Risk in the structure of interest rates**: arises from changes in the shape of the intertemporal structure of interest rates.

➔ **Base risk**: results from the existence of an imperfect correlation in the adjustment of interest rates received and paid on certain financial instruments, which should have similar adjustment characteristics in their prices.

➔ **Optionality risk**: arises from short positions in implicit options both in assets, liabilities as well as in off-balance sheet instruments or explicit options. This risk includes the option of a prepayment of loans, translating this payment option as a prepayment risk.

➔ **Inflation risk**: possibility of economic losses in the Bank's equity position (profit or loss or equity) as a result of adverse changes in the price path or price index.

4.1 Management and Limits

Currently, limits are set on the following metrics to ensure consistency with the Bank's strategic objectives and avoid risk situations in stress scenarios (illiquidity, loss of profitability, among other).

➔ **Short-term risk**: it is controlled with the *SaR methodology*, the result of which may not be higher than a percentage of the Bank's financial margin.

➔ **Long-term risk:** controlled by the *MVS methodology*, the result of which may not be higher than a percentage of the Bank's basic capital.

➔ **Limits** are established **for metrics X1** (short-term rate risk) and **X2** (long-term rate risk) of the C40 regulatory report.

4.2 Metrics

Unexpected changes in interest rates or inflation can have negative effects on both the Bank's profit for the period and economic value. Exposure to interest rate risks is noted in:

1. The short-term impact on the Bank's revenue (typically 1 year).
2. Long-term impact on the present value of future cash flows.
3. The impact on other sources of revenue.

This view allows using two supplementary methodologies to assess such exposure to interest rate risk:

Accumulated Net Interest Margin (Spread at Risk, *SaR*)

The analysis focuses on the impact associated with variations in interest rates and short-term inflation on annual revenue The analysis is performed considering the impact of changes in interest rates on the Bank's financial margin over a given time horizon.

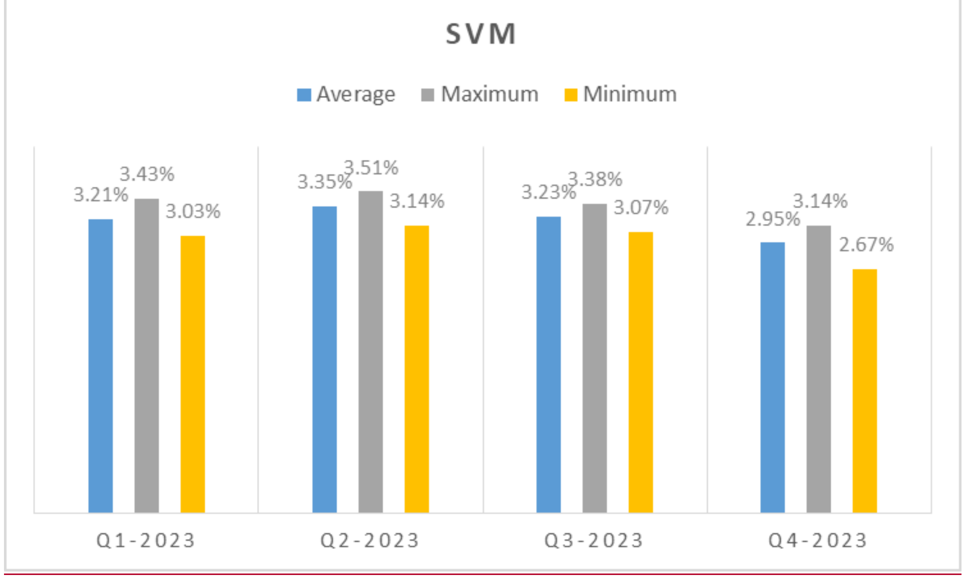
Economic Value (Market Value Sensitivity, *MVS*)

The economic value of a bank can be expressed as the present value of the expected net cash flows, defined as the expected cash flows of assets less the expected cash flows of liabilities, plus the expected net flows of positions recorded off-balance.

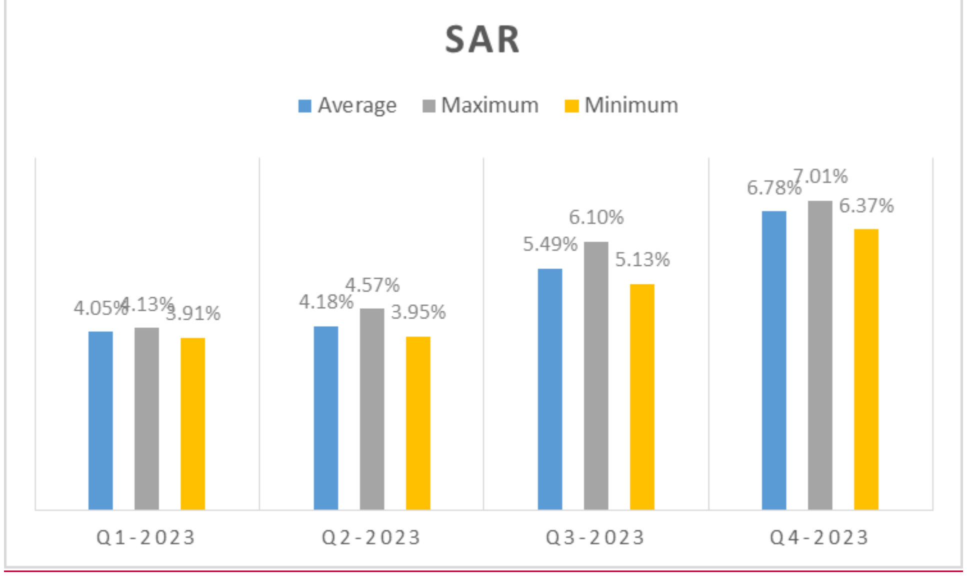
As the economic value considers the potential impact of changes in interest rates on the present value of future cash flows, it provides a better view of the potential long-term effects of changes in interest rate structures.

The average long-term SVM measurement for 2023 is 3.21% (4.77% 2022) of capital over a limit of 12%. The SaR meanwhile has an average in 2023 of 4.05% versus an average of 5.62% in 2022.

SVM
As of December31, 2023

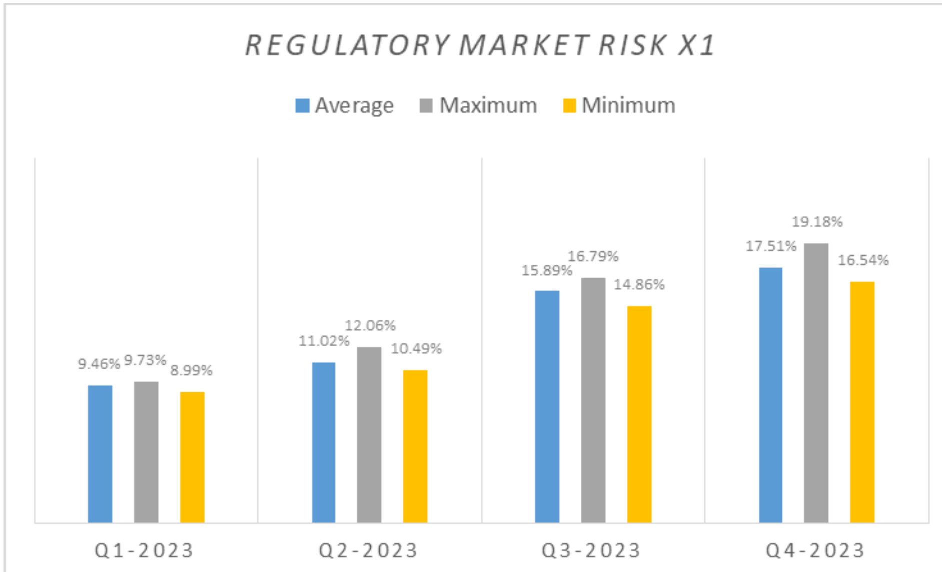


SaR
As of December 31, 2023

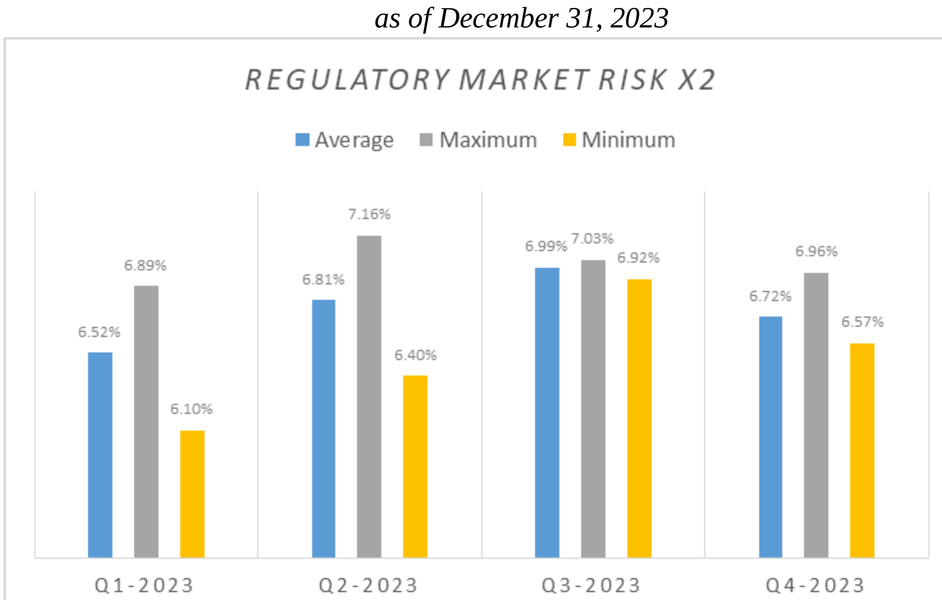


The evolution of regulatory indices X1 (exposure to short-term market risk) and X2 (exposure to long-term market risk) registered slack with respect to the limits so far in 2023, mainly explained by the management of the balance sheet with accounting hedges.

Regulatory Market Risk X1
Banco de Crédito e Inversiones and City National Bank
as of December 31, 2023



Regulatory Market Risk X2
Banco de Crédito e Inversiones and City National Bank
as of December 31, 2023



5. LIQUIDITY RISK

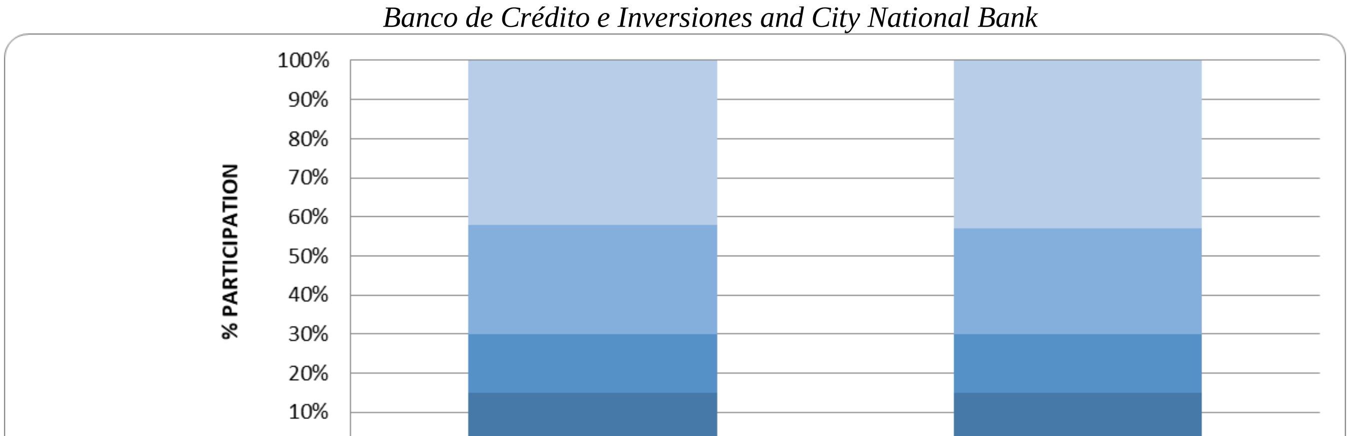
Liquidity management is a strategic activity, it must be aligned at all times at the corporate level in terms of its objectives, guidelines and resources assigned in the commercial line, risk control, financial operations, and technology, among other areas.

For these purposes, the liquidity risk will correspond to the impossibility of:

- ➔ Comply with contractual obligations.
- ➔ Avoid regulatory sanctions for non-compliance with regulatory ratios.
- ➔ Permanently and competitively finance commercial activity.
- ➔ Liquidate positions without significant losses.

The concentration of liabilities by main sources of funding is presented below:

Evolution of main sources of financing
As of December 31, 2023 and 2022
Banco de Crédito e Inversiones and City National Bank



	31-12-2023	31-12-2022
DEMAND DEPOSITS	42%	43%
FUNDS AND TERM DEPOSITS	28%	27%
BOND EMISSIONS	15%	15%
OTHER LIABILITIES	15%	15%

5.1 Management and Limits

The Bank's liquidity management policy and models seek to guarantee, even in the face of unexpected events. The Bank's ability to adequately respond to its obligations.

Liquidity and funding management is performed by treasury in accordance with practices and limits aligned with local regulations, best international practices, and the Bank's risk appetite. For this reason, the Bank must maintain a limit structure that allows an adequate and robust risk management. Currently, limits are set on the following metrics:

Liquidity barrier: A ratio that is controlled on a daily basis and whose objective is to constitute a minimum highly liquid reserve fund, which allows it to face unexpected situations of illiquidity, bank runs or confidence crises. The limit is reviewed at least annually.

Concentration of deposits and time deposits: it is controlled on a daily basis, to prevent the Bank from being exposed to a sudden outflow from its source of funding.

Accumulated cash flow mismatches: it is controlled on a daily basis, to ensure that there is a sufficient income flow to meet short-term obligations.

Liquidity coverage ratios (LCR): controlled on a daily basis to provide a liquidity structure that is capable of withstanding a stress scenario in the short term. The LCR measures a bank's liquidity risk profile, ensuring that it has an adequate pool of high-quality assets (ALAC), which can be easily and immediately converted into cash, without significant loss of value, in the financial markets.

Net Stable Funding Ratio (NSFR): requires banks to maintain a stable funding profile in relation to their assets. The objective is to reduce the risk that the volatility of funding sources deteriorates the Bank's liquidity position. It is controlled on a daily basis, seeking to discourage excessive short-term wholesale funding. The metric seeks for the Bank to diversify its sources of financing.

Since the latter are the main ratios of liquidity, it should be noted that they have remained comfortable with respect to both regulatory and internal limits.

5.2 Metrics

➔ **Liquidity barrier**

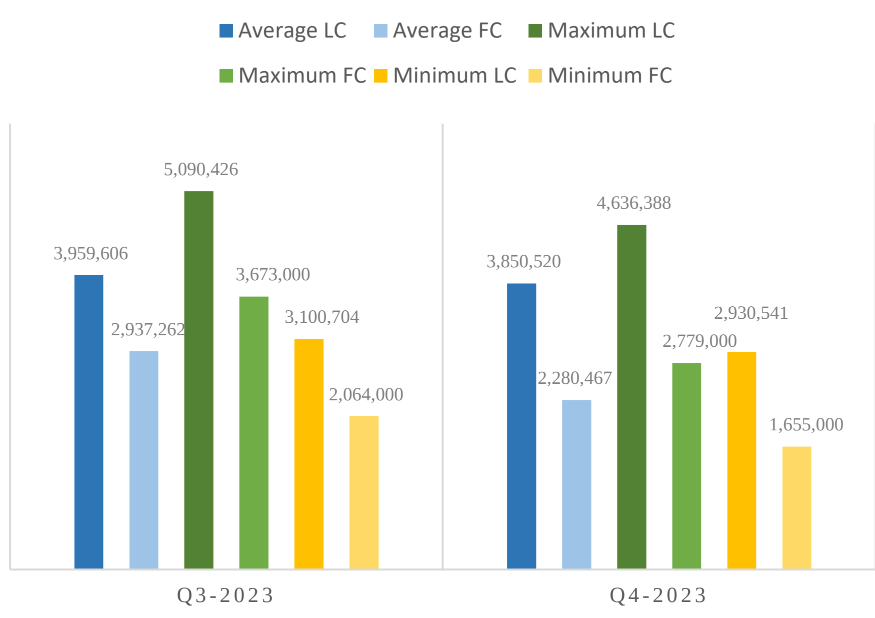
The liquidity buffer established at BCI beginning in 2023 consists of a minimum of high liquidity and credit quality assets, of a counter-cyclical nature related to liquidity, the purpose of which is to support the capacity to hedge short-term obligations.

To comply with the requirement of a minimum buffer of High-Quality Liquid Assets, limits are defined separately in domestic and foreign currency, Both amounts are reviewed and updated on a monthly basis by the Financial Risk team using stress tests. As of December 31, 2023 the liquidity buffer is detailed as follows:

	As of December 31, 2023			
	Average	Maximum	Minimum	Close
Liquidity Buffer LC (*)	3,850,520	4,636,388	2,930,541	2,930,541
Liquidity Buffer FC (**)	2,280,467	2,779,00	1,655,000	2,545,000

(*) Amounts in millions of pesos
(**) Amounts in millions of dollars

Liquidity buffer evolution as of December 31, 2023
Amounts in millions of Chilean pesos



➔ **Liquidity Coverage Ratio (*LCR*)**

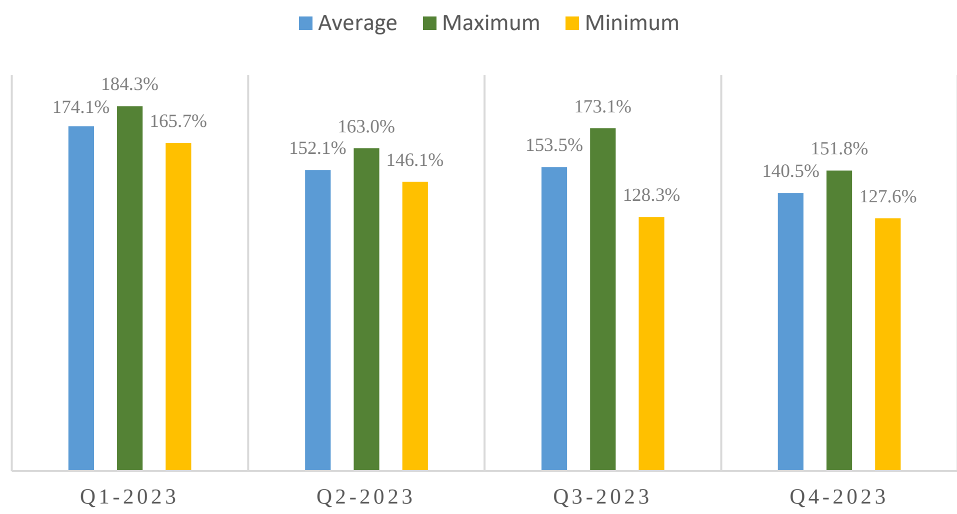
This ratio is within the Basel III standards and aims to ensure that banks have an adequate fund of High-Quality Assets (ALAC), which can be easily and immediately converted into cash, to meet their obligations in a 30-day liquidity stress scenario. This ratio has a regulatory limit and will increase to 100% as of September 2022. Its form of measurement is ALAC on net expenses, where the different items have different weights.

As of December 31, 2023 BCI had a Global consolidation LCR of 128.3%, well above the required limit, given the current regulation,

	As of December 31, 2023				As of December 31, 2022			
	Average	Maximum	Minimum	Close	Average	Maximum	Minimum	Close
LCR	140.5%	151.8%	127.6%	142.2%	189.5%	343.0%	110.4%	166.3%

As the latter are the main indicators of liquidity, note that they have remained comfortable with respect to both regulatory and internal limits.

LCR evolution as of December 31, 2023



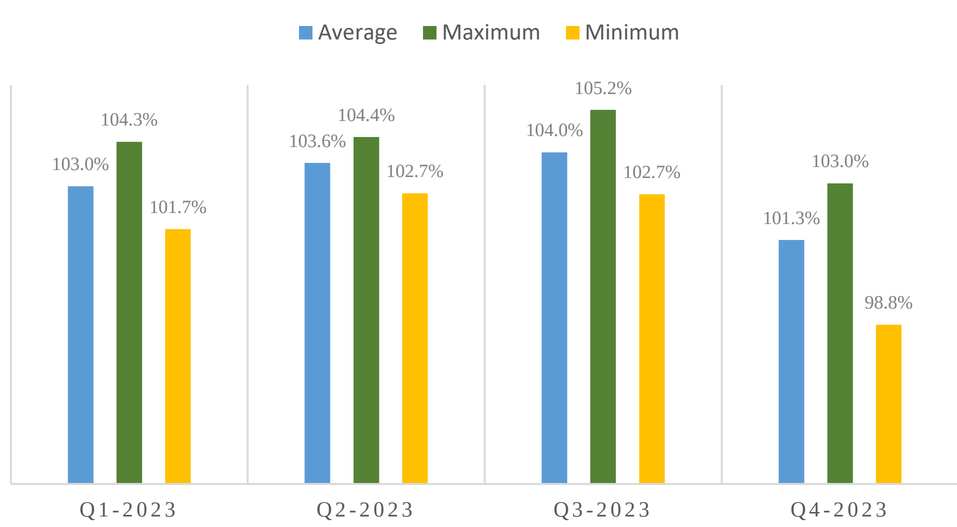
➔ **Net Stable Funding Ratio (*NSFR*)**

This ratio is designed to address long-term liquidity mismatches and covers the entire balance sheet by providing incentives for financial institutions to use stable sources of funding. It is measured given the Stable Financing Available (FED) over the Stable Financing Required (FER), the first being the proportion of own and external resources that are classified as reliable. The FER. On the other hand, corresponds to the book value of the assets based on the characteristics of liquidity and residual maturities.

Currently, this ratio has a 60% of the regulatory limit, however, the Bank has decided to consider an incremental internal limit, which expects to reach a 100% NSFR requirement in 2025. As of December 31, 2023 BCI placed its Global consolidation NSFR at 102.7%.

	As of December 31, 2023				As of December 31, 2022			
	Average	Maximum	Minimum	Close	Average	Maximum	Minimum	Close
NSFR	101.3%	103.0%	98.8%	102.2%	101.6%	105.0%	100.4%	102.2%

NSFR evolution (global consolidated) as of December 31, 2023



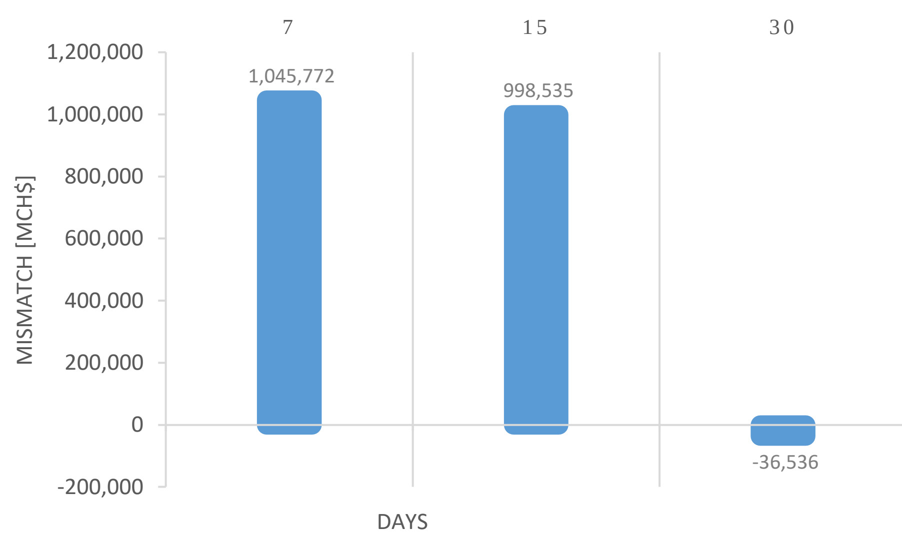
➔ **Liquidity early warning ratios**

BCI has a set of early warnings that allow capturing negative trends in the markets or in the balance structure. Both market variables and information from the Bank's balance sheet are monitored. The funding liquidity prizes in local banks, or the increase in the volatility of market prices, are some of the market variables that stand out. On the other hand, demand deposit flight rates or *deficits* in the renewal of time deposits are relevant balance sheet information among other elements of periodic monitoring.

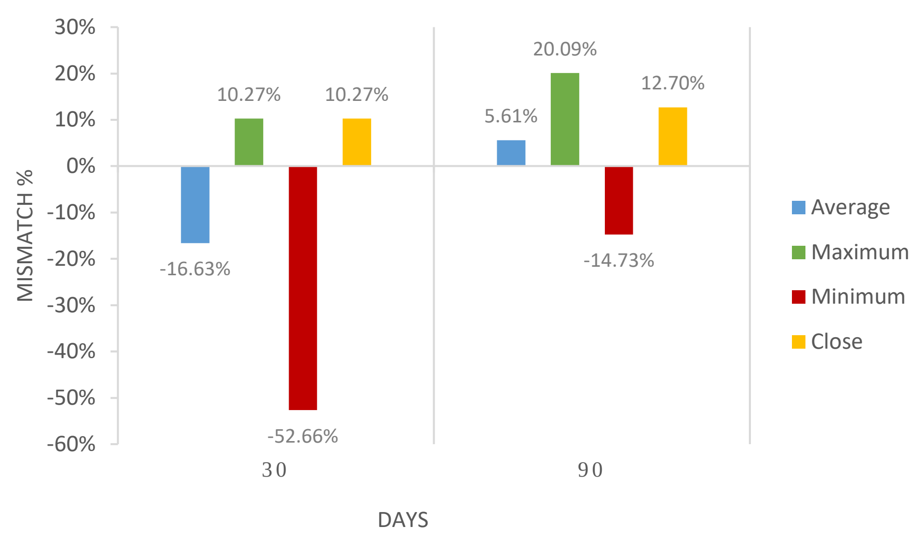
➔ Mismatch of deadlines

The mismatch is the metric that determines the difference between Expenditures and Income of the flows of the main items of the Bank. For its determination, adjusted flows were considered, that is, considering behavioral models for some items. In this sense, for example, the liabilities associated with financial and non-financial calls are considered, considering the unstable part and the stable part as the demand balance according to their behavior. Below is the mismatch of terms at 7, 15 and 30 days in the case of the local version considering adjusted flows.

Local consolidation term mismatch as of December 31, 2023

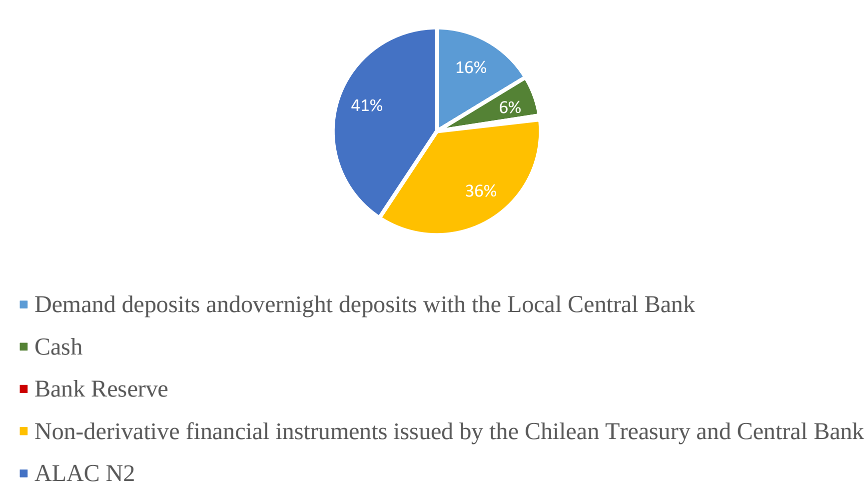


Additionally, the relevant metrics for mismatching at 30 and 90 days for the individual version are presented.



In addition to the aforementioned metrics, it is important to highlight the distribution of high-quality Liquid Assets held by the Bank for optimal liquidity management.

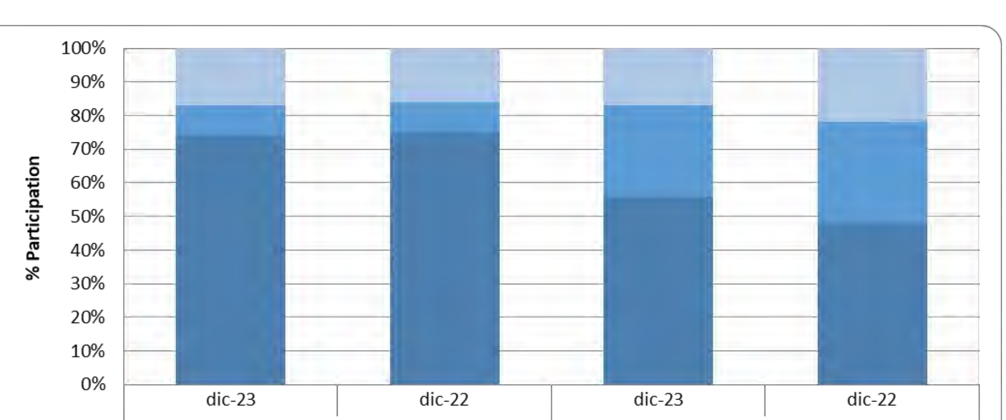
Detail of liquid assets as of 31/12/2023



➔ Concentration of Time Deposits and Funding

Below is the concentration by counterparty for on demand and time deposit items.

Detail of Counterparties by Main Liabilities as of 12/30/2023



	DEMAND DEPOSITS		FUNDS AND TERM DEPOSITS	
	dic-23	dic-22	dic-23	dic-22
OTHER WHOLESALE	17%	16%	17%	22%
FINANCIAL	9%	9%	27%	30%
RETAIL	74%	75%	56%	48%

➔ Maturity of non-derivative and derivative liabilities

To see the details of maturities, it is recommended to see note 45 - Contractual Maturity according to the remaining terms of financial assets and liabilities.

6. FINANCIAL RISK STRESS TESTING EXERCISES

Stress tests are risk measurement tools designed with the aim of gaining a deeper understanding of the profile and dynamics of the different market and liquidity risks associated with Trading and Banking books about:

- ➔ Measurement of the impact of extreme movements in the markets (prospective, hypothetical, historical and idiosyncratic)
- ➔ Isolated measurement of the impact of a particular/specific risk component
- ➔ Measurement of a dynamic interdependence between relevant risk factors

The stress tests are intended to identify financial vulnerabilities in the balance sheet structure and trading book against low probability but plausible situations or risk scenarios that can be seen in a short-term horizon. The analysis separates the impacts on those positions that affect the income statement from those that affect the equity accounts.

The scope and criteria for the development of stress tests are given by:

- ➔ Limitations of the methodological approaches used: these approaches intervene in the calculation of the shocks to be applied in the different scenarios and their limitations correspond to obtaining the shocked curves that are modeled from macroeconomic factors. Therefore, there is a tolerance margin of how this modeling of curves can be explained by macroeconomic factors.

  For liquidity stress scenarios, these are configured, on the one hand, by calibrating prices and system stress measures (monitor of market conditions), as well as short-term impacts (30 days and 90 days) on the structure balance.

  The market monitor is calibrated by estimating the price levels at which the stress scenario is estimated. In the case of historical scenarios, the basic argument is historical information and estimates of the impact of the crisis, while in the case of prospective scenarios, the analysis is based on the risks inherent to the banking industry, which are included with information to raise awareness of risk scenarios and vision is essential.

  On the other hand, the changes in the balance sheet structure are projected as stress scenarios, and in no case are the estimates based exclusively on historical measurements. Depending on the level of criticality of the estimated market conditions for each scenario, conservative estimates of leak rates and balance sheet movements are projected. In general, the higher the estimated criticality for each scenario. The higher the leakage rate associated with the sources of funding. In addition, depending on the characteristics of the depositor and the estimated stability of the deposits, the flight rates are modeled with different movements and sensitivities to stress scenarios.

- ➔ The bank's capacity to absorb potential losses is contained within the established risk appetite and the action plans that the bank has to modify its risk profile.

- ➔ Action plans: As a preventive financial measure, BCI constitutes the liquidity barrier, which represents the minimum level of liquid assets evaluated to ensure liquidity even in extreme illiquidity events, calibrated with the level of tension that the system evidences. In addition to the above, to take action in the face of any liquidity contingency, BCI has a Liquidity Contingency Plan, which meets with a liquidity contingency committee (CCL). The CCL must consider various sources of funds to face a liquidity crisis. The set of tentative actions, visualized before performing a risk scenario, may consider:

  a) Subordinate trading portfolio to declarations of liquidity needs. The amount may vary according to the considerations of the committee, and the entire portfolio may be used for liquidity purposes in case of contingency.
  b) Manage funding sources, Stimulate the raising of funds with adequate prices in the event of a contingency declaration.
  c) Conditions to make FPL and Repos with the Central Bank. The Liquidity Sub-Management will manage, at its discretion. The use of facilities with the Central Bank of Chile.
  d) Stimulate Sales with an agreement, Repo, and funding via TRS when feasible. Monitor assets to finance the contingency, Potential available monitoring of Barrier Papers, Monitoring of Liquid Assets issued abroad. In BCI, Miami Branch and City National Bank portfolios.
  e) Use of local and international interbank lines, Costs and ease of use of the available lines will be evaluated.
  f) Use window discount FED, Semi-annual monitoring of fund-raising capacity with FED window discount.
  g) Sale of loan portfolio subject to evaluation by the contingency committee.

6.1. Scenario Analysis

The scenarios associated with the banking book seek to capture, through hypothetical, prospective or historical scenarios, the dynamics between nominal short-term and long-term rates and inflation (Real TPM). These effects are represented by shocks in the rates in the different time horizons, reflecting the variations in inflation expectations if they correspond to each scenario.

For their part, the trading book scenarios aim to capture movements in relative prices as a result of changes in expectations or flows in derivative instruments associated with differentials in external and internal rates that allow us to identify risk exposures outside the normal behavior of the portfolio.

At least 3 scenarios are established, which aim to measure the bank's exposure to stress situations observed at a global and/or systemic level. These were conceived based on expert opinion, historical crisis situations and developed with econometric techniques.

The proposed scenarios are:

I. Historical
II. Adverse
III. Dynamic

I. Historical scenario

The mortgage default crisis in the US inevitably led to a counterparty crisis and severe liquidity shortages that had profound repercussions on the real economy and global financial markets.

Stock markets in the US fall more than 4%, Asian markets 5%, the most important markets in Europe fall an average of 3.3%, Brazil falls more than 7% and Argentina more than 5%, all this on the same day of the fall of Lehman Brothers.

Copper for its part falls 53%, WTI 50%, Japan 38%, Dow Jones 30%, and Chile 16%, All these 3 months after the fall.

In the 2 months following the fall of Lehman Brothers, the dollar rises 21% while the Euro strengthens against the dollar by more than 3% during the first week after the Lehman crash, although it ends up collapsing by more 12% during the first two months.

II. Adverse scenario

The pessimistic scenario is characterized by external and domestic impacts. Externally, there is a global recession (USA, Asia, Europe and Latam) accompanied by a lower demand for commodities. At the local level, there is a strong contraction (economic recession) in the construction, commerce, and mining sectors.

Commodity prices (copper price) plummet as a result of the global recession. World demand for Chilean exports decreases significantly, accelerating the external imbalance. Imports of capital goods fall sharply. The exchange rate depreciates significantly amid massive capital flight, generating inflationary pressures.

The labor market deteriorates, unemployment increases, salaried employment and wages fall sharply, the MPR (monetary policy rate) falls in the face of a smaller output gap and strong inflationary pressures. As a final consequence. The PIB contracts significantly throughout the stress scenario, converging to a lower growth rate in the long term.

III.* Dynamic *scenario

In this scenario, the most adverse historical shocks are faced with respect to the current rate structure, and monthly shock rate scenarios are defined. The period to be selected is the one that generates shocks at the 1% and 99% percentile.

The scenarios proposed for the liquidity stress tests are:

IV. Historical
V. Adverse
VI. Idiosyncratic

IV. Historical Scenario

The determination of these is based on the use of historical data of the banking system obtained from the web page of the Financial Market Commission of Chile (CMF). The time series of the most relevant income and expense items of the balance sheets of the banks in the financial market. As well as off-balance sheet items, are used, to select the historical scenario, the result of applying the leakage rates of each scenario (each date) on the 30 and 90-day flows of the relevant balance sheet items used in the Liquidity Stress Exercise is calculated. The scenario selected will be the one that generates the highest net outflows (outflows minus revenues).

V. Adverse Scenario

The pessimistic scenario is characterized by external and domestic impacts. At the external level, there is a world recession (USA. Asia, Europe, and Latin America) accompanied by a lower demand for commodities. Locally, there is a strong contraction (economic recession) in the construction, trade, and mining sectors.

Commodity prices (copper prices) plummet as a result of the world recession. World demand for Chilean exports decreases significantly, accelerating the external imbalance. Imports of capital goods fall sharply. The exchange rate depreciates significantly amid massive capital flight, generating inflationary pressures.

The labor market deteriorates sharply, unemployment increases, salaried employment and wages fall sharply. The monetary policy rate (TPM) falls in the face of a smaller output gap and strong inflationary pressures. As a final consequence, PIB contracts sharply throughout the stress scenario, converging to a lower growth rate in the long run.

VI. Idiosyncratic Scenario

To develop the basis for BCI's idiosyncratic scenario, we opt for the analysis of a historical liquidity crisis triggered by non-systematic factors. This is because it is considered that the definition and simulation of idiosyncratic effects by themselves and independent of empirical impacts would require a series of assumptions that at an aggregate level could generate a series of validity problems such as the deterioration of the specification of the models used or the obtaining of insignificant or even infeasible results.

To carry out this work, we first analyze the background of the case of the Bank under Study, the reasons and impact of the crisis, and then we define the methodology to simulate the impacts that such a scenario would have if experienced by BCI according to its own characteristics.

6.2 Results and impacts

➔ **Market risk**

The following tables show the results of the banking and trading books, distinguishing the effects on the income statement from the effects on the bank's capital.

Summary of Banking Book results as of December 31, figures in millions of CLP
(Impacts are measured for the next 12 months)

Banking Book	Inflation	Reprice	PnL
Historical	(10,500)	10,859	359
Adverse	(9,296)	69,836	60,540
Dynamic Perc, 1%	(2,832)	26,955	24,123
Dynamic Perc, 99%	(8,627)	(34,462)	(43,089)

Summary of trading book results as of December 31, 2023, figures in millions of CLP
(Impacts are measured based on the duration of each scenario)

Trading	Income
Historical	(16,327)
Adverse	38,722
Dynamic Perc, 1%	27,027
Dynamic Perc, 99%	(31,358)

Balance Sheet - Trading Book	P&L
Historical	5,719
Adverse	(11,487)
Dynamic Perc, 1%	(9,473)
Dynamic Perc, 99%	9,688

Summary results portfolios financial assets at fair value through other comprehensive income as of December 31, 2023, figures in millions of CLP
(Impacts are measured based on the duration of each scenario)

	Equity	Effect E/R (P&L)
Historical	(75,862)	76,578
Adverse	183,226	56,092
Dynamic Perc, 1%	137,152	-
Dynamic Perc, 99%	(133,626)	-

The effects on Equity correspond to movements in both discount rates and spread, corresponding to CEMBI. While the effects shown in results are directly related to the exchange rate risk in the investment portfolio.

Summary results Fair Value Hedges as of December 31, figures in millions of CLP
(Impacts are measured based on the duration of each scenario)

Fair Value Hedge	Adjustment (P&L)	Rate (P&L)	Total
Historical	-	5,460	5,460
Adverse	-	51,207	51,207
Dynamic Perc, 1%	-	40,244	40,244
Dynamic Perc, 99%	-	(35,733)	(35,733)

Fair Value hedges correspond to strategies to float the base risk of active bonds, whose interest rate is fixed, and its currency is foreign.

Summary of Bank portfolio results as of December 31, 2023 figures in millions of CLP
(Impacts are measured based on the duration of each scenario)

Scenario	Adjustment	Rate (P&L)	Total
Historical	(10,250)	(75,862)	(86,112)
Adverse	87,775	183,226	271,001
Dynamic Perc, 1%	41,678	137,152	178,830
Dynamic Perc, 99%	(64,759)	(133,626)	(198,385)

Effect on P&L	Bank book	Rate (P&L)	Total P&L
Historical	359	(10,609)	(10,250)
Adverse	60,540	27,235	87,775
Dynamic Perc, 1%	24,124	17,554	41,678
Dynamic Perc, 99%	(43,089)	(21,670)	(64,759)

Liquidity risk

The following tables show the results of the effects on the Bank's liquidity. In each of the scenarios:

Table # 5: Additional Needs of Funds for liquidity 30 and 90 days to December 31, 2023
(Figures in Billions of CLP)

	Demand for Liquidity 30 days	Demand for Liquidity 90 days	Available Liquid Assets	Liquidity Needs
Historical	1,713	1,113	4,222	-
Adverse	1,708	658	3,865	-
Idiosyncratic	1,445	370	4,398	-

Survival Period: From the data obtained for the Bank's liquidity stress test, it can be observed that the survival period under the Historical and Idiosyncratic Scenario is less than 30 days. On the other hand. In case of the Pessimistic Scenario. The survival period is between 30 and 90 days.

7. CREDIT RISK

a) Credit risk structure

Credit risk is defined as the probability that a given counterparty will not be able to repay the resources delivered by the creditor institution under the originally agreed conditions, resulting in the loss of part or all the amount loaned or agreed interest. This breach may be due to capacity, disposition, transferability, or convertibility.

Likewise, there are sub-risks that arise from contractual conditions with customers, but which were not necessarily generated by a monetary disbursement from Bci. In short, credit risk is the sum of payment risk, contingent risk, market and counterparty risk, *overnight position* risk and *settlement risk.*

The Bank assumes the entire credit risk while the obligation of the client or counterparty is in force. The risk is extinguished with the full payment of principal. Interest, and readjustments.

Credit risk governance

At Banco BCI, credit risk governance is determined by the interaction of the various areas, as well as by the instances in which the Board of Directors and Senior Management participate. The main roles and responsibilities in the field of credit risk governance are as follows:

Executive Committee of the Board of Directors: The Board of Directors, through this body, is responsible for approving general risk policies; reviewing and approving credit operations submitted to its resolution; approving credit and risk policy manuals; determine the resources that will be allocated periodically to provisions and penalties.

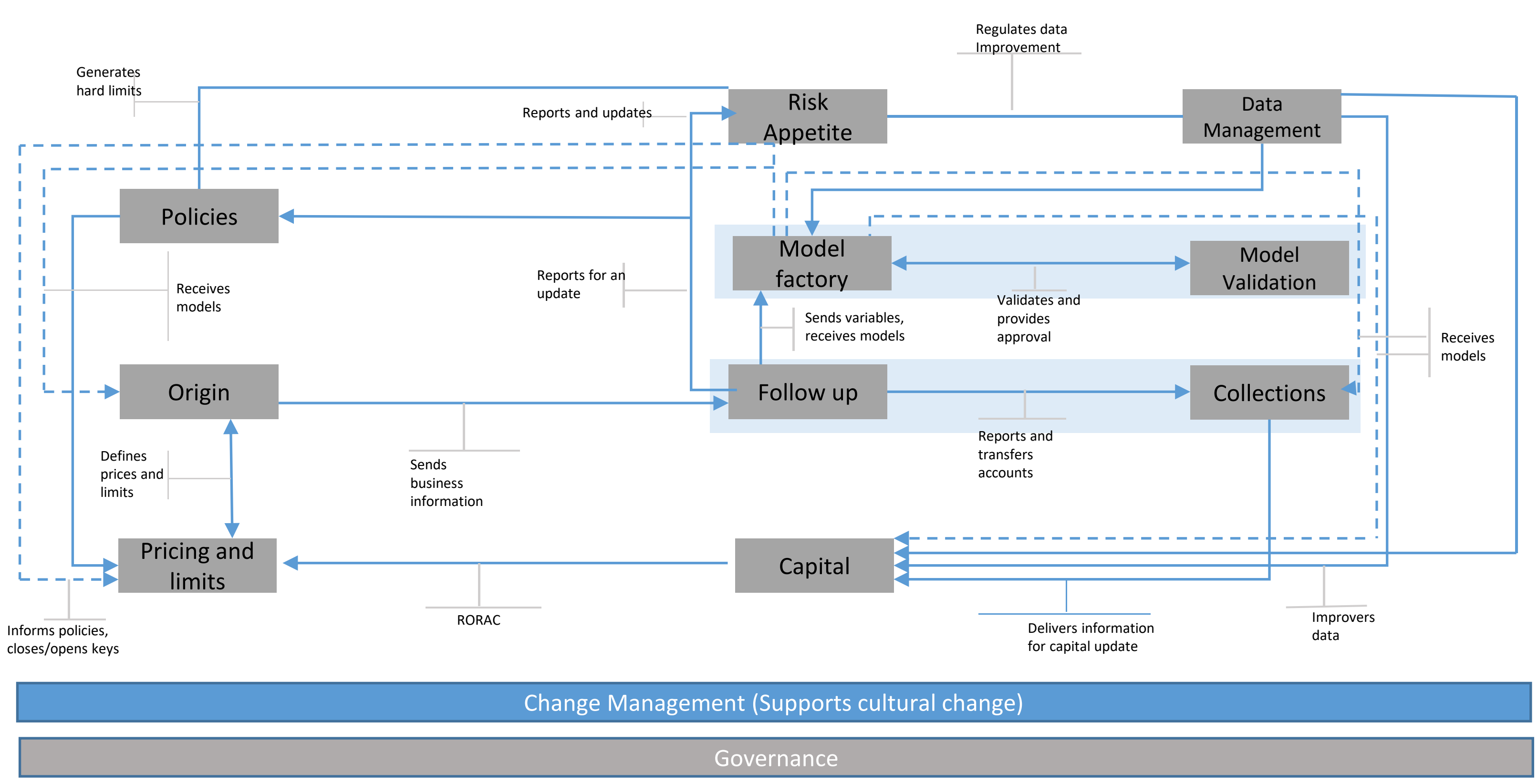
Finance and Corporate Risk Committee: Committee in which the directors participate and whose objective is to monitor and control the credit risk profile and periodically monitor the evolution of adherence to risk tolerance, analyze the proposed measures when they reach critical levels and requests that the pertinent measures be adopted to prevent the limits established for such ratios from being exceeded.

Credit Risk Management: Reports to the Corporate Risk Management and has the following objectives and responsibilities; execute the origination process under the tolerance framework and risk policies, collaborate with commercial teams in business configuration, monitoring of debtors, raising early warnings (visits, financial information, behavior, etc.) and execution of strategies defined.

Credit resolution instances: The Bank has structured its credit approval process based on personal and non-delegable credit powers granted by the Board of Directors, Based on these credit faculties. The operations are approved at the different levels of the Administration, always requiring the concurrence of two executives with faculties.

As the amount of the operation increases. It is approved by pairs of senior executives from both the commercial and risk areas and senior management committees, up to the highest instance that corresponds to the Executive Committee of the Board of Directors.

Below you can see a matrix scheme of the main functions of credit risk:



The credit risk environment is a continuous process in which various areas interact, whose functions are intertwined for the development of a governance and management chain.

<u>**Main equipment and its functions**</u>

Commercial teams / Risk Strategy: they evaluate and establish the initial credit configuration of the customers in accordance with the current policy framework, They are also responsible for collecting and validating information for credit evaluation and entry into the systems; resolve or recommend credit operations within the framework of its powers and the level of risk; verify course documentation and approval conditions; give permanent follow-up and ensure the adequate qualification of its portfolio.

Origination Risk: responsible for the execution and permanent optimization of the origination process, under the framework of tolerance, policies, and appetite for risk. This team must resolve or recommend credit operations within the framework of its powers and their risk level; ensure and execute an adequate integration to the monitoring and collection process; participate in the Strategic Risk, Tolerance, and Model Risk Councils and Credit Committees.

Policies: responsible for the administration, drafting, renewal and adherence control of the Bank's policies, Credit policies are presented and authorized annually by the board of directors.

Monitoring: responsible for monitoring the portfolio and its debtors, as well as adherence to risk strategies.

Rating: its function is to properly interpret the rating regulations for individual portfolio customers and ensure their correct application in the Bank. Likewise, the team must ensure the correct constitution of provisions for the individual portfolio.

Prosecutor's Office: it is responsible for informing companies and powers of attorney of customers, legal entities, to act. You must generate documentation that allows the legal support of the operation courses (promissory notes, credit applications, etc.); report guarantees and prepare the necessary documentation and the correct constitution when appropriate.

Collection: its function is to monitor and execute collection processes for customers with high delinquency.

Model Factory: responsible for developing risk models to leverage comprehensive credit process decisions (origination, monitoring, and collection) and in all customer segments (Individuals, SMEs, and Wholesale & Investment Banking). Likewise, it must generate models for the management of non-financial risks, among which the prevention of asset laundering and operational risk management stand out. Likewise, the area is responsible for managing risk data.

Comprehensive model risk management: unit that performs independent controls and tests to ensure that the models built for credit risk management meet the desired standards and the purpose for which they were designed. Likewise, it has the role of certifying the models associated with provisions for credit loss.

Operations (ACA): responsible for ensuring that operations are processed in accordance with the criteria approved by the credit solver, validating, among other things, the validity, the margins, and the conditions.

Exploitation of policies: area responsible for the margin loading processes and owner of the limit control systems.

b) Credit risk measurement methodologies

In accordance with the provisions of Chapter B1 of the Compendium of Accounting Standards for Banks, banks must permanently evaluate their portfolio of loans and contingent loans, to timely establish the necessary and sufficient provisions to cover the expected losses associated with the characteristics of debtors and their credits, which determine payment behavior and subsequent recovery.

The Bank has a series of models that are applied depending on the type of portfolio and operations. These models are approved by the Board of Directors, who is informed annually of the sufficiency of provisions. In accordance with the standard, the provision models are divided into individual portfolio or group portfolio models. These models. As well as other management models, are managed through a mature governance structure, whose components are:

- Policies and Regulations: clearly establish the roles and responsibilities of each unit involved in this process. The guiding principles are control by opposition and the fact that management is based on three lines of defense. These policies and regulations also establish the approval routes of the models according to their inherent risk.

- Collegiate Structures: The different councils that officiate as approval instances, as well as where corrective and alignment measures are taken to guarantee the correct management of the risk implicit in the use of models are: the Technical Council of Models, the Council of Risk of Models, the Management Committee, and the Executive Committee (Board of Directors). The instances necessary for approval are determined by the Inherent Risk of the model to be approved.

- Units participating in Model Management are divided into three lines of defense:

  - First Line: This line includes the teams that develop analytical solutions, monitor the implemented models, deploy said solutions (IT) in the Bank's systems, and the business units that use said results and integrate them into management. Its objective is to ensure the transparency and sustainability of the model throughout its life cycle.

  - Second Line: in this line is the Validation Unit, which with independent tests (proportional to the inherent risk of the model) ensures that the model was estimated without flaws and that it has an adequate methodological approach. It is concerned with carrying out tests to ensure the correct functioning of the model once it is productive, as well as compliance with the internal regulatory framework. Its goal is to challenge designed solutions.

  - Third Line: this function is performed by the Comptroller, it is responsible for ensuring that both the first and second lines adhere to the declared management framework, as well as the directions of the Regulator and internal policy.

c) Credit risk appetite

The risk appetite framework establishes the limits within which Management must execute the strategy and conduct the Bank’s business, optimizing the risk-return relationship. Through this, the aim is to understand the risks to which the Bank and its subsidiaries are exposed to manage them proactively.

The conceptual framework of the risk appetite is defined based on the following elements: (1) Corporate risk tolerance statement, (2) Governance and monitoring of risk tolerance ratios and (3) Incorporation of the risk appetite in the key processes.

Having a risk appetite framework makes it possible to ensure prudent and efficient risk taking and helps to conduct the strategy, through regular and systematic analysis of the evolution of material risks and timely communication of the risk profile to the High Administration and Directory.

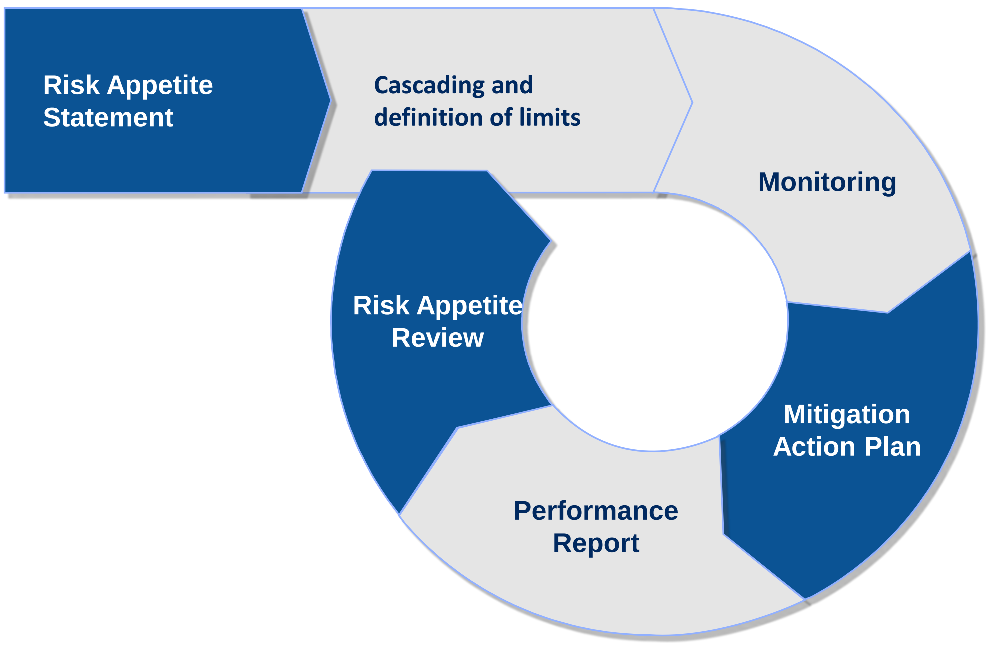
Different areas and committees of the Bank and its subsidiaries participated in the survey of risks and in the definition of the guiding principles and the dimensions and metrics for their control.

The review of the appetite framework is a process that takes place annually. In accordance with the best practices and main risks present in the Bank and the financial system. Through this process, areas and dimensions of risk are identified, as well as emerging risks (based on the risk identification and assessment process).

Additionally, there is a monthly follow-up and monitoring process of risk appetite ratios, where the following activities are distinguished:

- Monitoring, review, and consolidation of risk tolerance reports of the Bank and subsidiaries.
- Review and monitoring of action plans associated with ratios at risk.
- Sending of results report to risk owners.
- Monthly monitoring report of risk appetite ratios to the Risk Appetite Council and the corresponding executive-level committees (Profitability and Capital Adequacy Committee, Operational Risk Committee. Assets and Liabilities Committee, among others).
- Submission of monthly appetite report to the Management Committee (CDD) and Directors.
- Presentation of the status of corporate risk appetite and the status of current plans in the Finance and Risk Committee.

Figure N° 1: Monthly follow-up scheme and monitoring of risk tolerance ratios



The material risks managed under the appetite framework are as follows: Credit, market and counterparty, liquidity, operational, compliance, strategic, capital adequacy, reputational, models and ESG risk.

In the case of credit risk, they correspond to the economic losses assumed by the Bank and its subsidiaries as a result of non-compliance with the contractual obligations assumed by the counterparties. It is the most relevant risk for the Bank and its subsidiaries, its full and detailed understanding is essential for proper performance.

Compliance with the credit limit for related debtors according to Art,84 No. 2 of the General Law of Banks and RAN 12-4

In accordance with article 84 of the General Bank Law, the relationship of related debtors that affects both natural and legal persons with the Bank occurs when:

a) Has a direct, indirect or through third party participation in the property of the institution greater than or equal to 5% of the capital.

b) Participates in the management of the entity: corresponding to those people who, without necessarily having an ownership interest, exercise some degree of control over the decisions of the entity or any of its subsidiaries, Directors, the general manager, the assistant general manager, managers and assistant managers, agents, and persons who are general attorneys-in-fact or serve as advisers to the board of directors, a committee of directors, or management, such as also the prosecutor, the chief lawyer, and the comptroller.

The global limit for all loans granted to groups of people related to the Bank by ownership or management as of December 31, 2023, is 6.39%,

Indicator Name	Regulatory Limit	Dec-23 % On Equity	Dec-23 MCh$
Total exposure related by management or ownership	100%	6.39%	**477,114**
Maximum group exposure related to management or ownership (Not Collateralized)	5%	2.14%	**159,889**

e) Collateral Guarantees and other credit enhancements obtained

The maximum exposure to credit risk is reduced by guarantees, credit enhancements and other actions that mitigate the Bank's exposure. Therefore, the constitution of guarantees in favor of the Bank is a necessary mechanism, but not sufficient for the granting of a loan; therefore, the acceptance of the risk by the Bank will require the verification of other variables such as the payment capacity or generation of resources to mitigate the risk incurred.

The Bank has robust procedures for the management and valuation of its collateral guarantees, for which it has internal regulations, approved by the Corporate Risk Management.

The BCI appraisal process is described below:

The appraisal value corresponds to the value assigned to the asset to receive it as collateral, at the time the appraisal is requested, at a current market value, added to the risks of possible price fluctuations and difficulties in disposing of the asset in the event of having to be liquidated, due to default by the debtor.

Therefore, the value obtained by the appraiser is given by taking into account the different records compiled for its evaluation, taking into account the real transaction values, "offer value according to the market", as well as complementary records of leases or manufacturing of goods, similar characteristics and conditions, existing in the market at the time of appraisal, excluding considerations based on mere expectations regarding the improvement of future conditions.

Appraisal Methodology

The Bank uses various methodologies to determine the value of the appraisal, such as the comparative method or market value, depending on the type of asset to be appraised.

Regardless of the valuation method used. The so-called "settlement value" will be generated, which will consider adjustments to the value of the collateral asset to incorporate in it some of the following aspects, which could affect its value in the future:

- Expected depreciation or obsolescence
- Price Fluctuation Risk
- Execution expenses and marketing costs
- Economic, social, health or war crisis

Types of guarantees

The guarantees can be grouped between real guarantees and personal guarantees, within the first ones are:

- Property

They are things that cannot be transported from one place to another, such as land, for example, things or objects that adhere permanently, to which they cannot be transported, such as solid material buildings, bridges, sewers, are also considered real estate, wells, tunnels, aqueducts, etc.

- Movable property

Under this denomination, transferable assets such as machinery, vehicles or any other asset of the company that does not comply with being real estate are understood.

- Financial guarantees

They correspond to representative documents of value such as term deposits, pledges on mutual funds, stand-by credit letter or other financial instruments whose issuers are recognized by the CMF.

The so-called personal guarantees include guarantees and solidarity bonds granted by natural or legal persons to support credit operations of third parties.

8. OPERATIONAL RISK

Introduction

BCI has adopted the Basel Committee's definition of Operational Risk, which defines it as the "risk of loss resulting from inadequate or failed internal processes, personnel and systems or from external events". This definition includes technology risk, legal risk and regulatory compliance risk. Additionally, the Bank has considered reputational risk as an independent risk for management.

Operational risk is a risk inherent to all banking products and services, processes and systems and accordingly, effective management of this risk is a critical component of the Bank's risk management program.

Description of operational risk policies

Our Operational Risk Policy establishes the management framework for this risk, which contains the necessary elements for its governance, executed through the actions of different committees defined in this policy, which aim to build a robust culture for effective management; through the process of identifying and managing risk on an ongoing basis; measuring; defining strategies for its mitigation; reporting and operational risk culture, establishing clear roles and responsibilities based on the three lines of defense approach.

The principles of the policy are as follows:

- The Board of Directors and senior management promote the generation of a healthy risk culture in all Bci's operational risk collaborators.
- Bci has a framework for operational risk management consistent with the volume and complexity of its activities, which is implemented throughout the organization.
- Bci manages operational risk based on the three lines of defense approach, where all employees assume and understand their roles and responsibilities with respect to operational risk management.
- For Bci, operational risk management is a fundamental element for the achievement of the business strategy, by strengthening the internal control environment, we promote the generation and maintenance of safe, simple processes with effective controls to reduce losses, claims, operational and technological incidents, improve the customer experience, and protect BCI’s assets and reputation.

The policy considers the guidelines and requirements established by the Financial Market Commission and the recommendations of the Basel Committee regarding good operational risk management practices.

Operational risk management structure

Governance is pivotal for a robust operational risk management and culture. Such governance is performed through the actions of different committees made up of directors, senior management and the management areas compromising management for daily management actions.

The detail of the roles and responsibilities of the committees indicated in this policy are described in the bylaws approved and published by each particular committee.

Committees formed by Directors:

The committees formed by directors that have a direct relationship with operational risk management are as follows.

Executive Committee of the Board of Directors:

- Responsible for the approval of operational risk policies that address the relative importance of operational risks considering the volume and complexity of transactions and supervising their compliance.
- Approval of the Risk Appetite.
- Approval of the operational risk management strategy, understanding operational risk as a category different from traditional risks.
- Foster the implementation of a definition of operational risk and recognize it as a risk that can be managed.

Finance and Corporate Risk Committee:

- Responsible for monitoring operational risks levels.

Directors' Committee:

- Takes cognizance of the operational risks reported by the Comptroller's Office, Non-Financial Risk Management, External Auditors and other sources, for which purpose it examines the action plans or measures that have been defined or are being implemented for such purposes.

Operational and Technology Risk Committee:

At the meeting of the Board of Directors of Bci, held on October 24, 2023, the directors agreed to create a new Operational and Technology Risk Committee. This Committee is composed of five Directors and is chaired by the Bank’s Chairman.

This new committee is responsible for reviewing the Bank's operational and technology risk management program, as well as the results from its performance.

The information is presented as follows:

- Risk appetite evolution of indicators and management of action plans to ensure that risks are within the limits of the risk appetite established.
- Operational and technology risk management programs, progress, results from performance, implementation of action for continuous improvement and risk reduction.

Committees formed by Senior Management:

The committees formed by the General Manager and/or first level managers reporting to the General Manager that have a direct relationship in the management of operational risk are as follows:

Operational Risk and Information Security Committee

- This committee is chaired by Bci's Chief Executive Officer and is responsible for operational risk management for the Bank and its subsidiaries.

Corporate Compliance and Prevention Committee

- Committee chaired by the Chief Executive Officer and responsible for the management of Corporate Compliance for the Bank and its Subsidiaries.

Operational Risk and Information Security Committee of Banks

- Committee chaired by the first level Manager reporting to the Chief Executive Officer of the Business and Support Units and responsible for operational risk management in each Business (Finance, Wholesale, Retail and MACH).

Committees specializing in the management of specific operational risks

The purpose of these committees is the specific and specialized management of operational risks:

Information Security and Cybersecurity Committee:

- Committee responsible for the governance of the information security and cybersecurity management system.

Risk Management Committee for Outsourced Services:

- Committee responsible for the governance of operational risk management in services provided to third parties and strategic suppliers.

Corporate Business Continuity Risk Committee:

- Committee responsible for the governance of business continuity management, disaster recovery plan and crisis management.

Operational risk management in subsidiaries

With respect to operational risk management in the subsidiaries, the operational risk work methodologies have been continuously reinforced with the risk management teams of the Bank's subsidiaries, who execute the risk management program in each subsidiary with an independent corporate governance, coordinated and aligned with the policies, risk appetite framework and corporate risk governance.

Non-Financial Risk Management

It is responsible for designing policies, programs, and methodologies for the adequate management of non-financial risk, understood as the different types of operational risks and compliance risks, among which are the prevention of money laundering and regulatory risks. The role of this management is to mobilize the execution of the activities of this risk management program, measure and monitor the level of risk independently from the first line, Responsible for the development of governance committees and the reporting of risk levels.

Non-Financial Risk Management is actively involved in:

- **Operational Incident Management**

The Bank has systems, procedures, organization, and governance in place to identify operational incidents. assess their impact, mitigate their effects, monitor security and operations, and report them in a timely manner. Incidents are a source of root cause analysis and implementation of improvement plans, which are shared with the CMF.

- **Information Security and Cybersecurity**

An Information Security Management System has been implemented with the purpose of highlighting the relevance of data and information for the Bank. This management system provides the essential criteria and guidelines regarding the administration, custody and use of the information and means required for its treatment, in order to ensure its availability, confidentiality and integrity.

The Information Security Management System has a specific policy, from which Information Security Regulations are derived, which form the regulatory framework that provides the Corporation's security guidelines on specific matters, emphasizing the controls, roles and responsibilities that all the Bank's units must implement to safeguard the information and associated resources.

In addition, this security management system has been complemented by the use of the FFIEC's Cyber Security Assessment Tool (CAT), which allows the Bank to continuously measure the level of exposure to cybersecurity risk and the maturity of the controls required to keep such risks within acceptable levels.

- **Business continuity and crisis management**

The Bank has implemented a Business Continuity Management System within the framework of the Business Continuity Policy, in order to define the essential criteria and processes to be considered in the preparation, maintenance and testing of Business Continuity Plans, Disaster Recovery Plan and Crisis Management Plan, in order to limit the impacts of a disaster event, maintaining the service levels defined as tolerable for customers and the community.

- **Fraud Prevention**

External Fraud Prevention

The Bank has implemented a fraud prevention strategy that safeguards the assets of our customers, the Bank and the Bank's reputation and image. For such purpose, processes, technologies, methodologies and analytical models are constantly reinforced to verify the identity of customers in a robust manner, to prevent, predict and detect fraud risks, to ensure, full compliance with current regulatory requirements and reinforce the culture and adherence to the ethical framework in the actions of the Bank's employees and its subsidiaries.

The Bank's fraud risk strategy is also focused on establishing a healthy balance between the operational risk variables and customer experience, ensuring that customers have a memorable experience when using payment methods and banking services.

Internal Fraud Prevention

The Bank intends that its employees permanently live a culture of comprehensive fraud prevention, focused on the principles and values that the Bank has forged over time, based on a permanent rejection of any behavior that may break trust.

For such purpose, continuous education on fraud issues is driven. A clear and determined attitude of zero tolerance to internal fraud helps prevent and face this type of risk. While searching for keeping a mitigated risk, we analyze unusual patterns of internal fraud risks, using robust predictive tools and models for prevention and detection of abnormal behaviors, which allow us to anticipate and timely detect non-compliance with regulations, bad practices, control weaknesses and possible internal frauds.

- **Operational risk management in outsourced services**

For making decisions to engage a service, operational risk aspects must be considered to prevent impacts, particularly for outsourced services, strategic or sensitive activities for the Bank's operations.

For such purpose, a Risk Management Policy for Outsourced Services has been implemented, which establishes a process for the classification of outsourced services, evaluation and monitoring of services and suppliers, which allows managing the different risks in the services provided to third parties.

- **Insurance**

The Bank has risk mitigation programs through insurance policies that transfer the risk of high-severity losses.

- **Security procedures and controls**

The Bank has adequate security controls for the physical protection of cash, negotiable instruments, precious metals, and client assets.

- **Regulatory Risk Prevention:**

Regulatory management

The Bank has implemented procedures, programs and processes that ensure that all its activities are perform strictly complying with applicable external and internal regulations, and regarding all the countries and jurisdictions in which it operates, contemplating the processes of control and continuous monitoring of the management of several risks such as Crime Prevention, which ensures due compliance with the Law on Criminal Liability of Legal Entities; the Protection of Free Competition; the Protection of Consumer Rights and the Protection of Personal Data. In addition, it has a continuous process for the review of new external regulations so that these are incorporated into the internal regulatory framework.

Crime prevention program

Bci has a crime prevention program certified by an independent organization, established in accordance with the provisions of Law No. 20,393 on Criminal Liability of Legal Entities, which establishes a corporate organization to prevent the commission of these and other crimes by some of the members of Bci, Therefore, it seeks to prevent and avoid the commission of behaviors described in this regulation and to guarantee that, in the event that any employee engages in any of these behaviors, he/she will do so not only in contradiction with the corporate culture, but also in spite of the efforts made by the company to prevent it.

Program for the Protection of Free Competition

The objective of the Program for the Protection of Free Competition is to avoid anti-competitive practices, which are established in DL 211, because they can delay the development of new goods and services, the efficient allocation of resources, the adequate satisfaction of needs, and the participation of new and better suppliers of goods and services in the different markets.

Exposure to losses from Operational Risk events

Figures are in millions of Chilean pesos and correspond to the accumulated between January and December 2023:

Event type	Net Loss	Recovery	Net recovery (loss)
Internal fraud	(44)	73	**29**
External fraud	(11,877)	5,715	**(6,162)**
Labor practices and business safety	(1,261)	2	**(1,259)**
Customers, products and business practices	(1,271)	61	**(1,210)**
Damage to physical assets	(514)	285	**(229)**
Business interruption and system failures	(433)	32	**(401)**
Process execution, delivery and management	(1,582)	1,341	**(241)**
Totals	**(16,982)**	**7,509**	**(9,473)**

NOTE 48 – INFORMATION ON REGULATORY CAPITAL AND CAPITAL ADEQUACY RATIOS

a) Regulatory capital strategy and objectives

The management of the Bank's regulatory capital seeks to ensure: (i) a level of capital adequacy in the short, medium, and long term, (ii) a profitability commensurate with the risks assumed by the business units, (iii) compliance with strategic financial objectives and (iv) compliance with internal limits and the regulatory framework.

To this end. The main ratios and metrics associated with capital management are periodically generated, analyzed, and reported to the relevant governing bodies (Profitability and Capital Adequacy Council, Executive Committee and Board of Directors) and the necessary action plans are drawn up.

BCI defines its capital management objectives considering the level of effective equity that the entity considers necessary to maintain both now and, in the future, formally contemplated in its capital planning process and that is consistent with the risks inherent to its activity, to the economic environment in which it operates, its governance, risk management and control systems, its strategic business plan, the quality of the available assets and the real possibilities of obtaining greater own resources.

As of December 31, 2023, the minimum regulatory capital requirement is 11.38%, in accordance with the transitory provisions applicable to the systemic charge and conservation buffer, which is evaluated on an ongoing basis by the regulator.

Banco BCI´s minimum capital requirements as of December 31, 2023 under Basel III guidelines:

	Capital CET1	Capital T1	Capital T2	Total Regulatory Capital
Pillar I	4.50	1.50	2.00	**8.00**
Pillar II	0.00	0.00	0.00	**0.00**
Systemic charge (1)	0.88	0.00	0.00	**0.88**
Conservation buffer (2)	2.50	0.00	0.00	**2.50**
Countercyclical buffer	0.00	0.00	0.00	**0.00**
Total	**7.88**	**1.50**	**2.00**	**11.38**

(1) Systemic charge: considers the gradual incorporation (50% as of December 23) of the total charge of 1.50% of core capital with respect to total risk-weighted assets. As established in the transitory provisions defined in chapter 21-11 of the RAN.
(2) Transitional provisions for the conservation buffer are not considered, considering that they do not apply to compliance with the conditions required in chapter 1-13 of the RAN to maintain an A solvency rating.

b) Policies and processes for capital management

To achieve the objectives, regulatory capital management will be articulated based on the following essential elements, in line with chapter 21-13 of the RAN on the evaluation of the sufficiency of effective equity of banks:

Identification and evaluation of risks: Senior Management must perform the corporate risk identification and evaluation process to assess the material risks to which the Bank and its subsidiaries are exposed.

Tolerance framework: There must be a tolerance framework that ensures the conduct of business within the established and approved risk ranges. The most relevant risks must have limits and regular monitoring by Senior Management.

Determination of an internal capital objective: The Bank must establish an internal capital objective higher than the minimum requirements established in article 66 of the LGB, which will be approved by the Board of Directors.

Stress tests: There must be a corporate stress testing program that identifies possible vulnerabilities and allows analysis of the ability to generate results and the adequacy of capital under severe, low probability but plausible scenarios. Additionally, the bank must have capital recovery plans that allow it to meet the target solvency levels.

Corporate strategic planning and monitoring process: The strategic planning process must be developed continuously considering a reflection and adaptation of the strategy, the prioritization of resource allocation, the definition of financial planning with a prospective vision, the setting of goals and the monitoring of strategic objectives.

Monitoring and follow-up: Adequate monitoring and follow-up systems must be established for risk assessment that allow effective supervision of compliance with business plans and determine how the incidence of changes in the risk profile could translate into capital requirements, additional.

Internal control: The internal control structure is a fundamental part of the capital evaluation process, Effective control over the capital evaluation process must incorporate an independent review, and when required, the involvement of internal auditors and/or an external audit firm.

c) External capital requirement

BCI manages the capital considering the definition of articles 66, 55 and 55bis of the LGB and chapter 21-1 of the RAN on equity for legal and regulatory purposes and is made up of basic capital (common equity tier 1 capital or CET1), additional tier 1 capital (AT1) and tier 2 capital (T2).

The CET1 corresponds to subscribed and paid shares plus the other items that are part of the accounting equity of the banks, with a floor of 4.5% of the RWA.

AT1 is defined in chapter 21-2 of the RAN and corresponds to preferred shares and bonds without a fixed maturity date, subordinated to T2 and subject to capitalization, depreciation and re-appreciation or expiration, depending on the issuance conditions. The LGB imposes a floor of 6% of the RWAs for Tier 1 capital (CET1+AT1).

T2 is made up of fixed-term bonds, subordinated to other obligations, for up to 50% of CET1, plus voluntary provisions (whatever exceeds the specific ones) for up to 1,25% of APRC, net of required provisions, when the banks use standardized methodologies to calculate the denominator, or 0.625%, in the case of using their own methodologies.

The minimum effective regulatory capital is specific to each bank and depends on the base capital requirement. Its systemic quality (systemic charge) and the additional capital required for the assessment of the adequacy of effective capital (Pillar 2).

On top of this specific minimum for each bank, basic capital buffers are added: the conservation and counter-cyclical buffer for solvency level A classification.

On March 31, 2023, the CMF approved to maintain the systemic quality of six banks in Chile, of which the Bank is among them. This rating is governed by requirements framed in RAN 21-11, which considers a systemic importance index per entity, the factors considered are the following:

- Bank size
- Interconnection with other financial entities
- Difficulty of replacing the Bank in the provision of financial services
- Complexity of its business model and operating structure

In the case of the Bank, the additional core capital charge increased from 1.5% to 1.75%. This increase is mainly due to the growth in the Bank's participation in the factors of size, interconnectedness and complexity. These higher requirements are applied gradually, so that the additional core capital charges due in December 2023 will be equivalent to 50% of such percentage.

Additionally, on May 23, 2023, the board of the Central Bank of Chile, at its financial policy meeting, agreed to activate the countercyclical capital requirement at a level of 0.5% of risk-weighted assets; this requirement will be enforceable within one year and must be included in the May 2024 solvency report. The requirement is activated in accordance with the capital standards implemented by Basel III, which are in line with the provisions of the third paragraph of RAN 21-12, which frames the provisions of Article 66 ter of the General Banking Law.

As of December 31, 2023 and 2022, total assets, risk-weighted assets, and components of effective equity are as follows:

		Global Consolidated	Local Consolidated	Global Consolidated	Local Consolidated
		12-31-2023	12-31-2022	12-31-2023	12-31-2022
		MCh$	MCh$	MCh$	MCh$
1	Total assets according to the statement of financial position	79,301,150	78,049,118	58,604,114	58,277,063
2	Investment in subsidiaries that are not consolidated	-	-	2,194,630	1,761,674
3	Assets discounted from regulatory capital, other than item 2	625,736	155,234	413,059	306,292
4.a	Financial derivatives	8,000,370	8,559,504	7,940,817	8,485,450
4.b	Credit Equivalents	2,488,995	2,263,520	2,355,274	2,151,182
5	contingent loans	5,130,516	4,949,466	4,106,104	3,914,248
6	Assets generated by the intermediation of financial instruments	-	-	-	-
7	**= (1-2-3-4a+4b+5-6) Total assets for regulatory purposes**	**78,294,555**	**76,547,366**	**54,516,986**	**53,789,077**
8.a	Assets weighted by credit risk, estimated according to the standard methodology (APRC)	43,894,152	41,060,729	29,628,033	28,234,753
8.b	Assets weighted by credit risk, estimated according to internal methodologies (APRC)	-	-	-	-
9	Assets weighted by market risk (APRM)	3,965,708	3,782,050	3,859,249	3,449,848
10	Assets weighted by operational risk (APRO)	4,203,656	3,749,857	3,490,709	3,102,351
11th	**= (8.a/ 8.b +9+10) Risk-Weighted Assets (APR)**	**52,063,516**	**48,592,636**	**36,977,991**	**34,786,952**
11.b	**= (8.a/ 8.b +9+10) Risk-weighted assets, after applying the output floor (APR)**	**52,063,516**	**48,592,636**	**36,977,991**	**34,786,952**
12	owners' assets	6,065,795	4,775,478	6,065,795	4,775,478
13	Non-controlling interest	1,581	1,323	2	2
14	Goodwill	158,641	155,234	18,982	19,607
15	Excess minority investments	-	-	-	-
16	**= (12+13-14-15) Common Equity Tier 1 Capital (CET1)**	**5,908,735**	**4,621,567**	**6,046,815**	**4,755,873**
17	Additional deductions to ordinary capital level 1, other than item 2	140,375	56,123	118,224	43,003
18	**= (16-17-2) Common Equity Tier 1 (CET1)**	**5,768,360**	**4,565,444**	**3,733,961**	**2,951,196**
19	Voluntary provisions (additional) imputed as additional capital level 1 (AT1)	-	-	-	-
20	Subordinated bonds imputed as additional capital level 1 (AT1)	-	242,963	-	173,935
21	Preferred shares allocated to additional tier 1 capital (AT1)	-	-	-	-
22	Bonds without a fixed term of maturity imputed to additional capital level 1 (AT1)	-	-	-	-
23	Discounts applied to AT1	-	-	-	-
24	**= (19+20+21+22-23) Additional tier 1 capital (AT1)**	**-**	**242,963**	**-**	**173,935**
25	**= (18+24) Capital level 1**	**5,768,360**	**4,808,407**	**3,733,961**	**3,125,131**
26	Voluntary provisions (additional) imputed as Tier 2 capital (T2)	375,900	415,022	359,000	352,934
27	Subordinated bonds imputed as Tier 2 capital (T2)	1,364,048	1,071,278	1,364,048	1,140,306
28	**Equivalent tier 2 capital (T2)**	**1,739,948**	**1,486,300**	**1,723,048**	**1,493,240**
29	Discounts applied to T2	-	-	-	-
30	**= (28-29) Tier 2 capital (T2)**	**1,739,948**	**1,486,300**	**1,723,048**	**1,493,240**
31	**= (25+30) Effective equity**	**7,508,308**	**6,294,707**	**5,457,009**	**4,618,371**
32	**Additional basic capital required for the constitution of the conservation buffer**	**976,191**	**607,408**	**693,337**	**434,837**
33	**Additional basic capital required to set up the countercyclical buffer**	**-**	**-**	**-**	**-**
34	**Additional basic capital required for banks qualified as systemic**	**911,112**	**182,222**	**647,115**	**130,451**
35	**Additional capital required for the evaluation of the adequacy of effective equity (Pillar 2)**	**-**	**-**	**-**	**-**

N°	Item Description	Global Consolidated	Local Consolidated (f)	Local Consolidated (f)	Local Consolidated (f)
		12-31-2023	12-31-2022	12-31-2023	12-31-2022
		%	%	%	%
1	Leverage Indicator (T1_I18/T1_I7)	**7.368**	**5.964**	**6.849**	**5.487**
1.b	Leverage indicator that the bank must meet, considering the minimum requirements	3.000	3.000	3.000	3.000
2	Basic capital indicator (T1_I18/T1_I11.b)	**11.079**	**9.395**	**10.098**	**8.484**
2.a	Common Equity Tier 1 capital indicator that the bank must meet	5.375	4.875	5.375	4.875
2.b	Capital buffer shortfall	0.000	-	0.000	-
3	Tier 1 capital indicator (T1_I25/T1_I11.b)	**11.079**	**9.895**	**10.098**	**8.984**
3.a	Level 1 capital indicator that the bank must meet, considering the minimum requirements	6.000	6.000	6.000	6.000
4	Effective equity indicator (T1_I31/T1_I11.b)	**14.421**	**12.954**	**14.757**	**13.276**
4.1	Effective equity indicator that the bank must meet, considering the minimum requirements	8.000	8.000	8.000	8.000
4.b	Effective equity indicator that the bank must comply with, considering the charges for article 35 bis, if applicable	8.875	8.375	8.875	8.375
4.c	Effective equity indicator that the bank must meet, considering the minimum requirements, the conservation buffer, and the cyclical buffer	9.875	9.250	9.875	9.250
5	Solvency rating (Level A, B or C)	A	A	A	A
	Regulatory compliance indicators for solvency				
6	Voluntary provisions (additional) imputed in Tier 2 capital (T2) in relation to APRC (T1_I26 /(T1_I8.a or 8.b))	0.856	1.011	1.212	1.250
7	Subordinated bonds imputed in capital level 2 (T2) in relation to basic capital	23.647	23.465	36.531	38.639
8	Tier 1 additional capital (AT1) in relation to basic capital (T1_I24/T1_I18)	0.000	5.322	0.000	5.894
9	Voluntary provisions (additional) and subordinated bonds that are charged to additional tier 1 capital (AT1) in relation to RWAs ((T1_I19+T1_I 20)/ T1_I11.b)	0.000	0.500	0.000	0.500

NOTE 49 – SUBSEQUENT EVENTS

On February 1, 2024, the Bank successfully completed the pricing of bonds with no fixed maturity, to be issued in the international market, for a total amount of US$ 500,000,000, at an annual rate of 8.75%. On February 8, 2024, the Bank successfully completed the placement of the bond in its entirety.

The Consolidated Financial Statements of the Bank and subsidiaries as of December 31, 2023 have been approved and authorized for issuance by the Board of Directors at its meeting held on February 27, 2024.

Between January 1, 2024 and the date of issuance of these Consolidated Financial Statements, there have been no other subsequent events that may affect the presentation of these Consolidated Financial Statements.

Alfredo Mendoza Osorio Chief Accounting Officer	Eugenio Von Chrismar Carvajal Chief Executive Officer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Consolidated Financial Statements

As of December 31, 2022 and 2021 and opening balances as of January 1, 2021

CONTENT

Independent Auditor’s Report

To the Shareholders
Banco de Crédito e Inversiones:

We have audited the accompanying consolidated financial statements of Banco de Crédito e Inversiones and its Subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2022 and 2021, and the related consolidated statements of income, other comprehensive income, changes in equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management’s responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the standards and instructions provided by the Chilean Financial Market Commission; this responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Auditing Standards Generally Accepted in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Banco de Crédito e Inversiones and its Subsidiaries as of December 31, 2022 and 2021, and the results of their operations and their cash flows for the years then ended, in accordance with accounting standards and instructions issued by the Chilean Financial Market Commission.

Other matters

a) Implementation of the new compendium of accounting standards for banks

As indicated in Note 4 to these consolidated financial statements, the Bank has implemented the changes established by the new Compendium of Accounting Standards for Banks issued by the Chilean Financial Market Commission (CMF) in the consolidated financial statements beginning on January 1, 2022. In addition, the comparative consolidated financial statements as of December 31 and as of January 1, 2021 are presented with retrospective effect to such changes in the Compendium.

b) Other auditors

The consolidated financial statements as of December 31, 2020, used as a basis for the opening balances as of January 1, 2021, and before the retroactive adjustments required by the new Compendium of Accounting Standards for Banks, were audited by other auditors whose report thereon dated January 26, 2021, expressed an unmodified opinion, including an emphasis of matter paragraph for the acquisition and merger of Executive National Bank by City National Bank of Florida (CNB), a subsidiary of BCI. As part of our audit of the 2022 financial statements, we also audited the adjustments described in Note 4 to the consolidated financial statements that were applied to provide retrospective recognition to the opening balances of the financial statements as of January 1, 2021. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review or perform any other procedures on the financial statements as of January 1, 2021, and accordingly, we do not express an opinion or any other form of assurance on the financial statements as of January 1, 2021, taken as a whole.

Ernesto Guzmán V. KPMG Ltda.

Santiago, February 27, 2023

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BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at December 31, 2022 and 2021 and January 1, 2021
(In millions of Chilean pesos - MCh$)

	Note	December 31, 2022 MCh$	December 31, 2021 MCh$	January 1, 2021 MCh$
ASSETS				
Cash and bank deposits	7	**4,256,396**	**3,960,498**	**4,597,868**
Transactions in the course of collection	7	**404,209**	**350,072**	**236,710**
Financial assets held for trading at fair value through profit or loss		**7,680,615**	**6,066,335**	**5,567,454**
Financial derivative contracts	8	6,770,653	5,192,467	4,420,175
Debt financial instruments	8	770,101	717,058	1,049,848
Other	8	139,861	156,810	97,431
Financial assets not held for trading mandatorily measured at fair value through profit or loss	9	**71,282**	**-**	**-**
Financial assets at fair value through profit or loss	10	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income		**10,477,361**	**10,813,647**	**7,691,869**
Debt financial instruments	11	10,477,361	10,813,647	7,691,869
Other	11	-	-	-
Financial derivative contracts for accounting hedge	12	**1,788,851**	**1,589,058**	**1,031,722**
Financial assets at amortized cost		**49,830,891**	**43,730,731**	**35,589,133**
Rights for reverse repurchase agreements and securities lending	13	182,061	186,753	190,248
Debt securities	13	3,581,998	2,296,066	25,145
Loans and advances to banks	13	767,700	639,533	356,669
Loans and receivables from customers - Commercial	13	29,276,944	26,686,186	23,005,506
Loans and receivables from customers - Mortgage	13	12,809,381	10,699,056	8,897,472
Loans and receivables from customers - Consumer	13	3,212,807	3,223,137	3,114,093
Investments in companies	14	**175,736**	**115,414**	**109,057**
Intangible assets	15	**411,009**	**440,958**	**395,276**
Property and equipment	16	**249,105**	**252,734**	**251,217**
Right-of-use assets	17	**152,886**	**189,026**	**204,807**
Current tax assets	18	**138,066**	**19,572**	**36,270**
Deferred tax assets	18	**482,714**	**253,552**	**209,626**
Other assets	19	**1,895,064**	**1,319,963**	**1,198,442**
Non-current assets and disposal groups held for sale	20	**34,934**	**45,718**	**32,281**
TOTAL ASSETS		**78,049,119**	**69,147,278**	**57,151,732**

The accompanying notes Nos. 1 to 49 are an integral part of these Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at December 31, 2022 and 2021 and January 1, 2021
(In millions of Chilean pesos - MCh$)

	Note	December 31, 2022 MCh$	December 31, 2021 MCh$	January 1, 2021 MCh$
LIABILITIES				
Transactions in the course of payment	7	**330,138**	**258,686**	**201,437**
Financial liabilities held for trading at fair value through profit or loss	21	**6,584,736**	**5,094,231**	**4,530,724**
Financial derivative contracts	21	6,584,736	5,094,231	4,530,724
Other	21	-	-	-
Financial liabilities designated at fair value through profit or loss	10	**-**	**-**	-
Financial derivative contracts for accounting hedge	12	**2,590,468**	**1,492,815**	**1,262,629**
Financial liabilities at amortized cost		**59,760,444**	**54,086,905**	**44,271,211**
Deposits and other on-demand liabilities	22	24,122,165	27,653,442	19,726,574
Deposits and other term deposits	22	18,245,965	10,865,149	10,839,610
Liabilities for repurchase agreements and securities lending	22	384,883	141,178	350,314
Bank borrowings	22	6,661,071	6,970,837	6,270,698
Debt financial instruments issued	22	8,107,260	7,428,196	6,172,971
Other financial liabilities	22	2,239,100	1,028,103	911,044
Lease liabilities	17	**136,448**	**173,726**	**186,293**
Regulatory capital financial instruments issued	23	**1,499,299**	**1,332,936**	**1,258,653**
Provisions for contingencies	24	**227,716**	**138,611**	**130,964**
Provisions for dividends, payment of interests and revaluation of regulatory capital financial instruments issued	25	**246,247**	**156,117**	**95,236**
Special provisions for credit loss	26	**491,055**	**412,065**	**208,497**
Current taxes	18	**17,493**	**141,535**	**9,073**
Deferred taxes	18	**1,612**	**926**	**22,189**
Other liabilities	27	**1,386,662**	**1,364,510**	**1,077,804**
Liabilities included in disposal groups held for sale	20	**-**	**-**	**-**
TOTAL LIABILITIES		**73,272,318**	**64,653,063**	**53,254,710**
EQUITY				
Share capital	28	**4,225,332**	**3,862,386**	**3,655,828**
Reserves	28	**(26,640)**	**(23,100)**	**(26,722)**
Accumulated other comprehensive income	28	**2,211**	**289,255**	**51,371**
Items that will not be reclassified to profit or loss	28	(182)	-	-
items that may be reclassified to profit or loss	28	2,393	289,255	51,371
Retained earnings from prior years	28	**-**	**-**	**(6,758)**
Profit for the year	28	**820,822**	**520,391**	**317,454**
Less: Provisions for dividends, payment of interests and revaluation of regulatory capital financial instruments issued	28	(246,247)	(156,117)	(95,236)
Owners of the bank	28	**4,775,478**	**4,492,815**	**3,895,937**
Non-controlling interests	28	**1,323**	**1,400**	**1,085**
TOTAL EQUITY		**4,776,801**	**4,494,215**	**3,897,022**
TOTAL LIABILITIES AND EQUITY		**78,049,119**	**69,147,278**	**57,151,732**

The accompanying notes Nos. 1 to 49 are an integral part of these Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
For the years ended December 31, 2022, and 2021
(In millions of Chilean pesos - MCh$)

		December 31,	
		2022	2021
	Note	MCh$	MCh$
Interest income		2,903,692	1,709,828
Interest expenses		(1,343,274)	(349,599)
Net interest income	30	**1,560,418**	**1,360,229**
Inflation-indexation income		1,476,901	655,232
Inflation-indexation expenses		(727,603)	(315,057)
Net inflation-indexation income	31	**749,298**	**340,175**
Fee income		508,328	483,505
Fee expense		(141,417)	(127,875)
Net fee income	32	**366,911**	**355,630**
Finance income for:			
Financial assets and liabilities held for trading		23,774	135,809
Non-trading financial assets mandatorily measured at fair value through profit or loss		(24,090)	-
Financial assets and liabilities designated at fair value through profit or loss		-	-
Income arising from derecognition of financial assets and liabilities measured at amortized cost and financial assets measured at fair value through other comprehensive income		8,399	-
Foreign currency changes, inflation-indexation, and hedge accounting		(56,135)	(85,472)
Reclassification of financial assets due to change in business model		-	-
Other finance income		-	-
Net finance income	33	**(48,052)**	**50,337**
Income from investments in companies	34	7,404	2,290
Income from non-current assets and disposal groups held for sale not admissible as discontinued operations	35	9,702	11,637
Other operating income	36	53,406	36,759
TOTAL OPERATING INCOME		**2,699,087**	**2,157,057**
Expenses for employee benefit obligations	37	(638,989)	(540,053)
Administrative expenses	38	(422,520)	(333,896)
Depreciation and amortization	39	(113,643)	(106,931)
Impairment of non-financial assets	40	(21,009)	(23)
Other operating expenses	36	(96,153)	(53,000)
TOTAL OPERATING EXPENSES		**(1,292,314)**	**(1,033,903)**
OPERATING INCOME BEFORE CREDIT LOSSES		**1,406,773**	**1,123,154**
Credit loss expense for:			
Provisions for credit loss of loans and advances to banks and loans and receivables from customers		(484,580)	(287,367)
Special provisions for credit loss		(81,910)	(192,403)
Recovery of written-off credits		78,217	78,646
Impairment due to credit loss of other financial assets at amortized cost and financial assets at fair value through other comprehensive income		(6,597)	-
Credit loss expense	41	**(494,870)**	**(401,124)**
OPERATING PROFIT		**911,903**	**722,030**
Profit from continuing operations before tax		**911,903**	**722,030**
Income tax	18	(90,879)	(201,484)
Profit from continuing operations after tax		**821,024**	**520,546**
Profit from discontinued operations before tax		**-**	**-**
Discontinued operations tax	42	-	-
Profit from discontinued operations after tax		**-**	**-**
CONSOLIDATED PROFIT FOR THE YEAR ENDED		**821,024**	**520,546**
Attributable to:			
Owners of the Bank		820,822	520,391
Non-controlling interests		202	155
Earnings per share:			
Basic earnings		5,664	3,657
Diluted earnings		5,664	3,657

The accompanying notes Nos. 1 to 49 are an integral part of these Consolidated Financial Statements.

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
For the years ended December 31, 2022, and 2021
(In millions of Chilean pesos - MCh$)

	Note	December 31, 2022 MCh$	December 31, 2021 MCh$
CONSOLIDATED PROFIT FOR THE YEAR ENDED		**821,024**	**520,546**
Other comprehensive income from the year ended:			
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS			
Remeasurements of defined benefit liability (asset) and actuarial results for other employee benefit plans	28	(132)	-
Changes in fair value of equity instruments at fair value through other comprehensive income	28	(50)	-
Movements in fair value of financial liabilities at fair value through profit or loss attributable to changes in the credit risk of the financial liability		-	-
Other		-	-
OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO INCOME BEFORE TAX		**(182)**	**-**
Income tax on other comprehensive income that will not be reclassified to profit or loss		-	-
TOTAL OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS AFTER TAX	**28**	**(182)**	**-**
ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS			
Changes in fair value of financial assets at fair value through other comprehensive income	28	(384,996)	(350,104)
Translation differences for foreign operations	28	(19,997)	325,380
Hedge of net investments in foreign operations		-	-
Cash flow hedges	28	(36,129)	353,329
Undesignated items of accounting hedge instruments		-	-
Other		-	-
OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS BEFORE TAX	**28**	**(441,122)**	**328,605**
Income tax on other comprehensive income that may be reclassified to profit or loss	**28**	154,260	(77,521)
TOTAL OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS AFTER TAX	**28**	**(286,862)**	**251,084**
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED		**(287,044)**	**251,084**
COMPREHENSIVE INCOME FOR THE CONSOLIDATED YEAR ENDED		**533,980**	**771,630**
Attributable to:			
Owners of the Bank		533,778	771,475
Non-controlling interests		202	155

The accompanying notes Nos. 1 to 49 are an integral part of these Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended December 31, 2022, and 2021
(In millions of Chilean pesos - MCh$)

	Equity attributable to owners														
			Accumulated other comprehensive income							Retained earnings					
	Share capital	Reserves	Re-measurement of net defined benefit liabilities (assets)	Net changes in fair value of equity instruments at fair value through other comprehensive income	Changes in fair value of financial assets at fair value through other comprehensive income	Translation differences for foreign operations	Cash flow hedges	Income tax	Total	Retained earnings	Profit for the year	Provision for minimum dividends	Total	Non-controlling interests	Total equity
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Closing balance as of December 31, 2020	3,655,828	110	-	-	77,966	79,987	(176,292)	40,562	22,223	(6,758)	317,454	(95,236)	**3,893,621**	1,085	**3,894,706**
Effects of changes in accounting policies	-	(26,832)	-	-	29,148	-	-	-	29,148	-	-	-	**2,316**	-	**2,316**
Opening balances as of January 1, 2021	**3,655,828**	**(26,722)**	**-**	**-**	**107,114**	**79,987**	**(176,292)**	**40,562**	**51,371**	**(6,758)**	**317,454**	**(95,236)**	**3,895,937**	**1,085**	**3,897,022**
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	317,454	(317,454)	-	-	-	-
Other equity movements		(85)	-	-	85	-	-	-	**85**	-				160	**160**
Additions to share capital for capitalization without issuance of fully paid ordinary shares	206,559	-	-	-	-	-	-	-	-	(206,558)	-	-	-	-	-
Payment of ordinary share dividends	-	-	-	-	-	-	-	-	-	(104,138)	-	95,236	(8,902)	-	**(8,902)**
Provision for payment of ordinary share dividends	-	-	-	-	-	-	-	-	-	-	-	(156,117)	(156,117)	-	**(156,117)**
Subtotal of transactions with the owners in the period	**3,862,386**	**(26,807)**	**-**	**-**	**107,199**	**79,987**	**(176,292)**	**40,562**	**51,456**	**-**	**-**	**(156,117)**	**3,730,918**	**1,245**	**3,732,163**
Profit for the year	-	-	-	-	-	-	-	-	-	-	520,391	-	520,391	155	520,546
Other comprehensive income	-	-			(350,104)	325,380	353,329	(77,521)	251,084	-	-	-	251,084	-	251,084
Subtotal comprehensive income	**-**	**-**	**-**	**-**	**(350,104)**	**325,380**	**353,329**	**(77,521)**	**251,084**	**-**	**520,391**	**-**	**771,475**	**155**	**771,630**
Closing balances as of December 31, 2021, before re-expression as of January 1, 2022	3,862,386	(26,807)	-	-	(242,905)	405,367	177,037	(36,959)	**302,540**	**-**	520,391	(156,117)	**4,502,393**	1,400	**4,503,793**
Effects of changes in accounting policies		3,707			(13,285)				**(13,285)**	**-**	-	-	**(9,578)**	-	**(9,578)**
Closing balance as of December 31, 2021	**3,862,386**	**(23,100)**	**-**	**-**	**(256,190)**	**405,367**	**177,037**	**(36,959)**	**289,255**	**-**	**520,391**	**(156,117)**	**4,492,815**	**1,400**	**4,494,215**
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	520,391	(520,391)	-	-	-	-
Other equity movements	-	(3,540)	-	-	-	-	-	-	-	-	-	-	**(3,540)**	(279)	**(3,819)**
Additions to share capital for capitalization without issuance of fully paid ordinary shares	362,946	-	-	-	-	-	-	-	-	(362,946)	-	-	-	-	-
Payment of ordinary share dividends	-	-	-	-	-	-	-	-	-	(157,445)	-	156,117	**(1,328)**	-	**(1,328)**
Provision for payment of ordinary share dividends	-	-	-	-	-	-	-	-	-	-	-	(246,247)	**(246,247)**	-	**(246,247)**
Subtotal of transactions with the owners in the period	**4,225,332**	**(26,640)**	**-**	**-**	**(256,190)**	**405,367**	**177,037**	**(36,959)**	**289,255**	**-**	**-**	**(246,247)**	**4,241,700**	**1,121**	**4,242,821**
Profit for the year	-	-	-	-	-	-	-	-	-	-	820,822	-	**820,822**	202	**821,024**
Other comprehensive income	-	-	(132)	(50)	(384,996)	(19,997)	(36,129)	154,260	(287,044)	-	-	-	**(287,044)**	-	**(287,044)**
Subtotal comprehensive income	**-**	**-**	**(132)**	**(50)**	**(384,996)**	**(19,997)**	**(36,129)**	**154,260**	**(287,044)**	**-**	**820,822**	**-**	**533,778**	**202**	**533,980**
Closing balance as of December 31, 2022	**4,225,332**	**(26,640)**	**(132)**	**(50)**	**(641,186)**	**385,370**	**140,908**	**117,301**	**2,211**	**-**	**820,822**	**(246,247)**	**4,775,478**	**1,323**	**4,776,801**

The accompanying notes Nos. 1 to 49 are an integral part of these Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2022, and 2021
(In millions of Chilean pesos - MCh$)

		December 31,	
		2022	2021
	Note	MCh$	MCh$
A) CASH FLOWS FROM OPERATING ACTIVITIES			
CONSOLIDATED PROFIT BEFORE TAX FOR THE YEAR ENDED		**911,903**	**722,030**
Debit (credit) to profit or loss that do not represent movements in cash flows			
Depreciation and amortization	39	113,643	106,931
Impairment of non-financial assets	40	21,009	23
Provisions for credit loss		566,490	479,770
Adjustment to market value of financial instruments		(8,837)	(47,275)
Net loss on investment in companies	34	(7,404)	(2,290)
Net loss on sale of assets received in payment	35	(186)	(91)
Net loss on sale of property and equipment	35	(96)	(1,113)
Net gain on sale of property and equipment	35	312	54
Write-off of assets received in payment	35	1,160	135
Net interest income	30	(1,560,418)	(1,360,229)
Net inflation-indexation income	31	(749,298)	(340,175)
Net fee income	32	(366,911)	(355,630)
Other debit (credit) that do not represent movements in cash flows		94,640	33,409
Changes due to increases/decreases in operating assets and liabilities:			
(Increase) decrease in loans and advances to banks		(120,952)	(283,534)
(Increase) decrease in loans and receivables from customers		(3,819,805)	(5,427,172)
(Increase) decrease in financial investments		(614,208)	(3,045,280)
Increase (decrease) in other on-demand liabilities		(3,536,163)	7,925,933
Increase (decrease) in repurchase agreements and securities lending		289,954	(236,469)
Increase (decrease) in deposits and other term deposits		6,899,121	1,793
Increase (decrease) in bank borrowings		(7,932)	(838,270)
Increase (decrease) in other financial liabilities		1,209,421	116,965
Loans from the Central Bank of Chile (long-term)		-	637,053
Repayment of loans from the Central Bank of Chile (long term)		(25,812)	-
Long-term foreign loans		-	2,013,264
Repayment of long-term foreign loans		(281,741)	(1,111,380)
Income tax		(309,643)	(39,101)
Interest and inflation-indexation received		4,380,594	2,365,060
Interest and inflation-indexation paid		(2,070,876)	(664,656)
Fees received	32	508,328	483,505
Fees paid	32	(141,417)	(127,875)
Total net cash from operating activities		**1,374,876**	**1,005,385**
B) CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of investments in companies	14	(55,990)	(2,395)
Sale of investments in companies	14	1,319	-
Dividends received from investments in companies	14	3,668	710
Acquisition of property and equipment	16	(19,002)	(15,286)
Sale of property and equipment		1,745	877
Acquisition of intangible assets	15	(71,957)	(135,965)
Sale of intangible assets		-	-
Sale of goods received in payment or awarded		7,269	12,074
Net (increase) decrease in other assets and liabilities		(293,969)	184,184
Total net cash (used in) from investing activities		**(426,917)**	**44,199**

The accompanying notes Nos. 1 to 49 are an integral part of these Consolidated Financial Statements

BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2022, and 2021
(In millions of Chilean pesos - MCh$)

	Note	December 31, 2022 MCh$	December 31, 2021 MCh$
C) CASH FLOWS FROM FINANCING ACTIVITIES			
Attributable to interest of the owners:			
Issue of letters of credit		-	-
Redemption and payment of interest / principal of letters of credit		(2,493)	(2,871)
Issuance of current bonds		1,196,446	1,282,489
Redemption and payment of interest / principal of current bonds		(1,433,026)	(729,671)
Issue of mortgage bonds		-	-
Redemption and payment of interest / principal of mortgage bonds		-	-
Payment of interest / principal of lease liabilities		(2,897)	(3,348)
Issue of subordinated bonds		-	-
Payment of interest and principal of subordinated bonds		(59,127)	(86,905)
Issue of bonds with no fixed maturity date		-	-
Redemption and payment of interest on bonds with no fixed maturity date		-	-
Issue of preferred shares		-	-
Redemption of preference shares and payment of preference share dividends		-	-
Increase in share capital for the issuance of ordinary shares		-	-
Payment of ordinary shares dividends		(157,445)	(104,138)
Attributable to non-controlling interests:			
Dividend payment and/or withdrawals of share capital related to subsidiaries corresponding to non-controlling interest		-	-
Total net cash (used in) from financing activities		**(458,542)**	**355,556**
NET INCREASE IN CASH AND CASH EQUIVALENTS FOR THE YEAR ENDED		**1,091,210**	**533,387**
EFFECT OF EXCHANGE RATE FLUCTUATIONS		**(601,793)**	**871,753**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**6,820,120**	**5,414,980**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**7**	**7,309,537**	**6,820,120**

The accompanying notes Nos. 1 to 49 are an integral part of these Consolidated Financial Statements

NOTE 1 – REPORTING ENTITY

a) The Bank

Banco de Crédito e Inversiones (hereinafter "BCI" or "the Bank") is a company incorporated in Chile, regulated by the Financial Market Commission, hereinafter the "CMF", in accordance with the amendments to the General Banking Law under Law No. 21.130, which defines this commission as regulatory entity from June 1, 2019 (Official Gazette Publication No. 42.343 of Thursday, May 2, 2019). Its registered office is at Avenida El Golf 125, in the municipality of Las Condes. The Consolidated Financial Statements as of December 31, 2022, and 2021 and for the years ended, include the Bank and its subsidiaries detailed in the following paragraph, as well as the Miami Branch. The Bank is involved in all the businesses and operations that the General Banking Law allows it, as personal, corporate, and real estate banking, large and medium-sized companies banking, private banking, and asset management services.

NOTE 2 – BASIS OF ACCOUNTING

a) Basis of preparation of the financial statements

These Consolidated Financial Statements have been prepared in accordance with the Compendium of Accounting Standards for Banks (CNCB) and instructions issued by the Financial Market Commission (hereinafter "CMF"), a regulatory body that in accordance with Law No. 21.000 that " Creates the Financial Market Commission", provides in number 6 of article 5 that the Financial Market Commission may "set the standards for the preparation and presentation of the annual reports, balance sheets, statements of financial position and other financial statements of the regulated entities and determine the principles to which they must keep their accounting and in everything that is not treated by it if it does not contradict their instructions, they must adhere to the generally accepted accounting policies, which correspond to the technical standards issued by Colegio de Contadores de Chile AG, matching the International Financial Reporting Standards (IFRS) agreed upon by the International Accounting Standards Board (IASB). In case of discrepancies between the accounting principles and the accounting policies issued by the CMF in its Compendium of Accounting Standards for Banks and Instructions, the latter will prevail.

The notes to the Consolidated Financial Statements contain additional information to that presented in the Consolidated Statements of Financial Position, the Consolidated Statements of Income, the Consolidated Statements of Other Comprehensive Income, the Consolidated Statements of Changes in Equity and the Consolidated Statements of Cash Flows.

During fiscal year 2021, the Financial Market Commission issued Circular No. 2,295, through which it updates the Compendium of Accounting Standards for Banks, which makes changes to the accounting regulations that remained in force until December 31, 2021 According to Chapter E of the new Compendium of Accounting Standards for Banks, the first application of this updated version is from January 1, 2022, with a transition date of January 1, 2021 for the purposes of comparative Financial Statements report. These modifications incorporate a greater convergence to IFRS, as well as an improvement in the disclosures of financial information and, on the other hand, improvements are incorporated to matters associated with Basel III that will facilitate its full implementation.

Note 4 of "Accounting changes" details the main amendments of this new Compendium of Accounting Standards for Banks, as well as a reconciliation according to the balances of the Consolidated Statements of Financial Position at the beginning and end of the year ended December 31, 2021.

b) Controlled entities (subsidiaries)

The Consolidated Financial Statements as at December 31, 2022, 2021 and January 1, 2021 include the financial statements of the Bank and the controlled companies (subsidiaries). Control is obtained when the Bank is exposed, or has the right, to variable returns from its involvement with the investee and has the ability to influence those returns through its power over the investee.

Specifically, the Bank controls an investee only if it meets the following elements:

I. Power over the investee (that is, it has rights that give it the current ability to direct the relevant activities of the investee);
II. exposure, or right, to variable returns from its involvement with the investee; and
III. ability to use its power over the investee to influence the amount of the investor's returns.

When the Bank has less than most of the voting rights over an investee; but such voting rights are sufficient to have the practical ability to direct the relevant activities unilaterally, then it will be concluded that the Bank has control. The Bank considers all relevant factors and circumstances in assessing whether the voting rights are sufficient to obtain control, these include:

- The size of the Bank's voting rights relative to the size and dispersion of holdings of the other vote holders.
- The potential voting rights held by the investor, other vote holders or other parties.
- Rights arising from other contractual arrangements.
- Any additional facts and circumstances that indicate the investor has, or does not have, the current ability to direct the relevant activities at the time those decisions need to be made, including voting patterns at previous shareholders' meetings.

The Bank reassesses whether it has control over an investee when the facts or circumstances indicate that there are changes in one or more of the control elements listed above.

Loss of control generates de-recognition of assets and liabilities of the former subsidiary in the Consolidated Statements of Financial Position and the recognition of the loss or gain associated with the loss of control.

The Consolidated Financial Statements consider the separate (stand-alone) financial statements of the Bank and of the companies included in the consolidation and include the necessary adjustments and reclassifications to standardize the accounting policies and valuation criteria applied by the Bank, together with the elimination of all balances and transactions between the consolidated companies.

Additionally, the participation of third parties in the equity of the consolidated Bank is presented as "non-controlling interest" in the Consolidated Statements of Financial Position. Their share of profits for the period is presented as "Profit attributable to non-controlling interest" in the Consolidated Statements of Income for the Period.

The following table shows the composition of the entities over which the Bank can exercise control, therefore, they are part of the scope of consolidation:

Entities controlled by the Bank:

Entity	Interest % Direct 2022 %	Interest % Direct 2021 %	Interest % Indirect 2022 %	Interest % Indirect 2021 %
BCI Asset Management Administradora General de Fondos S.A.	99.90	99.90	0.10	0.10
BCI Asesoría Financiera S.A.	99.00	99.00	1.00	1.00
BCI Corredor de Bolsa S.A.	99.95	99.95	0.05	0.05
BCI Corredores de Seguros S.A.	99.00	99.00	1.00	1.00
BCI Factoring S.A.	99.97	99.97	0.03	0.03
BCI Securitizadora S.A.	99.90	99.90	-	-
Banco de Crédito e Inversiones Sucursal Miami	100.00	100.00	-	-
Servicio de Normalización y Cobranza, Normaliza S.A.	99.90	99.90	0.10	0.10
BCI Securities INC.	99.90	99.90	0.10	0.10
BCI Corredores de Bolsa de Productos S.A.	99.00	99.00	1.00	1.00
BCI Financial Group, INC., and Subsidiaries	100.00	100.00	-	-
Servicios Financieros y Administración de Créditos Comerciales S.A.	99.98	99.98	0.02	0.02
Administradora de Tarjetas Servicios Financieros Limitada.	99.99	99.99	0.01	0.01
SSFF Corredores de Seguros y Gestión Financiera Limitada.	99.00	99.00	1.00	1.00
Servicios y Cobranzas SEYCO Limitada.	99.00	99.00	1.00	1.00
BCI Perú S.A.	99.99	99.99	-	-

The lines of business of the entities controlled by the Bank are as follows:

BCI Asset Management Administradora de Fondos SA, incorporated via public deed dated January 7, 1988. Its line of business is the management all types of mutual funds, investment funds and individual portfolios regulated by Law 20.712, including the development of plans voluntary pension savings and collective voluntary pension savings, other supplementary activities authorized by the CMF through Circular No. 1.566 of 2001, and the administration of third-party investment funds and portfolios, authorized by Circular No. 1.897 of 2008.

BCI Asesoría Financiera SA, was incorporated as a closely held shareholder's corporation via public deed dated October 23, 1992. Its line of business is the provision of advisory on the study, analysis, evaluation, and search for alternative sources of financing, the restructuring of liabilities, the negotiations to acquire, capitalize, sell, or merge companies, the issuance and placement of bonds and debentures, and the placement of funds in the capital market.

BCI Corredor de Bolsa SA, was incorporated via public deed dated July 24, 1987. Its line of business is the intermediation and brokerage of securities, and in general all those activities permitted by law in its capacity as stockbroker.

BCI Corredores de Seguros SA, was incorporated via public deed dated January 15, 1997. Its line of business is the remunerated brokerage of general and life insurance contracts with any insurance company located in the country, and the provision of advice and services related to contracting insurance policies.

BCI Factoring SA, was incorporated via public deed dated December 13, 1994. Its lines of business is the provision of all types of factoring services, being able to purchase and discount documents, bills of exchange and, in general, develop and exploit the factoring business, under its different forms and types, invest, reinvest and acquire quotas, shares or rights, in all types of movable, tangible or intangible property, real estate and in companies, whether civil, commercial, communities or absorptions and in all class of titles or transferable securities, manage and exploit said goods in any capacity and receive their benefits.

BCI Securitizadora SA, was incorporated as a shareholders' corporation, as stated in a public deed dated March 1, 2001. Its line of business is the acquisition of credits referred to in Article No. 135 of Law No. 18.045 or the regulations that substitute, replace, or complement it, and the issuance of debt securities, short or long term, originating for each issue, the formation of equity separate from the common equity of the company, which is under the supervision of the Financial Market Commission.

Banco de Crédito e Inversiones Miami Branch., is a branch of Banco de Crédito e Inversiones, incorporated in the state of Florida in the United States of America. The company was initially authorized to operate as an international banking agency by the Department of Banking and Finance of the State of Florida on May 10, 1999. The Branch is not a separate legal entity, it conducts banking activities that provide a full range of banking services to national and foreign individuals and legal entities, mainly from Latin America.

Servicio de Normalización y Cobranza, Normaliza SA, is a closely held shareholder's corporation, incorporated via public deed dated June 8, 1990 and its line of business is the provision of out-of-court collection services, on its own or on behalf of third parties, of any document representing liabilities, as well as the background check of natural persons or legal entities and the delivery of commercial reports and any other business that the partners agree to perform.

BCI Securities INC., a subsidiary incorporated in the state of Florida in the United States on July 6, 2011. The company's line of business is the purchase and sale of shares, mutual funds, corporate debt, United States government bonds, sovereign debt and call and put options for its clients residing primarily in South America. The Company may establish network agreements with banks, savings banks or savings and credit cooperatives. This investment was authorized by the Financial Market Commission on January 10, 2013, and by the Central Bank of Chile on February 21, 2013. It began operations on March 1, 2016.

BCI Corredores de Bolsa de Productos SA, was incorporated via public deed on April 16, 2015. The company's primary purpose is the intermediation of agricultural products, understanding as such, what is stated in articles 4th and 5th of Law No. 19 .920, in his capacity as a stockbroker of agricultural products, including the purchase or sale of products on the stock market on its own with the intention of transferring rights over them and the supplementary activities authorized by the Financial Market Commission, for which it may perform all acts and enter into all contracts and transactions typical of brokers of agricultural products, in accordance with the current regulations or those that will be put into force in the future.

BCI Financial Group, INC. and Subsidiaries, parent company of City National Bank (CNB), acquired in 2015. CNB is a financial institution incorporated in 1946 based on the city of Miami, which offers a wide range of financial products, including real estate, commercial and retail banking to more than 61,000 customers, with 32 branches distributed in four Florida counties. Also, during 2017, the Financial Market Commission approved the lease transaction operations through a new subsidiary of CNB on March 10, 2017, through letter No. 02751 issued by this regulatory body. The new subsidiary of CNB is a corporation that started operations on June 28, 2017, under the business name City National Capital Finance, Inc. (CNCF). On August 1, 2018, the subsidiary City National Capital Finance, Inc. (CNCF) changed its business name to BCI CAPITAL, INC.

Servicios Financieros y Administración de Créditos Comerciales SA, acquired in December 2018**,** was incorporated as a limited liability company via public deed dated November 4, 1997, and has been subject to various modifications. Its current line of business is /i/ the issuance of credit cards and the performance of activities complementary to said specific line of business authorized by the Financial Market Commission, or the body that succeeds it in its attributions and competences, by means of a general standard to credit card issuers, and /ii/ the granting of general loans as a subsidiary of a bank.

Administradora de Tarjeta Servicios Financieros Limitada, acquired in December 2018, was incorporated as a shareholders' corporation via public deed dated August 6, 1998, and has been subject to various modifications. Its current line of business is the provision of services and the development of all type of activities related to the operation of debit, credit and payment cards with provision of funds, issued in accordance with the Compendium of Financial Regulations of the Central Bank of Chile and other applicable regulations, including but not limited to: /i/ the provision of services linked to the physical issuance of credentials or any other material and immaterial support of all types of payment cards; /ii/ the provision, maintenance and administration of computer channels and systems for the issuance and operation and /iii/ all other types of related, supplementary, required or convenient activities for the issuance or operation of payment cards, to the extent that said services and activities do not involve settlement and/or payment of benefits owed to affiliated entities for the use of said instruments.

Servicios y Cobranzas SEYCO Limitada., acquired in December 2018, was incorporated as a limited liability company via public deed dated December 31, 2010, and has been subject to various modifications.

Its current line of business is: /a/ the provision of prejudicial and judicial collection services regarding all types of payment obligations, whatever their cause or origin; /b/ the provision of collection and payment services in general, including, but not limited to, the collection and payment on behalf of third parties of the payment of all types of accounts and obligations; /c/ the provision of custody services for all types of documents and administrative procedures in general; / d / the provision of marketing services, programming or execution of campaigns, preparation of databases, in all its forms and by all existing means or that in the future will be created for that purpose, all insofar as it is conducive , necessary or recommended for the proper provision of credit collection services; /e/ the provision of services for the collection, storage, custody, administration, processing, studies and analysis of data, background and/or information of any type that is related, comes from, has been provided or is necessary for the development of the services of credit collection, whatever the element or support material of the same, and /f/ acquire or acquire interest in other companies, subject to the requirements and limitations established in the current regulations.

All the activities outlined in the line of business may be performed by the company, by itself or through third parties, by contracting or subcontracting them. For the fulfillment of its purpose, the company may execute all the necessary contracts for the indicated purposes or for the development of its business.

SSFF Corredores de Seguros y Gestión Financiera Limitada., acquired in December 2018, was incorporated as a limited liability company via public deed dated November 17, 2004, and has been subject to various modifications. Its current line of business is /a/ the remunerated intermediation of general and life insurance policies with any national insurance company based in the country and the advisory services inherent to this type of contract with respect to all types of natural persons and legal entities. Notwithstanding the foregoing, the company may perform activities such as home assistance, route and travel assistance, legal and medical assistance, extended warranty regarding goods and services sold or provided by third parties and of a similar nature; /b/ provide pension advisory service, in accordance with the provisions of Decree Law No.3.500, subject to the provisions of article 70 bis of the General Banking Law, or the one that succeeds or replaces it. For the fulfillment of its purpose, the company may execute all the necessary contracts for the indicated purposes, the development of its business or trade or the investment of the funds available to the company.

Banco BCI Perú SA was incorporated via public deed dated September 14, 2021, in the Republic of Peru and registered with the Registry of Legal Entities of Lima and Callao on September 28, 2021. Likewise, on August 20, 2021, the Superintendence of Banking, Insurance and Pension Fund Administrators through SBS Resolution No. 02454-2021 authorized the incorporation of the banking company called Banco BCI Perú. The line of business of Banco BCI Perú will be operating as a bank in accordance with the provisions of the General Laws of the Financial System (LGSF) and other applicable regulations.

The Bank may carry out all operations and provide all services through the corresponding modalities and forms that are applicable, as established in the legal provisions that regulate banking companies in Peru.

And without this reference being limiting, it may carry out the operations and provide the services indicated in articles 221 and 283 of the LGSF, as well as in the amending or substituting provisions of said rule. Likewise, it may perform all those operations and services authorized or that may be developed according to its uses, practices and customs that are applicable to banking companies in Peru, including operations of derivative financial products for hedging and/or negotiation purposes, with the prior authorization of the Superintendence of Banking, Insurance and Pension Fund Administrators (SBS).

Additionally, the Bank may enter into other acts and supplementary and related contracts related to the operations it enters into or in which it participates, as well as all acts and contracts that are required for its proper functioning and operation.

i. Entities consolidated by the Bank through other considerations:

Despite not holding the majority of the voting rights and/or not having any interest, the following companies have been consolidated on the basis that the Bank, directly or through some of its subsidiaries, has some type of influence over them:

Entity	Interest %			
	Direct		Indirect	
	2022 %	2021 %	2022 %	2021 %
BCI Activos Inmobiliarios Fondo de Inversión Privado (1)	40.00	40.00	-	-
Fondo de Inversión Privado BCI LMV II (2)	100.00	100.00	-	-
Incentivos y Promociones Limitada (3)	EE	EE	EE	EE

(1) Fund in which the subsidiary BCI Asset Management Administradora General de Fondos SA has influence and/or control.
(2) Fund that has been organized and constituted by the subsidiary BCI Asset Management Administradora General de Fondos SA, which manages it in its entirety.
(3) Structured Entity (EE) in charge of promoting credit and debit card products. The Bank has no interest in said company and does not exercise control; however, its revenue depends on the Bank.

c) Associates and joint arrangements

Associates are those entities in which the Bank has significant influence, but no control. Significant influence is the power to participate in financial and operating policy decisions, but not control or joint control over those policies.
A joint arrangement is an arrangement in which there is joint control, which exists only when the strategic decisions of the activities, both financial and operating, require the unanimous consent of the parties sharing control. Investments in joint arrangements may be classified as a business or as a joint operation.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e., joint ventures) have rights to the assets, and obligations for the liabilities, related to the arrangement.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e., participants in a joint venture) have rights to the net assets of the arrangement.

Investments in associates and joint ventures are accounted for using the equity method and are initially recognized at cost, and their carrying amount is increased or decreased to recognize the corresponding share of profit or loss for the period and in comprehensive income. The dividends received are recognized by reducing the investment.

If the acquisition cost is less than the fair value of the net assets of the acquired associate, the difference is recognized directly in profit or loss and is presented under Other Gains (Losses). Investments in associates and joint ventures are presented in the Consolidated Statements of Financial Position under the item “Investment in companies”. Only if the investor has incurred legal or constructive obligations or has made payments on behalf of the associate or the joint venture, should recognize a liability, otherwise, leaving the investment at zero until the moment it generates profits that reverse the negative equity generated previously as a result of the losses generated. Otherwise, a liability is not recognized, but the investment is also left at zero.

The following entities are considered “Associates”:

Company	Interest %	
	2022 %	2021 %
Centro de Compensación Automatizado S.A.	33.33	33.33
AFT S.A.	20.00	20.00
Nexus S.A. (*)	-	14.81
Redbanc S.A.	12.71	12.71
Servicio de Infraestructura de Mercado OTC S.A.	13.61	13.61
Combanc S.A. (**)	11.74	11.74
Transbank S.A. (***)	8.72	8.72
Sociedad Interbancaria de Depósitos de Valores S.A.	7.03	7.03
Pagos y Servicios S.A.	49.00	49.00

(*) On September 30, 2022, the Bank sold its entire interest in Nexus S.A. See note 5 d) for additional detail.
(**) On November 10, 2021, 151 shares were purchased from Banco Scotiabank Chile for an amount of Ch$101 million as a result of the review of the shareholding structure.
(***) During 2021, capital increases of Ch$872 million were made on May 5 and Ch$1,744 million on August 30.

The following entities are considered “Joint Ventures”:

Company	Interest %	
	2022 %	2021 %
Artikos Chile S.A.	50.00	50.00
Servipag Ltda.	50.00	50.00

For companies in which they have less than 20% interest, the Bank appoints a director on the board of such companies, which is why Management has concluded that it has significant influence over them.

d) Equity instruments for minority investments in companies

This caption includes those entities in which the Bank has no control or significant influence. Includes minority permanent investments in companies in the country and abroad that are recorded and presented subsequent to the initial recognition at fair value, with the variations recognized in Other Comprehensive Income in accordance with IFRS 9.

As of December 31, 2022, and 2021, the Bank presents shares in BLADEX.

Additionally, the Bank presents other equity instruments for minority investments at their acquisition cost less any impairment in accordance with IFRS 9, considering that the cost is a reasonable approximation of the fair value.

As of December 31, 2022, and 2021, the Bank presents the following investments in other companies: SWIFT shares, and other shares.

e) Basis of consolidation

These Consolidated Financial Statements comprise the Financial Statements of the Bank and subsidiaries as of December 31, 2022, and 2021.

The Financial Statements of the subsidiaries (including the structured entity controlled by the Bank) have been standardized in accordance with the standards established in the Compendium of Accounting Standards for Banks and Instructions issued by the CMF.

The uniformity of accounting policies also includes investments recognized under the equity method.

Intra-group balances and unrealized gains or losses arising from intra-group transactions between entities included in the consolidation are eliminated during the preparation of these Consolidated Financial Statements. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Bank's interest in these companies.
The translation of the financial statements of the companies with a functional currency other than the Chilean peso is performed as follows:

a. Assets and liabilities, using the exchange rate effective at the reporting date.
b. Items in the statements of income and comprehensive income, using the average monthly exchange rate (unless this average is not a reasonable approximation of the cumulative effect of the exchange rates existing on the dates of the transactions, in which case the exchange rate at the date of each transaction is used).

c. The equity is maintained at the historical exchange rate at the date of its acquisition or approval, and the retained earnings according to letter b above.
d. The exchange differences arising from the translation of the financial statements are recorded in the caption "Profit (loss) on accumulated adjustment for translation difference" in the Consolidated Statements of Other Comprehensive Income for the Period.
e. Non-controlling interest

The non-controlling interest represents the portion of gains or losses and net assets, of which, directly or indirectly, the Bank does not own. The non - controlling interest is presented separately in the Consolidated Statements of Income for the Year Ended, Consolidated Statements of Other Comprehensive Income for the Year Ended and the Consolidated Statements of Financial Position.

f. Functional currency

The Bank has determined the Chilean Peso (Ch$) as its functional and presentation currency, as well as all the Group entities, except for the subsidiaries BCI Financial Group, INC., and Subsidiaries and BCI Securities INC., which have determined the US dollar as their functional currency.

All information presented in Chilean pesos has been rounded to the nearest million.

g. Foreign currency transactions

Balances and transactions in currencies other than the Chilean peso are considered "foreign currency". Transactions carried out by each entity in a currency other than its functional currency are recorded at the exchange rates at the dates of the transactions. During the period, differences between the exchange rate accounted for and that effective at the following collection or payment date are recognized as exchange differences in the Consolidated Statements of Income for the Year Ended.

As of December 31, 2022 and 2021, the Bank's foreign currency assets and liabilities are presented at their equivalent value in Chilean pesos, calculated at the exchange rate of Ch$849.25 as of December 31, 2022 and $854.40 as of December 31, 2021.

h. Business segments

The Bank's business segments are determined based on the different business units, considering the following:

(i) That it engages in business activities from which it may earn revenue and incur expenses (including transactions with other components of the same entity);

(ii) whose operating income (loss) is reviewed on a regular basis by the unit's highest authority in making operating decisions, to decide on the resources that should be assigned to the segment and evaluate its performance; and

(iii) in relation to which differentiated financial information is available.

These business units deliver products and services subject to different risks and returns and, therefore, the Bank's key decision-making bodies evaluate their performance separately.

i. Classification and measurement of financial instruments

Financial instruments are classified and measured in accordance with International Financial Reporting Standard 9 (IFRS 9) – Financial Instruments, which established a guide for financial information on financial assets and financial liabilities that will present relevant and useful information to users of the financial statements for its evaluation of the amounts, timing, and uncertainty of an entity's future cash flows.

j. Classification of financial assets

Financial assets are classified into a measurement category based on both the Bank's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

In accordance with IFRS 9, the business models are:

a) Holding assets to collect contractual cash flows: Financial assets held in the business model whose objective is to hold assets to collect contractual cash flows are managed to produce cash flows by collecting contractual payments over the life of the instrument. The business model may be to hold assets to collect cash flows, even if the entity sells financial assets whether there has been an increase in the assets' credit risk; and for sales made to manage credit concentration risk.

b) Holding assets to collect contractual cash flows and sell financial assets: Financial assets under this business model achieve the objective by collecting contractual cash flows and selling financial assets, which implies a higher frequency and value of sales than the previous business model.

c) Other business models: the financial assets held in this business are intended to generate cash flows through the sale of the assets. The Bank makes decisions based on the fair values of the assets and manages the assets to realize those fair values.

The evaluation of the contractual cash flows determines if the cash flows of the financial asset meet the SPPI criterion (solely payments of principal and interests), i.e., if the contractual terms of the financial asset generate, on specific dates, cash flows of cash that are solely payments of principal and interest. Principal is the fair value of financial assets at initial recognition, and interest is consideration for the time value of money, the credit risk associated with the outstanding principal, and may also include liquidity risk, administrative expenses, and profit margin.

For the classification process, the Bank performs the SPPI test, which assesses the contractual term to identify if it meets the SPPI criteria, i.e., the contract is a basic lending arrangement. The Bank applies judgment and considers relevant factors such as the currency in which the financial asset is denominated and the period for which the interest rate is set.

The business model refers to how the Bank manages its financial assets to generate cash flows. The Bank determined its business model in the initial application of IFRS 9 at the level that best reflects how it manages the groups of financial assets to achieve its business objective.

The Banks' business model is not assessed instrument by instrument, but at a higher level of aggregate portfolio and is based on observable factors such as: the performance of financial assets, the risk that affects performance and the expected frequency, value, and time of sales.

ii. Classification of financial liabilities

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

iii. Reclassification

The reclassification of financial assets is required when, and only when, the objective of the Bank's business model to manage these financial assets changes. Financial liabilities cannot be reclassified.

IV. Initial Measurement

At initial recognition, financial assets and financial liabilities are measured at the transaction price, i.e., the fair value of the consideration given or received (IFRS 13). In the case of financial instruments that are not at fair value through profit or loss, transaction costs are directly attributable to the acquisition or issue of the financial asset or financial liability.

v. Subsequent measurement of financial assets

After initial recognition, the Bank shall measure a financial asset at:

a) Financial assets at amortized cost (CA)

Financial assets that are held in a business model to collect contractual cash flows and contain contractual terms that give rise to cash flows that are SPPI on specific dates, are measured at amortized cost.

The effective interest method is used in calculating the amortized cost of a financial asset or financial liability and in allocating and recognizing interest income or interest expense in profit or loss during the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the expected useful life of the financial asset or financial liability to the gross carrying amount of a financial asset or the amortized cost of a financial liability.

The caption financial assets at amortized cost presents the following:

- Rights for repurchase agreements and securities lending
- Debt financial instruments
- Loans and advances to banks
- Loans and receivables from customers

b) Financial assets at fair value through other comprehensive income (FVOCI)

- Debt financial instruments

Financial assets that are debt instruments held in a business model that is achieved through collection of contractual cash flows and sale, and that contain contractual terms that give rise to cash flows that are SPPI on specific dates, are measured at FVOCI. Subsequently, they are re-measured at fair value and changes in them (except those related to impairment, interest income and foreign currency gains and losses) are recognized in other comprehensive income, until the assets are sold. At the time of disposal, the accumulated gains, and losses in OCI are recognized in the statements of income.

- Equity financial instruments

For certain equity instruments, the Bank may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of the instrument, except for dividend income that is recognized in profit or loss. Gains or losses on the derecognition of these equity instruments are not transferred to profit or loss.

c) Financial asset held for trading at fair value through profit or loss (FVPL)

Includes financial assets whose business model aims at generating benefits through purchases and sales or generate short-term profit or loss. Financial assets that do not contain contractual terms that give rise to cash flows that are SPPI on specific dates, or if the financial assets, is not held in a business model that is (i) a business to collect the contractual cash flows or (ii) a business model that is achieved by collecting the contractual cash flows and selling them.

Gains and losses are recognized in the statement of income under financial income for financial assets held for trading at fair value.

- Derivative financial instruments

Derivative financial instruments are also classified under financial assets at fair value through profit or loss, which include foreign currency forwards and Unidades de Fomento, interest rate futures, currency and interest rate swaps, currency options and interest rate and other derivative financial instruments, are initially recognized in the Consolidated Statements of Financial Position at their fair value (including transaction costs), except for those classified as level 3 of the hierarchy (when applicable), and subsequently measured at its fair value. The fair value is obtained from market quotations, cash flow discount models and option valuation models, as appropriate. Derivative contracts are reported as an asset when their fair value is positive and as a liability when it is negative, in the line “Financial derivative contracts” under the caption financial assets held for trading at fair value through profit or loss.

The purpose of the credit valuation adjustment (CVA) is to determine the expected losses due to counterparty risk in OTC derivative contracts. The CVA of a derivative is defined as the difference between the value of the derivative free of counterparty risk (equivalent to the original derivative but without risk of default by any of the parties) and the value of the risky derivative (which corresponds to the original derivative, which has an inherent risk) that considers the possibility of default by the counterparty. In this way, the CVA of a client can be obtained from the expected exposure (EE) due to counterparty risk (how much is expected to lose) and the expected loss rate (EP) associated with the default of the counterparty.

The valuation adjustment due to the existence of the bid-offer spread in the financial instrument markets that is applied to all financial instruments that are recognized at their market value both under normal market conditions and under financial stress conditions, is based on the best practices, the recommendations of the Basel Committee and the requirements of the CMF and the Central Bank of Chile.

In order to carry out the bid-offer adjustment to the valuation of financial instruments belonging to Banco de Crédito e Inversiones own portfolios, the following methodology was established:

i. Define condition of market makers or customer of the Bank

On an annual basis, the condition of the Bank will be redefined to be considered market makers (the Bank must be among the 4 main market operators) or clients in each of the financial products that it operates.

This will be done with information from the two main brokers in the national market: Tradition and ICAP.

ii. Condition of market makers

For products (markets) where the Bank is a liquidity provider, they will be valued at mid-price and no bid-offer adjustment will be made to their valuation.

iii. Condition of customer

For products (markets) where the Bank is considered that the Bank is a requestor of instruments of a different nature, they will be valued at mid-price and the bid-offer adjustment will be made to their valuation or they will be valued at bid if there are liquid peaks.

The Bank also makes an adjustment associated with the FVA (Funding Valuation Adjustment) financing risk was added, which captures the financing differential of unsecured derivatives above the risk-free rate and other technical considerations.

vi. Subsequent measurement of financial liabilities

After initial recognition, the Bank will measure a financial liability at amortized cost.

vii. Derecognition of financial assets and liabilities

Financial assets are derecognized when, and only when:

- The contractual rights to the cash flows of the financial asset expire, or

- The Bank transfers substantially all the risks and rewards of ownership of the financial asset, and therefore the Bank derecognizes the financial asset and separately recognizes the rights and obligations created or retained in the transfer.

In some cases, the Bank enters into transactions for which it retains the contractual rights to receive the cash flows of the financial asset, but assumes the contractual obligation to pay the cash flows in an agreement that meets all the required conditions, that is, the Bank only transfers amounts collected from original assets, the sale or pledge of original assets is prohibited, and the Bank is required to remit the cash flows collected without significant delay.

When a financial asset is sold and the Bank agrees to buy it (or an asset that is substantially the same) at a fixed price at a future date, the Bank continues to recognize the financial assets in full in the statements of financial position, because it retains substantially all risks and rewards of ownership. The cash consideration received is recognized as a financial asset, and a financial liability is recognized for the obligation to pay the repurchase price.

Financial liabilities are derecognized when, and only when, they are discharged, canceled, or expire.

viii. Impairment of a financial asset according to IFRS 9

As of January 1, 2022, the Bank applied the value impairment requirements for the recognition and measurement of a loss allowance to financial assets according to the model of "expected credit losses" (ECL) to assets financial assets measured at amortized cost and fair value through other comprehensive income (FROCI), excluding loans ("Loans and advances to banks" and "Loans and receivables from customers commercial, residential and consumer "), of the caption "Financial assets at amortized cost", or on “Contingent Loans”, since the criteria for these issues are dealt with in accordance with Chapters B-1 on provisions for credit loss B-3 on contingent loans of the Compendium of Accounting Standards for Banks, respectively.

The new model uses a dual measurement approach, whereby the loss margin is measured as:

- 12-month expected credit losses.
- Lifetime expected credit losses.

The measurement basis depends on whether there has been a significant increase in credit risk since initial recognition. In accordance with changes in credit quality since initial recognition, IFRS 9 describes a "three-stage" impairment model according to the following table:

Change in credit quality since initial recognition		
Stage 1	**Stage 2**	**Stage 3**
Initial recognition	Significant increase in credit risk since initial recognition	Credit-impaired assets
12-month ECL	Lifetime ECL	Lifetime ECL

At the end of each reporting period, the Bank assessed whether the credit risk of financial instruments has increased significantly since initial recognition or whether an asset is considered credit-impaired and, consequently, is classified as a financial instrument at the respective stage:

- Stage 1: Financial assets that have not significantly increased their credit risk with respect to their assessment at origination. 12-month ECL are recognized.

- Stage 2: When a Financial asset has shown a significant increase in credit risk since origination, the Bank records an allowance for lifetime ECL. Loans in this stage also include facilities, where the credit risk has improved, and the loan has been returned to stage 2.

- Stage 3: Financial instruments that are considered to be in default are included in this stage. Similar to stage 2, the allowance for credit losses is made on the basis of the expected credit losses over the life of the instrument.

The Bank considers reasonable and supportable information that is available without undue cost or effort and that may affect the credit risk in a financial instrument, including forward-looking information to determine a significant increase in credit risk since initial recognition. Forward-looking information includes past events, current conditions, and forecast of future economic conditions (macroeconomic data).

Credit risk assessment and forward-looking information (including macroeconomic factors), includes quantitative and qualitative information based on the Bank's historical experience, some examples are:

i. Financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligations.
ii. An actual or expected internal credit rating downgrade for the borrower or a behavioral rating downgrade.
iii. An actual or expected significant change in the operating results of the borrower.
IV. Significant increases in credit risk on other financial instruments of the same borrower.
v. Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.
vi. Reductions in financial support from a parent entity or other affiliate.
vii. Expected changes in loan documentation, including expected breach of contract that may lead to covenant waivers or amendments, interest rate step-ups, requiring additional collateral or guarantees, or other changes in the contractual framework of the instrument.

I. Measurement of expected credit losses

ECLs are a probability-weighted estimate of credit losses, i.e., the present value of all cash shortfalls.
A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. The three main components for measuring the ECL are:

PD: The probability of default is an estimate of the likelihood of default over a particular time horizon. A default can only occur at a certain time during the evaluated period if the operation has not previously been derecognized and is still in the portfolio.

LGD: The loss given default that arises in the event that a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, even from the realization of any collateral.

EAD: Exposure at default is an estimate of exposure at a future default date, considering expected changes in exposure after the reporting date, including repayments of principal and interest, whether contractually scheduled or otherwise, the expected withdrawal of the committed facilities, and accrued interest for late payments.

To measure 12-month and lifetime ECL, cash shortfalls are identified as follows:

- 12-month expected credit losses: the portion of lifetime expected credit losses that represents expected credit losses that result from default events on a financial instrument that are possible within 12 months after the reporting date.

- Lifetime expected credit losses: the expected credit losses that result from all possible default events during the expected useful life of a financial instrument.

A financial asset is assessed at each reporting date to determine whether there is objective evidence of impairment. Such asset is impaired if there is objective evidence that one or more events have had a future negative effect on the asset.

An impairment loss in respect of financial assets measured at amortized cost is calculated as the difference between the carrying amount of the asset and the present value of the estimated cash flows, discounted at the effective interest rate.

An impairment loss in respect of a financial asset at fair value through other comprehensive income is calculated by reference to its fair value.

All impairment losses are recognized in the Consolidated Statements of Income for the Period. Any accumulated loss in relation to a financial asset at fair value through other comprehensive income previously recognized in equity, is transferred to the Consolidated Statements of Income for the Period.

An impairment loss is reversed only if it can be related objectively to an event occurring after it was recognized. The reversal of an impairment loss cannot exceed the carrying amount that could have been obtained had no impairment loss been recognized for that asset in prior periods. The reversal is recognized in profit or loss for the period, except for financial assets at fair value through other comprehensive income, in which case the accumulated impairment loss recognized in other comprehensive income will be reclassified from equity to profit or loss as a reclassification adjustment, even if the financial asset has not been derecognized.

k. Operations with reverse repurchase, repurchase and securities lending agreements

Reverse repurchase agreement operations are carried out as a form of investment. Under these agreements, financial instruments are purchased, which are included as assets in the caption “Repurchase agreements and securities lending”, which are measured according to the agreed interest rate.

Repurchase agreements are also carried out as a form of financing. In this regard, investments that are sold subject to a repurchase obligation and that serve as collateral for the operation, are part of their respective captions "financial assets at fair value through profit or loss" or "financial assets at fair value through other comprehensive income”.

l. Financial derivative contracts for accounting hedges

The Bank has chosen to continue using the guidelines of IAS 39 for hedge accounting. If the derivative instrument is classified for hedge accounting purposes, it can be: (1) a fair value hedge of existing assets or liabilities or firm commitments, or (2) a cash flow hedge related to existing assets or liabilities or expected transactions. A hedging relationship for hedge accounting purposes shall meet all the following conditions: (a) at the inception of the hedge, there is formal designation and documentation of the hedging relationship; (b) the hedge is expected to be highly effective; (c) the effectiveness of the hedge can be reasonably measured and (d) the hedge is highly effective relative to the hedged risk on a continuous basis throughout the hedging relationship.

When a derivative hedge the exposure to changes in the fair value of an existing asset or liability, the latter is recognized at its fair value in relation to the specific hedged risk. The gain or loss from re-measuring the fair value, both hedged item and of the hedging derivative, are recognized in profit or loss for the period.

If the hedged item in a fair value hedge is a firm commitment, changes in the fair value of the commitment with respect to the hedged risk are recognized as an asset or liability with effect on profit or loss for the period. The gain or loss from re-measuring the hedging instrument at fair value are recognized in profit or loss the period. When an asset or liability is acquired as a result of the commitment, the initial recognition of the acquired asset or liability is adjusted to incorporate the cumulative change in the fair value measurement of the firm commitment that was recognized in the Consolidated Statements of Financial Position.

When a derivative hedge the exposure to changes in the cash flows of existing assets or liabilities or expected transactions, the effective portion of the changes in fair value with respect to the hedged risk is recognized in equity. Any ineffective portion is recognized directly in profit or loss for the period.
The amounts recognized directly in equity are accounted for in profit or loss in the same periods in which hedged assets or liabilities affect profit or loss.

When a fair value hedge of interest rates is made for a portfolio and the hedged item is a currency amount rather than individual assets or liabilities, the gains or losses from the fair value measurement of both the hedged portfolio and of the hedging derivative, are recognized with effect to profit or loss for the period, but the measurement at fair value of the hedged portfolio is presented in the Consolidated Statements of Financial Position under the captions "Other assets" or "Other liabilities", depending on the hedged portfolio position at a point in time.

m. Loans and receivables from customers (loans and advances)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not intend to sell immediately or in the short term.
Loans and receivables are initially measured at fair value plus direct transaction costs and subsequently measured at amortized cost using the effective interest rate method. These include commercial and foreign trade loans, consumer, and mortgage loans, among others.

i. Lease agreements:

Receivables from lease agreements, included in the caption "Loans and receivables from customers", correspond to the periodic rental payments of agreements that meet the requirements to be classified as finance leases and are presented at their present value.

ii. Factoring operations:

The Bank, through its subsidiary BCI Factoring SA, performs operations with its customers, whereby it receives invoices and other commercial papers representing the credit with or without recourse to the transferor, paying the transferor a percentage of the total amount’s receivable from the debtor for the transferred documents.

n. Provisions for credit loss of loans and contingent loans

The allowances required to cover the risk of credit losses have been established following the standards and instructions issued by the CMF.

Loans are recorded net of such allowances or showing the deduction. In the case of contingent loans, they are presented as liabilities in the “Allowances” caption.

The Bank and its subsidiaries use models or methods, based on the individual and group analysis of the debtors, which were approved by the Board of Directors, to establish the loan allowances, indicated in the Compendium of Accounting Standards of the Financial Market Commission.

i. Allowances for individual assessment:

The individual assessment of debtors is necessary when dealing with clients that, due to their size, complexity, or exposure level, required to be known and analyzed in detail.

Naturally, the analysis of debtors should focus on their capacity and willingness to meet their credit obligations, through sufficient and reliable information, and must also analyze their credits in terms of guarantees, terms, interest rates, currency, adjustability, etc.

For establishing the allowance, debtors and their operations related to loans and receivables and contingent loans must be classified in the corresponding categories, with the prior assignment to one of the following three portfolio categories: normal, substandard, and non-performing.

- Regular and substandard performance portfolios:

The regular performance portfolio includes those debtors whose payment ability allows them to meet their obligations and commitments, and according to the assessment of their economic-financial situation, it is not expected that this condition will change. The classifications assigned to this portfolio are categories A1 to A6.

The substandard portfolio will include debtors with financial difficulties or a significant deterioration of their ability to pay and on which reasonable doubt exists as to the repayment of principal and interest in the contractual terms agreed, showing low margins to meet their short-term financial obligations.

This portfolio also includes debtors, which recently have shown delinquency (payments overdue) in excess of thirty days. The classifications assigned to this portfolio are categories B1 to B4 of the rating scale.

As a result of the individual analysis of these debtors, they must be classified in the following categories; subsequently assigning them the probability of default and loss given default percentages that result in the subsequent loss percentage:

Type of portfolio	Debtor rating	Probability of default (PD) (%)	Loss given default (LGD) (%)	Expected loss (%)
Regular portfolio	A1	0.04	90.00	0.036000
	A2	0.10	82.50	0.082500
	A3	0.25	87.50	0.218750
	A4	2.00	87.50	1.750000
	A5	4.75	90.00	4.275000
	A6	10.00	90.00	9,000000
Substandard portfolio	B1	15.00	92.50	13.875000
	B2	22.00	92.50	20.350000
	B3	33.00	97.50	32.175000
	B4	45.00	97.50	43.875000

Provision on regular and substandard performance portfolios:

To determine the amount of the allowances that must be established for the regular and substandard performance portfolios, the exposure subject to provisions should first be estimated, to which the respective loss percentages (expressed in decimals) will comprise the probability of default (PD) and loss given default (LGD) established for the category within which the debtor and/or its qualified co-debtor is included, as applicable.

The exposure subject to provisions corresponds to loans plus contingent loans, less amounts that would be recovered by means of executing guarantees. Likewise, placement is understood as the carrying amount of the loans and receivables from the corresponding debtor, while for contingent loans, the value resulting from the application of the provisions stated in No. 3 of Chapter B-3 of the Compendium of Accounting Standards.

- Non-performing portfolio:

It includes debtors and their loans whose recovery is deemed to be remote, because their ability to pay is deteriorated or non-existent. Those debtors with clear indications of a possible bankruptcy are part of this portfolio, as well as those in which a forced restructuring of debts is necessary to avoid default and, in addition, any debtor whose repayment of principal and interest of a credit is overdue for a period equal or exceeding 90 days.

This portfolio comprises debtors from categories C1 to C6 of the classification scale established below and all loans, including 100% of the amount of contingent loans, held by those same debtors.

For purposes of establishing allowances on the non-performing portfolio, the use of allowance percentages that must be applied to the amount of the exposure is established, which corresponds to the sum of loans and contingent loans held by the same debtor. To apply this percentage, an expected loss rate must first be estimated, deducting from the amount of the exposure the amounts recoverable through the execution of the guarantees and, if there is specific background information that justifies it, also deducting the present value of the recoveries that can be obtained by exerting collection actions, net of the expenses associated with them. This loss rate must fall into one of the six categories defined according to the range of losses effectively expected by the Bank for all operations of the same debtor.

These categories, their range of loss as estimated by the Bank and the allowance percentages that should ultimately be applied on the amounts of the exposures, are indicated in the following table:

Type of portfolio	Risk Scale	Expected Loss Range	Allowance (%)
Non-performing portfolio	C1	Until 3 %	2
	C2	More than 3% up to 20%	10
	C3	More than 20% up to 30%	25
	C4	More than 30% up to 50%	40
	C5	More than 50% up to 80%	65
	C6	More than 80%	90

ii. Allowances for group assessment:

The group assessment is aimed at group commercial loan portfolios classified in the model of group, consumer, and home mortgage allowances.

For the determination of allowances of the group portfolio, groups of loans with homogeneous characteristics in terms of the type of debtor and agreed conditions are analyzed. In this way, allowances are established based on the expected losses derived from a certain probability of default (PD) and a percentage of severity of the loss, or loss given default (LGD), both parameters based on historical analysis and technically based estimates.

The amount of allowances to establish will be obtained by multiplying the total amount exposed in the respective group by the percentages of estimated default and loss given default.

a. Group commercial loans:

The Bank applies the standard model of allowances for commercial loans of the group portfolio, whether corresponds to commercial lease transactions, student loans or other types of commercial loans.

Commercial lease transactions

For these transactions, the allowance factor must be applied to the current value of the commercial lease transactions (including the purchase option) and will depend on the delinquency of each operation, the type of leased asset and the relationship, at the closing of each month, between the current value of each operation and the value of the leased asset (PVB), as indicated in the following tables:

Probability of Default (PD) applicable according to delinquency and type of asset (%)		
Past due days of the operation at the end of the month	Type of Good	
	Residential	Non residential
0	0.79	1.61
01-29	7.94	12.02
30-59	28.76	40.88
60-89	58.76	69.38
Non-performing portfolio	**100.00**	**100.00**

Loss Given Default (LGD) applicable according to PVB tranche and type of asset (%) PVB = Current value of the operation / Value of the leased asset		
PVB Section	Residential	Non residential
PVB <= 40%	0.05	18.20
40% < PVB <= 50%	0.05	57.00
50% < PVB <= 80%	5.10	68.40
80% < PVB <= 90%	23.20	75.10
PVB > 90%	36.20	78.90

PVB = Present value of the operation /Value of the leased asset

The determination of the PVB ratio will be made considering the appraisal value, expressed in UF for residential and in pesos for non-residential, recognized at the time they corresponding loan is granted, taking into account possible situations that at that time may be causing transitory increases in the prices of the good.

Student loans

For these transactions, the allowance factor must be applied on the student loan and the exposure of the contingent loan, when applicable. The determination of said factor depends on the type of student loan and the demand for payment of principal or interest, at the end of each month. When payment is due, the factor will also depend on its delinquency.

For loan classification purposes, a distinction is made between those granted to finance higher education in accordance with Law No. 20,027 (CAE) and, on the other hand, CORFO-guaranteed loans, or other student loans.

Probability of Default (PD) applicable according to payment enforceability, delinquency, and type of loan (%)			
Presents enforceability of the payment of principal or interest at the end of the month	Days past due at the end of the month	Type of Student Loan	
		CAE	CORFO or other
Yes	**0**	5.20	2.90
	01-29	37.20	15.00
	30-59	59.00	43.40
	60-89	72.80	71.90
	Portfolio in Default	100.00	100.00
No	**n/a**	41.60	16.50

Loss given the Default (LGD) applicable according to payment enforceability and type of loan		
Presents enforceability of the payment of principal or interest at the end of the month	Type of Student Loan	
	CAE	CORFO or other
Yes	70.90	
No	50.30	45.80

Generic commercial loans and factoring

For factoring transactions and other commercial loans, the allowance factor, applicable to the amount of the loan and to the exposure of the contingent loan, will depend on the delinquency of each operation and the relationship that exists, at the end of each month, between the obligations that the debtor has with the bank and the value of the real guarantees that protect them (PTVG), as indicated in the following tables:

Probability of Default (PD) applicable according to delinquency and PTVG (%) tranche			
Days past due at the end of the month	With guarantee		Without guarantee
	PTVG<=100%	PGTV>100%	
0	1.86	2.68	4.91
01-29	11.60	13.45	22.93
30-59	25.33	26.92	45.30
60-89	41.31	41.31	61.63
Non-performing portfolio	100.00	100.00	100.00

Loss Given Default (PDI) applicable according to PTVG (%) tranche			
(With/without) guarantees	PTVG	Generic commercial transactions or factoring without recourse of the transferor	Factoring with recourse of the transferor
With guarantee	PTVG <= 60%	5.00	3.20
	60% < PTVG <= 75%	20.30	12.80
	75% < PTVG <= 90%	32.20	20.30
	90% < PTVG	43.00	27.10
Without guarantees		56.90	35.90

The guarantees used for purposes of calculating the PTVG ratio of this method may be specific or general, including those that are simultaneously specific and general.

A guarantee may only be considered if, according to the respective hedge clauses, it was established in the first place in favor of the bank and only guarantees the debtor's credits with respect to which it is debited (not shared with other debtors). The invoices assigned in the factoring transactions, or the guarantees associated with the residential loans of the mortgage portfolio, regardless of their coverage clauses, will not be considered in the calculation.

To calculate the PTVG ratio, the following should be considered:

I. Transactions with specific guarantees: when the debtor granted specific guarantees, for generic commercial loans and factoring, the PTVG ratio is calculated independently for each guaranteed transaction, as the division between the amount of the loan and the contingent loan exposure and the value of the actual guarantee that covers.

II. Transactions with general guarantees: when the debtor granted general or general and specific guarantees, the Bank calculates the corresponding PTVG, jointly for all generic commercial loans and factoring and not included in i) above, as the result of the sum of the amounts of the loans and exposures of contingent loans and the general, or general and specific guarantees that, according to the scope of the remaining hedge clauses, protect the credits considered in the numerator of the aforementioned ratio.

The amounts of the guarantees used in the PTVG ratio described above must be determined according to:

- The last valuation of the guarantee, whether appraisal or fair value, depending on the type of real guarantee in question.

To determine the fair value, the criteria indicated in Chapter 7-12 of the Updated Compendium of Standards must be considered.

- Eventual situations that could be generating transitory increases in the values of the guarantees.
- Limitations to the amount of hedge established in their respective clauses.
- Provisions for deductible amount related to FOGAPE Covid-19 guarantees

To determine the specific provisions of the loans guaranteed by the FOGAPE Covid-19 guarantee, the expected losses shall be determined by estimating the risk of each operation, without considering the substitution of the credit quality of the guarantor, according to the corresponding individual or group analysis method, in accordance with the provisions of Chapter B-1 of the Compendium of Accounting Standards.

The loan amounts associated with such operations that had been written off must be added to the aforementioned expected losses, in accordance with the provisions established in Chapter B-2 of the Compendium.

Therefore, the total amount of expected losses resulting from the aggregate calculation of each group of operations, including the amounts written off for that group as indicated in the preceding paragraph, shall be compared to the corresponding total amount of deductible amount, and perform the following:

- Expected losses less than the deductible amount

When the expected losses of the operations of a group to which the same deductible amount percentage applies, determined according to the procedure indicated above, are less than or equal to the aggregate amount of the deductible amount, the provisions will be determined without considering the FOGAPE Covid-19 coverage. 19, i.e., without substituting the credit quality of the direct debtor for that of the guarantor.

- Expected losses greater than the deductible amount

When the expected losses of the operations of a group to which the same deductible amount percentage applies, determined according to the procedure indicated above, are greater than the aggregate amount of the deductible amount, the provisions will be determined using the substitution method provided in 4.1 letter a) of Chapter B-1 of the Compendium of Accounting Standards.

For these purposes, the proportion to be replaced will be the one that corresponds to the limits indicated in article 13 of the Regulations for the Administration of the Guarantee Fund for Small and Medium-sized Entrepreneurs, applicable to the COVID-19 Guarantee Lines.

Additionally, the ratio associated with the deductible amount resulting from multiplying the guaranteed amount of the corresponding group by the percentage of the applicable deductible amount shall be determined.

b. Consumer loans:

Group portfolio credit risk allowance model

According to chapter B-1 of the Compendium of Accounting Standards issued by the CMF, the credit risk allowance models are based on a look at expected losses, following "through the cycle" approach and not "at a point in time" approach.

These expected loss (EL) models are used to estimate future portfolio losses and are based on three fundamental components: Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). The final objective is to establish a sufficient level of allowances to cover future expected losses:

$$PE = Exposición * PI * PDI$$

The allowance models are organized according to segments, which are defined according to the types of debtors and the types of loans: Consumer, Commercial and mortgage. Reasonableness criteria prevail in this macro-segmentation, depending on how customers and products are managed from a commercial and risk point of view.

From these macro-segments, higher segmentation levels are generated to the extent that they improve the estimates of the parameters, and scores are given on these levels of segmentation to identify homogeneous groups of debtors, which allow better distribution of the risk in the customer portfolio.

Currently, the Bank makes an allowance using the maximum value between the result obtained by the standard matrix, the Compendium of Accounting Standards, chapter B-1, and the internal models.

The Bank adjusted its group portfolio credit risk models for calculating allowances on consumer loans in order to achieve greater precision in estimating the expected loss of this portfolio, in accordance with the requirements of the Financial Market Commission. These models were approved by the Board of Directors in December 2021. Putting in operation these models generated a debit to profit or loss for the year of Ch$10,026 million as of December 31, 2021.

c. Home mortgages:

The home mortgage loan portfolio includes loans that have the following characteristics: their destination is the financing of the acquisition, expansion, repair, or construction of a house. The debtor is the natural person who buys or owns the house, and the value of the mortgage guarantee covers all the loan.

The Bank uses the "Standard Method of Allowances for Mortgage Loans for Housing", which establishes the applicable allowance factors, represented by the expected loss on the amount of mortgage loans for housing, applied based on the delinquency of each loan and the ratio at the end of each month, between the amount of outstanding principal of each loan and the value of the mortgage guarantee (PVG) that covers it, as indicated in the following table:

Allowance factor applicable according to delinquency and PVG						
PVG Tranche	Concept	Days past due at the end of the month				Non-performing portfolio
		Current	01-29	30-59	60-89	
PVG≤ 40%	PD (%)	1.0916	21.3407	46.0536	75.1614	100.0000
	LGD (%)	0.0225	0.0441	0.0482	0.0482	0.0537
	EL (%)	0.0002	0.0094	0.0222	0.0362	0.0537
40%<PVG≤ 80%	PD (%)	1.9158	27.4332	52.0824	78.9511	100.0000
	LGD (%)	2.1955	2.8233	2.9192	2.9192	3.0413
	EL (%)	0.0421	0.7745	1.5204	2.3047	3.0413
80%<PVG≤ 90%	PD (%)	2.5150	27.9300	52.5800	79.6952	100.0000
	LGD (%)	21.5527	21.6600	21.9200	22.1331	22.2310
	EL (%)	0.5421	6.0496	11.5255	17.6390	22.2310
PVG>90%	PD (%)	2.7400	28.4300	53.0800	80.3677	100.0000
	LGD (%)	27.2000	29.0300	29.5900	30.1558	30.2436
	EL (%)	0.7453	8.2532	15.7064	24.2355	30.2436

Where:

PD = Probability of default
LGD = Loss given default
EL = Expected loss
LtV = Outstanding principal/Value of the mortgage guarantee

In the event that the same debtor maintains more than one home mortgage loan with the Bank and one of them is 90 days or more past due, all these loans will be assigned to the non-performing portfolio, calculating the allowances for each of them according to their respective percentages of PVG.

i. Loan write-off:

As a general rule, write-offs should be made when the contractual rights to the cash flows expire. In the case of loans, even if the foregoing does not occur, the corresponding asset balances will be written off in accordance with the provisions of title II of Chapter B-2 of the Compendium of Accounting Standards issued by the CMF.

The write-offs in question refer to the derecognition in the Consolidated Statements of Financial Position of the asset corresponding to the respective transaction, including, therefore, that part that may not be due if it were a credit payable in installments or payments, or a lease transaction (No partial write-offs exist).

Write-offs are always accounted for with a debit to the provisions for credit loss established, in accordance with the provisions of Chapter B-1 of the Compendium of Accounting Standards, regardless of the reason for which the write-off is made. Subsequent payments obtained from written-off operations will be recognized in the Consolidated Statements of Income for the Period as recoveries of written-off loans.

The write-offs of loans and receivables are carried out on overdue, past due and current installments, and the period must be considered from the beginning of their delinquency, that is, carried out when the delinquency period of an installment or portion of loan transaction reaches the write-off term, as provided below:

Type of loan	Term
Consumer loans – secured and unsecured	6 months
Other transactions - unsecured	24 months
Commercial loans - secured	36 months
Residential mortgage loans	48 months
Consumer lease agreement	6 months
Other non-real estate lease transactions	12 months
Real estate lease agreement (commercial or residential)	36 months

The term corresponds to the time elapsed from the date on which the payment of all or part of the past due liability became due.

ii. Recovery of written-off loans:

Recoveries of written-off loans are recognized directly as revenue, as recoveries of written-off loans.

o) Fee income and expense

Fee income and expense are recognized in revenue according to the 5-step approach established by IFRS 15:

Step 1: Identify the contract with the customer;
Step 2: Identify the performance obligations in the contract;
Step 3: Determine the transaction price;
Step 4: Allocate the transaction price to the performance obligations of contracts;
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

p) Impairment

For the assets in the caption "Loans and receivables from customers", the impaired portfolio is defined according to Chapter B-2 of the Compendium of Accounting Standards issued by the CMF as "loans from debtors for which there is evidence that they will comply with any of their obligations in the agreed payment conditions, regardless of the possibility of recovering the amount owed by resorting to guarantees, through the period of judicial collection actions or agreeing on different conditions".

The policies on impairment measurement, assessed on a monthly basis, consider the following criteria:

i. Addition to impaired portfolio:

Transactions included by credit risk rating classified as substandard in categories B3 and B4, and the non-perform portfolio are recorded in individually classified transactions.

The rest of the transactions are classified in groups and are added when they are:

- Credit transactions that are past due for a period greater than or equal to 90 days.
- Renegotiated transactions.
- 100% of the transactions associated with the customer are carried over to the impaired portfolio.

Operations linked to residential mortgage loans or loans to finance higher education are not included in Law No. 20,027, which may be excluded as long as they do not present the conditions of non-compliance established in Circular No. 3.454 of December 10, 2008.

The behavior in the financial system is not considered to determine the addition to the impaired portfolio.

Removal conditions

- Individual case: for having improved their risk rating over the B3 category of the individual classification.

- Group case:

a) Non-renegotiated transactions: credit transactions included in impaired portfolio may return to the normal portfolio, only if the transaction in question meets the following conditions:

  - Register at least six consecutive payments of principal and interest, paying them at maturity or within the next 30 days.
  - That it is up to date with all its obligations and has no other credit transaction in an impaired portfolio.
  - In any case, it must not record any delinquency in the rest of the financial system for the last 90 days (last three years reported to the CMF at the date of consultation).

b) Renegotiated operations: may be removed from the impaired portfolio, only if the operation in question meets the following conditions:

  - Register at least six consecutive payments of principal and interest, paying them at maturity or within the next 30 days.
  - That it is up to date with all its obligations and has no other credit transaction in an impaired portfolio.
  - That it does not have another renegotiated transaction during the last nine months.
  - In any case, it must not record any delinquency in the rest of the financial system in the last 90 days (last three years reported in the CMF at the date of consultation).

c) Renegotiated group portfolio from write-off: written-off commercial transactions that have been renegotiated, may be removed from the impaired portfolio, and added to the normal portfolio, only if the transaction in question meets the following conditions:

  - Payment of 30% of the originally renegotiated transaction (total balance of the renegotiated transaction) or that first six payments have been made, agreed in the renegotiated commercial transaction.
  - Be up to date with the principal and interest payments.
  - Have no other transaction in the impaired portfolio.
  - Register no delinquency in the rest of the financial system in the last 90 days.

II. Non-financial assets:

The carrying amount of the Bank's non-financial assets, other than investment properties and deferred tax assets, is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indications exist, then the asset's recoverable amount is estimated. In the case of goodwill and intangible assets that have indefinite useful lives or not yet available for use, the recoverable amounts are estimated at each presentation date.

In accordance with IAS 36 "Impairment of Assets", the entity shall assess at the end of each reporting period whether there is any indication of impairment of its intangible assets with indefinite useful lives, as well as of the goodwill acquired in a business combination. On the other hand, the Financial Market Commission (CMF) requires that "the valuations of goodwill and other non-amortizable intangible assets must be supported by two reports issued by professionals independent of the bank and its external auditors. Both reports support the initial value of intangible assets and valuations as of December 31 of each year.

An impairment loss in relation to goodwill is not reversed. In relation to other assets, impairment losses recognized in prior periods are assessed at each reporting period whether there is any indication that the loss may have decreased or disappeared. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized.

The Bank performs quarterly monitoring of the intangible assets and goodwill acquired in the business combination of its subsidiaries BCI Servicios Financieros and City National Bank in Chile and the United States, respectively. As of December 31, 2022, the Bank made an assessment of whether there is any impairment of its assets, reaching the conclusion that impairment exists in the CGU of BCI Servicios Financieros. For further information see note 5 g).

q) Interest and inflation-indexation income and expense

Interest and inflation-indexation income and expenses are recognized in the Consolidated Statements of Income for the Period based on the accrual principle using the effective interest method.

The effective interest rate is the discount rate that exactly matches the estimated cash flows receivable or payable over the expected life of the financial instrument (or, where appropriate, in a shorter period) with the net carrying amount of the financial asset or liability. To calculate the effective interest rate, the Bank determines the cash flows taking into account all the contractual conditions of the financial instrument. The calculation of said rate includes all commissions and other concepts paid or received that are part of it.

Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

However, in the case of past due loans and current loans with a high risk of irrecoverability, the prudent criterion of suspending the accrual of interest and inflation-indexation has been followed; and are recognized when received.

- Amount to be suspended:

The amount of income to be suspended on an accrual basis corresponds to that calculated between the date of suspension and the cut-off date of the Consolidated Statements of Financial Position, which corresponds to the last day of the month.

- Suspension date:

The Bank will stop recognizing income on an accrual basis for the assets at amortized cost "Loans and advances to banks" and "Loans and receivables from customers" in the Statement of Income when the loan or one of its installments is 90 days past due.

The suspension of the recognition of income on an accrual basis implies that, from the date on which it must be suspended and until such loans are no longer in the impaired portfolio, the corresponding assets will not be increased with interest, inflation-indexation or fees in the Consolidated Statements of Financial Situation and no income will be recognized for these concepts in the Consolidated Statements of Income for the Period, unless they are actually received. In this regard, income actually received from interest, inflation-indexation or fees shall be recognized as indicated in Chapter C-3 of the CNCB.

For the determination of the gross assets on which the provisions for credit loss are calculated according to chapter B1, suspended interest, adjustments and commissions will not be included.

r) Intangible assets

i) Software

The software acquired by the Bank is recognized at cost, less accumulated amortization, and accumulated impairment losses.

Disbursements or expenses for internally developed software are recognized as assets when the Bank can demonstrate its intent and ability to complete its development and use it internally to generate future economic benefits, and the cost of completing its development can be measured reliably. The capitalization of internally developed software expenses includes all direct costs attributable to the development of the software and is amortized over its useful life. Internally developed software is recognized at capitalized cost less accumulated amortization and accumulated impairment losses.

The subsequent expenses of the recognized asset are capitalized only when the future economic benefits of the specific assets in the related areas increase. All other expenses are recognized in the Consolidated Statements of Income for the Period.

Amortization is recognized on a straight-line basis in profit or loss considering the estimated useful life of the software from the date it is available for use, which is generally six years.

ii) Intangible assets acquired in business combinations

As a consequence of the purchase process of BCI Financial Group, INC. and Subsidiaries that was completed in October 2015, the merger between City National Bank of Florida and Total Bank completed on June 15, 2018, and the acquisition of the credit card business from Walmart (Financial Services) that was completed on June 4, December 2018, amortizable intangible assets with an indefinite useful life were recognized, which originated during the Purchase Price Allocation (PPA) process. The Bank permanently assesses its intangible assets for impairment. In this regard and, in accordance with the CMF regulations of the Compendium of Accounting Standards, Chapter A-2 number 7, two independent consultants of the Bank and different from the external auditors reviewed the basis of is valuation during the 2019 financial year.

According to IFRS 3 "Business Combinations", for the acquisition of Total Bank the values were definitively determined on December 31, 2018, which were adjusted within the term established by the standard.

According to IFRS 3 "Business Combinations", for the acquisition of BCI Servicios Financieros the values were definitively determined on December 4, 2019, which were adjusted within the term established by the standard.

Amortizable intangible assets recognized their portion of amortization on a straight-line basis according to the estimated useful life.

iii) Goodwill

The goodwill arising from a business combination will be allocated from the date of acquisition to each of the cash-generating unit (CGU) or group of CGUs of the acquirer, which are expected to benefit from the synergies of the business combination, regardless of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

Goodwill is tested annually for impairment, and when circumstances indicate that it is carrying amount may be impaired.

Impairment losses in respect of goodwill is not reversed in future periods.

Intangible assets, including goodwill, were subjected to impairment tests as indicated in IAS 36.

As of December 31, 2022, the Bank's management estimated the recoverable amount of its Financial Services CGU that record balances in intangible assets, resulting in the recognition of an impairment loss associated with the goodwill assigned to such CGU. For further information, refer to notes 5 and 40. As of December 31, 2021, there are no significant changes between the carrying amount and the recoverable amount of the cash-generating units that contain goodwill and intangible assets with indefinite useful lives.

s) Business combinations

Business acquisitions are accounted by applying the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Company, the liabilities incurred by the acquirer to former owners of the acquiree, and the equity interests issued by the Company in exchange for control of the acquiree. Acquisition-related costs are recognized in profit or loss when incurred.

In a business acquisition, an independent specialist is used to determine the fair value of the net assets acquired and the identification of intangible assets is considered. For the valuation of these intangible assets identified in a business combination, cash flow projections are used based on the performance estimates of the acquiree.

At the acquisition date, the identifiable assets acquired, and liabilities assumed are recognized at fair value, except for the following:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit agreements are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19, respectively.
- liabilities or equity instruments related to share-based payment agreements of the acquiree, or share-based payment agreements of the company entered to replace the share-based payment agreements of the acquiree are measured in accordance with IFRS 2 at the date of acquisition; and
- the assets (or group of assets for disposal) that are classified as held for sale.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the equity interest previously held by the acquirer (if any) in the acquiree over the net amounts at the acquisition date of the identifiable assets acquired and liabilities assumed. If, after a reassessment, the acquisition-date net amounts of the identifiable assets acquired and liabilities assumed exceed the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the interest previously owned by the acquirer in the acquiree (if any), such excess is immediately recognized in profit or loss as a gain from a bargain purchase.

Non-controlling interests that are present ownership interests and entitle their holders a share to a proportionate share of the entity's net assets in the event of liquidation may be measured initially, either at fair value or the proportionate share of non-controlling interests, of the recognized amounts of the acquiree's identifiable net asset.

The choice of measurement basis is made on a transaction-by-transaction basis.

Remeasurement period adjustments are adjustments that arise from additional information obtained during the “measurement period” (which may not exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

t) Property and equipment

Items of property and equipment, excluding real estate, are measured at cost less accumulated depreciation and impairment losses.

The cost includes expenses that have been directly attributable to the acquisition of the asset and any other cost directly attributable to the process of bringing the asset to a working condition.

When part of an item of property and equipment has a different useful life, it is accounted for as a separate item (remodeling of real estate).

Depreciation is recognized in the Consolidated Statements of Income for the Period based on the straight-line depreciation method over the useful lives of each part of an item of property and equipment. Leased assets are depreciated over the shorter of the lease period and their useful lives, unless it is certain that the Bank will obtain the property at the end of the lease period.

The estimated useful lives for the period as of December 31, 2022, and 2021, are as follows:

	December 31, 2022	December 31, 2021
Buildings	50 years	50 years
Machinery and equipment	3 - 10 years	3 - 10 years
Facilities	7 - 10 years	7 - 10 years
Furniture and fixtures	7 years	7 years
Computing equipment	36 years	36 years
Real estate improvements	10 years	10 years
Other property, plant, and equipment	36 years	36 years

u) Assets received in lieu of payment

They are classified under the caption "non-current assets and disposal groups held for sale", they are recorded at the lower of their foreclosure cost or the net realizable value, less regulatory write-offs required by the CMF and are presented net of allowances. Write-offs are required if the asset is not sold within 18 months of receipt.

v) Personnel benefits

i. Vacation:

The annual vacation cost is recognized on an accrual basis.

ii. Short term benefits:

The Bank contemplates an annual incentive plan for its employees for meeting objectives, consisting of a certain number or portion of monthly remuneration and is provisioned based on the estimated amount to be distributed.

iii. Severance indemnity payments:

The Bank and its subsidiaries have not agreed with their staff to make severance indemnity payments to all events, except for the subsidiaries BCI Servicios Financieros y Administración de Créditos Comerciales SA and BCI Administradora de Tarjeta Servicios Financieros Limitada, which have defined benefit plans in a collective agreement with part of their employees. These plans correspond to contracts with severance indemnity payments to all events, whose obligation is recorded at its actuarial value.

These companies recognize a provision (see note 37) to reflect the obligation to pay severance indemnity to employees who are entitled to receive this benefit in any event. This provision has been calculated using an actuarial methodology that considers estimates of staff turnover, discount rate, salary increase rate and mortality. The liability for employee benefits is presented at present value using the projected unit credit method, in accordance with the provisions of "IAS 19 Employee Benefits". Actuarial gains or losses related to experience adjustments and changes in variables are recognized as Other Comprehensive Income and form part of the balance of Other Equity Reserves.

The cost of services for the current period is the increase in the present value of the defined benefit obligation, which occurs as a result of the services provided by employees in the current period.

The financial cost is the increase produced during a period in the present value of the obligations for defined benefits, as a result of the fact that such benefits are a period closer to their expiration.

A present obligation exists when, and only when, the Entity has no realistic alternative but to make the corresponding payments.

The assumptions used are the following:

Detail	Source
Mortality	Mortality tables "RV-2014" established by the Financial Market Commission (CMF) were used.
Employee turnover	The historical turnover for executives in the collective agreement, voluntary resignation or company needs is 1.11%
Discount rate	The discount rate used to discount benefit payment flows for severance indemnity corresponded to a real annual rate of 3.13%. This rate corresponds to the 20-year BCU as of December 31, 2022. (Source: Central Bank).
Salary increases rate	The increase in salaries used for the projections, both for increase of the base salary and for total remuneration and corresponds to a real annual rate of 3.0%
Retirement	The retirement ages used to make the payment projections correspond to the minimum legal ages for retirement in Chile (DL.3500), ages that are generally used in the market, except when the reality of the company indicates otherwise. These ages correspond to 65 years for men and 60 years for women.

As of December 31, 2022, due to changes in variables, an adjustment was made against other reserves of MCh$132. As of December 31, 2021, there are no experience adjustments or changes in variables; therefore, no adjustments have been made against other reserves.

w) Leases

On the commencement date of a lease, the Bank recognizes a right-of-use asset and a lease liability in accordance with the provisions of IFRS 16.

(i) Right-of-use assets

The Bank leases a number of office and branch premises, which are necessary to perform its activities. Contract terms are individually negotiated and comprise a wide range of terms and conditions.

Leases are recognized, measured, and disclosed in accordance with IFRS 16 "Leases". This requires that a right-of-use asset and its corresponding liability be determined at the date the asset is available for use. Each lease payment is distributed between the liability and interest. The financial interest is charged to the financial margin during the period of the lease, as well as the right-of-use asset, which is depreciated on a straight-line basis over the term of the contract.

The lease term includes the non-cancellable period established in the lease agreements, and generally have an automatic renewal clause, which are not included in the calculation of the financial liability. Additionally, each of the parties can terminate the agreement early, prior notice. For both concepts, only the current contractual period has been considered to calculate the impact of this new regulation. For lease agreements with an indefinite useful life, the Bank has determined to assign a useful life equal to the longest non-cancellable period of its lease contracts.

The present value of the lease payments is determined using the discount rate that represents the Bank's incremental rate at the commencement of the contracts, based on the duration of each of them from the initial date of application.

At the initial measurement, the Bank measures the right-of-use asset at cost. The rent of the lease contracts is agreed in UF (inflation-adjusted unit) and paid in Chilean pesos. In accordance with the provisions of Circular No. 3,649 issued by the CMF, the monthly variation in UF that affects the contracts established in such monetary unit must be treated as a remeasurement, and therefore, the adjustments must be recognized as a modification to the obligation and at the same time the amount of the asset must be adjusted for the right of use assets.

Contracts whose non-cancellable period is equal to or less than 12 months are treated as short-term leases, and therefore the associated payments are recorded as a linear expense. Any modification in the terms or rental fee is treated as a remeasurement of the lease.

The Bank has not entered into lease agreements with residual value guarantee clauses or variable lease payments.

The Bank applies IAS 36 "Impairment of assets" to determine whether the right-of-use asset is impaired and to account for any identified impairment losses.

As of December 31, 2022, and 2021, the Bank has not identified impairment in the value of assets for the right of use assets.

ii) Lease liability

The Bank measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease if that rate could be readily determined. If that rate cannot be readily determined, the Bank shall use the incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise payments for the right to use the underlying asset during the lease term that are not paid at the measurement date, which include (a) fixed payments, less any lease incentives receivable; (b) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; (c) amounts expected to be payable by the lessee under residual value guarantees; (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (e) payments for penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, the Bank measures the lease liability to recognize (a) interest on the lease liability; (b) lease payments made; and (c) remeasurements or modifications to the lease, and to reflect revised in-substance fixed lease payments.

The Bank remeasures the lease liability by discounting the revised lease payments, if, among others, (a) there is a change in the amounts expected to be payable under a residual value guarantee.

A lessee shall determine the lease payments to reflect the change in amounts expected to be payable under the residual value guarantee; (b) a change in future lease payments results from a change in an index or rate used to determine those payments.

The Bank remeasures the lease liability to reflect those revised lease payments only when there is a change in the cash flows. The Bank shall determine the revised lease payments for the remainder of the lease term based on the revised contractual payments.

As of January 1, 2019, the date of implementation of the standard, the Bank measured the lease liability at the present value of discounted lease payments using the lessee's incremental borrowing rate.

x) Statements of cash flows

For the preparation of the Consolidated Statements of Cash Flows, the indirect method has been used, in which, whereby taking profit or loss before tax for the period non-cash transactions are included, as well as income and expense associated with investing or financing cash flows.

For the preparation of the Consolidated Cash Flow Statements, the following terms are used:

- Cash flows: inflows and outflows of cash and cash equivalents, understood as short-term, highly liquid investments with insignificant risk of changes in value, such as: deposits in the Central Bank of Chile, deposits in domestic banks and foreign deposits.
- Operating activities: are the principal revenue-producing activities of banks and other activities that are not investing or financing activities.
- Investing activities: are the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.
- Financing activities: are activities that result in changes in the size and composition of equity and liabilities that are not operating and investing activities.

y) Provisions and contingent liabilities

Provisions are liabilities of uncertain timing and amount. These provisions are recognized in the Consolidated Statements of Financial Position when the following requirements are met collectively:

- A liability is a present obligation arising from past events. At the date of the Consolidated Financial Statements, it is likely that the Bank or its subsidiaries will have to use an outflow of economic benefits to settle the obligation and the amount of these outflows can be measured reliably.

A contingent asset or liability is any obligation arising from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events occur not wholly within the control of the Bank.

The provisions (which are measured considering the best information available on the outcome of the event that gave rise to them and are remeasured at each period-end) are used to meet the specific obligations for which they were originally recognized, proceeding to their reversal, totally or partially, when said obligations cease to exist or decrease.

Provisions are classified according to the obligations hedged, and are as follows:

- Provisions for employee benefit obligations
- Provision for lawsuits and litigation
- Provisions for obligations of customer loyalty programs
- Provisions for operational risk
- Other provisions for other contingencies

Provisions for country risk for operations with foreign debtors

The Bank makes provisions for country risk in accordance with chapter B-6 of the CNCB to hedge the risk that has been assumed by maintaining or committing resources in a foreign country. Said provisions must be made based on the country ratings made by the Bank in accordance with the provisions of RAN 7-13 on country risk and country ratings.

Provisions for credit loss for contingent loans

Contingent loans correspond to transactions or commitments in which the Bank assumes a credit risk by committing itself to third parties in the event of a future event, to make a payment or disbursement that must be recovered from its customers.

To calculate the provisions as indicated in Chapter B-1 of the CNCB, the amount of the exposure to be considered shall be equivalent to the percentage of the amounts of the contingent loans and which is established in Chapter B-3 of the CNCB, as indicated below:

Type of contingent exposure:	FCC
Freely available, immediate payment revolving credit facility	10%
Contingent loans linked to the CAE	15%
Letters of credit for goods movement operations	20%
Other freely available revolving credit facilities	40%
Debt purchase commitments in local currency abroad	50%
Transactions related to contingent events	50%
Co-debtor and guarantees	100%
Other credit commitments	100%
Other contingent loans	100%

Provisions for operational risk

The Bank constitutes provisions for operational risk in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", in which losses due to operational risk events are recognized, including external costs and eventual pending losses with a direct relationship to the operational risk event as established by Chapter 21-8 of the RAN.

i. Additional allowances:

The CMF has defined those additional allowances are those not derived from the application of the portfolio assessment models of each bank or to compensate for their deficiencies and must be to protect against the risk of unpredictable economic fluctuations.

The additional allowances are established to protect against the risk of macroeconomic fluctuations to anticipate situations of reversal of expansionary economic cycles that, in the future, could result in a worsening of the conditions of the economic environment and, in this way, function as an anti-cyclical mechanism of accumulation of additional allowances when the scenario is favorable and the use or allocation to specific allowances when conditions deteriorate.

The Bank has formal criteria and procedures for their use and establishment for the determination of additional allowances, which are approved by the Board of Directors.

As of December 31, 2022, allowances have been established for additional amounts of Ch$415,022 million (Ch$350,143 million as of December 31, 2021), which have been established to anticipate the potential deterioration of loan portfolios derived from the crisis caused by the Covid-19 pandemic.

These allowances are in accordance with the provisions of Number 10 of Chapter B-1 of the Compendium of Accounting Standards issued by the Financial Market Commission, which will be presented in liabilities in the caption "Special provisions for credit loss" (see note 26).

ii. Minimum allowances required for the normal individual portfolio:

The CMF has defined that the Bank must maintain a minimum allowance percentage of 0.50% on loans and contingent loans of the normal individual portfolio in accordance with the provisions of number 2.1.3 of Chapter B-1 of the Compendium of accounting Standards, which are presented in liabilities.

z) Use of estimates and judgments

In preparing these Consolidated Financial Statements, the Bank’s Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates, which Management periodically evaluates and monitors.

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

Information about most significant areas of estimation of uncertainties and critical judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the Consolidates Financial Statements is included in the following notes:

- Provisions for credit loss (notes 13 and 26)
- Impairment losses on certain assets (note 40)
- Valuation of financial instruments (notes 8,9, 10 and 11)
- Useful life of intangible assets and property and equipment (notes 15 and 16)
- Use of tax losses (note 18)
- Contingencies and commitments (note 29)
- Employee benefits (note 37)

aa) Income tax and deferred taxes

The determination of corporate income tax expense is made in accordance with IAS 12 and the Income Tax Law, whose legal rate is 27% for the general regime of art.14 letter A of the law, which both BCI and its subsidiaries in Chile follow.

The Bank recognizes, when appropriate, deferred tax assets and liabilities for the future estimates of the tax effects attributable to differences between the carrying amounts of assets and liabilities and their tax base.

Deferred tax assets/liabilities are measured, in accordance with current Chilean tax legislation, at the tax rates that are expected to be applied in the year in which the asset and/or liability are realized or settle. Future effects from changes in tax legislation or income tax rate are recognized in deferred tax starting from the date in which the law approving such changes is enacted or substantially enacted.

As of December 31, 2022, and 2021, the Bank has recognized net deferred tax assets and liabilities, as Management has assessed that it expects to obtain taxable profit in the future that allow using existing temporary differences at each period-end.

Deferred tax assets and liabilities are offset in the Statements of Financial Position, if there is a legally enforceable right to set off current tax assets against current tax liabilities, and only if these deferred taxes are related to income taxes corresponding to the same tax authority.

bb) Dividends on ordinary shares

Dividends on ordinary shares are recognized in equity in the year in which they were approved by the Bank's Shareholders' Meeting.

The Bank recognizes in liabilities the share of profits for the year that will be distributed in compliance with the Law on Corporations, which establishes that at least 30% of the net income for the year will be distributed as a dividend, or in accordance with its dividend policy.

cc) Earnings per share

Basic earnings per share is calculated by dividing the profit or loss that is attributable to ordinary shareholders of the Bank by the weighted-average number of outstanding shares during the period.

Diluted earnings per share is determined similarly to basic earnings, but the weighted average number of current shares is adjusted to take into account the potential dilutive effect of share options, warrants and convertible debt.

dd) Collection operations and Separate Equity No. 27 performed by the subsidiary BCI Securitizadora SA

i) Collection operations:

Securitization companies can acquire assets on behalf of the separate equities that support the issuance of securitized bonds. These assets must have similar characteristics and each issue will form a separate equity.

These assets can be from future cash flows (a "business plan" or future cash flows to be obtained from a specific asset or group of assets or company are securitized) or from an existing asset (a portfolio of receivables, mortgage loans, etc.).

The above distinction is relevant on how the Bank's debt should be accounted for; in the first case of future cash flows, it must be accounted for in Separate Equity and to the originator, and in the case of existing assets only in Separate Equity.

These collection operations are part of the securitization process. In fact, the Securities Market Law itself, anticipating the practical difficulty that the formation of a Separate Equity means, includes the ability of acquiring the assets that form a separate equity even before the placement of the respective bonds.

Given there is a possibility that the respective Separate Equity will never be formed, or the securitized bond will not be placed for different reasons (legal, market, etc.), these operations contemplate a put option to resell the receivables back to the customer under certain circumstances (mainly if the securitized bond cannot prosper for the reasons stated above); this shall be recorded as a contingent obligation of the customer.

NOTE 3 – NEW ACCOUNTING PRONOUNCEMENTS ISSUED AND ADOPTED, OR ISSUED BUT NOT YET ADOPTED

Standards approved and/or modified by the International Accounting Standards Board (IASB)

a. The following new standards and interpretations and/or amendments have been adopted in these financial statements:

Amendments to IFRS	Mandatory Application Date
Onerous Contracts – Costs to Fulfilling a Contract (Amendments to IAS 37).	Annual periods beginning on or after January 1, 2022. Early adoption is permitted.
Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16).	Annual periods beginning on or after January 1, 2022. Early adoption is permitted.
Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16).	Annual periods beginning on or after January 1, 2022. Early adoption is permitted.
Reference to the Conceptual Framework (Amendments to IFRS 3).	Annual periods beginning on or after January 1, 2022. Early adoption is permitted.

Onerous Contracts – Costs to Fulfilling a Contract (Amendments to IAS 37)

To clarify the types of costs a company includes as costs of fulfilling a contract when assessing whether a contract is onerous, the International Accounting Standards Board (the Board) issued in May 2020 the amendment to the IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*. Because of this amendment, entities currently applying the "incremental cost" approach will need to recognize bigger and potentially more provisions for onerous contracts.

The amendments clarify that the costs of fulfilling a contract comprise both:

- The incremental costs – e.g., direct labor and materials; and
- an allocation of other direct costs – e.g., an allocation of the depreciation charge on an item of Property, Plant and Equipment used in fulfilling a contract.

At the date of initial application, the cumulative effect of applying the amendments is recognized as an opening balance adjustment to retained earnings or other component of equity, as appropriate.

The application of these improvements had no significant impact on the Consolidated Financial Statements.

Annual Improvements to IFRS Standards 2018-2020

The annual improvements include amendments to three Standards:

- IFRS 1 *First-time Adoption of International Financial Reporting Standards.* This amendment simplifies the application of IFRS 1 for a subsidiary that becomes a first-time adopter of IFRS Standards later than its parent – i.e., if a subsidiary adopts IFRS Standards later than its parent and applies IFRS 1.D16 (a), then a subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent, based on the parent's date of transition to IFRS Standards.

- IFRS 9 *Financial Instruments*. This amendment clarifies that – for the purpose of performing the ''10 per cent test' for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

- IFRS 16 *Leases.* The amendment removes the illustration of payments from the lessor relating to leasehold improvements. As currently drafted, this example is not clear as to why such payments are not a lease incentive. The amendments will help to remove the potential for confusion in identifying lease incentives in a common real estate fact pattern.

The application of these improvements had no significant impact on the Consolidated Financial Statements.

Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)

To provide guidance on accounting for the sales and costs that entities may generate in the process of making an item of Property, Plant and Equipment available for use, the International Accounting Standards Board (the Board) issued in May 2020 amendment to IAS 16.

Under the amendments, proceeds from selling items before the related item of PPE is available for use should be recognized in profit or loss, together with the costs of producing those items. IAS 2 Inventories should be applied in identifying and measuring these production costs.

Entities will therefore need to distinguish between:

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

The application of these improvements had no significant impact on the Consolidated Financial Statements.

Reference to the Conceptual Framework (Amendments to IFRS 3)

In May 2020, the International Accounting Standards Board (the Board) issued the Reference to the Conceptual Framework, which amends IFRS 3 Business Combinations. The amendment replaces a reference made to an old version of the Conceptual Framework for Financial Reporting with a reference to the latest version issued in March 2018. Additionally, the Board added an exception to its requirement that an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying IFRS 3 should instead refer to IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The application of these improvements had no significant impact on the Consolidated Financial Statements.

b. The following new standards and interpretations have been issued but their application date is not yet effective:

New IFRS	Mandatory Application Date
IFRS 17, Insurance contracts.	Annual periods beginning on or after January 1, 2023. This date includes the exemption of insurers from the application of IFRS 9 to allow them to implement IFRS 9 and IFRS 17 at the same time. Early adoption is permitted for entities that apply IFRS 9 and IFRS 15 on or before that date.
Amendments to IFRS	
Classification of Liabilities as Current or Non-Current (amendments to IAS 1).	Annual periods beginning on or after January 1, 2023. Early adoption is permitted.
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28).	Effective date deferred indefinitely.
Disclosures of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements).	Annual periods beginning on or after January 1, 2023. Early adoption is permitted.
Definition of Accounting Estimates (Amendments to IAS 8).	Annual periods beginning on or after January 1, 2023. Early adoption is permitted and will be applied prospectively to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the first annual reporting period in which the company applies the changes.
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	Annual periods beginning on or after January 1, 2023. Early adoption is permitted.
Initial application of IFRS 17 and IFRS 9 – Comparative Information (Amendments to IFRS 17)	The amendment is applicable from the application of IFRS 17 Insurance Contracts.
Lease Liability on a Sale and Leaseback (Amendments to IFRS 16)	Annual periods beginning on or after January 1, 2024. Early adoption is permitted.
Non-Current Liabilities with Covenants (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2024. Early adoption is permitted.

IFRS 17, Insurance contracts

Issued on May 18, 2017, this Standard requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform presentation and measurement approach for all insurance contracts. These requirements are designed to generate consistent and principle-based accounting.

In March 2020, the International Accounting Standards Board (the Board) decided to defer the effective date of IFRS 17 to January 1, 2023, allowing early adoption if IFRS 9 and IFRS 15 have been adopted. The Board also decided to extend the temporary exemption to IFRS 9, granted to insurers that meet the specified criteria, until January 1, 2023.

The Bank's Management estimates that the application of this new regulation will have no impact on the Consolidated Financial Statements, given that the companies included in the consolidation issue no insurance contracts.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

To promote consistency in application and clarify the requirements on determining if a liability is current or non-current, the International Accounting Standards Board has amended IAS 1 *Presentation of Financial Statements*.

As a consequence of this amendment, entities should revisit their loan agreements to determine whether the classification will change.

Amendments include the following:

- The right to defer settlement must has substance: under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period

- The classification of revolving credit facilities may change: entities classify a liability as non-current if it has a right to defer settlement for at least twelve months after the reporting period. The Board has now clarified that a right to defer exists only if the company complies with conditions specified in the loan agreement at the end of the reporting period, even if the lender does not test compliance until a later date.

- Liabilities with equity-settlement features: the amendments state that settlement of a liability includes transferring a company's own equity instruments to the counterparty. The amendments clarify how a company classifies a liability that includes a counterparty conversion option, which could be recognized as either equity or a liability separately from the liability component under IAS 32 *Financial Instruments: Presentation*.

The amendments apply retrospectively for annual periods beginning on or after January 1, 2023. Earlier application is permitted. However, the companies will need to consider including the information to be disclosed in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* in their next annual financial statements.

The application of this new standard will have no impact on the consolidated financial statements.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

On September 11, 2014, this amendment was issued requiring that when transfers are made from subsidiaries to an associate or joint venture, a full gain is recognized when the transferred assets meet the definition of "business" under IFRS 3 Combinations of Business. The amendment places strong pressure on the definition of "business" for recognition in profit or loss. The amendment also introduces new and unexpected recognition of transactions that consider partial maintenance in assets that do not constitute a business.

The effective date of application of this amendment has been deferred indefinitely.

The Bank's Management is awaiting the new effective date to evaluate the potential effects of this to evaluate the potential effects of this amendment.

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Statement of Practice 2 Making Materiality Judgements)

In October 2018, the Board refined the definition of material to make it easier to understand and apply. This definition is now aligned across IFRS standards and conceptual framework. The refined definition of material complements the non-mandatory IFRS Practice Statement 2 *Making Materiality Judgements*, issued by the Board in 2017, which outlines a four-step process that prepares can use to help them make materiality judgements in preparing the financial statements.

In February 2021, the Board issued amendments to IAS 1 *Presentation of Financial Statements* and an update to IFRS Practice Statement 2.

The amendments include the following:

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

The amendments to Practice Statement 2 include two additional examples on the application of materiality in accounting policy disclosures.

The Bank's management is evaluating the potential impact of the application of this amendment on its Consolidated Financial Statements.

Definition of Accounting Estimates (Amendments to IAS 8)

In February 2021, the Board issued amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates, with the main focus being the definition and clarification of accounting estimates.

The amendments clarify the relationship between policies and accounting estimates, specifying that a company develops an accounting estimate to achieve the objective previously set out by an accounting policy.

The application of this amendment will have no impact on the Consolidated Financial Statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

In May 2021, the Board issued amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*, to clarify how companies should account for deferred tax on certain types of transactions where an asset and a liability is recognized, such as leases and decommissioning obligations.

The amendments narrow the scope of the recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. As a result, companies will need to recognize a deferred tax asset and a deferred tax liability for all temporary differences arising, on initial recognition, of a lease and a decommissioning obligation.

The Bank's management is evaluating the potential impact of the application of this amendment on its Consolidated Financial Statements.

Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Amendment to IFRS 17)

In December 2021, the Board issued the amendment to IFRS 17 *Initial Application of IFRS 17 and IFRS 9 – Comparative information*, to alleviate the operational complexities between accounting for insurance contract liabilities and related financial assets on the initial application of IFRS 17.

The amendment allows presentation of comparative information about financial assets related to insurance contracts to be presented in a manner that is more consistent with the provisions of International Financial Reporting Standard 9 (IFRS 9) *Financial Instruments.*

Bank's Management estimates that this new regulation will have no impact on the Consolidated Financial Statements, given that the companies included in the consolidation issue no insurance contracts.

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

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

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

The Bank's management has not determined the potential impact of the application of this amendment on its Consolidated Financial Statements.

Non-current Liabilities with Covenants

The International Accounting Standards Board (the Board) issued in October 2022 the amendment to IAS 1 Presentation of Financial Statements, in which it indicates that only the covenants that a company must comply with on or before the reporting date affect the classification of a liability as current or non-current.

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

The Bank's management has not determined the potential impact of the application of this amendment on its Consolidated Financial Statements.

c. Standards and instructions issued by the Financial Market Commission (CMF).

General rule No. 464: on January 31, 2022, the CMF modified NCG No. 460, which determined the insurance that can be contracted in accordance with the provisions of article 538 bis of the Commercial Code. Incorporating agricultural insurance associated with: Loss, damage, theft, or larceny of agricultural products and/or agricultural, livestock, forestry production and risks of agriculture in general, or universalities, covered by the Agricultural Insurance Programs, with grants from the Government or those who replace them.

The application of this standard will have no effect on the Consolidated Financial Statements.

Circular No. 2,305: on February 16, 2022, the Commission modified chapter C-1 on monthly financial statements of the Compendium of Accounting Standards for Banks and has decided to replace table No. 2 of Annex No. 6 on solvency indicators and regulatory compliance indicators according to Basel III.

Bank's Management implemented these measures in the Consolidated Financial Statements.

Circular No. 2,312: dated April 27, 2022, the CMF modifies RAN 1-13 on "Classification of management and solvency" and RAN 12-21 on "Measurement and control of market risks" with the purpose of updating the regulations associated with the measurement of market risks, in accordance with the gradual repeal of the provisions established in Chapter III.B.2.2 of the Compendium of Regulations.

Financial Institutions of the Central Bank and with the entry into force of the instructions given in RAN 21-7 on "Determination of assets weighted by market risk" and RAN 21-13 on "Assessment of the Sufficiency of Effective Capital of Banks". The changes are as follows:

a) In Chapter 12-21, the limits on interest rate risk in the trading book and limits on currency risk are eliminated, since said instructions are given in Chapter 21-7 of the RAN on weighted assets market risk. Likewise, the references to Chapter 21-7 of the RAN are updated, while requirements that do not apply to the new regulations, such as the measurement of internal models, are repealed.

b) In Chapter 1-13 of the RAN, concordance adjustments are made, while Annex 4 is incorporated, which contains the instructions for the market risk stress tests, distinguishing those of the Trading Book from those of the Bank book.

On the other hand, the following files of the information system manual will no longer be reported:

a) File C41 “Weekly information on market risks according to standardized methodology”.
b) File C42 “Monthly information on market risks according to standardized methodology”.
c) File C43 “Consolidated information on market risks according to standardized methodology”.

The Bank's Management estimates that the application of this standard will have no effect on the Consolidated Financial Statements of the Bank.

Circular 2,313: dated April 27, 2022, the CMF modified chapter B1 of the Compendium of Accounting Standards for Banks, in which it was established that, for the formation of the group portfolio, commercial exposures, other than student loans, associated with the same counterparty, should not exceed a threshold of 20,000 UF and 0.2% of the group portfolio. For the calculation of the exposure to the same counterparty, that which is obtained in an aggregate manner must be considered, making use of the definition of business group issued by the Commission.

The Bank's Management implemented these changes in its Consolidated Financial Statements as of December 31, 2022.

Circular No. 2,317: On July 29, 2022, the CMF updated the instructions contained in Chapter 18-5 of the RAN regarding information on debtors of financial institutions, which in accordance with Article 14 of the General Banking Law, establishes that the CMF must maintain permanent and revised information on the debtors of banks, for the use of the institutions subject to its oversight. This is intended to control the degree of assurance and prudence with which their funds have been invested and safeguarding depositors and the public interest. From the credit record, generated by the files "debtor information under article 14 of the General Banking Law" (D10) and "obligations of lessees in lease transactions" (D27) that the entities are obliged to report, the CMF generates two products: the "consolidated debt file" (R04) and the individual debt report.

The Bank's Management believes the application of this standard will not have no impact on the Bank's Consolidated Financial Statements.

General Standard No. 484: on August 5, 2022, the CMF has issued instructions regarding the requirements, rules, and conditions to be met by commissions charged on money lending transactions under Law 18,010.

The Bank's Management believes the application of this standard will have no impact on the Bank's Consolidated Financial Statements.

Circular 2,318: On August 12, 2022, new files R13 on "Market risk of the banking book" and R14 on "Credit concentration risk" are incorporated to the Risk System of the Information System Manual. The information for October 2022 must be sent within the first 11 business days of November 2022, for regulatory files R13 and R14, becoming effective immediately, in accordance with the deadlines and frequencies established for each such files. Notwithstanding the foregoing, the regulatory limits measured and monitored in regulatory file R13 will become effective beginning in April 2023.

The Bank's Management believes the application of this standard will have no impact on the Bank's Consolidated Financial Statements.

Circular 2,319: On September 8, 2022, the CMF incorporates adjustments to files R08, MC1, MC2, MC3 and MC4 and Table 121 of the Banks' Information System Manual related to the measurement and supervision of the loss component used in calculating operational risk-weighted assets. In general, the adjustments consist of:

(i) clarifying that income from recoveries cannot exceed the amount of the loss from the same operating event.
ii) specifying at which Basel level expenses and provisions that cannot be assigned to a particular loss event must be reported; and

iii) enabling in the accounting supplementary information files, reporting operating loss event-related negative net losses for the period.

The Bank's Management believes the application of this standard will have no impact on the Bank's Consolidated Financial Statements.

Circular 2,320: On September 21, 2022, the CMF finished the delivery of file C04 of the accounting system, used to collect information on core capital, effective equity, and credit risk-weighted assets, according to the methodology prior to the implementation of the Basel III framework, by virtue of Law No. 21,130.

The Bank's Management believes the application of this standard will have no impact on the Bank's Consolidated Financial Statements.

General Rule No. 487: On October 3, 2022, the CMF has deemed it pertinent to issue the following instructions to banks, support companies, payment card issuers and supervised savings and credit cooperatives so that they send information every six months with monthly data on the number of users affected by cases covered by Law No. 20,009, the amounts involved and the dates of response or compliance with their obligations according to File E24. These instructions are effective as of January 1, 2023. The information referring to the period from June 1, 2020, to December 31, 2022, must be submitted no later than June 30, 2023.

The application of this standard had no effect on the Bank's Consolidated Financial Statements.

Circular No. 2322: On October 6, 2022, the CMF extends the deadline for sending the regulatory files R01 on "Solvency limits and effective equity" and R06 on "Assets weighted by credit risk" from 9 to 11 business days, starting with the files sent during October 2022.

The application of this standard had no effect on the Bank's Consolidated Financial Statements.

Circular No. 2325: On November 9, 2022, the Financial Market Commission updated the regulations on the prevention of money laundering, financing of terrorism and non-proliferation of weapons of mass destruction. The purpose of the regulatory changes is to update the general and sectorial administrative regulations in force in consideration of the 40 Recommendations of the Financial Action Task Force (FATF) and the work developed during the last years, within the framework of the referred National Strategy to Prevent and Combat Money Laundering and Financing of Terrorism. The regulatory changes are introduced in Chapters 1-7, 1-13, 1-14 and 1-16 of the Updated Compilation of Rules for banks (applicable in this matter to their subsidiaries and business support companies), in Circular No. 123 for Cooperatives and in Circular No. 1 for Payment Card Issuers, considering in each case the emphasis corresponding to the nature and volume of operations of each type of institution.

The application of this standard had no effect on the Bank's Consolidated Financial Statements.

Circular No. 2325: Dated November 18, 2022, Amends Chapters 18-5 and 20-6 of the Updated Compilation of Standards for Banks. Eliminates the requirement of having an enforceable title for the reporting of debtor information.

The application of this standard had no effect on the Bank's Consolidated Financial Statements.

NOTE 4 – ACCOUNTING CHANGES

On December 20, 2019, through circular letter No. 2,243, and as a result of various changes introduced by the International Accounting Standard Board to the international financial reporting standards ("IFRS") during recent years, particularly to the new IFRS 9, 15, 16 and the subsequent revision of the limitations in their application by national banks, the Financial Market Commission decided to fully update the instructions of the Compendium of Accounting Standards for Banks (“CNCB”).

In accordance with the current legal framework, banks must use the accounting criteria provided by the Financial Market Commission and in all matters not addressed by the Commission or that do not contradict its instructions, they must adhere to the generally accepted accounting criteria, which correspond to the technical standards issued by Colegio de Contadores de Chile AG, matching the International Financial Reporting Standards (IFRS) agreed by the International Accounting Standards Board (IASB).

As a result of the above mentioned, the Bank established a plan for the transition to the new accounting standards that includes, among other aspects, the analysis of the differences in accounting criteria, the selection of the accounting criteria to be applied in cases where alternative treatments are allowed and the assessment of changes in procedures and information systems.

On April 20, 2020, the Commission amended chapter E "Transitional Provisions" and postponed the first application date of the new provisions of the Compendium of Accounting Standards from January 1, 2022, with a transition date of January 1, 2021, for the comparative financial statements to be published as of March 2022.

In accordance with this transition plan, the standards of the new Compendium of Accounting Standards for Banks have been retroactively applied as of January 1, 2021, and an opening Consolidated Statement of Financial Position has been prepared as of that date. Also, in order to present comparative financial statements during the year 2022, the Bank prepared a set of restated financial statements for the year 2021. Except for the change of criteria for the suspension of the recognition of interest income and adjustments on an accrual basis as provided in Chapter B-2 of the CNCB, which was adopted prospectively as of January 1, 2022, so its transition date and first application date will be that date.

The main impacts of the implementation of the CNCB update, both at the level of the Consolidated Statement of Financial Position and the Consolidated Statement of Income, are detailed and explained as follows:

a) Equity reconciliation according to the new Compendium of Accounting Standards for Banks

First-time application adjustments	Adjustment reference (*)	Total Equity January 1, 2021 MCh$	Total Equity December 31, 2021 MCh$
Miami Branch Syndicated Loans	a)	(8,615)	(5,236)
Suspension of accrual of interest and inflation-indexation	b)	-	(17,468)
Provisions for credit loss from the suspension of accrual of interest and inflation-indexation	c)	-	4,897
Commercial current accounts	d)	(1,289)	(1,356)
Change in group customer segmentation	e)	2,660	3,144
Impairment of debt financial instruments at amortized cost	f)	-	(1,289)
Investments in other companies in equity instruments	g)	374	539
Change in risk exposure of freely available revolving credit facilities	h)	6,880	4,095
Impairment of financial assets at fair value through other comprehensive income	i)	(25,158)	(12,807)
Subtotal		**(25,148)**	**(25,481)**
Deferred tax	j)	(1,599)	2,356
Equity as per the new Compendium of Accounting Standards for Banks		**(26,747)**	**(23,125)**

(*) In letter d) the nature of the main adjustments is explained in detail.

b) Opening Consolidated Statement of Position according to the new Compendium of Accounting Standards

As mentioned above, as of January 1, 2021, the standards of the new Compendium of Accounting Standards for the Bank were applied retroactively to prepare the corresponding opening Consolidated Statement of Position under these new accounting standards.

The reconciliation of the balances in the Statement of Financial Position is presented below:

Previous CNC: corresponds to the balances in the consolidated financial statements of the Bank and its subsidiaries as of January 1, 2021, which were prepared in accordance with the accounting criteria and principles of the previous Compendium of Accounting Standards.

First-time application adjustments: correspond to the adjustments applying the criteria and instructions issued by the new standards.

First-time application reclassifications: correspond to changes in the classification of items in the statement of financial position and statement of income as a result of the application of first-time application adjustments.

New CNCB balance corresponds to the balances that result from applying the adjustments and/or reclassifications to closing balances.

	January 1, 2021			
	Opening balance	First-time application adjustments	First-time application reclassifications	New balance CNCB
	MCh$	MCh$	MCh$	MCh$
Cash and bank deposits	**4,597,868**	**-**	**-**	**4,597,868**
Transactions in the course of collection	**236,710**	**-**	**-**	**236,710**
Financial assets held for trading at fair value through profit or loss	**5,567,454**	**-**	**-**	**5,567,454**
Financial derivative contracts	4,420,175	-	-	4,420,175
Debt financial instruments	1,049,848	-	-	1,049,848
Other financial instruments	97,431	-	-	97,431
Financial assets not held for trading mandatorily measured at fair value through profit or loss	**-**	**-**	**-**	**-**
Financial assets at fair value through profit or loss	**-**	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income:	**7,993,596**	**-**	**(301,727)**	**7,691,869**
Debt financial instruments	7,993,596	-	(301,727)	7,691,869
Other financial instruments	-	-	-	-
Financial derivative contracts for accounting hedge	**1,031,722**	**-**	**-**	**1,031,722**
Financial assets at amortized cost	**35,290,744**	**(7,243)**	**305,632**	**35,589,133**
Rights for reverse repurchase agreements and securities lending	190,248	-	-	190,248
Debt financial instruments	25,145	-	-	25,145
Loans and advances to banks	356,669	-	-	356,669
Loans and receivables from customers - Commercial	22,707,117	(7,243)	305,632	23,005,506
Loans and receivable from customers - Mortgage	8,897,472	-	-	8,897,472
Loans and receivable from customers - Consumer	3,114,093	-	-	3,114,093
Investments in companies	**29,067**	374	**79,616**	**109,057**
Intangible assets	**395,276**	-	-	**395,276**
Property and equipment	**251,217**	**-**	**-**	**251,217**
Right-of-use assets	**204,807**	**-**	**-**	**204,807**
Current tax assets	**36,270**	-	**-**	**36,270**
Deferred tax assets	**211,224**	(1,599)	**-**	**209,626**
Other assets	**1,264,833**	**-**	**(66,391)**	**1,198,442**
Non-current assets and disposal groups held for sale	**45,506**	**-**	**(13,225)**	**32,281**
TOTAL ASSETS	57,156,295	(8,468)	3,905	57,151,732

	January 1, 2021			
	Opening balance	First-time application adjustments	First-time application reclassifications	New balance CNCB
	MCh$	MCh$	MCh$	MCh$
Transactions in the course of payment	**201,437**	**-**	**-**	**201,437**
Financial liabilities held for trading at fair value through profit or loss	**4,530,724**	**-**	**-**	**4,530,724**
Financial derivative contracts	4,530,724	-	-	4,530,724
Other	-	-	-	-
Financial liabilities designated at fair value through profit or loss	-	-	-	-
Financial derivative contracts for accounting hedge	**1,262,629**	**-**	**-**	**1,262,629**
Financial liabilities at amortized cost:	**44,271,211**	**-**	**-**	**44,271,211**
Deposits and other on-demand deposits	19,726,574	-	-	19,726,574
Deposits and other term deposits	10,839,610	-	-	10,839,610
Liabilities for repurchase agreements and securities lending	350,314	-	-	350,314
Bank borrowings	6,270,698	-	-	6,270,698
Debt financial instruments in issue	6,172,971	-	-	6,172,971
Other financial liabilities	911,044	-	-	911,044
Lease liabilities	**186,293**	**-**	**-**	**186,293**
Regulatory capital financial instruments issued	**1,258,653**	**-**	**-**	**1,258,653**
Provisions for contingencies	**130,964**	**-**	**-**	**130,964**
Provisions for dividends, payment of interests and revaluation of instruments	**95,236**	-	**-**	**95,236**
Special provisions for credit loss	**215,377**	(6,880)	**-**	**208,497**
Current taxes	**9,073**	**-**	**-**	**9,073**
Deferred taxes	**22,189**	**-**	**-**	**22,189**
Other liabilities	**1,077,804**	**-**	**-**	**1,077,804**
Liabilities included in disposal groups held for sale	**-**	**-**	**-**	**-**
TOTAL LIABILITIES	53,261,590	(6,880)	-	53,254,710
EQUITY				
Share capital	**3,655,828**	**-**	**-**	**3,655,828**
Reserves	**109**	**(1,588)**	**(25,243)**	**(26,722)**
Accumulated other comprehensive income	**22,223**	**-**	**29,148**	**51,371**
Items that will not be reclassified to profit or loss	-	-	-	**-**
Items that may be reclassified to profit or loss	22,223	-	29,148	51,371
Retained earnings from prior years	**(6,758)**	-	-	**(6,758)**
Profit for the period	**317,454**	-	-	**317,454**
Less: Provision for minimum dividends	**(95,236)**	-	-	**(95,236)**
Owners of the bank:	**3,893,620**	**(1,588)**	**3,905**	**3,895,937**
Non-controlling interests	**1,085**	**-**	**-**	**1,085**
TOTAL EQUITY	3,894,705	(1,588)	3,905	3,897,022
TOTAL LIABILITIES AND EQUITY	57,156,295	(8,468)	3,905	57,151,732

c) Statements of Financial Position

The Statement of Financial Position as of December 31, 2021, is as follows:

	December 31, 2021				
	Previous CNC	Adjustments	Reclassifications	New CNCB	Explanatory Note
	MCh$	MCh$	MCh$	MCh$	
Cash and bank deposits	**3,960,498**	**-**	**-**	**3,960,498**	
Transactions in the course of collection	**350,072**	**-**	**-**	**350,072**	
Financial assets held for trading at fair value through profit or loss:	**6,066,335**	**-**	**-**	**6,066,335**	
Financial derivative contracts	5,192,467	-	-	5,192,467	
Debt financial instruments	717,058	-	-	717,058	
Other financial instruments	156,810	-	-	156,810	
Financial assets not held for trading mandatorily measured at fair value through profit or loss	**-**	**-**	**-**	**-**	
Financial assets at fair value through profit or loss	**-**	**-**	**-**	**-**	
Financial assets at fair value through other comprehensive income:	**11,204,593**	**-**	**(390,946)**	**10,813,647**	
Debt financial instruments	11,204,593	-	(390,946)	10,813,647	
Other financial instruments	-	-	-	-	
Financial derivative contracts for accounting hedge	**1,589,058**	**-**	**-**	**1,589,058**	
Financial assets at amortized cost:	**43,354,037**	**(17,308)**	**394,002**	**43,730,731**	
Rights for reverse repurchase agreements and securities lending	186,753	-	-	186,753	
Debt financial instruments	2,297,355	(1,289)	-	2,296,066	f)
Loans and advances to banks	639,533	-	-	639,533	
Loans and receivables from customers - Commercial	26,299,823	(7,639)	394,002	26,686,186	b, c), d), e)
Loans and receivables from customers - Mortgage	10,707,375	(8,319)	-	10,699,056	b), c)
Loans and receivables from customers - Consumer	3,223,198	(61)	-	3,223,137	b), c)
Investments in companies	**114,875**	**539**	**-**	**115,414**	h)
Intangible assets	**440,958**	**-**	**-**	**440,958**	
Property and equipment	**252,734**	**-**	**-**	**252,734**	
Right-of-use assets	**189,026**	**-**	**-**	**189,026**	
Current tax assets	**19,572**	**-**	**-**	**19,572**	
Deferred tax assets	**251,196**	**2,356**	**-**	**253,552**	
Other assets	**1,319,963**	**-**	**-**	**1,319,963**	
Non-current assets and disposal groups held for sale	**45,718**	**-**	**-**	**45,718**	
TOTAL ASSETS	**69,158,635**	**(14,413)**	**3,056**	**69,147,278**	
LIABILITIES					
Transactions in the course of payment	**258,686**	**-**	**-**	**258,686**	
Financial liabilities held for trading at fair value through profit or loss	**5,094,231**	**-**	**-**	**5,094,231**	
Financial derivative contracts	5,094,231	-	-	5,094,231	
Other	-	-	-	-	
Financial liabilities designated at fair value through profit or loss	-	-	-	-	
Financial derivative contracts for accounting hedge	**1,492,815**	**-**	**-**	**1,492,815**	
Financial liabilities at amortized cost:	**54,086,905**	**-**	**-**	**54,086,905**	
Deposits and other on-demand liabilities	27,653,442	-	-	27,653,442	
Deposits and other term deposits	10,865,149	-	-	10,865,149	
Liabilities for repurchase agreements and securities lending	141,178	-	-	141,178	
Bank borrowings	6,970,837	-	-	6,970,837	
Debt financial instruments issued	7,428,196	-	-	7,428,196	
Other financial obligations	1,028,103	-	-	1,028,103	
Lease liabilities	**173,726**	**-**	**-**	**173,726**	
Regulatory capital financial instruments issued	**1,332,936**	**-**	**-**	**1,332,936**	
Provisions for contingencies	**138,611**	**-**	**-**	**138,611**	
Provisions for dividends, payment of interests and revaluation of instruments	**156,117**	**-**	**-**	**156,117**	
Special provisions for credit loss	**416,160**	**(4,095)**	**-**	**412,065**	g)
Current taxes	**141,535**	**-**	**-**	**141,535**	
Deferred taxes	**926**	**-**	**-**	**926**	
Other liabilities	**1,364,510**	**-**	**-**	**1,364,510**	
Liabilities included in disposal groups held for sale	**-**	**-**	**-**	**-**	
TOTAL LIABILITIES	**64,657,158**	**(4,095)**	**-**	**64,653,063**	
EQUITY					
Share capital	**3,862,386**	**-**	**-**	**3,862,386**	
Reserves	**25**	**(10,318)**	**(12,807)**	**(23,100)**	
Accumulated other comprehensive income	**273,392**	**-**	**15,863**	**289,255**	
Items that will not be reclassified to profit or loss	-	-	-	-	
Items that may be reclassified to profit or loss	273,392	-	15,863	289,255	a), i)
Retained earnings from prior years	**-**	**-**	**-**	**-**	
Profit for the period	**520,391**	**-**	**-**	**520,391**	
Less: Provision for minimum dividends	**(156,117)**	**-**	**-**	**(156,117)**	
Owners of the bank:	**4,500,077**	**(10,318)**	**3,056**	**4,492,815**	
Non-controlling interest	**1,400**	**-**	**-**	**1,400**	
TOTAL EQUITY	**4,501,477**	**(10,318)**	**3,056**	**4,494,215**	
TOTAL LIABILITIES AND EQUITY	**69,158,635**	**(14,413)**	**3,056**	**69,147,278**	

d) Description of the main adjustments

The main adjustments and/or reclassifications are as follows:

a. Syndicated Loans

Corresponds to the reclassification of Miami Branch syndicated loans, according to the new business model of IFRS 9, such loans are reclassified from financial assets at fair value through other comprehensive income to assets at amortized cost. Consequently, provisions for credit loss were determined in accordance with chapter B-1 of the CNCB.

b. Suspension of accrual of interest and Inflation indexation

Corresponds to the change in the criteria for the suspension of the recognition of interest Inflation indexation income on an accrual basis for loans in the Statement of Income, when the loan or one of its payments has been 90 days past, as provided in Chapter B-2 of the Compendium.

c. Provisions for credit loss from the suspension of accrual of interest and Inflation indexation

Corresponds to the adjustment in provisions for credit loss as a result of the change in the value of gross loans as a result of the change in the criteria for suspending the recognition of interest Inflation indexation income on an accrual basis.

d. Commercial current accounts

As a result of the reclassification of the financing granted to subsidiaries from other assets to commercial loans, provisions were made for credit risk in accordance with chapter B1 of the CNCB.

e. Change in group customer segmentation

Corresponds to the change in the segmentation criteria of the model based on group analysis according to chapter B-1 of the Compendium, in which the Bank has an aggregate exposure to the same counterparty of less than 20,000 UF.

f. Impairment of debt financial instruments at amortized cost

According to IFRS 9, the Bank shall recognize provisions for expected credit losses on debt financial instruments classified as assets at amortized cost.

g. Investments in other companies in equity instruments

Corresponds to the recognition of minority investments in equity instruments according to IFRS 9, which according to the business model established by the Bank will not be held for trading and therefore, will be recognized and measured at fair value through Other Comprehensive Income.

h. Change in risk exposure of freely available revolving credit facilities

Corresponds to the change in exposures to credit risk of contingent loans according to chapter B-3 of the Compendium. The changes are as follows:

a) The other freely available revolving credit facilities increase the contingent exposure from 35% to 40%.
b) A new freely available, immediate payment revolving credit facility is created with an exposure factor of 10%.

i. Impairment of financial assets at fair value through other comprehensive income

Corresponds to the recognition of impairment of financial instruments at fair value through other comprehensive income in accordance with IFRS.

j. Deferred taxes

Corresponds to the determination of deferred taxes associated with the adjustments made.

NOTE 5 – SIGNIFICANT EVENTS

a) Agreement for the distribution of profits for the year 2021

On February 25, 2022, a Board of Directors meeting was held, where it was agreed to determine the distribution of the net profits obtained by the Bank in 2021, which was approved at the Ordinary Shareholders' Meeting held on April 7, 2022. The approved subjects are the following:

- Distribute the balance of net profits amounting to Ch$520,391,300,750 (MCh$520,391), as follows:
  - Distribute a dividend of Ch$1,010 per share among the total of 155,886,505 shares issued and registered in the Shareholders' Registry, which implies allocating for this purpose the sum of Ch$157,445,370,050 (MCh$157,445), i.e., 30.26% of the distributable net income for the year 2021.
  - Allocate the remaining balance of profits for the year to the reserve fund from profit, i.e., the sum of Ch$362,945,930,700 (MCh$362,946).

At the Extraordinary Shareholders' Meeting held on April 7, 2022, the following was approved:

- Capitalize reserves from profit of Ch$362,945,930,700 (MCh$362,946) as follows:
  - Ch$362,945,918,211 (MCh$362,946) through the issuance of 12,950,840 fully paid, with no par value and the balance, without the issuance of bonus shares.

On August 2, 2022, by means of exempt resolution No. 4870 issued by the CMF, the amendment of the bylaws agreed at the Extraordinary Shareholders' Meeting was approved.

The related Certificate and extract of the Resolution was published in the Official Gazette on May 31, 2022, and registered on Page 38,866, Number 17,695 of the Trade Register of the Santiago Real Estate Registry of 2022. The issuance of the bonus shares was registered in the Securities Registry of the CMF under No. 1/2022. The bonus shares were issued and distributed on September 1, 2022.

b) Issue and placement of bonds

During the year 2022, no subordinated bond issues or placements have been made.

During the year 2022, the following issue of Current Bonds in pesos was made:

Series	Placement date	Nominal value	Internal Return Rate (TIR) (%)	Due date
BBCIQ10922	09-01-2022	50,000,000,000	7.20	03-01-2025

During the year 2022, the following placements of Current Bonds in pesos have been made:

Series	Placement date	Nominal value	Internal Return Rate (TIR)	Due date
BBCIO31220	04-01-2022	55,000,000,000	7.10	12-01-2027
BBCIO21220	04-06-2022	5,000,000,000	7.15	12-01-2026
BBCIO21220	04-06-2022	39,000,000,000	7.15	12-01-2026
BBCIO21220	05-30-2022	6,500,000,000	6.93	12-01-2026
BBCIO21220	05-30-2022	1,500,000,000	6.93	12-01-2026
BBCIO21220	05-31-2022	1,000,000,000	6.93	12-01-2026
BBCIO21220	06-09-2022	2,000,000,000	7.15	12-01-2026
BBCIO11220	08-17-2022	20,000,000,000	8.14	12-01-2025
BBCIO11220	08-31-2022	6,000,000,000	8.45	12-01-2025
BBCIO11220	08-31-2022	3,000,000,000	8.45	12-01-2025
BBCIO11220	09-08-2022	11,000,000,000	8.40	12-01-2025
BBCIO11220	09-12-2022	17,000,000,000	8.35	12-01-2025
BBCIO11220	09-13-2022	15,000,000,000	8.15	12-01-2025
BBCIO11220	09-14-2022	2,000,000,000	8.16	12-01-2025
BBCIO11220	09-14-2022	14,000,000,000	8.16	12-01-2025
BBCIO11220	09-23-2022	2,500,000,000	8.20	12-01-2025
BBCIO11220	09-23-2022	5,000,000,000	8.20	12-01-2025
BBCIO11220	09-26-2022	4,500,000,000	8.27	12-01-2025
BBCIO21220	10-27-2022	17,000,000,000	7.33	12-01-2026
BBCIO21220	11-04-2022	10,000,000,000	7.39	12-01-2026
BBCIO21220	11-04-2022	5,000,000,000	7.39	12-01-2026
BBCIO21220	11-22-2022	2,000,000,000	6.33	12-01-2026
BBCIO21220	11-22-2022	2,000,000,000	6.33	12-01-2026
BBCIO21220	11-29-2022	9,000,000,000	6.58	12-01-2026
BBCIQ10922	12-02-2022	12,000,000,000	7.20	03-01-2025
BBCIQ10922	12-07-2022	20,000,000,000	7.45	03-01-2025
BBCIQ10922	12-09-2022	18,000,000,000	7.45	03-01-2025

During the year 2022, the following issues were made of current bonds in UF:

Series	Placement date	UF	IRR rate	Due date
BBCIR10922	09-01-2022	1,000,000	2.85	03-01-2028
BBCIR20922	09-01-2022	1,000,000	2.80	09-01-2028
BBCIR30922	09-01-2022	1,000,000	2.80	03-01-2029

During 2022, the following UF current bond placements have been made:

Series	Placement date	UF	IRR rate	Due date
BBCII20219	01-07-2022	270,000	3.02	02-01-2029
BBCIN21220	02-09-2022	1,750,000	2.83	12-01-2027
BBCIN21220	02-10-2022	300,000	2.87	12-01-2027
BBCIN41220	02-11-2022	850,000	3.03	12-01-2030
BBCIN41220	02-11-2022	100,000	3.03	12-01-2030
BBCIN41220	02-11-2022	100,000	3.03	12-01-2030
BBCIN21220	03-16-2022	950,000	2.59	12-01-2027
BBCIK20519	04-29-2022	200,000	1.65	05-01-2025
BBCIN41220	06-09-2022	370,000	2.62	12-01-2030
BBCIP31021	06-15-2022	2,000,000	2.83	10-01-2033
BBCIN41220	06-16-2022	1,580,000	2.76	12-01-2030
BBCIP31021	07-07-2022	300,000	2.53	10-01-2033
BBCIK20519	07-12-2022	1,000,000	1.92	05-01-2025
BBCIP31021	07-13-2022	635,000	2.61	10-01-2033
BBCIP31021	07-15-2022	65,000	2.48	10-01-2033
BBCIP41021	07-21-2022	2,520,000	2.55	04-01-2035
BBCIP11021	07-28-2022	3,000,000	2.55	10-01-2031
BBCIK20519	08-09-2022	250,000	2.03	05-01-2025
BBCIP21021	08-22-2022	3,000,000	3.04	10-01-2032
BBCIP41021	10-13-2022	180,000	3.11	04-01-2035
BBCIP41021	12-20-2022	300,000	2.63	04-01-2035
BBCIP51021	12-20-2022	3,000,000	2.63	10-01-2036
BBCIR30922	12-20-2022	450,000	2.86	03-01-2029
BBCIR10922	12-27-2022	1,000,000	2.85	03-01-2028
BBCIR20922	12-27-2022	1,000,000	2.80	09-01-2028
BBCIR30922	12-27-2022	250,000	2.75	03-01-2029
BBCIR30922	12-27-2022	300,000	2.75	03-01-2029

During the year 2022, the following issue and placement of current bonds in Japanese Yen was carried out:

Series	Issue date	YEN	IRR rate	Due date
XS2424489958	01.07.2022	5,000,000,000	0.5%	01.07.2027

During 2022, there have been no issuances or placements of Australian Dollar Current Bonds.

During the year 2022, there have been no issuances or placements of Current Bonds in Euros.

During the year 2022, the following issues and placements of Current Bonds in U.S. Dollars were made:

Series	Issue date	USD	IRR rate	Due date
XS2454830824	03.10.2022	10,000,000	1.6596	03.10.2029
XS2457006521	03.15.2022	25,000,000	1.6694	03.15.2027

During the year 2022, the following issue and placement of current bonds in Swiss Francs was carried out:

Series	Issue date	CHF	IRR rate	Due date
CH1142512339	01-26-2022	200,000,000	0.599	04-26-2027

c) Banco BCI Perú

Banco BCI Perú S.A. was incorporated via public deed on September 14, 2021, in the Republic of Peru. On May 3, 2022, in accordance with essential event No. 101, Banco BCI informed the CMF that on April 29, 2022, the Superintendence of Banking, Insurance and Pension Fund Administrators of Peru granted Banco BCI Perú (hereinafter "BCI Perú") authorization to operate as a multiple operations banking company through SBS Resolution No. 1440-2022.

Banco BCI Peru formally began its operations on July 15, 2022, after having complied with all the regulatory authorizations in Chile and Peru, as well as the registration of the shares of its capital stock before the Superintendency of the Stock Market and the Stock Exchange Lima values.

d) Authorization for the sale of shares in Operadora de Tarjeta de Crédito Nexus S.A.

On June 22, 2022, through resolution No. 3830, the CMF authorized the Bank to sell all its stake in the business support company called Operadora de Tarjeta de Crédito Nexus S.A. (Nexus S.A.). On September 30, the Bank sold its entire interest in Nexus S.A. for MCh$1,319 million.

e) Capital increase in Pagos y Servicios S.A.

On September 30, 2022, a capital increase was made in Pagos y Servicios S.A., of which the Bank has contributed MCh$2,054 and on December 14, 2023, a contribution of MCh$949 was made.

f) Capital increase BCI Securities S.A.

On November 9, 2022, a capital increase was made in BCI Securities S.A., of which the Bank made a contribution of MCh$903.

g) Impairment associated with Goodwill in Financial Services

As a result of the application of the requirements established in International Accounting Standard 36 "Impairment of assets", the Bank performs during and at the end of each reporting period the evaluation of impairment indicators affecting the determination of the recoverable amount of its assets.

Consistent with the requirements, from the issuance of the Consolidated Financial Statements as of December 31, 2021, the Bank indicated that it was monitoring the effects that economic and social events could have on the significant estimates and judgments it must make as part of the process of preparing the Consolidated Financial Statements and concluded that there was no concrete evidence of impairment.

In their turn, in the Consolidated Financial Statements reported during 2022, considering the evolution of the economic situation, the Bank stated that it continued to permanently monitor and evaluate the impacts that this has caused on its profit or loss, as well as the effects on the significant estimates and judgments including the allowances for credit risk and the impairment of assets in general, and on goodwill specifically, concluding that these events did not generate an impact on profit or loss for the period or on the financial position as of those dates.

In consideration of the evolution of the impacts on the Chilean economy and with the gain or loss from Financial Services CGU, there has been ongoing monitoring, where the indicators requiring impairment tests on the valuation of goodwill and intangible assets generated in business combinations assigned to this CGU were activated.

Once the related calculations were made, the Bank determined it was necessary to recognize in the Consolidated Financial Statements as of December 31, 2022, an impairment loss associated with the goodwill assigned to the Financial Services CGU of MCh$20,442 (see further details in Note 40).

h) Collective Voluntary Proceeding between the National Consumer Service and the Bank.

In a voluntary proceeding N° V-359-2022, processed at the 9th Civil Court of Santiago, by resolution dated November 25, 2022, after verifying compliance with the minimum requirements, the agreement entered between the National Consumer Service and the Bank, which is contained in Exempt Resolution No. 895 dated October 14, 2022, was legally approved, for the agreement to take effect for the customers that may potentially be affected.

The Bank decided to reach an agreement with Sernac and participate in a Collective Voluntary Procedure (PVC), which implies refunding charges made for the collection of legal fees to customers recording past due balances. The amounts to be refunded relate to legal expenses incurred by the Bank between July 1, 2020, and June 30, 2022, in cases where customers did not comply with the obligations agreed-upon. The amount to be refunded is MCh$7,287.

This situation was generated as a result of a difference in the interpretation of the administrative regulation on the collection of legal commissions between Sernac and the Bank. This decision made by the Bank for a conciliation is based on the understanding that we have always acted in good faith and seek all possible options to reach an agreement with our customers, as, if a person has problems to catch up financially, the Bank analyzes the case to provide payment facilities, such as extensions, new terms and partial payment reductions that allow them to regularize their situation.

NOTE 6 – BUSINESS SEGMENTS

Pursuant to IFRS 8, the Bank has aggregated operating segments with similar economic characteristics based on the aggregation criteria indicated in the standard. Thus, a business segment comprises customers to whom a differentiated product offering is addressed, but who are homogeneous in terms that their performance is measured in a similar way and are therefore part of the same business segment.
In general terms, such aggregation has no significant impact on understanding the nature and effects of the business activities in which the Bank engages and the economic environment in which it operates.

The segment report is presented by the Bank based on the defined business structure, which is aimed at optimizing customer service with products and services, according to their relevant commercial characteristics.

To reliably reflect the nature of the Bank's business in the segments in which it engages, the presentation of the note includes the following:

The result of the Balance Sheet management is assigned to the commercial segments according to the composition of assets and liabilities of each business.

Corporate expenses are assigned to commercial segments, based on assignment criteria for each of the units established as Corporate (Comptrollership, Accounting, General Management, among others).

A minimum provision adjustment is assigned to the segments according to the classification of the customers that originated them.

Voluntary (additional) provisions expense is allocated to the Commercial Segments: Consumer and Housing 100% to Individuals and Commercial based on the weight of the Commercial provisions stock of SMEs and Wholesale in the related period.

In June 2021, Private Banking was integrated into Investment & Finance Banking to deepen our business model and enhance investment opportunities. In this way, Private Banking was transferred from the Wholesale segment to the Finance segment.

The commercial structure is presented below, with the segments defined by the Bank:

Retail Banking Segment: serves natural persons. Its business units are: Personal and Premium.

SME Banking segment: this segment includes companies with sales of up to UF 80,000 per year.

Wholesale Banking segment: considers all companies with sales of more than UF 80,000 per year.

Finance segment: includes the intermediation of financial positions and the management of the Bank's own investment portfolio. It also considers high-net-worth clients and investors that require high-value financial services (Private Banking).

BCI Financial Group: corresponds to business and operations performed in the United States through City National Bank of Florida (CNB), which operates as an independent unit, under the supervision of senior management in Chile.

Financial Services: corresponds to businesses associated with the issuance and operation of BCI Líder Mastercard and Presto credit cards, the origination of low and high-amount cash advances and personal insurance brokerage, among others, which operates as an independent unit, under the supervision of BCI's senior management.

Other: this concept includes expenses and/or income, which due to their nature are not directly identified with the business segments and therefore are not assigned.

Allocation of results of subsidiaries by customer:

Consistent with its customer-focused strategy, management of the segments considers in each one the income and expenses generated in the subsidiaries as a result of the attention/provision of services to the Bank's customers in each segment, as well as the distribution desk results.

Allocation of balance sheet management result:

To consider in each segment all, the benefits and costs associated with serving its customers, the result for managing currency and term mismatches is distributed to the segments, in proportion to the assets and liabilities of each segment.

Allocation of expenses to commercial segments:

Own expenses: correspond to the expenses of the commercial units that are divided into direct business expenses (personnel expenses, customer service, extra expenses, materials, and supplies, among others) and intercommercial expenses, which are assigned to the business by survey or ABC (transactions).

Assigned expenses: expenses of support units (Operations, Risk, Management, etc.) that are assigned based on surveys (according to the services they provide to the business) or ABC (transactions).

Technological expenses: correspond to technological expenses, whether depreciation, recurring expenses (software, licenses, maintenance, etc.) and expenses for new projects, which are grouped into the different technological applications of the Bank, which have a defined allocation driver for the banks based on their use (ABC model).

These criteria have been applied for the periods ended December 31, 2022, and 2021.

The management of the commercial areas indicated above is measured with the concepts presented in this note, which is based on the accounting principles applied to the Bank's Consolidated Statements of Income for the Period.

a) Profit (loss) in 2022:

	December 31, 2022								
	Retail MCh$	SMEs MCh$	Wholesale MCh$	Finance MCh$	Total Segments MCh$	Bci Financial Group MCh$	Financial Services MCh$	Other MCh$	Total Consolidated Bci MCh$
Net interest and Inflation-indexation income	636,270	205,406	550,144	206,028	**1,597,848**	540,863	119,378	51,627	**2,309,716**
Net fee income	174,296	36,202	85,443	8,696	**304,637**	34,816	30,166	(2,708)	**366,911**
Other operating income	9,581	12,373	45,204	(86,820)	**(19,662)**	37,743	19,844	(22,869)	**15,056**
Total operating income	**820,147**	**253,981**	**680,791**	**127,904**	**1,882,823**	**613,422**	**169,388**	**26,050**	**2,691,683**
Provisions for credit loss	(157,843)	(59,366)	(87,378)	(3,415)	**(308,002)**	(26,142)	(133,284)	(27,442)	**(494,870)**
Net operating income	**662,304**	**194,615**	**593,413**	**124,489**	**1,574,821**	**587,280**	**36,104**	**(1,392)**	**2,196,813**
Total operating expenses	(450,193)	(143,691)	(208,392)	(90,457)	**(892,733)**	(261,689)	(85,666)	(52,226)	**(1,292,314)**
OPERATING INCOME (LOSS)	**212,111**	**50,924**	**385,021**	**34,032**	**682,088**	**325,591**	**(49,562)**	**(53,618)**	**904,499**
Income from investments in companies									7,404
Profit before tax									**911,903**
Income tax									(90,879)
CONSOLIDATED PROFIT FOR THE PERIOD									**821,024**

	December 31, 2022							
	Retail MCh$	SMEs MCh$	Wholesale MCh$	Finance MCh$	Total Segments MCh$	CNB MCh$	Financial services MCh$	Total Consolidated BCI MCh$
ASSETS	13,875,687	2,866,589	11,140,839	28,088,401	55,971,516	21,419,140	658,463	**78,049,119**
Loans and receivables from customers (1)	13,581,676	2,801,911	10,824,273	4,940,259	32,148,119	14,127,100	669,740	**46,944,959**
LIABILITIES	8,056,247	2,486,766	10,792,137	31,641,120	52,976,270	19,703,651	592,397	**73,272,318**
On-demand and term deposits (2)	6,820,979	2,212,342	9,899,249	6,220,091	25,152,661	17,212,364	3,105	**42,368,130**
EQUITY								**4,776,801**

(1) Corresponds to loans receivable from customers plus loans and advances to banks, without deducting their corresponding allowances.
(2) Corresponds to deposits and other on-demand liabilities and deposits and other term deposits.

b) Profit (loss) in 2021 :

	December 31, 2021								
	RETAIL MCh$	SMEs MCh$	WHOLESALE MCh$	FINANCE MCh$	Total Segments MCh$	BCI FINANCIAL GROUP MCh$	Financial services MCh$	OTHER MCh$	Total Consolidated BCI MCh$
Net interest and Inflation-indexation income	516,691	183,456	414,157	114,740	**1,229,044**	401,504	112,103	(42,247)	**1,700,404**
Net fee income	172,867	37,887	75,978	12,381	**299,113**	31,576	27,027	(2,086)	**355,630**
Other operating income	3,237	11,816	51,545	(15,256)	**51,342**	20,821	13,987	12,583	**98,733**
Total operating income (loss)	**692,795**	**233,159**	**541,680**	**111,865**	**1,579,499**	**453,901**	**153,117**	**(31,750)**	**2,154,767**
Provisions for credit loss	(150,691)	(92,222)	(104,370)	(6,843)	**(354,126)**	8,078	(48,144)	(6,932)	**(401,124)**
Net operating income	**542,104**	**140,937**	**437,310**	**105,022**	**1,225,373**	**461,979**	**104,973**	**(38,682)**	**1,753,643**
Total operating expenses	**(376,188)**	**(108,427)**	**(167,302)**	**(67,754)**	**(719,671)**	**(196,704)**	**(84,236)**	**(33,292)**	**(1,033,903)**
OPERATING INCOME (LOSS)	**165,916**	**32,510**	**270,008**	**37,268**	**505,702**	**265,275**	**20,737**	**(71,974)**	**719,740**
Income from investments in companies									2,290
Profit before tax									**722,030**
Income tax									(201,484)
CONSOLIDATED PROFIT FOR THE PERIOD									**520,546**

	December 31, 2021							
	RETAIL MCh$	SMEs MCh$	WHOLESALE MCh$	FINANCE MCh$	Total Segments MCh$	CNB MCh$	Financial services MCh$	Total Consolidated BCI MCh$
ASSETS	11,956,824	2,885,480	10,006,371	24,849,789	49,698,464	18,776,364	672,450	**69,147,278**
Loans and receivables from customers (1)	11,864,671	2,927,926	10,104,373	5,272,348	30,169,318	11,637,497	192,609	**41,999,424**
LIABILITIES	7,848,861	2,438,836	10,903,236	25,962,788	47,153,721	16,920,068	579,274	**64,653,063**
On-demand and term deposits (2)	6,684,725	2,270,419	10,673,369	3,161,850	22,790,363	15,723,994	4,234	**38,518,591**
EQUITY								**4,494,215**

(1) Corresponds to loans receivable from customers plus loans and advances to banks, without deducting their corresponding allowances.
(2) Corresponds to deposits and other on-demand liabilities and deposits and other term deposits.

NOTE 7 – CASH AND CASH EQUIVALENTS

1. The detail of the balances included under cash and cash equivalents, and reconciliation with the Consolidated Statements of Cash Flows at the end of each period , is as follows:

	December 31, 2022 MCh$	December 31, 2021 MCh$	January 1, 2021 MCh$
Cash and bank deposits			
Cash	580,389	614,536	608,988
Deposits in the Central Bank of Chile (i)	1,357,600	720,369	1,708,329
Deposits in foreign central banks	2,128,274	969,775	-
Deposits in local banks	8,250	19,423	20,945
Deposits in foreign banks	181,883	1,636,395	2,259,606
Subtotal - Cash and bank deposits	**4,256,396**	**3,960,498**	**4,597,868**
Transactions in the course of collection or payment (ii)	74,071	91,386	35,273
Other cash equivalents (iii)	2,979,070	2,768,236	781,839
Total cash and cash equivalent	**7,309,537**	**6,820,120**	**5,414,980**

(i) The level of funds in cash and in the Central Bank of Chile responds to regulations on reserve requirements that the bank must maintain as a monthly average.

(ii) Transactions in the course of collection or payment correspond to transactions in which the settlement that will increase or decrease the funds in the Central Bank of Chile or in foreign banks is pending, normally within 12 or 24 working hours, which are detailed as follows:

(iii) Refers to instruments that meet the criteria to be considered as "cash equivalent" as defined by IAS 7, that is, for classification as "cash equivalent", investments in debt financial instruments must be short-term and highly liquid with an original maturity 90 days or less from the date of acquisition, that are readily convertible to known amounts of cash from the date of initial investment, and that are subject to an insignificant risk of changes in value.

	December 31, 2022 MCh$	December 31, 2021 MCh$	January 1, 2021 MCh$
Assets			
Notes payable to other banks (exchange)	57,687	75,248	71,092
Transfer of current funds receivable	346,522	274,824	165,618
Subtotal – assets	**404,209**	**350,072**	**236,710**
Liabilities			
Transfer of funds in process to be delivered	330,138	258,686	201,437
Subtotal - liabilities	**330,138**	**258,686**	**201,437**

NOTE 8 – FINANCIAL ASSETS HELD FOR TRADING AT FAIR VALUE THROUGH PROFIT OR LOSS

a) As of December 31, 2022, and 2021, the detail of financial assets held for trading at fair value through profit or loss is as follows:

	December 31, 2022	December 31, 2021	January 1, 2021
	MCh$	MCh$	MCh$
Financial derivative contracts	6,770,653	5,192,467	4,420,175
Debt financial instruments	770,101	717,058	1,049,848
Other financial instruments	139,861	156,810	97,431
Total	**7,680,615**	**6,066,335**	**5,567,454**

b) As of December 31, 2022, and 2021, the detail of financial derivatives is as follows:

	December 31, 2022								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Financial derivative contracts									
Forwards	17,617	12,711,403	10,165,928	16,814,959	7,844,486	1,589,739	2,218,209	**51,362,341**	**1,256,776**
Swaps	162,974	4,717,715	13,435,556	35,220,126	44,734,107	26,679,810	27,825,048	**152,775,336**	**5,507,865**
Call options	-	21,074	50,119	106,155	1,699	114	-	**179,161**	**1,133**
Put options	-	20,104	48,269	94,005	1,189	-	-	**163,567**	**4,879**
Futures	-	-	-	3	-	-	-	**3**	**-**
Other	-	-	-	-	-	-	-	**-**	**-**
Total	**180,591**	**17,470,296**	**23,699,872**	**52,235,248**	**52,581,481**	**28,269,663**	**30,043,257**	**204,480,408**	**6,770,653**

	December 31, 2021								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Financial derivative contracts									
Forwards	144,054	10,713,211	5,979,437	13,395,350	5,243,126	1,000,440	1,552,361	**38,027,979**	**1,034,767**
Swaps	96,000	5,162,732	8,650,121	25,910,402	38,548,209	24,317,862	28,523,771	**131,209,097**	**4,151,098**
Call options	-	33,436	21,302	74,278	522	-	-	**129,538**	**6,294**
Put options	-	29,561	18,235	80,517	-	-	-	**128,313**	**126**
Futures	-	-	93,337	-	-	-	-	**93,337**	**182**
Other	-	-	-	-	-	-	-	**-**	**-**
Total	**240,054**	**15,938,940**	**14,762,432**	**39,460,547**	**43,791,857**	**25,318,302**	**30,076,132**	**169,588,264**	**5,192,467**

	January 1, 2021								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Financial derivative contracts									
Forwards	47,375	8,333,219	13,531	7,876,117	5,123,804	478,035	-	**21,872,082**	**527,822**
Swaps	-	42,707	-	836,497	5,217,541	1,777,455	958,782	**8,832,983**	**3,887,843**
Call options	-	11,329	-	29,407	7,203	-	-	**47,939**	**664**
Put options	-	10,336	-	25,380	7,203	-	-	**42,918**	**3,846**
Futures	-	-	-	-	-	-	-	**-**	**-**
Other	-	-	-	-	-	-	-	**-**	**-**
Total	**47,375**	**8,397,591**	**13,531**	**8,767,401**	**10,355,751**	**2,255,490**	**958,782**	**30,795,922**	**4,420,175**

c) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the composition of debt instruments is as follows:

	December 31, 2022								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Debt financial instruments									
Of the Government and Central Bank of Chile	4,970	6,844	51,768	159	21,787	188,636	21,135	**295,299**	**290,249**
Other debt financial instruments issued locally	196,398	10,148	18,829	83,624	174,150	2,324	15,245	**500,718**	**478,970**
Debt financial instruments issued abroad	-	882	-	-	-	-	-	**882**	**882**
Total	**201,368**	**17,874**	**70,597**	**83,783**	**195,937**	**190,960**	**36,380**	**796,899**	**770,101**

	December 31, 2021								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Debt financial instruments									
Of the Government and Central Bank of Chile	5,259	69,637	10	2,121	47,207	222,282	30,477	**376,993**	**376,863**
Other debt financial instruments issued locally	15,541	80,354	4,817	53,838	55,734	4,319	15,756	**230,359**	**336,377**
Debt financial instruments issued abroad	864	1,641	-	-	-	-	-	**2,505**	**3,818**
Total	**21,664**	**151,632**	**4,827**	**55,959**	**102,941**	**226,601**	**46,233**	**609,857**	**717,058**

	January 1, 2021								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Debt financial instruments									
Of the Government and Central Bank of Chile	2,387	112,459	10,685	36,433	497,326	28,989	-	**688,279**	**756,248**
Other debt financial instruments issued locally	13	135,407	13,241	95,272	50,262	1,713	1,508	**297,416**	**290,137**
Debt financial instruments issued abroad	2,777	1,059	127	85	-	-	-	**4,047**	**3,463**
Total	**5,177**	**248,925**	**24,053**	**131,790**	**547,588**	**30,702**	**1,508**	**989,742**	**1,049,848**

d) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the composition of other financial instruments is as follows:

	December 31, 2022								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Debt financial instruments									
Investments in mutual funds	20,362	57,340	-	1,130	-	-	31,040	**109,872**	**109,716**
Equity instruments	27,688	-	-	-	-	-	3,195	**30,883**	**30,145**
Loans originated and acquired by the entity	-	-	-	-	-	-	-	**-**	**-**
Other	-	-	-	-	-	-	-	**-**	**-**
Total	**48,050**	**57,340**	**-**	**1,130**	**-**	**-**	**34,235**	**140,755**	**139,861**

	December 31, 2021								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Debt financial instruments									
Investments in mutual funds	43,591	83,530	-	2,499	-	-	30,267	159,887	145,847
Equity instruments	24,786	4,567	200	-	-	-	-	29,553	10,963
Loans originated and acquired by the entity	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	**68,377**	**88,097**	**200**	**2,499**	**-**	**-**	**30,267**	**189,440**	**156,810**

	January 1, 2021								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Debt financial instruments									
Investments in mutual funds	32,555	-	-	-	-	-	22,356	**54,912**	**97,431**
Equity instruments	-	-	-	-	-	-	-	**-**	**-**
Loans originated and acquired by the entity	-	-	-	-	-	-	-	**-**	**-**
Other	-	-	-	-	-	-	-	**-**	**-**
Total	**32,555**	**-**	**-**	**-**	**-**	**-**	**22,356**	**54,912**	**97,431**

NOTE 9 – FINANCIAL ASSETS NOT HELD FOR TRADING MANDATORILY MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the composition of non-trading financial assets mandatorily measured at fair value through profit or loss is as follows:

	December 31, 2022	December 31, 2021	January 1, 2021
	MCh$	MCh$	MCh$
Financial debt instruments			
Government and Central Bank of Chile	-	-	-
Other debt financial instruments issued in Chile	-	-	-
Debt financial instruments issued abroad	-	-	-
Subtotal debt financial instruments	**-**	**-**	**-**
Loans originated and acquired by the entity	71,282	-	-
Other	-	-	-
Subtotal other financial instruments	**71,282**	**-**	**-**
Total	**71,282**	**-**	**-**

NOTE 10 – FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

a) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the Bank has no financial assets and liabilities at fair value through profit or loss.

NOTE 11 – FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

a) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the detail of financial assets at fair value through other comprehensive income is as follows:

	December 31, 2022 MCh$	December 31, 2021 MCh$	January 1, 2021 MCh$
Debt financial instruments			
Of the Government and Central Bank of Chile	4,876,148	4,982,811	3,424,730
Other debt financial instruments issued locally	1,501,544	1,278,359	922,639
Debt financial instruments issued abroad	4,099,669	4,552,477	3,344,500
Subtotal debt financial instruments	**10,477,361**	**10,813,647**	**7,691,869**
Loans originated and acquired by the entity	-	-	-
Other	-	-	-
Subtotal other financial instruments	**-**	**-**	**-**
Total	**10,477,361**	**10,813,647**	**7,691,869**

b) As of December 31, 2022, and 2021 the movement in financial assets at fair value through other comprehensive income is as follows:

	Changes in fair value				Expected credit loss			
	Stage 1	Stage 2	Stage 3	Total stages	Stage 1	Stage 2	Stage 3	Total stages
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Opening balance as of January 1, 2022	**10,796,000**	**17,647**	**-**	**10,813,647**	**30,688**	**3,770**	**-**	**34,458**
Purchases made in the period	4,557,693	-	-	4,557,693	6	-	-	6
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Assets derecognized or matured	(4,772,759)	(13,393)	-	(4,786,152)	(6,448)	(2,926)	-	(9,374)
Changes due to modifications not derecognized	-	-	-	-	-	-	-	-
Exchange rate adjustments	(107,720)	(107)	-	(107,827)	(133)	(23)	-	(156)
Final balance as of December 31, 2022	**10,473,214**	**4,147**	**-**	**10,477,361**	**24,113**	**821**	**-**	**24,934**

	Changes in fair value				Expected credit loss			
	Stage 1	Stage 2	Stage 3	Total stages	Stage 1	Stage 2	Stage 3	Total stages
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Opening balance as of January 1, 2021	**7,674,142**	**14,310**	**-**	**7,688,452**	**22,462**	**2,696**	**-**	**25,158**
Purchases made in the period	7,289,671	17,647	-	7,307,318	22,636	3,770	-	26,406
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Assets derecognized or matured	(4,939,397)	(6,184)	-	(4,945,581)	(7,796)	(879)	-	(8,675)
Changes due to modifications not derecognized	-	-	-	-	-	-	-	-
Exchange rate adjustments	771,584	(8,126)	-	763,458	(6,614)	(1,817)	-	(8,431)
Final balance as of December 31, 2021	**10,796,000**	**17,647**	**-**	**10,813,647**	**30,688**	**3,770**	**-**	**34,458**

c) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the detail of the present value, fair value, unrealized gains and losses, corresponding financial instruments is as follows:

	December 31, 2022			
	Present value	Market value	Unrealized gain	Unrealized loss
	MCh$	MCh$	MCh$	MCh$
Debt financial instruments:				
Of the Government and Central Bank of Chile	5,029,641	4,876,148	8,035	161,527
Other debt financial instruments issued locally	1,550,857	1,501,544	2,012	51,325
Debt financial instruments issued abroad	4,804,003	4,099,669	582	704,916
Subtotal	**11,384,501**	**10,477,361**	**10,629**	**917,768**
Other financial instruments:				
Loans originated and acquired by the entity	-	-	-	-
Other	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**
Total	**11,384,501**	**10,477,361**	**10,629**	**917,768**

	December 31, 2021			
	Present value	Market value	Unrealized gain	Unrealized loss
	MCh$	MCh$	MCh$	MCh$
Debt financial instruments:				
Of the Government and Central Bank of Chile	5,148,497	4,982,811	2,020	167,707
Other debt financial instruments issued locally	1,315,043	1,278,358	1,465	38,150
Debt financial instruments issued abroad	5,001,886	4,552,478	25,959	84,421
Subtotal	11,465,426	10,813,647	29,444	290,278
Other financial instruments:				
Loans originated and acquired by the entity	-	-	-	-
Other	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**
Total	**11,465,426**	**10,813,647**	**29,444**	**290,278**

	January 1, 2021			
	Present value	Market value	Unrealized gain	Unrealized loss
	MCh$	MCh$	MCh$	MCh$
Debt financial instruments:				
Of the Government and Central Bank of Chile	3,416,080	3,424,730	12,527	3,878
Other debt financial instruments issued locally	910,254	922,639	12,548	162
Debt financial instruments issued abroad	3,273,554	3,344,500	76,842	5,896
Subtotal	**7,599,888**	**7,691,869**	**101,917**	**9,936**
Other financial instruments:				
Loans originated and acquired by the entity	-	-	-	-
Other	-	-	-	-
Subtotal	-	-	-	-
Total	**7,599,888**	**7,691,869**	**101,917**	**9,936**

NOTE 12 – FINANCIAL DERIVATIVES CONTRACT FOR ACCOUNTING HEDGE

a) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the detail of the portfolio of financial derivative contracts for accounting hedge is as follows:

	December 31, 2022								
	Notional amounts								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Fair value hedging derivatives:									
Forwards	-	-	-	-	-	-	-	**-**	**-**
Swaps	-	-	436,838	920,149	2,230,098	1,546,913	1,429,932	**6,563,930**	**462,148**
Call options	-	-	-	-	-	-	-	**-**	**-**
Put options	-	-	-	-	-	-	-	**-**	**-**
Futures	-	-	-	-	-	-	-	**-**	**-**
Other	-	-	-	-	-	-	-	**-**	**-**
Subtotal	**-**	**-**	**436,838**	**920,149**	**2,230,098**	**1,546,913**	**1,429,932**	**6,563,930**	**462,148**
Cash flow hedging derivatives:									
Forwards	-	-	35,111	245,777	-	-	-	**280,888**	**14,684**
Swaps	-	131,441	314,837	971,526	2,600,652	2,031,387	2,581,070	**8,630,913**	**1,312,019**
Call options	-	-	-	-	-	-	-	**-**	**-**
Put options	-	-	-	-	-	-	-	**-**	**-**
Futures	-	-	-	-	-	-	-	**-**	**-**
Other	-	-	-	-	-	-	-	**-**	**-**
Subtotal	**-**	**131,441**	**349,948**	**1,217,303**	**2,600,652**	**2,031,387**	**2,581,070**	**8,911,801**	**1,326,703**
Hedging derivatives abroad									
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**131,441**	**786,786**	**2,137,452**	**4,830,750**	**3,578,300**	**4,011,002**	**15,475,731**	**1,788,851**

	December 31, 2022								
	Notional amounts								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Liabilities
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Fair value hedging derivatives:									
Forwards	-	-	-	-	-	-	-	**-**	**-**
Swaps	-	-	436,838	835,549	2,165,021	1,421,602	1,394,140	**6,253,150**	**345,873**
Call options	-	-	-	-	-	-	-	**-**	**-**
Put options	-	-	-	-	-	-	-	**-**	**-**
Futures	-	-	-	-	-	-	-	**-**	**-**
Other	-	-	-	-	-	-	-	**-**	**-**
Subtotal	**-**	**-**	**436,838**	**835,549**	**2,165,021**	**1,421,602**	**1,394,140**	**6,253,150**	**345,873**
Cash flow hedging derivatives:									
Forwards	-	-	31,292	228,226	-	-	-	**259,518**	**43,365**
Swaps	-	150,411	331,240	1,232,501	3,050,767	2,126,869	2,988,529	**9,880,317**	**2,201,230**
Call options	-	-	-	-	-	-	-	**-**	**-**
Put options	-	-	-	-	-	-	-	**-**	**-**
Futures	-	-	-	-	-	-	-	**-**	**-**
Other	-	-	-	-	-	-	-	**-**	**-**
Subtotal	**-**	**150,411**	**362,532**	**1,460,727**	**3,050,767**	**2,126,869**	**2,988,529**	**10,139,835**	**2,244,595**
Hedging derivative abroad									
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**150,411**	**799,370**	**2,296,276**	**5,215,788**	**3,548,471**	**4,382,669**	**16,392,985**	**2,590,468**

	December 31, 2021								
	Notional amounts								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Fair value hedging derivatives:									
Forwards	-	-	-	-	-	-	-	-	-
Swaps	-	-	-	854,088	1,823,551	914,095	1,371,655	4,963,389	312,371
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**854,088**	**1,823,551**	**914,095**	**1,371,655**	**4,963,389**	**312,371**
Cash flow hedging derivatives:									
Forwards	-	-	77,479	743,237	247,934	-	-	1,068,650	47,330
Swaps	-	-	23,482	788,058	2,601,408	2,119,909	2,626,641	8,159,498	1,229,357
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**100,961**	**1,531,295**	**2,849,342**	**2,119,909**	**2,626,641**	**9,228,148**	**1,276,687**
Hedging derivative abroad									
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**-**	**100,961**	**2,385,383**	**4,672,893**	**3,034,004**	**3,998,296**	**14,191,537**	**1,589,058**

	December 31, 2021								
	Notional amounts								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Liabilities
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Fair value hedging derivatives:									
Forwards	-	-	-	-	-	-	-	-	-
Swaps	-	-	-	784,015	1,785,857	847,854	1,343,469	4,761,195	119,363
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**784,015**	**1,785,857**	**847,854**	**1,343,469**	**4,761,195**	**119,363**
Cash flow hedging derivatives:									
Forwards	-	-	74,885	733,472	259,518	-	-	1,067,875	38,920
Swaps	-	-	30,992	825,590	2,787,416	2,599,611	2,675,487	8,919,096	1,334,532
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**105,877**	**1,559,062**	**3,046,934**	**2,599,611**	**2,675,487**	**9,986,971**	**1,373,452**
Hedging derivative abroad									
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**-**	**105,877**	**2,343,077**	**4,832,791**	**3,447,465**	**4,018,956**	**14,748,166**	**1,492,815**

	January 1, 2021								
	Notional amounts								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Fair value hedging derivatives:									
Forwards	-	-	-	-	-	-	-	-	**-**
Swaps	-	-	436,838	920,149	2,230,098	1,546,913	1,429,932	6,563,930	**204,326**
Call options	-	-	-	-	-	-	-	-	**-**
Put options	-	-	-	-	-	-	-	-	**-**
Futures	-	-	-	-	-	-	-	-	**-**
Other	-	-	-	-	-	-	-	-	**-**
Subtotal	**-**	**-**	**436,838**	**920,149**	**2,230,098**	**1,546,913**	**1,429,932**	**6,563,930**	**204,326**
Cash flow hedging derivatives:									
Forwards	-	-	35,111	245,777	-	-	-	280,888	**3,573**
Swaps	-	131,441	314,837	971,526	2,600,652	2,084,200	2,581,070	8,683,726	**823,823**
Call options	-	-	-	-	-	-	-	-	**-**
Put options	-	-	-	-	-	-	-	-	**-**
Futures	-	-	-	-	-	-	-	-	**-**
Other	-	-	-	-	-	-	-	-	**-**
Subtotal	**-**	**131,441**	**349,948**	**1,217,303**	**2,600,652**	**2,084,200**	**2,581,070**	**8,964,614**	**827,396**
Hedging derivative abroad									
Other	-	-	-	-	-	-	-	-	**-**
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**131,441**	**786,786**	**2,137,452**	**4,830,750**	**3,631,113**	**4,011,002**	**15,528,544**	**1,031,722**

	January 1, 2021								
	Notional amounts								Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Liabilities
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Fair value hedging derivatives:									
Forwards	-	-	436,838	835,549	2,165,021	1,421,602	1,394,140	6,253,150	**70,358**
Swaps	-	-	-	-	-	-	-	-	**-**
Call options	-	-	-	-	-	-	-	-	**-**
Put options	-	-	-	-	-	-	-	-	**-**
Futures	-	-	-	-	-	-	-	-	**-**
Other	-	-	-	-	-	-	-	-	**-**
Subtotal	**-**	**-**	**436,838**	**835,549**	**2,165,021**	**1,421,602**	**1,394,140**	**6,253,150**	**70,358**
Cash flow hedging derivatives:									
Forwards	-	-	31,292	228,226	-	-	-	259,518	4,106
Swaps	-	150,411	331,240	1,180,000	2,972,016	2,182,110	2,922,903	9,738,680	1,188,165
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**150,411**	**362,532**	**1,408,226**	**2,972,016**	**2,182,110**	**2,922,903**	**9,998,198**	**1,192,271**
Hedging derivative abroad									
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**150,411**	**799,370**	**2,243,775**	**5,137,037**	**3,603,712**	**4,317,043**	**16,251,348**	**1,262,629**

b) Types of derivatives

The Bank uses accounting hedges to manage the fair value and cash flow risk to which it is exposed.

i) Fair value hedges:

Fair value hedges for both foreign currency and local currency positions cover the fair value of the position against changes in the base rate, without considering the implicit credit spread. These operations reduce the risk of changes associated with fluctuations in their fair value as a result of changes in interest rate structures, among others.

Considering the different items in the balance sheet as derivatives that comply with the function of hedging such risks, either by Cash Flow or Fair Value Hedges, the objective of these tables is to show the management of risk hedges in P&L, as their presented values exclude adjustments and interest accrual.

A detailed summary of the hedging items and instruments used in value hedges as of December 31, 2022, and 2021 in notional amounts is presented below:

	December 31, 2022									
	Notional amounts								Fair Value	Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets	Liabilities
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item:										
Sensitivity	-	-	-	-	-	395,666	166,742	**562,408**	691	20,267
Items set / loans	-	-	-	-	-	-	-	**-**	-	-
Of the Government and Central Bank of Chile	-	-	25,000	-	-	-	442,385	**467,385**	3,319	54,645
Other instruments issued locally	-	-	-	-	-	-	-	**-**	-	-
Instruments issued abroad	-	-	-	-	40,380	60,030	253,404	**353,814**	-	49,445
Consumer	-	-	-	-	-	-	-	**-**	-	-
Mortgage	-	-	-	-	-	-	-	**-**	-	-
Commercial	-	-	-	-	-	-	-	**-**	-	-
Items set / liabilities	-	-	-	-	1,156,838	-	-	**1,156,838**	78,617	-
Term deposit	-	-	411,838	343,484	118,467	-	-	**873,789**	6,288	2,486
Current bonds	-	-	-	576,665	920,973	1,102,129	729,590	**3,329,357**	177,121	7,731
Subordinated bonds	-	-	-	-	-	-	-	**-**	-	-
Mortgage bonds	-	-	-	-	-	-	-	**-**	-	-
Foreign investment	-	-	-	-	-	-	-	**-**	-	-
Subtotal	**-**	**-**	**436,838**	**920,149**	**2,236,658**	**1,557,825**	**1,592,121**	**6,743,591**	**266,036**	**134,574**
Hedging instrument:										
Forwards	-	-	-	-	-	-	-	**-**	-	-
CCS	-	-	-	569,149	879,658	984,648	631,053	**3,064,508**	19,730	120,079
IRS	-	-	436,838	351,000	1,357,000	573,177	961,068	**3,679,083**	122,280	145,200
Options	-	-	-	-	-	-	-	**-**	-	-
Bonds	-	-	-	-	-	-	-	**-**	-	-
Subtotal	**-**	**-**	**436,838**	**920,149**	**2,236,658**	**1,557,825**	**1,592,121**	**6,743,591**	**142,010**	**265,279**

	December 31, 2021									
	Notional amounts								Fair Value	Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total	Assets	Liabilities
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item:										
Sensitivity	-	-	-	-	-	247,934	99,174	**347,108**	**822**	**6,756**
Items set / loans	-	-	-	-	-	-	-	**-**	**-**	**-**
Of the Government and Central Bank of Chile	-	-		50,000	105,000	-	443,135	**598,135**	**-**	**81,730**
Other instruments issued locally	-	-	-	-	-	-	-	**-**	**-**	**-**
Instruments issued abroad	-	-	-	-	5,126	54,436	201,396	**260,958**	**1,640**	**2,352**
Consumer	-	-	-	-	-	-	-	**-**	**-**	**-**
Mortgage	-	-	-	-	-	-	-	**-**	**-**	**-**
Commercial	-	-	-	-	-	-	-	**-**	**-**	**-**
Items set / liabilities	-	-		42,720	1,144,100	-	-	**1,186,820**	**52,647**	**161**
Term deposit	-	-	-	165,500	-	-	-	**165,500**	**3,473**	**-**
Current bonds	-	-	-	595,868	569,324	630,249	630,842	**2,426,283**	**43,611**	**18,512**
Subordinated bonds	-	-	-	-	-	-	-	**-**	**-**	**-**
Mortgage bonds	-	-	-	-	-	-	-	**-**	**-**	**-**
Foreign investment	-	-	-	-	-	-	-	**-**	**-**	**-**
Subtotal	**-**	**-**	**-**	**854,088**	**1,823,550**	**932,619**	**1,374,547**	**4,984,804**	**102,193**	**109,511**
Hedging instrument:										
Forwards	-	-	-	-	-	-	-	**-**	**-**	**-**
CCS	-	-	-	538,588	519,324	682,976	307,024	**2,047,912**	**18,625**	**40,794**
IRS	-	-	-	315,500	1,304,226	249,643	1,067,523	**2,936,892**	**90,982**	**60,816**
Options	-	-	-	-	-	-	-	**-**	**-**	**-**
Bonds	-	-	-	-	-	-	-	**-**	**-**	**-**
Subtotal	**-**	**-**	**-**	**854,088**	**1,823,550**	**932,619**	**1,374,547**	**4,984,804**	**109,607**	**101,610**

c) As of December 31, 2022, and 2021, the estimation of the periods in which the cash flows by type of risk are expected to occur are as follows:

i) Cash flow projections for interest rate risk:

	December 31, 2022							
Cash flow projections for interest rate risk	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	32,867	102,860	33,690	237,916	89,650	177,565	**674,548**
Cash outflow	-	(27,947)	(87,543)	(10,382)	(212,732)	(71,366)	(155,586)	**(565,556)**
Net cash flows	**-**	**4,920**	**15,317**	**23,308**	**25,184**	**18,284**	**21,979**	**108,992**
Hedging instruments								
Cash inflow	-	27,947	87,543	10,382	212,732	71,366	155,586	**565,556**
Cash outflow	-	(32,867)	(102,860)	(33,690)	(237,916)	(89,650)	(177,565)	**(674,548)**
Net cash flows	**-**	**(4,920)**	**(15,317)**	**(23,308)**	**(25,184)**	**(18,284)**	**(21,979)**	**(108,992)**

	December 31, 2021							
Cash flow projections for interest rate risk	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	1,152	5,149	16,315	311,028	663,320	479,352	1,476,316
Cash outflow	-	(1,790)	(5,086)	(11,357)	(292,953)	(653,864)	(453,006)	(1,418,056)
Net cash flows	**-**	**(638)**	**63**	**4,958**	**18,075**	**9,456**	**26,346**	**58,260**
Hedging instruments								
Cash inflow	-	1,790	5,086	11,357	292,953	653,864	453,006	1,418,056
Cash outflow	-	(1,152)	(5,149)	(16,315)	(311,028)	(663,320)	(479,352)	(1,476,316)
Net cash flows	**-**	**638**	**(63)**	**(4,958)**	**(18,075)**	**(9,456)**	**(26,346)**	**(58,260)**

ii) Cash flow projection for inflation risk:

	December 31, 2022							
Cash flow projection for inflation risk	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	64,999	(150,310)	1,345,828	2,079,239	1,393,146	2,358,432	**7,091,334**
Cash outflow	-	(83,197)	88,512	(1,360,180)	(2,013,063)	(1,486,558)	(2,195,749)	**(7,050,235)**
Net cash flows	**-**	**(18,198)**	**(61,798)**	**(14,352)**	**66,176**	**(93,412)**	**162,683**	**41,099**
Hedging instruments								
Cash inflow	-	83,197	(88,512)	1,360,180	2,013,063	1,486,558	2,195,749	**7,050,235**
Cash outflow	-	(64,999)	150,310	(1,345,828)	(2,079,239)	(1,393,146)	(2,358,432)	**(7,091,334)**
Net cash flows	**-**	**18,198**	**61,798**	**14,352**	**(66,176)**	**93,412**	**(162,683)**	**(41,099)**

	December 31, 2021							
Cash flow projection for inflation risk	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	66,048	109,717	780,522	2,378,918	1,791,213	1,960,848	7,087,266
Cash outflow	-	(75,453)	(135,932)	(862,610)	(2,568,788)	(1,904,677)	(2,090,130)	(7,637,590)
Net cash flows	**-**	**(9,405)**	**(26,215)**	**(82,088)**	**(189,870)**	**(113,464)**	**(129,282)**	**(550,324)**
Hedging instruments								
Cash inflow	-	75,453	135,932	862,610	2,568,788	1,904,677	2,090,130	7,637,590
Cash outflow	-	(66,048)	(109,717)	(780,522)	(2,378,918)	(1,791,213)	(1,960,848)	(7,087,266)
Net cash flows	**-**	**9,405**	**26,215**	**82,088**	**189,870**	**113,464**	**129,282**	**550,324**

iii) Cash flow projections for exchange rate risk:

	December 31, 2022							
Cash flow projections for exchange rate risk	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
Hedged item								
Cash inflow	-	1,702	112,577	83,099	442,884	780,459	332,830	**1,753,551**
Cash outflow	-	(794)	(132,189)	(36,992)	(401,345)	(747,909)	(343,000)	**(1,662,229)**
Net cash flows	**-**	**908**	**(19,612)**	**46,107**	**41,539**	**32,550**	**(10,170)**	**91,322**
Hedging instruments								
Cash inflow	-	794	132,189	36,992	401,345	747,909	343,000	**1,662,229**
Cash outflow	-	(1,702)	(112,577)	(83,099)	(442,884)	(780,459)	(332,830)	**(1,753,551)**
Net cash flows	**-**	**(908)**	**19,612**	**(46,107)**	**(41,539)**	**(32,550)**	**10,170**	**(91,322)**

	December 31, 2021							
Cash flow projections for exchange rate risk	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item								
Cash inflow	-	684	2,757	751,945	416,721	258,220	706,305	2,136,632
Cash outflow	-	(929)	(4,228)	(775,796)	(464,168)	(238,233)	(759,681)	(2,243,035)
Net cash flows	**-**	**(245)**	**(1,471)**	**(23,851)**	**(47,447)**	**19,987**	**(53,376)**	**(106,403)**
Hedging instruments								
Cash inflow	-	929	4,228	775,796	464,168	238,233	759,681	2,243,035
Cash outflow	-	(684)	(2,757)	(751,945)	(416,721)	(258,220)	(706,305)	(2,136,632)
Net cash flows	**-**	**245**	**1,471**	**23,851**	**47,447**	**(19,987)**	**53,376**	**106,403**

d) As of December 31, 2022, and 2021, the valuation generated by those hedging instruments used in cash flow hedges whose effect was recognized in the Consolidated Statements of Changes in Equity, specifically in the caption "Accumulated other comprehensive income", in cash flow hedges, is as follows:

	December 31	December 31
	2022	2021
	MCh$	MCh$
Hedged item		
Sensitivity	-	-
Items set / loans	156,595	49,220
Of the Government and Central Bank of Chile	70,770	76,658
Other instruments issued locally	-	-
Instruments issued abroad	-	-
Consumer	-	-
Mortgage	-	-
Commercial	(166)	(44)
Items set / liabilities	(63,422)	885
Term deposit	-	-
Current bonds	(21,955)	49,220
Subordinated bonds	-	-
Mortgage bonds	-	-
Foreign investment	-	-
Dismantling	(914)	1,097
Deferred tax	(38,045)	(47,800)
Total	**102,863**	**129,236**

e) As of December 31, 2022, and 2021, profit or loss generated by those cash flow derivatives whose effect was transferred from other comprehensive income to profit or loss for the period is as follows:

	December 31 2022 MCh$	December 31 2021 MCh$
Hedged item		
Sensitivity	-	-
Items set / loans	(929,428)	(408,439)
Of the Government and Central Bank of Chile	(82,667)	(35,939)
Other instruments issued locally	-	-
Instruments issued abroad	-	-
Consumer	-	-
Mortgage	-	-
Commercial	(110)	98
Items set / liabilities	8,097	17,945
Term deposit	-	-
Current bonds	9,603	169,072
Subordinated bonds	-	-
Mortgage bonds	-	-
Foreign investment	-	-
Total	**(994,505)**	**(257,263)**

NOTE 13 – FINANCIAL ASSETS AT AMORTIZED COST

a) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the detail of financial assets at amortized cost is as follows:

	December 31, 2022	December 31, 2021	January 1, 2021
	MCh$	MCh$	MCh$
Rights for reverse repurchase agreements and securities lending	182,061	186,753	190,248
Debt financial instruments	3,581,998	2,296,066	25,145
Loans and advances to banks	767,700	639,533	356,669
Loans and receivables from customers - Commercial	29,276,944	26,686,186	23,005,506
Loans and receivables from customers - Mortgage	12,809,381	10,699,056	8,897,472
Loans and receivables from customers - Consumer	3,212,807	3,223,137	3,114,093
Total	**49,830,891**	**43,730,731**	**35,589,133**

b) As of December 31, 2022, and 2021, the movement in debt financial instruments at amortized cost is as follows:

	Changes in fair value				Expected credit loss			
	Stage 1	Stage 2	Stage 3	Total Stage	Stage 1	Stage 2	Stage 3	Total Stage
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Opening balance as of January 1, 2022	**2,277,937**	**-**	**-**	**2,277,937**	**1,290**	**-**	**-**	**1,290**
Purchases made during the year	2,616,827	-	-	2,616,827	9,707	-	-	9,707
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Assets derecognized or expired	(1,305,162)	-	-	(1,305,162)	686	-	-	686
Changes due to modifications not derecognized	-	-	-	-	-	-	-	-
Exchange rate adjustments	(7,604)	-	-	(7,604)	(8)	-	-	(8)
Final balance as of December 31, 2022	**3,581,998**	**-**	**-**	**3,581,998**	**11,675**	**-**	**-**	**11,675**

	Changes in fair value				Expected credit loss			
	Stage 1	Stage 2	Stage 3	Total Stage	Stage 1	Stage 2	Stage 3	Total Stage
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Opening balance as of January 1, 2021	**25,184**	**-**	**-**	**25,184**	**330**	**-**	**-**	**330**
Purchases made during the year	2,247,770	-	-	2,247,770	1,145	-	-	1,145
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Assets derecognized or expired	5,002	-	-	5,002	(3)	-	-	(3)
Changes due to modifications not derecognized	-	-	-	-	-	-	-	-
Exchange rate adjustments	18,110	-	-	18,110	(182)	-	-	(182)
Final balance as of December 31, 2021	**2,296,066**	**-**	**-**	**2,296,066**	**1,290**	**-**	**-**	**1,290**

c) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the rights under repurchase agreements and securities loans are as follows:

	Maturity of the commitment as of December 31, 2022							
	On-demand	Up to 1 month	More than 1 up to 3 months	More than 3 months up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	More than 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Transactions with local banks								
Reverse repurchases agreements with other banks	-	-	-	-	-	-	-	-
Reverse repurchases agreements with the Central Bank of Chile	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Transactions with foreign banks								
Reverse repurchases agreements with other banks	-	-	-	-	-	-	-	-
Reverse repurchases agreements with the Central Bank of Chile	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Transactions with other local entities								
Reverse repurchases agreements with local entities	-	142,319	21,264	18,478	-	-	-	182,061
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	**142,319**	**21,264**	**18,478**	-	-	-	**182,061**
Transactions with other foreign entities								
Transactions with other foreign entities	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Accumulated impairment on rights of reverse repurchases agreements	-	-	-	-	-	-	-	-
Total	-	**142,319**	**21,264**	**18,478**	-	-	-	**182,061**

	Maturity of the commitment to December 31, 2021							
	On-demand	Up to a month	More than one month and three months	More than three months up to one year	Between 1 year and 3 years	More than 3 years up to 5 years	More than five years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Operations with banks in the country								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with the Central Bank of Chile	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Transactions with foreign banks								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with foreign Central Banks	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Operations with other entities in the country								
Repurchase contract with other entities in the country	36,817	78,626	44,290	27,020	-	-	-	186,753
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	**36,817**	**78,626**	**44,290**	**27,020**	-	-	-	**186,753**
Transactions with other entities abroad								
Transactions with other entities abroad	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Accumulated impairment in rights for repurchase agreements	-	-	-	-	-	-	-	-
Total	**36,817**	**78,626**	**44,290**	**27,020**	-	-	-	**186,753**

	Maturity of the commitment to January 1, 2021							
	On-demand	Up to a month	More than one month and three months	More than three months up to one year	Between 1 year and 3 years	More than 3 years up to 5 years	More than five years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Operations with banks in the country								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with the Central Bank of Chile	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Transactions with foreign banks								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with foreign Central Banks	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Operations with other entities in the country								
Repurchase contract with other entities in the country	-	39,399	81,459	69,391	-	-	-	190,248
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	**39,399**	**81,459**	**69,391**	-	-	-	**190,248**
Transactions with other entities abroad								
Transactions with other entities abroad	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Accumulated impairment in rights for repurchase agreements	-	-	-	-	-	-	-	-
Total	-	**39,399**	**81,459**	**69,391**	-	-	-	**190,248**

d) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the detail of debt financial instruments is as follows:

	December 31, 2022	December 31, 2021	January 1, 2021
	MCh$	MCh$	MCh$
Debt financial instruments:			
Of the Government and Central Bank of Chile	1,145,241	1,024,195	-
Other debt financial instruments issued locally	43,345	-	-
Debt financial instruments issued abroad	2,405,089	1,271,871	25,145
Debt financial instruments	(11,677)	-	-
Total	**3,581,998**	**2,296,066**	**25,145**

e) As of December 31, 2022, and 2021 , the detail of loans and advances to banks is as follows:

December 31, 2022	Financial assets before provisions				Provisions recorded				Net Financial Asset
	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	Total	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	Total	
	Individual assessment	Individual assessment	Individual assessment		Individual assessment	Individual assessment	Individual assessment		
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Local banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Interbank liquidity loans	-	-	-	-	-	-	-	-	-
Interbank commercial loans	-	-	-	-	-	-	-	-	-
Overdrafts in checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean exports	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third-party countries	-	-	-	-	-	-	-	-	-
Non-transferable deposits in local banks	-	-	-	-	-	-	-	-	-
Other credit balances with local banks	-	-	-	-	-	-	-	-	-
Foreign banks	**768,663**	**-**	**-**	**768,663**	**(963)**	**-**	**-**	**(963)**	**767,700**
Interbank liquidity loans	304,484	-	-	304,484	(367)	-	-	(367)	304,117
Interbank commercial loans	-	-	-	-	-	-	-	-	-
Overdrafts in checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean exports	67,264	-	-	67,264	(102)	-	-	(102)	67,162
Foreign trade loans - Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third-party countries	396,915	-	-	396,915	(494)	-	-	(494)	396,421
Deposits in current accounts in foreign banks for derivative transactions	-	-	-	-	-	-	-	-	-
Other non-transferable deposits in foreign banks	-	-	-	-	-	-	-	-	-
Other credit balances with foreign banks	-	-	-	-	-	-	-	-	-
Subtotal local and foreign banks	**768,663**	**-**	**-**	**768,663**	**(963)**	**-**	**-**	**(963)**	**767,700**
Central Bank of Chile	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Deposits in current account of the Central Bank of Chile for derivative transactions with a central counterparty	-	-	-	-	-	-	-	-	-
Other deposits in the Central Bank of Chile, not available	-	-	-	-	-	-	-	-	-
Other credit balances with the Central Bank of Chile	-	-	-	-	-	-	-	-	-
Foreign Central Banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Deposits in current accounts of foreign Central Banks for derivative transactions	-	-	-	-	-	-	-	-	-
Other deposits in foreign Central Banks, not available	-	-	-	-	-	-	-	-	-
Other credit balances with foreign Central Banks	-	-	-	-	-	-	-	-	-
Subtotal Central Bank of Chile and Foreign Central Banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**768,663**	**-**	**-**	**768,663**	**(963)**	**-**	**-**	**(963)**	**767,700**

December 31, 2021	Financial assets before provisions				Provisions recorded				Net Financial Asset
	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	Total	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	Total	
	Individual assessment	Individual assessment	Individual assessment		Individual assessment	Individual assessment	Individual assessment		
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Local banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Interbank liquidity loans	-	-	-	-	-	-	-	-	-
Interbank commercial loans	-	-	-	-	-	-	-	-	-
Overdrafts in checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean exports	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third-party countries	-	-	-	-	-	-	-	-	-
Non-transferable deposits in local banks	-	-	-	-	-	-	-	-	-
Other credit balances with local banks	-	-	-	-	-	-	-	-	-
Foreign banks	**640,332**	**-**	**-**	**640,332**	**(799)**	**-**	**-**	**(799)**	**639,533**
Interbank liquidity loans	521,153			521,153	(657)			(657)	520,496
Interbank commercial loans	-	-	-	-	-	-	-	-	-
Overdrafts in checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean exports	43,629	-	-	43,629	(48)			(48)	43,581
Foreign trade loans - Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third-party countries	75,550	-	-	75,550	(94)	-	-	(94)	75,456
Deposits in current accounts in foreign banks for derivative transactions	-	-	-	-	-	-	-	-	-
Other non-transferable deposits in foreign banks	-	-	-	-	-	-	-	-	-
Other credit balances with foreign banks	-	-	-	-	-	-	-	-	-
Subtotal local and foreign banks	**640,332**	**-**	**-**	**640,332**	**(799)**	**-**	**-**	**(799)**	**639,533**
Central Bank of Chile	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Deposits in current account of the Central Bank of Chile for derivative transactions with a central counterparty	-	-	-	-	-	-	-	-	-
Other deposits in the Central Bank of Chile, not available	-	-	-	-	-	-	-	-	-
Other credit balances with the Central Bank of Chile	-	-	-	-	-	-	-	-	-
Foreign Central Banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Deposits in current accounts of foreign Central Banks for derivative transactions	-	-	-	-	-	-	-	-	-
Other deposits in foreign Central Banks, not available	-	-	-	-	-	-	-	-	-
Other credit balances with foreign Central Banks	-	-	-	-	-	-	-	-	-
Subtotal Central Bank of Chile and Foreign Central Banks	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL	**640,332**	**-**	**-**	**640,332**	**(799)**	**-**	**-**	**(799)**	**639,533**

f) As of December 31, 2022, and 2021, the balances of loans and receivables from customers are as follows:

December 31, 2022	Financial assets before provisions						Provisions recorded								Net financial assets
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	FOGAPE Covid-19 guarantee deductible (i)	Total	
	Individual / Group		Individual	Individual / Group			Individual / group		Individual	Individual / group					
	Assessment		Assessment	Assessment			Assessment		Assessment	Assessment					
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans															
Commercial loans	19,951,776	3,510,630	1,204,043	505,503	295,806	25,467,758	(103,881)	(32,537)	(24,571)	(106,151)	(87,099)	(354,239)	(36,659)	(390,898)	25,076,860
Foreign trade credits Chilean exports	595,146	7,962	22,896	8,014	-	634,018	(5,944)	(178)	(549)	(3,168)	-	(9,839)	-	(9,839)	624,179
Foreign trade credits Chilean imports	400,324	24,546	11,610	-	-	436,480	(4,106)	(602)	(2,293)	-	-	(7,001)	-	(7,001)	429,479
Foreign trade credits between third countries	185,475	-	11,505	-	-	196,980	(723)	-	(2,261)	-	-	(2,984)	-	(2,984)	193,996
Debtors in current accounts	55,206	69,124	10,076	1,086	7,140	142,632	(502)	(1,843)	(1,084)	(586)	(3,862)	(7,877)	-	(7,877)	134,755
Credit card debtors	6,079	53,459	930	418	5,300	66,186	(109)	(1,660)	(109)	(338)	(2,956)	(5,172)	-	(5,172)	61,014
Factoring operations	1,188,937	79,242	10,015	3,204	2,205	1,283,603	(11,619)	(1,256)	(326)	(1,889)	(787)	(15,877)	-	(15,877)	1,267,726
Commercial financial leasing operations	921,591	284,076	139,178	27,737	10,884	1,383,466	(5,555)	(2,737)	(1,535)	(6,476)	(4,014)	(20,317)	-	(20,317)	1,363,149
Student loans	-	116,262	-	-	11,468	127,730	-	(1,447)	-	-	(2,137)	(3,584)	-	(3,584)	124,146
Other loans and receivable	-	71	-	7,502	759	8,332	(1,188)	(9)	-	(5,181)	(314)	(6,692)	-	(6,692)	1,640
Subtotal	23,304,534	4,145,372	1,410,253	553,464	333,562	29,747,185	(133,627)	(42,269)	(32,728)	(123,789)	(101,169)	(433,582)	(36,659)	(470,241)	29,276,944
Mortgage loans															
Loans with letters of credit	-	1,278	-	-	121	1,399	-	(2)	-	-	(12)	(14)	-	(14)	1,385
Loans with endorsable mortgage mutual funds	-	2,930,600	-	-	21,244	2,951,844	-	(44,817)	-	-	(32)	(44,849)	-	(44,849)	2,906,995
Loans with mutual funds financed with mortgage bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other credits with mortgage loans	-	9,573,654	-	-	267,400	9,841,054	-	(13,773)	-	-	(23,862)	(37,635)	-	(37,635)	9,803,419
Finance lease operations for Mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other loans and receivable	-	93,176	-	-	5,025	98,201	-	(216)	-	-	(403)	(619)	-	(619)	97,582
Subtotal	-	12,598,708	-	-	293,790	12,892,498	-	(58,808)	-	-	(24,309)	(83,117)	-	(83,117)	12,809,381
Consumer Loans															
Consumer loans in installments	-	1,757,905	-	-	152,122	1,910,027	-	(63,222)	-	-	(83,450)	(146,672)	-	(146,672)	1,763,355
Debtors in current accounts	-	90,767	-	-	14,404	105,171	-	(6,490)	-	-	(10,617)	(17,107)	-	(17,107)	88,064
Credit card debtors	-	1,366,870	-	-	106,046	1,472,916	-	(85,226)	-	-	(70,605)	(155,831)	-	(155,831)	1,317,085
Consumer finance lease operations	-	309	-	-	-	309	-	(4)	-	-	-	(4)	-	(4)	305
Other loans and receivable	-	47,930	-	-	259	48,189	-	(4,015)	-	-	(176)	(4,191)	-	(4,191)	43,998
Subtotal	-	3,263,781	-	-	272,831	3,536,612	-	(158,957)	-	-	(164,848)	(323,805)	-	(323,805)	3,212,807
TOTAL	23,304,534	20,007,861	1,410,253	553,464	900,183	46,176,295	(133,627)	(260,034)	(32,728)	(123,789)	(290,326)	(840,504)	(36,659)	(877,163)	45,299,132

December 31, 2021	Financial assets before provisions						Provisions recorded								Net financial assets
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	FOGAPE Covid-19 guarantee deductible (i)	Total	
	Individual / Group		Individual	Individual / Group			Individual / Group		Individual	Individual / Group					
	Assessment		Assessment	Assessment			Assessment		Assessment	Assessment					
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans															
Commercial loans	16,261,170	4,376,655	1,603,886	402,257	319,736	22,963,704	(97,716)	(29,003)	(39,041)	(108,656)	(95,555)	(369,971)	(46,192)	(416,163)	22,547,541
Foreign trade credits Chilean exports	608,813	8,315	18,479	-	307	635,914	(9,311)	(245)	(292)	-	(174)	(10,022)	-	(10,022)	625,892
Foreign trade credits Chilean imports	336,615	17,308	11,377	-	27	365,327	(4,476)	(385)	(1,702)	-	(15)	(6,578)	-	(6,578)	358,749
Foreign trade credits between third countries	232,519	-	14,895	-	-	247,414	(835)	-	(2,744)	-	-	(3,579)	-	(3,579)	243,835
Debtors in current accounts	46,722	52,927	4,709	1,016	7,208	112,582	(579)	(1,407)	(567)	(666)	(3,907)	(7,126)	-	(7,126)	105,456
Credit card debtors	6,136	47,011	799	89	4,034	58,069	(115)	(1,352)	(92)	(41)	(2,243)	(3,843)	-	(3,843)	54,226
Factoring operations	976,847	100,153	10,070	-	931	1,088,001	(9,719)	(1,703)	(514)	-	(266)	(12,202)	-	(12,202)	1,075,799
Commercial finance lease operations	1,107,328	337,634	81,247	27,819	9,762	1,563,790	(8,850)	(2,785)	(1,088)	(7,578)	(3,887)	(24,188)	-	(24,188)	1,539,602
Student loans	-	119,585	-	-	18,568	138,153	-	(1,467)	-	-	(3,547)	(5,014)	-	(5,014)	133,139
Other loans and receivable	-	5	-	2,652	1,026	3,683	-	-	-	(1,209)	(527)	(1,736)	-	(1,736)	1,947
Subtotal	19,576,150	5,059,593	1,745,462	433,833	361,599	27,176,637	(131,601)	(38,347)	(46,040)	(118,150)	(110,121)	(444,259)	(46,192)	(490,451)	26,686,186
Mortgage loans															
Loans with letters of credit	-	2,949	-	-	239	3,188	-	-	-	-	(1)	(1)	-	(1)	3,187
Loans with endorsable mortgage mutual funds	-	2,104,965	-	-	20,512	2,125,477	-	(22,168)	-	-	(363)	(22,531)	-	(22,531)	2,102,946
Loans with mutual funds financed with mortgage bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other credits with mortgage loans	-	8,263,247	-	-	236,608	8,499,855	-	(17,205)	-	-	(12,190)	(29,395)	-	(29,395)	8,470,460
Financial lease operations for Mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other loans and accounts receivable	-	116,416	-	-	6,729	123,145	-	(208)	-	-	(474)	(682)	-	(682)	122,463
Subtotal	-	10,487,577	-	-	264,088	10,751,665	-	(39,581)	-	-	(13,028)	(52,609)	-	(52,609)	10,699,056
Consumer Loans															
Consumer loans in installments	-	1,827,412	-	-	125,948	1,953,360	-	(47,948)	-	-	(63,409)	(111,357)	-	(111,357)	1,842,003
Debtors in current accounts	-	65,289	-	-	7,612	72,901	-	(3,115)	-	-	(5,743)	(8,858)	-	(8,858)	64,043
Credit card debtors	-	1,315,639	-	-	43,173	1,358,812	-	(60,304)	-	-	(26,489)	(86,793)	-	(86,793)	1,272,019
Consumer finance lease operations	-	388	-	-	-	388	-	(5)	-	-	-	(5)	-	(5)	383
Other loans and receivable	-	44,657	-	-	671	45,328	-	(540)	-	-	(99)	(639)	-	(639)	44,689
Subtotal	-	3,253,385	-	-	177,404	3,430,789	-	(111,912)	-	-	(95,740)	(207,652)	-	(207,652)	3,223,137
TOTAL	19,576,150	18,800,555	1,745,462	433,833	803,091	41,359,091	(131,601)	(189,840)	(46,040)	(118,150)	(218,889)	(704,520)	(46,192)	(750,712)	40,608,379

g) As of December 31, 2022, and December 31, 2021, the balance of contingent loans related to commercial and consumer loans are as follows:

EXPOSURE TO CREDIT LOSS FOR CONTINGENT LOANS December 31, 2022	Exposure for contingent loans before provisions						Provisions recorded						Net exposure for credit risk of contingent loans
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	
	Individual / Group		Evaluation	Individual / Group			Individual / Group		Evaluation	Individual / Group			
	Assessment		Individual	Assessment			Assessment		Individual	Assessment			
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Co-debtors and guarantees	322,449	2,296	1,283	3,658	-	**329,686**	(1,594)	(47)	(369)	(1,488)	-	**(3,498)**	**326,188**
Letters of credit for merchandise circulation operations	26,833	877	17	-	-	**27,727**	(620)	(23)	(3)	-	-	**(646)**	**27,081**
Debt purchase commitments in local currency abroad	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**
Transactions related to contingent events	1,218,934	61,529	51,295	6,104	1,826	**1,339,688**	(6,890)	(1,413)	(6,945)	(3,077)	(999)	**(19,324)**	**1,320,364**
Lines of credit of free disposal of immediate cancellation	-	335,957	-	-	10,581	**346,538**	-	(4,686)	-	-	(3,702)	**(8,388)**	**338,150**
Free lines of credit	2,959,218	906,167	56,411	6,908	4,847	**3,933,551**	(8,702)	(7,537)	(1,557)	(1,960)	(2,270)	**(22,026)**	**3,911,525**
Other credit commitments	788,400	49,153	1,016	-	-	**838,569**	(5,907)	(456)	(7)	-	-	**(6,370)**	**832,199**
Other contingent loans	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**

EXPOSURE TO CREDIT RISK FOR CONTINGENT LOANS December 31, 2021	Exposure for contingent loans before provisions						Provisions recorded						Net exposure for credit risk of contingent loans
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	
	Individual / Group		Evaluation	Individual / Group			Individual / Group		Evaluation	Individual / Group			
	Assessment		Individual	Assessment			Assessment		Individual	Assessment			
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Guarantees and bonds	268,811	1,048	8,064	-	-	**277,923**	(1,840)	(21)	(2,745)	-	-	**(4,606)**	**273,317**
Letters of credit for goods movement operations	57,540	538	244	-	-	**58,322**	(447)	(12)	(12)	-	-	**(471)**	**57,851**
Debt purchase commitments abroad in local currency	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**
Transactions related to contingent events	1,065,982	36,091	20,124	5,021	2,160	**1,129,378**	(7,835)	(777)	(994)	(2,912)	(1,071)	**(13,589)**	**1,115,789**
Lines of credit of freely available and immediate payment	-	1,381,033	-	-	12,738	**1,393,771**	-	(3,689)	-	-	(3,645)	**(7,334)**	**1,386,437**
Freely available lines of credit	1,800,517	942,904	46,096	307	7,168	**2,796,992**	(11,113)	(14,491)	(1,197)	(1,690)	(610)	**(29,101)**	**2,767,891**
Other credit commitments	779,640	27,527	1,771	-	559	**809,497**	(2,809)	(235)	(58)	-	(238)	**(3,340)**	**806,157**
Other contingent loans	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**

h) As of December 31, 2022, and December 31, 2021, the summary of movements in provisions recorded by banks is as follows:

December 31, 2022	Movement in provisions constituted by portfolio in the period			
	Individual assessments			Total
	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks				
Opening balance as of January 1, 2022	**799**	**-**	**-**	**799**
Recording / (use) of provisions for:				
Change in measurement without portfolio reclassification during the period:	-	-	-	**-**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	-	-	-	**-**
Individual regular to Substandard	-	-	-	-
Individual regular to individual non-performing	-	-	-	-
Substandard to Individual normal	-	-	-	-
Substandard to regular individual	-	-	-	-
Individual non-performing to Substandard	-	-	-	-
Individual non-performing to Individual regular	-	-	-	-
New loans originated	980	-	-	**980**
New loans acquired	-	-	-	-
New loans for conversion of contingent to loans	-	-	-	**-**
Sale or transfer of loans	-	-	-	**-**
Loan repayment	(727)	-	-	**(727)**
Application of provisions for write-offs	-	-	-	**-**
Recovery of written-off credits	-	-	-	**-**
Translation difference	(89)	-	-	**(89)**
Balance as of December 31, 2022	**963**	**-**	**-**	**963**

December 31, 2021	Movement in provisions constituted by portfolio in the period			
	Individual assessment			Total
	Regular Portfolio	Substandard Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks				
Opening balance as of January 1, 2022	**358**	**-**	**-**	**358**
Recording / (use) of provisions for:				
Change in measurement without portfolio reclassification during the period:	6	-	-	**6**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	-	-	-	**-**
Individual regular to Substandard	-	-	-	-
Individual regular to individual non-performing	-	-	-	-
Substandard to Individual normal	-	-	-	-
Substandard to regular individual	-	-	-	-
Individual non-performing to Substandard	-	-	-	-
Individual non-performing to Individual regular	-	-	-	-
New loans originated	109	-	-	**109**
New loans acquired	-	-	-	-
New loans for conversion of contingent to loans	675	-	-	675
Sale or transfer of loans	-	-	-	**-**
Loan repayment	(370)	-	-	**(370)**
Application of provisions for write-offs	-	-	-	**-**
Recovery of written-off credits	-	-	-	**-**
Translation difference	21	-	-	**21**
Balance as of December 31, 2021	**799**	**-**	**-**	**799**

i) As of December 31, 2022, and December 31, 2021, the summary of the movement of provisions recorded by commercial loans is as follows:

December 31, 2022	Movement in provisions recorded by portfolio in the period							
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19 (i)	Total
	Individual / group			Individual / group				
	Assessment			Assessment				
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans								
Opening balance as of January 1, 2022	**131,601**	**38,347**	**46,040**	**118,150**	**110,121**	**444,259**	**46,192**	**490,451**
Recording / (use) of provisions for:								
Change in measurement without portfolio reclassification during the period:	(4,290)	7,015	168	4,222	(9,714)	(2,599)	(1,056)	(3,655)
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(3,316)	(3,668)	(2,493)	17,890	33,713	42,126	(6,631)	35,495
Regular individual to Substandard	(1,896)	-	3,282	-	-	1,386	(3)	1,383
Regular individual to Individual non-performing	(1,424)	-	-	16,064	-	14,640	(843)	13,797
Substandard to individual non-performing	-	-	(1,374)	2,534	-	1,160	(135)	1,025
Substandard to regular individual	874	-	(4,014)	-	-	(3,140)	-	(3,140)
Individual non-performing to Substandard	-	-	14	(377)	-	(363)	-	(363)
Individual non-performing to Individual regular	1	-	-	(272)	-	(271)	-	(271)
Group regular to Group non-performing	-	(3,008)	-	-	40,485	37,477	(5,641)	31,836
Group non-performing to Group regular	-	338	-	-	(6,769)	(6,431)	-	(6,431)
Individual (regular, substandard, non-performing) to Group (regular, non-performing)	(2,224)	2,225	(578)	(59)	36	(600)	(9)	(609)
Group (regular, non-performing) to Individual (regular, substandard, non-performing)	1,353	(3,223)	177	-	(39)	(1,732)	-	(1,732)
New loans originated	53,094	6,132	7,728	17,116	5,916	89,986	(13)	89,973
New loans for conversion of contingent to loans	2,311	1,740	1,107	120	1,838	7,116	-	7,116
New loans acquired	-	-	-	-	-	-	-	-
Sale or transfer of loans	-	-	-	-	-	-	-	-
Loan repayment	(40,826)	(5,278)	(17,270)	(5,621)	(5,909)	(74,904)	(41)	(74,945)
Application of provisions for write-offs	(1)	(484)	(492)	(26,712)	(34,586)	(62,275)	(1,792)	(64,067)
Recovery of written-off credits	-	2	-	-	1	3	-	3
Changes in models and methodologies	-	-	-	-	-	-	-	-
Translation differences	(4,946)	(1,537)	(2,060)	(1,376)	(211)	(10,130)	-	(10,130)
Other changes in provisions (if applicable)	-	-	-	-	-	-	-	-
Balance as of December 31, 2022	**133,627**	**42,269**	**32,728**	**123,789**	**101,169**	**433,582**	**36,659**	**470,241**

December 31, 2021	Movement in provisions recorded by portfolio in the period							
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19 (i)	Total
	Individual / group			Individual / group				
	Assessment			Assessment				
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans								
Opening balance as of January 1, 2022	**92,753**	**50,738**	**52,447**	**107,155**	**132,931**	**436,024**	**29,276**	**465,300**
Recording / (use) of provisions for:								
Change in measurement without portfolio reclassification during the period:	18,892	1,514	2,816	8,504	(3,588)	**28,138**	1,583	**29,721**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(5,562)	(960)	4,536	11,883	4,086	**13,983**	(2,890)	**11,093**
Regular individual to Substandard	(3,907)	-	8,006	-	-	**4,099**	72	**4,171**
Regular individual to Individual non-performing	(271)	-	-	5,313	-	**5,042**	7	**5,049**
Substandard to individual non-performing	-	-	(765)	6,941	-	**6,176**	3	**6,179**
Substandard to regular individual	859	-	(2,175)	-	-	**(1,316)**	10	**(1,306)**
Individual non-performing to Substandard	-	-	59	(35)	-	**24**	-	**24**
Individual non-performing to Individual regular	-	-	-	(466)	-	**(466)**	-	**(466)**
Group regular to Group non-performing	-	(2,613)	-	-	26,498	**23,885**	(2,987)	**20,898**
Group non-performing to Group regular	-	939	-	-	(22,887)	**(21,948)**	9	**(21,939)**
Individual (regular, substandard, non-performing) to Group (regular, non-performing)	(1,042)	404	(249)	(10)	579	**(318)**	(31)	**(349)**
Group (regular, non-performing) to Individual (regular, substandard, non-performing)	(1,201)	310	(340)	140	(104)	**(1,195)**	27	**(1,168)**
New loans originated	29,371	8,827	7,363	29,041	14,988	**89,590**	17,398	**106,988**
New loans for conversion of contingent to loans	7,022	1,209	3,663	115	1,144	**13,153**	-	**13,153**
New loans acquired	-	-	-	-	-	**-**	-	**-**
Sale or transfer of loans	-	(1)	-	-	(1)	**(2)**	-	**(2)**
Loan repayment	(26,373)	(14,608)	(26,254)	(23,018)	(6,772)	**(97,025)**	365	**(96,660)**
Application of provisions for write-offs	(1)	(192)	-	(14,025)	(29,973)	**(44,191)**	-	**(44,191)**
Recovery of written-off credits	-	4	-	-	-	**4**	-	**4**
Changes in models and methodologies	-	-	-	-	-	**-**	-	**-**
Translation differences	2,772	191	1,266	(1,388)	405	**3,246**	-	**3,246**
Other changes in provisions (if applicable)	12,727	(8,375)	203	(117)	(3,099)	**1,339**	460	**1,799**
Balance as of December 31, 2021	**131,601**	**38,347**	**46,040**	**118,150**	**110,121**	**444,259**	**46,192**	**490,451**

j) As of December 31, 2022, and December 31, 2021, the detail of movements in provisions recorded for mortgage loans is as follows:

December 31, 2022	Movement in provisions recorded by portfolio in the period		
	Group assessment		Total
	Regular Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$
Mortgage loans			
Opening balance as of January 1, 2022	39,582	13,028	**52,610**
Change in measurement without portfolio reclassification during the period:	(1,391)	2,679	**1,288**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(990)	7,805	**6,815**
Group regular to Group non-performing	(1,418)	9,827	**8,409**
Group non-performing to Group regular	428	(2,022)	**(1,594)**
New loans originated	26,606	2,656	**29,262**
New credits for conversion of contingent to loans	-	-	**-**
New loans acquired	-	-	**-**
Sale or transfer of loans	-	-	**-**
Loan repayment	(3,197)	(1,407)	**(4,604)**
Application of provisions for write-offs	(15)	(360)	**(375)**
Recovery of written-off credits	-	-	**-**
Changes in models and methodologies	-	-	**-**
Translation differences	(1,787)	(92)	**(1,879)**
Other changes in provisions (if applicable)	-	-	**-**
Balance as of December 31, 2022	**58,808**	**24,309**	**83,117**

December 31, 2021	Movement in provisions recorded by portfolio in the period		
	Group assessment		Total
	Regular Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$
Mortgage loans			
Opening balance as of January 1, 2022	**34,035**	**14,195**	**48,230**
Change in measurement without portfolio reclassification during the period:	6,160	(1,563)	**4,597**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(815)	4,979	**4,164**
Group regular to Group non-performing	(1,120)	7,511	**6,391**
Group non-performing to Group regular	305	(2,532)	**(2,227)**
New loans originated	5,403	266	**5,669**
New credits for conversion of contingent to loans	-	-	**-**
New loans acquired	-	-	**-**
Sale or transfer of loans	-	-	**-**
Loan repayment	(5,202)	(1,866)	**(7,068)**
Application of provisions for write-offs	(2)	(341)	**(343)**
Recovery of written-off credits	-	-	**-**
Changes in models and methodologies	-	-	**-**
Translation differences	-	-	**-**
Other changes in provisions (if applicable)	2	(2,642)	**(2,640)**
Balance as of December 31, 2021	**39,581**	**13,028**	**52,609**

k) As of December 31, 2022, and December 31, 2021, the balances for this concept are as follows:

December 31, 2022	Movement in provisions recorded by portfolio in the period		
	Group Evaluation		Total
	Regular Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$
Consumer Loans			
Opening balance as of January 1, 2022	111,912	95,740	**207,652**
Change in measurement without portfolio reclassification during the period:	51,133	(6,841)	**44,292**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(17,050)	110,801	**93,751**
Group regular to Group non-performing	(18,281)	118,105	**99,824**
Group non-performing to Group regular	1,231	(7,304)	**(6,073)**
New loans originated	10,988	27,460	**38,448**
New credits for conversion of contingent to loans	31,694	12,415	**44,109**
New loans acquired	-	-	**-**
Sale or transfer of loans	(1,945)	(1,791)	**(3,736)**
Repayment of loans	(14,472)	(17,749)	**(32,221)**
Application of provisions for write-offs	(14,927)	(55,351)	**(70,278)**
Recovery of written-off credits	1,862	169	**2,031**
Changes in models and methodologies	-	-	**-**
Translation differences	(238)	(5)	**(243)**
Other changes in provisions (if applicable)	-	-	**-**
Balance as of December 31, 2022	**158,957**	**164,848**	**323,805**

December 31, 2021	Movement in provisions recorded by portfolio in the period		
	Group assessment		Total
	Regular Portfolio	Non-performing portfolio	
	MCh$	MCh$	MCh$
Consumer Loans			
Opening balance as of January 1, 2022	**107,157**	**168,029**	**275,186**
Change in measurement without portfolio reclassification during the period:	4,742	(2,626)	**2,116**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(275)	(10,446)	**(10,721)**
Group regular to Group non-performing	(5,417)	24,595	**19,178**
Group non-performing to Group regular	5,142	(35,041)	**(29,899)**
New loans originated	16,736	19,461	**36,197**
New credits for conversion of contingent to loans	19,563	4,979	**24,542**
New loans acquired	-	-	**-**
Sale or transfer of loans	-	-	**-**
Repayment of loans	(26,075)	(30,698)	**(56,773)**
Application of provisions for write-offs	(10,389)	(53,162)	**(63,551)**
Recovery of written-off credits	381	30	**411**
Changes in models and methodologies	-	-	**-**
Translation differences	72	320	**392**
Other changes in provisions (if applicable)	-	(147)	**(147)**
Balance as of December 31, 2021	**111,912**	**95,740**	**207,652**

l) As of December 31, 2022, and December 31, 2021, the detail of the movement of provisions recorded by contingent loans is as follows:

December 31, 2022	Movement in provisions recorded by portfolio in the period					
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total
	Individual / group			Individual / group		
	Assessment			Assessment		
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Contingent loans						
Opening balance as of January 1, 2022	**24,569**	**18,882**	**5,005**	**4,602**	**5,383**	**58,441**
Change in measurement without portfolio reclassification during the period:	1,474	(3,149)	151	362	(777)	**(1,939)**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(456)	(1,059)	194	3,772	3,074	**5,525**
Regular individual to Substandard	(507)	-	1,270	-	-	**763**
Regular individual to Individual non-performing	(35)	-	-	1,438	-	**1,403**
Substandard to individual non-performing	-	-	(751)	679	-	**(72)**
Substandard to regular individual	198	-	(266)	-	-	**(68)**
Individual non-performing to Substandard	-	-	4	(29)	-	**(25)**
Individual non-performing to Individual regular	-	-	-	(1)	-	**(1)**
Group regular to Group non-performing	-	(957)	-	-	5,050	**4,093**
Group non-performing to Group regular	-	26	-	-	(2,221)	**(2,195)**
Individual (regular, substandard, non-performing) to Group (regular, non-performing)	(166)	(167)	(64)	1,685	337	**1,625**
Group (regular, non-performing) to Individual (regular, substandard, non-performing)	54	39	1	-	(92)	**2**
New loans originated	13,182	2,997	6,487	848	1,810	**25,324**
Contingent loans for conversion to loans	489	-	-	-	-	**489**
Loan repayment	(14,470)	(3,053)	(2,478)	(2,532)	(2,059)	**(24,592)**
Application of provisions for write-offs	-	(416)	-	-	(345)	**(761)**
Changes in models and methodologies	-	-	-	-	-	**-**
Translation differences	(1,075)	(40)	(478)	(527)	(115)	**(2,235)**
Other changes in provisions (if applicable)	-	-	-	-	-	**-**
Balance as of December 31, 2022	**23,713**	**14,162**	**8,881**	**6,525**	**6,971**	**60,252**

December 31, 2021	Movement in provisions recorded by portfolio in the period					
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total
	Individual / group			Individual / group		
	assessment			assessment		
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Contingent loans						
Opening balance as of January 1, 2022	**15,156**	**21,610**	**4,251**	**2,042**	**9,063**	**52,122**
Change in measurement without portfolio reclassification during the period:	4,925	60	266	36	924	**6,211**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(59)	(52)	411	622	140	**1,062**
Regular individual to Substandard	(227)	-	584	-	-	**357**
Regular individual to Individual non-performing	(28)	-	-	622	-	**594**
Substandard to individual non-performing	-	-	-	-	-	**-**
Substandard to regular individual	73	-	(205)	-	-	**(132)**
Individual non-performing to Substandard	-	-	-	-	-	**-**
Individual non-performing to Individual regular	-	-	-	-	-	**-**
Group regular to Group non-performing	-	(189)	-	-	4,195	**4,006**
Group non-performing to Group regular	-	107	-	-	(4,125)	**(4,018)**
Individual (regular, substandard, non-performing) to Group (regular, non-performing)	103	55	(4)	-	77	**231**
Group (regular, non-performing) to Individual (regular, substandard, non-performing)	20	(25)	36	-	(7)	**24**
New loans originated	9,162	5,033	1,074	695	779	**16,743**
Contingent loans for conversion to loans	1,375	-	-	-	-	**1,375**
Loan repayment	(8,176)	(3,372)	(1,381)	(331)	(2,136)	**(15,396)**
Application of provisions for write-offs	-	(285)	-	-	(124)	**(409)**
Changes in models and methodologies	-	-	-	-	-	**-**
Translation differences	465	9	351	-	(1)	**824**
Other changes in provisions (if applicable)	1,721	(4,121)	33	1,538	(3,262)	**(4,091)**
Balance as of December 31, 2021	**24,569**	**18,882**	**5,005**	**4,602**	**5,383**	**58,441**

m) As of December 31, 2022, and December 31, 2021, the concentration of credits by economic activity is as follows:

December 31, 2022	Loans and exposure to contingent loans			Constitutive provisions		
	Local /foreign Loans		Total	Local /foreign Loans		Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks	-	**768,663**	**768,663**	-	**963**	**963**
Commercial loans	1,501,198	236,416	**1,737,614**	33,503	5,263	**38,766**
Agriculture and livestock	489,484	33,928	**523,412**	12,665	2,970	**15,635**
Fruit growing	361,523	18,490	**380,013**	11,141	128	**11,269**
Forestry and logging	146,189	5,697	**151,886**	2,219	94	**2,313**
Fishing	75,613	76,902	**152,515**	2,804	1,798	**4,602**
Exploitation of mines and quarries	239,527	101,399	**340,926**	2,107	273	**2,380**
Crude oil and natural gas production	188,862	-	**188,862**	2,567	-	**2,567**
Product Manufacturing Industry	1,758,110	353,851	**2,111,961**	40,360	3,420	**43,780**
Food, beverage, and tobacco industry	369,841	144,897	**514,738**	7,878	1,009	**8,887**
Textile and leather industry	69,779	9,374	**79,153**	1,864	611	**2,475**
Wood and furniture industry	47,086	1,325	**48,411**	1,857	18	**1,875**
Printing and publishing paper industry	60,462	4,538	**65,000**	3,188	77	**3,265**
Chemicals and petroleum derivatives	354,268	50,020	**404,288**	6,451	450	**6,901**
Metallic, non-metallic, machinery, or other	524,287	139,331	**663,618**	14,486	1,244	**15,730**
Other Manufacturing Industries	332,387	4,366	**336,753**	4,636	11	**4,647**
Electricity, gas, and water	818,934	537	**819,471**	6,390	23	**6,413**
Home building	154,945	-	**154,945**	1,164	-	**1,164**
Other works and constructions	1,849,168	9,077	**1,858,245**	37,006	184	**37,190**
Wholesale trade	1,684,563	437,973	**2,122,536**	41,277	8,240	**49,517**
Retail restaurants and hotels	2,208,253	80,758	**2,289,011**	49,784	910	**50,694**
Transport and storage	1,468,123	113,277	**1,581,400**	22,423	200	**22,623**
Telecommunications	497,097	137	**497,234**	8,325	4	**8,329**
Financial and insurance establishments	2,808,791	19,855	**2,828,646**	37,700	1,359	**39,059**
Real estate and services provided to companies	7,660,848	7,963	**7,668,811**	73,715	105	**73,820**
Community, social and personal services	6,069,676	7,635	**6,077,311**	98,771	115	**98,886**
Total Commercial loans	**28,479,706**	**1,267,479**	**29,747,185**	**450,418**	**19,823**	**470,241**
Mortgage loans	**12,892,498**	**-**	**12,892,498**	**83,117**	**-**	**83,117**
Consumer Loans	**3,536,612**	**-**	**3,536,612**	**323,805**	**-**	**323,805**
Contingent loan exposure	**6,016,625**	**799,134**	**6,815,759**	**55,254**	**4,999**	**60,253**

As of December 31, 2021	Loans and exposure to contingent loans			Constitutive provisions		
	Local /foreign Loans		Total	Local /foreign Loans		Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks	-	**640,332**	**640,332**	-	**(799)**	**(799)**
Commercial loans						
Agriculture and livestock	524,333	33,096	**557,429**	(16,355)	(3,205)	**(19,560)**
Fruit growing	351,808	12,125	**363,933**	(13,139)	(61)	**(13,200)**
Forestry and logging	170,327	1,782	**172,109**	(2,697)	(22)	**(2,719)**
Fishing	65,041	99,946	**164,987**	(3,156)	(5,476)	**(8,632)**
Exploitation of mines and quarries	148,087	109,487	**257,574**	(1,979)	(158)	**(2,137)**
Crude oil and natural gas production	157,330	-	**157,330**	(2,698)	-	**(2,698)**
Product Manufacturing Industry	**1,700,076**	**343,822**	**2,043,898**	**(42,022)**	**(3,163)**	**(45,185)**
Food, beverage, and tobacco industry	343,279	101,690	**444,969**	(7,359)	(906)	**(8,265)**
Textile and leather industry	45,719	7,180	**52,899**	(2,039)	(313)	**(2,352)**
Wood and furniture industry	55,629	3,257	**58,886**	(2,157)	(9)	**(2,166)**
Printing and publishing paper industry	63,494	7,195	**70,689**	(4,062)	(236)	**(4,298)**
Chemicals and petroleum derivatives	173,023	63,435	**236,458**	(5,191)	(370)	**(5,561)**
Metallic, non-metallic, machinery, or other	536,305	160,251	**696,556**	(14,362)	(1,315)	**(15,677)**
Other Manufacturing Industries	482,627	814	**483,441**	(6,852)	(14)	**(6,866)**
Electricity, gas, and water	722,428	2,701	**725,129**	(7,284)	(23)	**(7,307)**
Home building	97,208	-	**97,208**	(1,057)	-	**(1,057)**
Other works and constructions	1,828,720	7,737	**1,836,457**	(29,828)	(214)	**(30,042)**
Wholesale trade	1,433,146	357,723	**1,790,869**	(42,003)	(4,538)	**(46,541)**
Retail restaurants and hotels	2,398,116	70,158	**2,468,274**	(54,134)	(1,207)	**(55,341)**
Transport and storage	1,328,112	179,030	**1,507,142**	(23,293)	(374)	**(23,667)**
Telecommunications	372,852	318	**373,170**	(4,794)	(5)	**(4,799)**
Financial and insurance establishments	2,819,756	17,587	**2,837,343**	(33,552)	(1,375)	**(34,927)**
Real estate and services provided to companies	3,557,836	5,844	**3,563,680**	(68,960)	(110)	**(69,070)**
Community, social and personal services	8,252,807	7,300	**8,260,107**	(123,320)	(249)	**(123,569)**
Total Commercial loans	**25,927,983**	**1,248,656**	**27,176,639**	**(470,271)**	**(20,180)**	**(490,451)**
Mortgage loans	**10,751,664**	**-**	**10,751,664**	**(52,609)**	**-**	**(52,609)**
Consumer Loans	**3,430,790**	**-**	**3,430,790**	**(207,652)**	**-**	**(207,652)**
Contingent loan exposure	**5,810,797**	**655,086**	**6,465,883**	**(52,539)**	**(5,902)**	**(58,441)**

n) As of December 31, 2022, and December 31, 2021, the mortgage loans and its provisions recorded by tranches of outstanding principal owed of the loan on the value of the mortgage guarantee (PVG) and the days past due, are as follows:

December 31, 2022, Tranche Loan / Guarantee Value (%)	Mortgage loans (MCh$)						Provisions recorded for mortgage Loans (MCh$)					
	Days past due at the end of the period						Days past due at the end of the period					
	0	1 to 29	30 to 59	60 to 89	>= 90	Total	0	1 to 29	30 to 59	60 to 89	>= 90	Total
PVG <= 40%	1,105,938	34,743	12,160	3,544	8,713	**1,165,098**	(8,294)	(676)	(465)	(210)	(851)	**(10,496)**
40% < PVG <= 80%	9,056,788	315,448	74,115	34,145	88,835	**9,569,331**	(46,774)	(7,117)	(3,321)	(1,925)	(7,039)	**(66,176)**
80% < PVG <= 90%	1,865,001	25,694	13,200	4,782	8,246	**1,916,923**	(3,091)	(661)	(387)	(195)	(686)	**(5,020)**
PVG > 90%	227,966	5,613	4,630	575	2,362	**241,146**	(979)	(109)	(130)	(24)	(183)	**(1,425)**
Total LTV	**12,255,693**	**381,498**	**104,105**	**43,046**	**108,156**	**12,892,498**	**(59,138)**	**(8,563)**	**(4,303)**	**(2,354)**	**(8,759)**	**(83,117)**

December 31, 2021, Loan Tranche / Guarantee Value (%)	Mortgage loans (MCh$)						Provisions recorded for mortgage Loans (MCh$)					
	Days past due at the end of the period						Days past due at the end of the period					
	0	1 to 29	30 to 59	60 to 89	>= 90	Total	0	1 to 29	30 to 59	60 to 89	>= 90	Total
PVG <= 40%	804,576	30,092	8,348	2,496	5,695	**851,207**	(2,219)	(188)	(85)	(10)	(50)	**(2,552)**
40% < PVG <= 80%	7,339,680	139,077	43,603	22,443	54,746	**7,599,549**	(20,355)	(1,824)	(974)	(523)	(1,421)	**(25,097)**
80% < PVG <= 90%	1,759,203	17,966	7,600	1,750	6,745	**1,793,264**	(12,946)	(1,572)	(1,174)	(360)	(1,404)	**(17,456)**
PVG > 90%	495,399	5,422	2,665	634	3,524	**507,644**	(5,463)	(446)	(459)	(108)	(1,028)	**(7,504)**
Total LTV	**10,398,858**	**192,557**	**62,216**	**27,323**	**70,710**	**10,751,664**	**(40,983)**	**(4,030)**	**(2,692)**	**(1,001)**	**(3,903)**	**(52,609)**

o) As of December 31, 2022, and December 31, 2021, loans and advances to bank and commercial loans and their provisions recorded by classification category, are as follows:

December 31, 2022	Loans and advances to banks and commercial loans																								
	Individual																							Total	Deductible provision guarantees FOGAPE Covid-19(i)
	Assessment																				group				
	Regular Portfolio							Substandard Portfolio					Non-performing portfolio							Total	Normal Portfolio	Portfolio in Default	Total		
		A2	A3	A4	TO 5	A6	Subtotal	B1	B2	B3	B4	Subtotal	C1	C2	C3	C4	C5	C6	Subtotal						
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks																									
Interbank liquidity loans	-	170,429	87,972	11,992	34,091	-	**304,484**	-	-	-	-	-	-	-	-	-	-	-	-	**304,484**	-	-	-	**304,484**	-
Commercial interbank loans	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-	-	**-**	-
Overdrafts on checking accounts	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-	-	**-**	-
Foreign trade credits Chilean exports	-	33,388	33,876	-	-	-	**67,264**	-	-	-	-	-	-	-	-	-	-	-	-	**67,264**	-	-	-	**67,264**	-
Foreign trade credits Chilean imports	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-	-	**-**	-
Foreign trade credits between third countries	-	274,268	122,647	-	-	-	**396,915**	-	-	-	-	-	-	-	-	-	-	-	-	**396,915**	-	-	-	**396,915**	-
Non-transferable deposits in banks	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-	-	**-**	-
Other credit balances with banks	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-	-	**-**	-
Subtotal	**-**	**478,085**	**244,495**	**11,992**	**34,091**	**-**	**768,663**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**768,663**	**-**	**-**	**-**	**768,663**	**-**
Provisions recorded	-	(424)	(535)	(1)	(3)	-	**(963)**	-	-	-	-	-	-	-	-	-	-	-	-	**(963)**	-	-	-	**(963)**	-
% Provisions recorded	0.00%	0.09%	0.22%	0.01%	0.01%	0.00%	0.13%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.13%	0.00%	0.00%	0.00%	0.13%	
Commercial loans																									
Commercial loans	275,044	1,375,555	3,098,642	3,333,849	4,596,454	7,272,232	**19,951,776**	983,368	141,285	34,133	45,257	1,204,043	196,591	114,783	91,981	37,478	21,796	42,874	505,503	**21,661,322**	3,510,630	295,806	3,806,436	**25,467,758**	**(36,659)**
Foreign trade credits Chilean exports	-	76,245	275,315	137,794	81,639	24,153	**595,146**	15,523	689	2,341	4,343	22,896	-	3,711	-	-	4,303	-	8,014	**626,056**	7,962	-	7,962	**634,018**	**-**
Foreign trade credits Chilean imports	-	13,587	130,517	154,585	73,841	27,794	**400,324**	3,734	7,074	139	663	11,610	-	-	-	-	-	-	-	**411,934**	24,546	-	24,546	**436,480**	**-**
Foreign trade credits between third countries	-	-	102,637	17,579	49,745	15,514	**185,475**	525	5,832	-	5,148	11,505	-	-	-	-	-	-	-	**196,980**	-	-	-	**196,980**	**-**
Debtors in current accounts	189	8,133	33,235	5,876	5,947	1,826	**55,206**	7,224	2,196	359	297	10,076	180	182	4	133	77	510	1,086	**66,368**	69,124	7,140	76,264	**142,632**	**-**
Credit card debtors	-	1,059	1,102	2,163	978	777	**6,079**	740	101	18	71	930	-	11	-	46	22	339	418	**7,427**	53,459	5,300	58,759	**66,186**	**-**
Factoring operations	60,896	224,294	373,802	298,031	207,716	24,198	**1,188,937**	9,323	521	-	171	10,015	-	351	-	-	2,853	-	3,204	**1,202,156**	79,242	2,205	81,447	**1,283,603**	**-**
Commercial finance lease operations	-	71,715	148,067	295,506	228,258	178,045	**921,591**	97,890	25,280	7,006	9,002	139,178	12,478	5,548	1,155	3,009	3,254	2,293	27,737	**1,088,506**	284,076	10,884	294,960	**1,383,466**	**-**
Student loans	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	116,262	11,468	127,730	**127,730**	**-**
Other loans and receivable	-	-	-	-	-	-	**-**	-	-	-	-	-	90	-	-	2,154	1,632	3,626	7,502	**7,502**	71	759	830	**8,332**	**-**
Subtotal	**336,129**	**1,770,588**	**4,163,317**	**4,245,383**	**5,244,578**	**7,544,539**	**23,304,534**	**1,118,327**	**182,978**	**43,996**	**64,952**	**1,410,253**	**209,339**	**124,586**	**93,140**	**42,820**	**33,937**	**49,642**	**553,464**	**25,268,251**	**4,145,372**	**333,562**	**4,478,934**	**29,747,185**	**(36,659)**
Provisions recorded	(97)	(2,289)	(6,760)	(33,057)	(38,025)	(53,399)	(133,627)	(17,266)	(5,799)	(4,417)	(5,246)	(32,728)	(4,238)	(12,570)	(23,298)	(17,615)	(22,004)	(44,064)	(123,789)	**(290,144)**	(42,269)	(101,169)	(143,438)	**(433,582)**	-
% Provisions recorded	0.04%	0.14%	0.15%	0.96%	0.79%	1.08%	0.72%	2.18%	2.23%	8.51%	4.01%	2.75%	2.01%	10.13%	25.02%	40.23%	65.16%	89.72%	25.82%	**1.35%**	1.64%	29.96%	3.70%	**1.76%**	

As of December 31, 2021	Loans and advances to banks and commercial loans																								
	Individual																							Total	Deductible provision guarantees FOGAPE Covid-19(i)
	assessment																				group				
	Regular Portfolio							Substandard Portfolio					Non-performing portfolio							Total	Normal Portfolio	Portfolio in Default	Total		
		A2	A3	A4	TO 5	A6	Subtotal	B1	B2	B3	B4	Subtotal	C1	C2	C3	C4	C5	C6	Subtotal						
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks																									
Interbank liquidity loans	-	315,331	180,174	-	25,648	-	**521,153**	-	-	-	-	-	-	-	-	-	-	-	-	**521,153**	-	-	**-**	**521,153**	-
Commercial interbank loans	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-	**-**	**-**	-
Overdrafts on checking accounts	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-	**-**	**-**	-
Foreign trade credits Chilean exports	-	35,099	8,530	-	-	-	**43,629**	-	-	-	-	-	-	-	-	-	-	-	-	**43,629**	-	-	**-**	**43,629**	-
Foreign trade credits Chilean imports	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-	**-**	**-**	-
Foreign trade credits between third countries	-	52,052	23,498	-	-	-	**75,550**	-	-	-	-	-	-	-	-	-	-	-	-	**75,550**	-	-	**-**	**75,550**	-
Non-transferable deposits in banks	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-	**-**	**-**	-
Other credit balances with banks	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	-	-	**-**	**-**	-
Subtotal	**-**	**402,482**	**212,202**	**-**	**25,648**	**-**	**640,332**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**640,332**	**-**	**-**	**-**	**640,332**	**-**
Provisions recorded	-	(332)	(464)	-	(3)	-	**(799)**	-	-	-	-	-	-	-	-	-	-	-	-	**(799)**	-	-	**-**	**(799)**	-
% Provisions recorded	0.00%	0.08%	0.22%	0.00%	0.01%	0.00%	**0.00%**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	**0.12%**	0.00%	0.00%	**0.00%**	**0.12%**	0.00%
Commercial loans																									
Commercial loans	176,681	1,333,990	3,035,070	2,728,261	3,755,688	5,232,309	**16,261,999**	1,112,917	237,981	55,877	197,111	1,603,886	154,062	32,690	99,362	36,799	31,240	47,275	401,428	**18,267,313**	4,376,653	319,736	**4,696,389**	**22,963,702**	**(46,193)**
Foreign trade credits Chilean exports	-	190,011	150,101	115,113	94,978	58,610	**608,813**	10,232	7,646	601	-	18,479	-	-	-	-	-	-	-	**627,292**	8,315	307	**8,622**	**635,914**	-
Foreign trade credits Chilean imports	-	7,354	121,650	113,333	73,301	20,977	**336,615**	4,872	6,505	-	-	11,377	-	-	-	-	-	-	-	**347,992**	17,308	27	**17,335**	**365,327**	-
Foreign trade credits between third countries	-	-	203,954	5,601	14,408	8,556	**232,519**	2,474	6,181	-	6,240	14,895	-	-	-	-	-	-	-	**247,414**	-	-	**-**	**247,414**	-
Debtors in current accounts	-	7,702	25,590	3,920	5,713	3,795	**46,720**	4,115	359	26	210	4,710	161	39	73	7	99	638	1,017	**52,447**	52,927	7,208	**60,135**	**112,582**	-
Credit card debtors	-	1,583	948	1,453	1,137	1,014	**6,135**	676	88	29	6	799	9	10	0	39	17	15	90	**7,024**	47,011	4,034	**51,045**	**58,069**	-
Factoring operations	42,758	172,652	323,292	337,426	112,836	25,741	**1,014,705**	9,478	593	-	-	10,071	-	-	-	-	-	-	-	**1,024,776**	62,678	547	**63,225**	**1,088,001**	-
Commercial finance lease operations	-	51,956	149,309	319,567	236,303	350,194	**1,107,329**	61,062	13,529	3,318	3,337	81,246	13,853	1,684	1,811	2,640	5,694	2,137	27,819	**1,216,394**	337,634	9,762	**347,396**	**1,563,790**	-
Student loans	-	-	-	-	-	-	**-**	-	-	-	-	-	-	-	-	-	-	-	-	**-**	119,585	18,568	**138,153**	**138,153**	-
Other loans and receivable	-	-	-	-	-	-	**-**	-	-	-	-	-	115	386	331	1,102	9	709	2,652	**2,652**	5	1,028	**1,033**	**3,685**	-
Subtotal	**219,439**	**1,765,248**	**4,009,914**	**3,624,674**	**4,294,364**	**5,701,196**	**19,614,835**	**1,205,826**	**272,882**	**59,851**	**206,904**	**1,745,463**	**168,200**	**34,809**	**101,577**	**40,587**	**37,059**	**50,774**	**433,006**	**21,793,304**	**5,022,116**	**361,217**	**5,383,333**	**27,176,637**	**(46,193)**
Provisions recorded	(77)	(1,179)	(7,931)	(36,320)	(38,338)	(47,756)	**(131,601)**	(19,575)	(6,956)	(8,489)	(11,019)	(46,039)	(3,379)	(3,483)	(25,402)	(16,296)	(24,159)	(45,430)	(118,149)	**(295,789)**	(38,347)	(110,122)	**(148,469)**	**(444,258)**	**-**
% Provisions recorded	0.04%	0.07%	0.20%	1.00%	0.89%	1.04%	0.73%	1.85%	2.55%	14.18%	5.33%	2.80%	2.01%	10.01%	25.01%	40.15%	65.19%	90.11%	27.36%	**1.42%**	1.39%	30.62%	**3.35%**	**1.80%**	

p) As of December 31, 2022, and December 31, 2021, the balances for loans and their provisions recorded by tranches of days past due, are as follows:

As of December 31, 2022	Financial assets before provisions						Provisions constituted								Net financial assets
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19(i)	Total	
	Individual/group		Individual	Individual/group			Individual/group		Individual	Individual/group					
	Assessment		Assessment	Assessment			Assessment		Assessment	Assessment					
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks															
0 days	767,042	-	-	-	-	**767,042**	(959)	-	-	-	-	(959)	-	**(959)**	**766,083**
1 to 29 days	1,621	-	-	-	-	**1,621**	(4)	-	-	-	-	(4)	-	**(4)**	**1,617**
30 to 59 days	-	-	-	-	-	**-**	-	-	-	-	-	-	-	**-**	**-**
60 to 89 days	-	-	-	-	-	**-**	-	-	-	-	-	-	-	**-**	**-**
>= 90 days	-	-	-	-	-	**-**	-	-	-	-	-	-	-	**-**	**-**
Subtotal	**768,663**	**-**	**-**	**-**	**-**	**768,663**	**(963)**	**-**	**-**	**-**	**-**	**(963)**	**-**	**(963)**	**767,700**
Commercial loans															
0 days	21,345,722	3,989,817	1,276,874	325,555	104,823	**27,042,791**	(122,893)	(33,306)	(29,294)	(66,003)	(26,101)	(277,597)	(46,850)	**(324,447)**	**26,718,344**
1 to 29 days	1,943,151	114,542	123,644	31,876	26,346	**2,239,559**	(10,529)	(4,880)	(3,252)	(3,666)	(6,574)	(28,901)	(90)	**(28,991)**	**2,210,568**
30 to 59 days	14,465	31,003	7,488	12,779	24,208	**89,943**	(203)	(2,834)	(76)	(2,104)	(5,911)	(11,128)	62	**(11,066)**	**78,877**
60 to 89 days	1,172	10,010	2,169	19,362	21,083	**53,796**	-	(1,249)	(95)	(5,813)	(5,759)	(12,916)	83	**(12,833)**	**40,963**
>= 90 days	24	-	78	163,892	157,102	**321,096**	(2)	-	(11)	(46,203)	(56,824)	(103,040)	10,136	**(92,904)**	**228,192**
Subtotal	**23,304,534**	**4,145,372**	**1,410,253**	**553,464**	**333,562**	**29,747,185**	**(133,627)**	**(42,269)**	**(32,728)**	**(123,789)**	**(101,169)**	**(433,582)**	**(36,659)**	**(470,241)**	**29,276,944**
Mortgage loans															
0 days	-	12,167,990	-	-	87,703	**12,255,693**	-	(51,639)	-	-	(7,499)	(59,138)	-	**(59,138)**	**12,196,555**
1 to 29 days	-	342,490	-	-	39,008	**381,498**	-	(5,294)	-	-	(3,269)	(8,563)	-	**(8,563)**	**372,935**
30 to 59 days	-	69,646	-	-	34,459	**104,105**	-	(1,460)	-	-	(2,843)	(4,303)	-	**(4,303)**	**99,802**
60 to 89 days	-	18,582	-	-	24,464	**43,046**	-	(415)	-	-	(1,939)	(2,354)	-	**(2,354)**	**40,692**
>= 90 days	-	-	-	-	108,156	**108,156**	-	-	-	-	(8,759)	(8,759)	-	**(8,759)**	**99,397**
Subtotal	**-**	**12,598,708**	**-**	**-**	**293,790**	**12,892,498**	**-**	**(58,808)**	**-**	**-**	**(24,309)**	**(83,117)**	**-**	**(83,117)**	**12,809,381**
Consumer loans															
0 days	-	3,074,577	-	-	85,744	**3,160,321**	-	(89,531)	-	-	(42,220)	(131,751)	-	**(131,751)**	**3,028,570**
1 to 29 days	-	109,674	-	-	22,376	**132,050**	-	(30,371)	-	-	(11,296)	(41,667)	-	**(41,667)**	**90,383**
30 to 59 days	-	53,757	-	-	21,881	**75,638**	-	(25,872)	-	-	(12,874)	(38,746)	-	**(38,746)**	**36,892**
60 to 89 days	-	25,773	-	-	27,230	**53,003**	-	(13,183)	-	-	(18,353)	(31,536)	-	**(31,536)**	**21,467**
>= 90 days	-	-	-	-	115,600	**115,600**	-	-	-	-	(80,105)	(80,105)	-	**(80,105)**	**35,495**
Subtotal	**-**	**3,263,781**	**-**	**-**	**272,831**	**3,536,612**	**-**	**(158,957)**	**-**	**-**	**(164,848)**	**(323,805)**	**-**	**(323,805)**	**3,212,807**
TOTAL	**24,073,197**	**20,007,861**	**1,410,253**	**553,464**	**900,183**	**46,944,958**	**(134,590)**	**(260,034)**	**(32,728)**	**(123,789)**	**(290,326)**	**(841,467)**	**(36,659)**	**(878,126)**	**46,066,832**

As of December 31, 2021	Financial assets before provisions						Provisions constituted								Net financial assets
	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Total	Regular Portfolio		Substandard Portfolio	Non-performing portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19(i)	Total	
	Individual/group		Individual	Individual/group			Individual/group		Individual	Individual/group					
	Assessment		Assessment	Assessment			Assessment		Assessment	Assessment					
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks															
0 days	640,332	-	-	-	-	**640,332**	(799)	-	-	-	-	**(799)**	-	**(799)**	**639,533**
1 to 29 days	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-	**-**	**-**
30 to 59 days	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-	**-**	**-**
60 to 89 days	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-	**-**	**-**
>= 90 days	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-	**-**	**-**
Subtotal	**640,332**	**-**	**-**	**-**	**-**	**640,332**	**(799)**	**-**	**-**	**-**	**-**	**(799)**	**-**	**(799)**	**639,533**
Commercial loans															
0 days	18,279,587	4,896,147	1,643,204	320,398	161,608	**25,300,944**	(113,643)	(38,488)	(39,191)	(68,417)	(42,296)	**(302,035)**	(48,831)	**(350,866)**	**24,950,078**
1 to 29 days	1,262,319	130,011	90,857	9,916	29,395	**1,522,498**	(6,024)	(4,180)	(4,982)	(1,273)	(8,156)	**(24,615)**	(208)	**(24,823)**	**1,497,675**
30 to 59 days	18,926	16,620	6,642	11,738	15,660	**69,586**	(328)	(1,347)	(386)	(2,591)	(4,140)	**(8,792)**	(104)	**(8,896)**	**60,690**
60 to 89 days	16,149	16,813	4,758	15,542	9,994	**63,256**	(229)	(2,706)	(1,277)	(5,922)	(2,824)	**(12,958)**	(80)	**(13,038)**	**50,218**
>= 90 days	-	-	-	75,409	144,944	**220,353**	-	-	-	(40,053)	(55,805)	**(95,858)**	(3,030)	**(92,828)**	**127,525**
Subtotal	**19,576,981**	**5,059,591**	**1,745,461**	**433,003**	**361,601**	**27,176,637**	**(120,224)**	**(46,721)**	**(45,836)**	**(118,256)**	**(113,221)**	**(444,258)**	**(46,193)**	**(490,451)**	**26,686,186**
Mortgage loans															
0 days	-	10,278,384	-	-	120,475	**10,398,859**	-	(33,427)	-	-	(7,557)	**(40,984)**	-	**(40,984)**	**10,357,875**
1 to 29 days	-	154,642	-	-	37,915	**192,557**	-	(2,074)	-	-	(1,956)	**(4,030)**	-	**(4,030)**	**188,527**
30 to 59 days	-	39,795	-	-	22,420	**62,215**	-	(1,105)	-	-	(1,587)	**(2,692)**	-	**(2,692)**	**59,523**
60 to 89 days	-	14,756	-	-	12,567	**27,323**	-	(334)	-	-	(667)	**(1,001)**	-	**(1,001)**	**26,322**
>= 90 days	-	-	-	-	70,710	**70,710**	-	-	-	-	(3,902)	**(3,902)**	-	**(3,902)**	**66,808**
Subtotal	**-**	**10,487,577**	**-**	**-**	**264,087**	**10,751,664**	**-**	**(36,940)**	**-**	**-**	**(15,669)**	**(52,609)**	**-**	**(52,609)**	**10,699,055**
Consumer loans															
0 days	-	3,182,779	-	-	99,963	**3,282,742**	-	(80,990)	-	-	(42,562)	**(123,552)**	-	**(123,552)**	**3,159,190**
1 to 29 days	-	51,699	-	-	14,814	**66,513**	-	(8,957)	-	-	(7,466)	**(16,423)**	-	**(16,423)**	**50,090**
30 to 59 days	-	14,586	-	-	10,918	**25,504**	-	(4,838)	-	-	(6,131)	**(10,969)**	-	**(10,969)**	**14,535**
60 to 89 days	-	4,322	-	-	8,260	**12,582**	-	(1,775)	-	-	(5,904)	**(7,679)**	-	**(7,679)**	**4,903**
>= 90 days	-	0	-	-	43,449	**43,449**	-	(15,206)	-	-	(33,823)	**(49,029)**	-	**(49,029)**	**(5,580)**
Subtotal	**-**	**3,253,386**	**-**	**-**	**177,404**	**3,430,790**	**-**	**(111,766)**	**-**	**-**	**(95,886)**	**(207,652)**	**-**	**(207,652)**	**3,223,138**
TOTAL	**20,217,313**	**18,800,554**	**1,745,461**	**433,003**	**803,092**	**41,999,423**	**(121,023)**	**(195,427)**	**(45,836)**	**(118,256)**	**(224,776)**	**(705,318)**	**(46,193)**	**(751,511)**	**41,247,912**

The guarantees taken by the Bank to ensure the collection of the rights reflected in its loan's portfolio correspond to the type of mortgages, pledges on movable and real estate assets, warrants and trade and commercial financial instruments.

The Bank finances the acquisition of goods to its customers, both movable and real estate, through finance lease agreements between 1 and 10 years depending on each contract, which are presented in the caption lease operations. As of December 31, 2022, and 2021, approximately MCh$609,754 and MCh$582,875, respectively, correspond to finance leases on personal property, and MCh$774,021 and MCh$981,303, respectively, to finance leases on real estate.

The detail of the reconciliation between the gross investment and the present value of the minimum collections as of December 31, 2022, and 2021, is as follows:

	Net balance receivable	
	As of December 31, 2022 MCh$	As of December 31, 2021 MCh$
Gross finance lease	1,597,939	1,747,359
Unaccrued finance income	(214,164)	(183,181)
Net finance lease	**1,383,775**	**1,564,178**

As of December 31, 2022 and 2021, the cash flows receivable by the Bank from finance lease agreements due to expiration are as follows:

	Net balance receivable	
	As of December 31, 2022 MCh$	As of December 31, 2021 MCh$
On-demand	-	-
Up to a month	181,837	34,739
More than 1 month to 3 months	175,167	109,577
More than 3e months to 1 year	288,009	348,672
More than 1 year to 3 years	291,959	540,317
More than 3 years to 5 years	184,310	235,275
More than 5 years	262,493	295,598
Total	1,383,775	**1,564,178**

There is no evidence of impairment for finance lease agreements entered into by the Bank.

The Bank has obtained financial assets corresponding to real estate for a value of Ch$8,913 million for the period 2022 and Ch$7,090 million for the period 2021 through the execution of guarantees or dations in payment of collateral.

NOTE 14 – INVESTMENTS IN COMPANIES

a) As of December 31, 2022, and 2021 , the main investments in companies and joint ventures are detailed below:

	December 31, 2022			December 31, 2021		
	Equity	Ownership interest	Investment value	Equity	Ownership interest	Investment value
	MCh$	%	MCh$	MCh$	%	MCh$
Investments in associates						
Redbanc S.A.	11,368	12.71	1,445	9,935	12.71	1,263
Combanc S.A.	7,354	13.3	978	6,638	13.3	883
Transbank S.A.	110,929	8.72	9,672	84,898	8.72	7,402
Nexus S.A. (*)	-	-	-	11,471	14.81	1,699
Servicio de Infraestructura de Mercado OTC S.A.	13,222	13.61	1,800	12,508	13.61	1,702
AFT S.A.	20,626	20	4,125	19,158	20	3,832
Centro de Compensación Automatizado S.A.	15,047	33.33	5,015	10,728	33.33	3,576
Sociedad Interbancaria de Depósitos de Valores S.A.	7,255	7.03	510	6,317	7.03	444
Pagos y servicios S.A.	5,126	49.9	2,558	892	49.9	445
Minority investments						
Shares in SWIFT	-	-	56	-	-	56
Shares in BLADEX	-	-	803	-	-	758
Shares FHLB and FRB	-	-	140,616	-	-	82,112
Other shares	-	-	11	-	-	2,514
Investments in joint ventures						
Servipag Ltda.	13,662	50.00	6,831	14,930	50.00	7,465
Artikos Chile S.A.	2,632	50.00	1,316	2,527	50.00	1,263
Total	**207,221**		**175,736**	**180,002**		**115,414**

(*) On September 30, 2022, the Bank sold its entire interest in Nexus S.A., for further details see note 5 d).

b) Changes in investments in companies as of December 31, 2022, and 2021, are as follows:

	December 31, 2022	December 31, 2021
	MCh$	MCh$
Balance as of January 1,	**115,414**	**109,057**
Acquisition of investments (*)	55,990	2,395
Translation adjustment	-	-
Equity in profit or loss	7,404	2,290
Sale of investments in companies	(1,319)	-
Dividend received	(3,668)	(710)
Adjustment of provision for minimum dividend and results	(20)	-
Provision for minimum dividend	(615)	(506)
Capital increase adjustment	3,003	2,888
Regulatory adjustment	-	-
MTM shares	(453)	-
Total	**175,736**	**115,414**

(*) Relate to shares recorded at cost recognized by the subsidiary BCI Financial Group, INC., and Subsidiaries in its Consolidated Statements of Financial Position for shares to be acquired by City National Bank of Florida (CNB) from the Federal Reserve Bank (FRB) and the Federal Home Loan Bank (FHLB), in order to participate in the funding provided by these U.S. government agencies to banks established in the State of Florida.

December 31, 2022	% Ownership	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Operating income	Operating expenses	Net income (loss)
Associate or joint venture	%	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Redbanc S.A.	12.71	14,459	16,058	17,595	1,554	51,851	(50,155)	1,711
Combanc S.A.	13.3	6,647	1,711	1,004	-	4,551	(4,279)	930
Transbank S.A.	8.72	1,361,361	136,846	1,385,851	1,427	967,824	(937,022)	26,031
Servicio de Infraestructura de Mercado OTC S.A.	13.61	31,105	4,459	20,672	1,670	8,882	(8,412)	874
Administrador Financiero del Transantiago S.A.	20.00	59,946	793	40,113	-	6,774	(2,263)	4,021
Centro de Compensación Automatizado S.A.	33.33	8,954	10,388	3,986	309	7,516	(2,613)	4,702
Sociedad Interbancaria de Depósitos de Valores S.A.	7.03	81	7,636	463	-	17	(49)	1,508
Pagos y servicios S.A.	49.90	6,196	9,757	3,185	7,389	2,465	(4,393)	(1,335)
Servipag Ltda.	50.00	76,085	14,606	73,923	3,105	40,404	(36,347)	3,732
Artikos Chile S.A.	50.00	2,541	1,984	1,326	567	5,559	(3,904)	1,361

December 31, 2021	% Ownership	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Operating income	Operating expenses	Net income (loss)
Associate or joint venture	%	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Redbanc S.A.	12.71	12,006	16,404	13,490	4,985	43,179	(41,066)	1,413
Combanc S.A.	13.3	5,259	2,310	836	95	3,898	(3,653)	392
Transbank S.A.	8.72	1,198,729	118,858	1,230,001	2,688	821,362	(757,773)	(12,439)
Nexus S.A.	14.81	14,607	6,537	8,936	737	46,655	(42,322)	3,161
Servicio de Infraestructura de Mercado OTC S.A.	13.61	27,628	8,013	21,179	1,844	7,210	(6,864)	372
Administrador Financiero del Transantiago S.A.	20	53,724	711	35,278	-	4,032	(2,181)	1,925
Centro de Compensación Automatizado S.A.	33.33	10,501	2,746	2,126	393	5,675	(2,377)	2,628
Sociedad Interbancaria de Depósitos de Valores S.A.	7.03	108	6,567	358	-	9	(43)	1,175
Pagos y servicios S.A.	49.9	1,698	9,115	3,859	6,061	159	(1,548)	(1,708)
Servipag Ltda.	50.00	65,193	15,721	61,145	4,840	39,309	(37,047)	1,662
Artikos Chile S.A.	50.00	2,067	2,277	1,167	651	4,814	(3,468)	1,211

NOTE 15 – INTANGIBLE ASSETS

a) As of December 31, 2022 and 2021, intangible assets are as follows:

December 31, 2022	Average years of useful life	Average years of remaining useful life	Gross Balance MCh$	Accumulated amortization MCh$	Net Balance MCh$
Goodwill from business combination	-	-	155,234	-	155,234
Other intangible assets arising from business combinations:					
Customer relationships	10	7	34,890	(17,103)	17,787
Core deposits	8	2	106,063	(86,366)	19,697
Right to use trademarks	10	7	20,405	(2,090)	18,315
Right to use channels	10	7	2,538	(1,508)	1,030
Contract for collection of services	-	-	8,508	(3,474)	5,034
Mortgage loans servicing rights	-	-	552	(136)	416
Other intangibles	11	7	9,053	(3,645)	5,408
Other independently generated intangible assets					
Software or computer programs purchased independently	6	5	382,283	(267,674)	114,609
Software or computer programs generated internally	6	5	85,763	(12,306)	73,457
Mortgage loans servicing rights	-	-	-	-	-
Other intangible assets	-	-	22	-	22
Total			**805,311**	**(394,302)**	**411,009**

December 31, 2021	Average years of useful life	Average years of remaining useful life	Gross Balance MCh$	Accumulated amortization MCh$	Net Balance MCh$
Goodwill from business combination	-	-	176,582	-	176,582
Other intangible assets arising from business combinations:					
Customer relationships	10	7	34,890	(13,921)	20,969
Core deposits	8	2	106,706	(71,121)	35,585
Right to use trademarks	10	7	20,498	(1,578)	18,920
Right to use channels	10	7	2,538	(1,254)	1,284
Contract for collection of services	-	-	8,508	(2,623)	5,885
Mortgage loans servicing rights	-	-	2,697	(775)	1,922
Other intangibles	11	7	9,089	(2,984)	6,105
Other independently generated intangible assets					
Software or computer programs purchased independently	6	5	380,093	(229,812)	150,281
Software or computer programs generated internally	6	5	33,388	(10,008)	23,380
Mortgage loans servicing rights	-	-	-	-	-
Other intangible assets	-	-	45	-	45
Total			**775,034**	**(334,076)**	**440,958**

b) Changes in intangible assets as of December 31, 2022, and 2021, are as follows:

		Other intangibles arising from business combinations							Other independently generated intangible assets				
	Goodwill from business combination MCh$	Customer relationships MCh$	Stable deposits MCh$	Right to use trademarks MCh$	Right to use channels MCh$	Contract for collection of services MCh$	Mortgage loans servicing rights MCh$	Other intangible assets MCh$	Software or computer programs purchased independently MCh$	Software or computer programs generated internally MCh$	Mortgage loans servicing rights MCh$	Other intangible assets MCh$	Total MCh$
Balance as of January 1, 2022	**176,582**	**34,890**	**106,706**	**20,498**	**2,538**	**8,508**	**2,697**	**9,089**	**380,093**	**33,388**	-	**45**	**775,034**
Acquisitions	-	-	-	-	-	-	(16)	-	11,875	60,098	-	-	71,957
Derecognition / disposal	-	-	-	-	-	-	-	-	(8,380)	(915)	-	(23)	(9,318)
Transfers	-	-	-	-	-	-	-	-	(1,941)	(6,241)	-	-	(8,182)
Exchange rate variation	(906)	-	(643)	(93)	-	-	(2,129)	(36)	636	-	-	-	(3,171)
Goodwill remeasurement	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment (*)	(20,442)	-	-	-	-	-	-	-	-	(567)	-	-	(21,009)
Gross balance as of December 31, 2022	**155,234**	**34,890**	**106,063**	**20,405**	**2,538**	**8,508**	**552**	**9,053**	**382,283**	**85,763**	-	**22**	**805,311**
Amortization for the period	-	(3,183)	(15,245)	(512)	(254)	(851)	5	(660)	(40,126)	(2,298)	-	-	**(63,124)**
Amortization accumulated at the beginning of the period	-	(13,921)	(71,121)	(1,578)	(1,254)	(2,623)	(775)	(2,983)	(229,810)	(10,008)	-	-	**(334,073)**
Derecognition / disposal	-	-	-	-	-	-	634	-	2,196	-	-	-	**2,830**
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Other	-	-	-	-	-	-	-	-	65	-	-	-	**65**
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Total amortization and accumulated impairment	**-**	**(17,104)**	**(86,366)**	**(2,090)**	**(1,508)**	**(3,474)**	**(136)**	**(3,643)**	**(267,675)**	**(12,306)**	-	**-**	**(394,302)**
Net balance as of December 31, 2022	**155,234**	**17,786**	**19,697**	**18,315**	**1,030**	**5,034**	**416**	**5,410**	**114,608**	**73,457**	**-**	**22**	**411,009**

(*) Impairment of goodwill in the Financial Services CGU of MCh$20,442 and impairment of intangible assets due to obsolescence of internally generated software of MCh$567.

		Other intangibles arising from business combinations							Other independently generated intangible assets				
	Goodwill from business combination	Customer relationships	Stable deposits	Right to use trademarks	Right to use channels	Contract for collection of services	Mortgage loans servicing rights	Other intangible assets	Software or computer programs purchased independently	Software or computer programs generated internally	Mortgage loans servicing rights	Other intangible assets	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Balance as of January 1, 2021	**151,512**	**34,890**	**44,486**	**17,930**	**2,538**	**8,508**	**-**	**36,025**	**316,312**	**27,014**	**-**	**67**	**639,282**
Acquisitions	2,981	-	53,306	-	-	-	2,697	2,461	27,183	47,337	-	-	135,965
Derecognition / disposal	(688)	-	-	-	-	-	-	(35,780)	(1,052)	(835)	-	(22)	(38,377)
Transfers	-	-	-	-	-	-	-	-	34,542	(40,128)	-	-	(5,586)
Exchange rate variation	22,777	-	8,914	2,568	-	-	-	6,383	3,108	-	-	-	43,750
Goodwill remeasurement	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross balance as of December 31, 2021	**176,582**	**34,890**	**106,706**	**20,498**	**2,538**	**8,508**	**2,697**	**9,089**	**380,093**	**33,388**	**-**	**45**	**775,034**
Amortization for the period	-	(3,731)	(39,113)	(512)	(254)	(851)	(775)	(4,593)	(37,579)	(1,777)	-	-	(89,185)
Amortization accumulated at the beginning of the period	-	(10,190)	(18,869)	(1,066)	(1,000)	(1,772)	-	(11,530)	(191,349)	(8,231)	-	-	(244,007)
Derecognition / disposal	-	-	-	-	-	-	-	-	57	-	-	-	57
Transfers	-	-	(13,139)	-	-	-	-	13,139	221	-	-	-	221
Other	-	-	-	-	-	-	-	-	(1,162)	-	-	-	(1,162)
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-
Total amortization and accumulated impairment	**-**	**(13,921)**	**(71,121)**	**(1,578)**	**(1,254)**	**(2,623)**	**(775)**	**(2,984)**	**(229,812)**	**(10,008)**	**-**	**-**	**(334,076)**
Net balance as of December 31, 2021	**176,582**	**20,969**	**35,585**	**18,920**	**1,284**	**5,885**	**1,922**	**6,105**	**150,281**	**23,380**	**-**	**45**	**440,958**

d) Impairment

The Bank assesses, at the end of each reporting period, whether there is any indication of impairment in the value of any amortizable and non-amortizable assets. If such indication exists, or when an impairment testing is required, the Bank estimates the recoverable amount of the asset.

As of December 31, 2022, the Bank recorded two impacts related to impairment of intangible assets, the first impairment related to obsolescence of internally generated software of MCh$567 and the second impairment related to the Financial Services CGU. As described in Note 5 "Significant events", the Bank's Management estimated the recoverable amount of its Financial Services CGU that records balances in intangible assets, resulting in the recognition of an impairment loss associated to the goodwill assigned to this CGU of MCh$20,442. For further information, see note 40.

NOTE 16 – PROPERTY AND EQUIPMENT

a) As of December 31, 2022, and 2021, property and equipment are detailed as follows:

	December 31, 2022				
Concept	Average years of useful life	Average years of remaining useful life	Closing gross balance	Accumulated depreciation	Closing net balance
			MCh$	MCh$	MCh$
Buildings and land	36	28	245,329	(49,066)	196,263
Other property and equipment	6	5	203,319	(150,477)	52,842
Total			**448,648**	**(199,543)**	**249,105**

	December 31, 2021				
Concept	Average years of useful life	Average years of remaining useful life	Closing gross balance	Accumulated depreciation	Closing net balance
			MCh$	MCh$	MCh$
Buildings and land	36	29	243,378	(46,442)	196,936
Other property and equipment	6	5	194,292	(138,494)	55,798
Total			**437,670**	**(184,936)**	**252,734**

b) Changes in property and equipment as of December 31, 2022, and 2021, are as follows:

	Buildings and land	Other property and equipment	Total
	MCh$	MCh$	MCh$
Balance at January 1, 2022	243,378	194,292	437,670
Acquisitions	650	18,352	19,002
Derecognition/disposal	(1,460)	(9,319)	(10,779)
Transfers	3,060	99	3,159
Other	(299)	(105)	(404)
Impairment	-	-	-
Gross balance as of December 31, 2022	**245,329**	**203,319**	**448,648**
Depreciation for the year	(3,076)	(21,417)	(24,493)
Derecognition/disposal	430	5,381	5,811
Transfers	-	-	-
Accumulated depreciation	(46,442)	(138,494)	(184,936)
Other	22	4,053	4,075
Impairment	-	-	-
Total accumulated depreciation	**(49,066)**	**(150,477)**	**(199,543)**
Net balance as of December 31, 2022	**196,263**	**52,842**	**249,105**

	Buildings and land	Other property and equipment	Total
	MCh$	MCh$	MCh$
Balance at January 1, 2021	235,658	182,442	418,100
Acquisitions	193	15,093	15,286
Derecognition/disposal	(2,529)	(9,085)	(11,614)
Transfers	1,587	1,877	3,464
Other	8,469	3,988	12,457
Impairment	-	(23)	(23)
Gross balance as of December 31, 2021	**243,378**	**194,292**	**437,670**
Depreciation for the year	(4,057)	(20,315)	(24,372)
Derecognition/disposal	425	4,186	4,611
Transfers	-	-	-
Accumulated depreciation	(43,305)	(123,578)	(166,883)
Other	495	1,213	1,708
Impairment	-	-	-
Total accumulated depreciation	**(46,442)**	**(138,494)**	**(184,936)**
Net balance as of December 31, 2021	**196,936**	**55,798**	**252,734**

The Bank has no restrictions on property and equipment as of December 31, 2022, and 2021. Additionally, property and equipment have not been pledged as collateral for the fulfillment of obligations. On the other hand, there are no amounts owed on property and equipment by the Bank as of the same dates.

NOTE 17 – RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

a) As of December 31, 2022, and 2021, this caption is detailed as follows:

	December 31, 2022				
Concept	Average years of useful life	Average years of remaining useful life	Closing gross balance	Accumulated depreciation	Closing net balance
	MCh$	MCh$	MCh$	MCh$	MCh$
Buildings and land	10	8	199,378	(68,907)	130,471
Leasehold improvements	9	6	68,772	(46,357)	22,415
Other property and equipment	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Total			**268,150**	**(115,264)**	**152,886**

	December 31, 2021				
Concept	Average years of useful life	Average years of remaining useful life	Closing gross balance	Accumulated depreciation	Closing net balance
	MCh$	MCh$	MCh$	MCh$	MCh$
Buildings and land	10	9	223,152	(55,229)	167,923
Leasehold improvements	9	7	69,646	(48,543)	21,103
Other property and equipment	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Total			**292,798**	**(103,772)**	**189,026**

b) Changes in right-of-use assets as of December 31, 2022, and 2021, are as follows:

	Buildings and land	Leasehold improvements	Other property and equipment	Other intangible assets	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
Balance January 1, 2022	223,152	69,646	-	-	292,798
Acquisitions	35,175	4,777	-	-	39,952
Derecognition/disposal	(62,299)	(7,505)	-	-	(69,804)
Transfers	3,740	1,949	-	-	5,689
Other	(390)	(95)	-	-	(485)
Impairment	-	-	-	-	-
Gross balance as of December 31, 2022	**199,378**	**68,772**	**-**	**-**	**268,150**
Depreciation for the period	(19,874)	(4,624)	-	-	(24,498)
Derecognition/disposal	10,376	6,780	-	-	17,156
Transfers	-	-	-	-	-
Accumulated depreciation	(55,230)	(48,543)	-	-	(103,773)
Other	(4,179)	30	-	-	(4,149)
Impairment	-	-	-	-	-
Total accumulated depreciation	**(68,907)**	**(46,357)**	**-**	**-**	**(115,264)**
Net balance as of December 31, 2022	**130,471**	**22,415**	**-**	**-**	**152,886**

	Buildings and land	Leasehold improvements	Other property and equipment	Other intangible assets	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
Balance January 1, 2021	219,662	69,166	-	-	288,828
Acquisitions	42,769	1,419	-	-	44,188
Derecognition/disposal	(51,756)	(3,423)	-	-	(55,179)
Transfers	-	-	-	-	-
Other	12,477	2,484	-	-	14,961
Impairment	-	-	-	-	-
Gross balance as of December 31, 2021	**223,152**	**69,646**	**-**	**-**	**292,798**
Depreciation for the period	(21,780)	(1,445)	-	-	(23,225)
Derecognition/disposal	8,831	108	-	-	8,939
Transfers	-	-	-	-	-
Accumulated depreciation	(37,373)	(46,647)	-	-	(84,020)
Other	(4,907)	(559)	-	-	(5,466)
Impairment	-	-	-	-	-
Total accumulated depreciation	**(55,229)**	**(48,543)**	**-**	**-**	**(103,772)**
Net balance as of December 31, 2021	**167,923**	**21,103**	**-**	**-**	**189,026**

c) As of December 31, 2022, and 2021, lease liabilities are as follows:

	December 31, 2022	December 31, 2021	January 1, 2021
	MCh$	MCh$	MCh$
Lease liabilities	136,448	173,726	186,293
Total	**136,448**	**173,726**	**186,293**

d) Lease liabilities as of December 31, 2022, and 2021 :

	December 31, 2022	December 31, 2021
	MCh$	MCh$
Depreciation	24,498	23,225
Interests	2,897	3,348
Short-term leases	-	-
Total	**27,395**	**26,573**

e) As of December 31, 2022, and 2021, the expenses related to right-of-use assets and lease liabilities are as follows:

	December 31, 2022 MCh$	December 31, 2021 MCh$
Contract maturity		
On demand	-	-
Up to one month	1,933	1,986
From 1 to 3 months	4,765	5,016
From 3 months to 1 years	20,395	14,478
Between 1 and 3 years	56,168	55,195
From 3 to 5 years	48,169	49,508
More than 5 years	5,018	47,543
Total	**136,448**	**173,726**

f) As of December 31, 2022 and 2021, the bank does not maintain future minimum lease payments to be received for non-cancellable operating leases.

NOTE 18 – CURRENT TAXES AND DEFERRED TAXES

a. Current tax

As of December 31, 2022, and 2021, the Bank has recorded provisions for Corporate Income Tax and Tax under Article No. 21 of the Income Law, based on current legal tax provisions, recording a recording a current tax asset of ThCh$120,573 as of December 31, 2022 (liability of Ch$121,963 million as of December 31, 2021). Such provisions are presented net of recoverable taxes, as detailed below:

	Legal fees per jurisdiction	
	2022	2021
Chile	27.00%	27.00%
United States	21.00%	21.00%
Peru	29.50%	29.50%

	December 31, 2022 MCh$	December 31, 2021 MCh$	January 1, 2021 MCh$
Current tax assets	138,066	19,572	36,270
Current tax (liabilities)	(17,493)	(141,535)	(9,073)
Total assets (liabilities)	**120,573**	**(121,963)**	**27,197**

	December 31, 2022			
	Chile MCh$	United States MCh$	Peru MCh$	Total MCh$
Income tax (27% tax rate)	(133,310)	(74,794)	15	**(208,089)**
Previous year provision	-	-	-	**-**
Provision for 40% of single tax	(290)	-	-	**(290)**
Less				
Monthly provisional payments	250,537	59,107	-	**309,644**
Tax credit for training expenses	2,442	-	-	**2,442**
Credit for acquisition of property and equipment	11	-	-	**11**
Credit for donations	1,394	-	-	**1,394**
Income tax recoverable	11,289	-	143	**11,432**
Other taxes and withholdings recoverable	4,703	(674)	-	**4,029**
Total	**136,776**	**(16,361)**	**158**	**120,573**

	December 31, 2021			
	Chile MCh$	United States MCh$	Peru MCh$	Total MCh$
Income tax (27% tax rate)	(241,691)	(65,601)	(8)	**(307,300)**
Previous year provision	-	-	-	**-**
Provision for 40% of single tax	(212)	-	-	**(212)**
Less				
Monthly provisional payments	92,121	78,050	-	**170,171**
Tax credit for training expenses	2,286	-	-	**2,286**
Credit for acquisition of property and equipment	118	-	-	**118**
Credit for donations	1,138	-	-	**1,138**
Income tax recoverable	9,478	-	-	**9,478**
Other taxes and withholdings recoverable	2,358	-	-	**2,358**
Total	**(134,404)**	**12,449**	**(8)**	**(121,963)**

	January 1, 2021			
	Chile MCh$	United States MCh$	Peru MCh$	Total MCh$
Income tax (27% tax rate)	(81,698)	(34,602)	-	**(116,300)**
Previous year provision	-	-	-	**-**
Provision for 40% of single tax	(251)	-	-	**(251)**
Less				
Monthly provisional payments	95,700	28,272	-	**123,972**
Tax credit for training expenses	2,104	-	-	**2,104**
Credit for acquisition of property and equipment	128	-	-	**128**
Credit for donations	2,064	-	-	**2,064**
Income tax recoverable	12,723	-	-	**12,723**
Other taxes and withholdings recoverable	2,757	-	-	**2,757**
Total	**33,527**	**(6,330)**	**-**	**27,197**

The following is the detail of the net current tax, both by economic entity and by geographical unit, in accordance with the provisions of IAS 12:

	December 31, 2022			
	Chile	Florida	Peru	Total
	MCh$	MCh$	MCh$	MCh$
Current tax asset	137,908	-	158	**138,066**
Current tax liability	(1,132)	(16,361)	-	**(17,493)**
Net total	**136,776**	**(16,361)**	**158**	**120,573**

	December 31, 2021			
	Chile	Florida	Peru	Total
	MCh$	MCh$	MCh$	MCh$
Current tax asset	7,123	12,449	-	19,572
Current tax liability	(141,527)	-	(8)	(141,535)
Net total	**(134,404)**	**12,449**	**(8)**	**(121,963)**

	January 1, 2021			
	Chile	Florida	Peru	Total
	MCh$	MCh$	MCh$	MCh$
Current tax asset	36,270	-	-	**36,270**
Current tax liability	(2,743)	(6,330)	-	**(9,073)**
Net total	**33,527**	**(6,330)**	**-**	**27,197**

b. Income tax

The effect of tax expenditure for the periods between January 1 and December 31, 2022 and 2021, is comprised of the following:

	December 31, 2022			
	Chile	**United States**	**Peru**	**Total**
	MCh$	**MCh$**	**MCh$**	**MCh$**
Income tax expense:				
Current year tax	(133,310)	(61,713)	9	(195,014)
Surplus/ deficit in previous year provision	(6,039)	-	(1)	(6,040)
Deferred tax credit (debit):				
Origination and reversal of temporary differences	107,532	1,695	1,183	110,410
Subtotal	**(31,817)**	**(60,018)**	**1,191**	**(90,644)**
Tax for non-deductible expenses under Article 21	(235)	-	-	(235)
Net income tax debit (credit) to profit or loss	**(32,052)**	**(60,018)**	**1,191**	**(90,879)**

	December 31, 2021			
	Chile	**United States**	**Peru**	**Total**
	MCh$	**MCh$**	**MCh$**	**MCh$**
Income tax expense:				
Current year tax	(241,668)	(78,799)	(9)	(320,476)
Surplus/ deficit in previous year provision	3,494	-	-	3,494
Deferred tax credit (debit):				
Origination and reversal of temporary differences	98,658	16,664	388	115,710
Subtotal	**(139,516)**	**(62,135)**	**379**	**(201,272)**
Tax for non-deductible expenses under Article 21	(212)	-	-	(212)
Net income tax debit (credit) to profit or loss	**(139,728)**	**(62,135)**	**379**	**(201,484)**

c. Effective Tax Rate Reconciliation

The following is the reconciliation between the income tax rate and the effective rate applied in determining the tax expense as of December 31, 2022, and 2021:

	December 31,			
	2022		**2021**	
	Tax rate	**Amount**	**Tax rate**	**Amount**
	%	**MCh$**	**%**	**MCh$**
Profit before tax		911,903		722,030
Tax at the prevailing tax rate	27.00%	246,214	27.00%	194,948
Tax effect of non-deductible expenses when calculating taxable income:				
Currency correction BCI Financial Group (1)	0.50%	4,575	7.59%	54,776
U.S. and Peru rate differences (2)	(2.82%)	(25,680)	(2.35%)	(16,970)
Government tax	0.64%	5,859	1.35%	9,779
Equity price-level restatement	(19.66%)	(179,305)	(10.37%)	(74,894)
One-time tax (disallowed expenses)	0.03%	237	0.03%	212
Prior years' taxes	0.66%	6,005	(0.48%)	(3,485)
Bonds 104 LIR (3)	0.03%	233	4.86%	35,075
Single tax art. 107 LIR	(0.01%)	(81)	0.00%	-
Price-level restatement of investments	0.81%	7,421	0.55%	3,948
Amortization and impairment of goodwill	0.82%	7,454	0.28%	2,003
MTM derivatives Miami (4)	2.56%	23,300	1.11%	8,031
Other results not subject to taxes	(0.62%)	(5,682)	(1.38%)	(9,962)
Other permanent differences	0.04%	329	(0.27%)	(1,977)
Effective rate and income tax expense	**9.98%**	**90,879**	**27.92%**	**201,484**

(1) The investment that BCI maintains in the US (BCI Financial Group) for tax purposes in Chile is adjusted for changes in the exchange rate (US dollar), which is subject to the Corporate Income Tax. The impact of such adjustment as of December 31, 2022, is a tax expense of Ch$4,575 million, while as of December 31, 2021, this effect corresponded to tax expense of Ch$54,776 million.

(2) The legal tax rate in Chile is 27%, while in the US the tax rate is 25.345% (federal tax of 21% and state tax of 5.5%). Therefore, with respect to part of BCI's consolidated profit (CNB, Miami Branch and BCI Securities) there is a tax saving associated with the difference in tax rates in force at different jurisdictions.

(3) This amount relates to state bonds under article 104 of the Income Tax Law (LIR) registered in the Bank's trading portfolio, which are subject to the Tax-Free Income regime.

(4) BCI Miami Branch records an accounting hedge that covers the investment market variation of its bond investment portfolio. For Chilean tax purposes, the MTM of such bonds is not computable for the payment of the Parent's taxes.

The reconciliation between the income tax rate and the effective rate separated by geographic unit in the countries where BCI has operations is shown below.

	December 31, 2022					
	Chile		United States		Peru	
	Tax rate	Amount	Tax rate	Amount	Tax rate	Amount
	%	MCh$	%	MCh$	%	MCh$
Profit before tax		560,483		357,248		(5,828)
Tax at the prevailing tax rate	27.00%	151,330	27.00%	96,457	27.00%	(1,574)
Tax effect of non-deductible expenses when calculating taxable income:						
Price-level restatement BCI Financial Group	0.82%	4,575	0.00%	-	0.00%	-
Price-level restatement of equity	(31.99%)	(179,305)	0.00%	-	0.00%	-
Single tax (disallowed expenses)	0.04%	237	0.00%	-	0.00%	-
Single tax (Art. 107° LIR)	(0.02%)	(81)	0.00%	-	0.00%	-
Prior years' tax	2.55%	14,292	(2.32%)	(8,288)	0.00%	-
Bonds 104 LIR	0.04%	233	0.00%	-	0.00%	-
State tax	0.00%	-	1.64%	5,859	0.00%	-
U.S. and Peru rate change	0.00%	-	(7.15%)	(25,535)	2.50%	(146)
Price-level restatement of investments	1.32%	7,421	0.00%	-	0.00%	-
Amortization and impairment of goodwill	1.33%	7,454	0.00%	-	0.00%	-
MTM derivatives Miami	4.16%	23,300	0.00%	-	0.00%	-
Other results not subject to taxes	(0.52%)	(2,904)	(0.78%)	(2,778)	0.00%	-
Other permanent differences	0.98%	5,502	(1.60%)	(5,697)	(9.05%)	529
Effective rate and income tax expense	**5.71%**	**32,054**	**16.79%**	**60,018**	**20.45%**	**(1,191)**

	December 31, 2021					
	Chile		United States		Peru	
	Tax rate	Amount	Tax rate	Amount	Tax rate	Amount
	%	MCh$	%	MCh$	%	MCh$
Profit before tax		441,359		282,192		(1,521)
Tax at the prevailing tax rate	27.00%	119,167	27.00%	76,192	27.00%	(411)
Tax effect of non-deductible expenses when calculating taxable income:						
Price-level restatement BCI Financial Group	12.41%	54,776	0.00%	-	0.00%	-
Price-level restatement of equity	(16.97%)	(74,894)	0.00%	-	0.00%	-
Single tax (disallowed expenses)	0.05%	212	0.00%	-	0.00%	-
Single tax (Art. 107° LIR)	(0.79%)	(3,485)	0.00%	-	0.00%	-
Prior years' tax	7.95%	35,075	0.00%	-	0.00%	-
Bonds 104 LIR	0.00%	-	3.47%	9,779	0.00%	-
State tax	0.00%	-	(6.00%)	(16,932)	2.50%	(38)
U.S. and Peru rate change	0.00%	-	0.00%	-	0.00%	-
Price-level restatement of investments	0.89%	3,948	0.00%	-	0.00%	-
Amortization and impairment of goodwill	0.45%	2,003	0.00%	-	0.00%	-
MTM derivatives Miami	1.82%	8,031	0.00%	-	0.00%	-
Other results not subject to taxes	(0.22%)	(989)	(3.18%)	(8,973)	0.00%	-
Other permanent differences	(0.93%)	(4,116)	0.73%	2,069	(4.56%)	70
Effective rate and income tax expense	**31.66%**	**139,728**	**22.02%**	**62,135**	**24.94%**	**(379)**

d. Effect of deferred taxes in equity

The deferred tax that has been recognized as a debit to equity as of December 31, 2022, and 2021, is comprised of the following:

	Accumulated balances			Credit (debit) to profit or loss		
	December 31, 2022	December 31, 2021	January 1, 2021	December 31, 2022	December 31, 2021	January 1, 2021
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Financial investments available for sale	18,413	10,841	(7,036)	7,572	17,878	(3,343)
Investments for Cash Flow Hedge	(38,045)	(47,800)	47,599	9,755	(95,399)	51,292
Other deferred tax credit (debit) on equity	136,879	-	-	136,933	-	
Deferred tax credit (debit on equity	**117,247**	**(36,959)**	**40,563**	**154,260**	**(77,521)**	**47,949**

e. Deferred tax effect

As of December 31, 2022 and 2021, the Bank has recorded the effects of deferred taxes in accordance with IAS 12 in its Consolidated Financial Statements.

	December 31, 2022	December 31, 2021	January 1, 2021
	MCh$	MCh$	MCh$
Deferred tax assets:			
With effect in income	599,961	216,593	250,189
With effect in equity	(117,247)	36,959	(40,563)
Total deferred tax assets	**482,714**	**253,552**	209,626
Deferred tax liabilities:			
With effect in profit or loss	(1,612)	(926)	(22,189)
With effect in Shareholders' equity	-	-	-
Total deferred tax liabilities	**(1,612)**	**(926)**	**(22,189)**
Total net deferred tax assets:	**481,102**	**252,626**	**187,437**

The following are the effects of net deferred taxes by jurisdiction as of December 31, 2022, and 2021:

	December 31, 2022			
	Chile	United States	Peru	Total
	MCh$	MCh$	MCh$	MCh$
Detail of deferred tax assets (liabilities)				
Allowance for credit losses	257,852	34,830	-	292,682
Provision for employee vacations and bonuses	64,792	-	235	65,027
Leases (net)	26,720	(66,392)	-	(39,672)
Property and equipment	(14,794)	(421)	3	(15,212)
Transitory assets	(19,409)	11,995	-	(7,414)
Derivative contracts	9,017	(12,595)	-	(3,578)
Subordinated bonds	12,975	-	-	12,975
Tax loss	18,631	28,085	1,128	47,844
Other	13,108	(2,117)	212	11,203
Total net assets (liabilities)	**368,892**	**(6,615)**	**1,578**	**363,855**
Deferred tax credit (debit) on equity	(19,631)	136,878	-	117,247
Net effect of deferred tax asset	**349,261**	**130,263**	**1,578**	**481,102**

	December 31, 2021			
	Chile	United States	Peru	Total
	MCh$	MCh$	MCh$	MCh$
Detail of deferred tax assets (liabilities)				
Allowance for credit losses	223,465	30,264	-	253,729
Provision for employee vacations and bonuses	51,169	7,833	7	59,009
Leases (net)	(39,919)	(50,782)	-	(90,701)
Property and equipment	(19,630)	(612)	-	(20,242)
Transitory assets	(29,743)	18,972	-	(10,771)
Derivative contracts	36,545	(15,921)	-	20,624
Subordinated bonds	21,049	-	-	21,049
Tax loss	-	27,801	387	28,188
Other	17,173	11,526	1	28,700
Total net assets (liabilities)	**260,109**	**29,081**	**395**	**289,585**
Deferred tax credit (debit) on equity	(36,960)	-	-	(36,960)
Net effect of deferred tax asset	**223,150**	**29,081**	**395**	**252,626**

f. Supplementary Information on Current and Deferred taxes.

In accordance with the provisions of the joint circular issued by the CMF and the SII (Chilean Internal Revenue Service), as of December 31, 2022, and 2021, the Bank presents the following tax information related to provisions, write-offs, renegotiations, and loan referral. This information includes the Bank's operations, and therefore subsidiaries have been excluded.

a. Loans and receivables to customers

December 31, 2022	Carrying value in the financial statements	Assets at tax value		
		Total	Past-due portfolio secured	Past-due portfolio unsecured
	MCh$	MCh$	MCh$	MCh$
Commercial loans	14,373,324	14,385,361	9,287	163,708
Consumer loans	2,814,835	2,836,843	322	121,117
Mortgage loans	9,942,313	9,963,138	631	3,660
Total	**27,130,472**	**27,185,342**	**10,240**	**288,485**

December 31, 2021	Carrying value in the financial statements	Assets at tax value		
		Total	Past-due portfolio secured	Past-due portfolio unsecured
	MCh$	MCh$	MCh$	MCh$
Commercial loans	15,385,255	15,389,467	21,611	160,685
Consumer loans	8,639,577	8,640,803	7	143,873
Mortgage loans	2,715,735	2,737,633	1,355	4,300
Total	**26,740,567**	**26,767,903**	**22,973**	**308,858**

b. Provisions

Provisions on past-due portfolio	Balance as of 01.01.2022	Write-off against Provision	Provisions established	Provisions reversed	Balance as of 12.31.2022
	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans	117,775	(8,836)	83,789	(85,770)	106,958
Consumer loans	27,909	(9,875)	67,271	(26,101)	59,204
Mortgage loans	159	-	108	(109)	158
Total	**145,843**	**(18,711)**	**151,168**	**(111,980)**	**166,320**

Provisions on past-due portfolio	Balance as of 01.01.2021	Write-off against Provision	Provisions established	Provisions reversed	Balance as of 12.31.2021
	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans	123,124	(8,692)	76,821	(73,477)	117,776
Consumer loans	45,155	(11,414)	37,226	(43,058)	27,909
Mortgage loans	142	-	91	(74)	159
Total	**168,421**	**(20,106)**	**114,138**	**(116,609)**	**145,844**

c. Write-offs

Write offs and repossessions	December 31, 2022	December 31, 2021,
	MCh$	MCh$
Direct write-off art.31 Nº4 second paragraph	253,242	220,075
Condemnations that led to the reversal of provisions	-	-
Recovery or renegotiation of loans previously written off	63,790	64,257

NOTE 19 – OTHER ASSETS

As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, other assets are as follows:

	December 31, 2022 MCh$	December 31, 2021 MCh$	January 1, 2021 MCh$
Assets to be leased in financial leases as lessor	209,763	82,144	103,542
Cash guarantees delivered for derivative financial transactions	150,486	194,935	251,860
Debtors for brokerage of financial instruments	-	-	-
Accounts receivable for use of payment cards with provision of funds	-	-	-
Accounts receivable from third parties	143,266	40,265	46,032
Investment property	-	-	-
VAT fiscal credit receivable	17,603	8,568	6,840
Prepaid expenses	64,535	53,307	52,355
Valuation adjustments for macro hedges	691	-	53,452
Assets to support obligations for post-employment defined benefit plans	437,480	429,280	269,675
Assets from revenue from ordinary activities from contracts with customers	-	-	-
Investments in gold	7,127	7,153	6,084
Other cash collateral provided	564,658	334,701	283,911
Pending operations	238,494	75,684	20,646
Other assets	60,961	93,926	104,045
Total	**1,895,064**	**1,319,963**	**1,198,442**

NOTE 20 – NON-CURRENT ASSETS AND DISPOSAL GROUP HELD FOR SALE AND LIABILITIES INCLUDED IN DISPOSAL GROUP HELD FOR SALE

a) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, non-current assets and disposal group held for sale are as follows:

	December 31, 2022 MCh$	December 31, 2021 MCh$	January, 2021 MCh$
Assets received in payment or foreclosed at judicial auction (*):			
Goods received in payment	306	404	59
Assets foreclosed at judicial auction	5,199	2,133	2,230
Provisions for goods received in payment or foreclosed at judicial auction	(310)	-	(73)
Subtotal	**5,195**	**2,537**	**2,216**
Investment in companies	-	-	-
Intangible assets	-	-	-
Property and equipment	-	-	-
Assets for recovery of assets under finance leases	29,739	43,181	30,065
Other assets	-	-	-
Subtotal	**29,739**	**43,181**	**30,065**
Total	**34,934**	**45,718**	**32,281**

(*) The Bank receives assets when customers have payments of overdue debts or when it acquires them in a judicial auction for payment of debts previously contracted in its favor. These pools of assets do not exceed 20% of the Bank's effective equity at any time, 0.082530% as of December 31, 2022, and 0.043386% as of December 31, 2021.

b) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, changes in provisions for assets received in payment are as follows:

	Provisions MCh$
Balance as of January 1, 2022	-
Provisions accrued	1,215
Provisions used	(1,525)
Balance as of December 31, 2022	**(310)**

	Provisions MCh$
Balance as of January 1, 2021	(73)
Provisions accrued	203
Provisions used	(130)
Balance as of December 31, 2021	**-**

	Provisions MCh$
Balance as of January 1, 2020	-
Provisions accrued	914
Provisions used	(987)
Balance as of January 1, 2021	**(73)**

c) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the Bank does not record liabilities included in a disposal group held for sale.

NOTE 21 – FINANCIAL LIABILITIES HELD FOR TRADING AT FAIR VALUE THROUGH PROFIT OR LOSS

a) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, financial liabilities held for trading at fair value through profit or loss are as follows:

	December 31, 2022 MCh$	December 31, 2021 MCh$	January 1, 2021 MCh$
Financial derivative contracts	6,584,736	5,094,231	4,530,724
Other financial instruments	-	-	-
Total	**6,584,736**	**5,094,231**	**4,530,724**

b) As of December 31, 2022, and 2021, financial derivative contracts are as follows:

	On demand MCh$	Up to 1 month MCh$	From 1 to 3 months MCh$	From 3 months to 1 year MCh$	From 1 to 3 years MCh$	From 3 to 5 years MCh$	Over 5 years MCh$	Total MCh$	Fair value as of December 31, 2022 MCh$
Financial derivative contracts									
Forwards	-	12,266,573	9,933,452	15,980,344	7,314,952	1,479,328	1,909,961	48,884,610	**1,547,496**
Swaps	161,085	4,724,891	13,447,198	34,989,607	44,640,387	26,403,165	27,487,773	151,854,106	**5,030,025**
Call Options	-	23,545	56,873	123,635	1,958	132	-	206,143	**1,966**
Put Options	-	20,441	50,127	97,991	1,190	-	-	169,749	**5,125**
Futures	-	-	-	-	-	-	-	-	**124**
Other	-	-	-	-	-	-	-	-	**-**
Totals	**161,085**	**17,035,450**	**23,487,650**	**51,191,577**	**51,958,487**	**27,882,625**	**29,397,734**	**201,114,608**	**6,584,736**

	On demand MCh$	Up to 1 month MCh$	From 1 to 3 months MCh$	From 3 months up to 1 year MCh$	From 1 to 3 years MCh$	From 3 to 5 years MCh$	Over 5 years MCh$	Total MCh$	Fair value as of December 31, 2021 MCh$
Forwards	146,627	11,098,825	6,190,029	13,747,290	5,127,591	925,583	1,266,812	38,502,757	1,004,603
Swaps	-	671,392	1,169,282	6,775,429	14,795,950	11,068,289	12,377,890	46,858,232	4,083,242
Call Options	-	31,938	20,838	69,723	486	-	-	122,985	4,417
Put Options	-	27,042	16,392	72,007	-	-	-	115,441	521
Futures	-	-	93,337	-	-	-	-	93,337	1,448
Other	-	-	-	-	-	-	-	-	-
Totals	**146,627**	**11,829,197**	**7,489,878**	**20,664,449**	**19,924,027**	**11,993,872**	**13,644,702**	**85,692,752**	**5,094,231**

c) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the Bank does not hold other financial liabilities for trading at fair value through profit or loss.

NOTE 22 – FINANCIAL LIABILITIES AT AMORTIZED COST

a) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, financial liabilities at amortized cost are as follows:

	December 31, 2022 MCh$	December 31, 2021 MCh$	January 1, 2021 MCh$
Deposits and other obligations on demand			
Current accounts	21,585,141	24,345,331	17,264,331
Demand deposit accounts	761,815	1,200,201	978,696
Other demand deposits	255,380	456,225	329,921
Obligations for fund provision accounts for payment cards	19,699	19,560	13,695
Other obligations on demand	1,500,130	1,632,125	1,139,931
Subtotal	**24,122,165**	**27,653,442**	**19,726,574**
Deposits and other time deposits			
Time deposits	18,172,045	10,797,310	10,783,161
Term savings accounts	71,647	66,960	55,176
Other term credit balances	2,273	879	1,273
Subtotal	**18,245,965**	**10,865,149**	**10,839,610**
Obligations for repurchase agreements and securities lending			
Transactions with domestic banks	127,673	3,648	16,708
Transactions with foreign banks	-	-	-
Transactions with other domestic entities	256,406	137,530	333,606
Transactions with other foreign entities	804	-	-
Subtotal	**384,883**	**141,178**	**350,314**
Bank borrowings			
Domestic banks	408,618	416,727	1,254,979
Foreign banks	1,736,799	2,012,708	1,111,380
Central Bank of Chile	4,515,654	4,541,402	3,904,339
Foreign Central Banks	-	-	-
Subtotal	**6,661,071**	**6,970,837**	**6,270,698**
Debt financial instruments issued			
Letters of credit	1,800	3,887	6,511
Current bonds	8,105,460	7,424,309	6,166,460
Subtotal	**8,107,260**	**7,428,196**	**6,172,971**
Other financial obligations			
Other financial obligations with the public sector	1,099	2,381	3,138
Other domestic financial obligations	79,780	73,083	43,394
Other foreign financial obligations	2,158,221	952,639	864,512
Subtotal	**2,239,100**	**1,028,103**	**911,044**
Total	**59,760,444**	**54,086,905**	**44,271,211**

b) As of December 31, 2022, current bonds are as follows:

CURRENT BONDS IN PESOS							
Series	Amount issued Ch$	Amount placed Ch$	Issuance date	Maturity date	Average rate	Balance due Ch$	Balance due MCh$
SERIES_AM	50,000,000,000	50,000,000,000	06-01-2016	06-01-2023	4.90%	50,386,805,885	50,387
SERIES__E	100,000,000,000	100,000,000,000	12-01-2020	12-01-2025	8.25%	87,242,126,980	87,242
SERIES_01	100,000,000,000	100,000,000,000	12-01-2020	12-01-2026	7.11%	86,760,286,472	86,760
SERIES_O2	100,000,000,000	100,000,000,000	12-01-2020	12-01-2027	5.49%	90,266,502,981	90,267
SERIES_O3	50,000,000,000	50,000,000,000	09-01-2022	03-01-2025	7.20%	52,054,876,632	52,055
Fair value adjustment (fair value hedge)						4,341,915,457	4,342
Subtotal	**400,000,000,000**	**400,000,000,000**				**371,052,514,407**	**371,053**

CURRENT BONDS IN UNIDADES DE FOMENTO							
Series	Amount issued UF	Amount placed UF	Issuance date	Maturity date	Average rate	Balance due UF	Balance due MCh$
SERIE_AI2	5,000,000	-	03-01-2014	03-01-2024	0.00%	-	-
SERIE_AJ2	20,000,000	20,000,000	10-01-2014	10-01-2024	2.23%	20,016,847	702,811
SERIE_AL2	3,000,000	3,000,000	06-01-2016	06-01-2023	2.15%	3,010,711	105,709
SERIE_AL3	3,000,000	3,000,000	06-01-2016	06-01-2024	2.40%	3,010,791	105,712
SERIE_AL4	3,000,000	3,000,000	06-01-2016	06-01-2028	2.36%	3,029,206	106,358
SERIE_AL5	3,000,000	3,000,000	06-01-2016	06-01-2031	2.50%	3,009,346	105,661
SERIE_AN2	3,000,000	3,000,000	12-01-2016	12-01-2024	1.95%	3,008,096	105,617
SERIE_AN3	3,000,000	3,000,000	12-01-2016	12-01-2026	2.00%	3,005,870	105,539
SERIE_A2	3,000,000	3,000,000	04-01-2017	04-01-2027	2.18%	2,994,439	105,138
SERIE_B2	3,000,000	3,000,000	05-01-2017	05-01-2023	1.67%	3,013,373	105,802
SERIE_C2	3,000,000	3,000,000	07-01-2017	07-01-2023	2.32%	3,025,544	106,230
SERIE_C3	3,000,000	3,000,000	07-01-2017	07-01-2025	2.28%	3,010,532	105,703
SERIE_C4	3,000,000	3,000,000	07-01-2017	07-01-2026	2.42%	2,989,294	104,957
SERIE_D1	3,000,000	3,000,000	11-01-2017	11-01-2023	1.84%	3,014,006	105,825
SERIE_D2	3,000,000	3,000,000	11-01-2017	11-01-2025	2.04%	3,007,229	105,587
SERIE_D3	3,000,000	3,000,000	11-01-2017	11-01-2028	2.34%	2,956,333	103,800
SERIE_D4	3,000,000	3,000,000	11-01-2017	11-01-2029	2.45%	2,927,725	102,795
SERIE_F2	3,000,000	3,000,000	04-01-2018	04-01-2024	1.60%	3,029,901	106,383
SERIE_F3	3,000,000	3,000,000	04-01-2018	04-01-2025	2.00%	3,015,459	105,876
SERIE_F4	3,000,000	3,000,000	04-01-2018	04-01-2028	2.17%	2,991,209	105,024
SERIE_F5	3,000,000	3,000,000	04-01-2018	04-01-2029	2.36%	2,954,585	103,738
Serie_G1	3,000,000	3,000,000	06-01-2018	06-01-2025	1.47%	3,042,859	106,838
Serie_G2	3,000,000	3,000,000	06-01-2018	06-01-2026	1.09%	3,096,521	108,722
Serie_G3	3,000,000	3,000,000	06-01-2018	06-01-2029	2.10%	2,988,696	104,936
SERIE_I1	3,000,000	3,000,000	02-01-2019	02-01-2028	0.70%	3,219,458	113,038
SERIE_I2	3,000,000	3,000,000	02-01-2019	02-01-2029	0.72%	3,256,263	114,331
SERIE_I3	3,000,000	3,000,000	02-01-2019	02-01-2030	1.19%	3,190,041	112,005
SERIE_K1	3,000,000	3,000,000	05-01-2019	05-01-2023	(0.03%)	3,030,302	106,397
SERIE_K2	3,000,000	1,450,000	05-01-2019	05-01-2025	1.90%	1,458,331	51,203
SERIE_K4	3,000,000	3,000,000	05-01-2019	05-01-2029	0.45%	3,300,061	115,868
SERIE_M3	3,000,000	3,000,000	10-01-2019	10-01-2028	(0.09%)	3,286,285	115,385
SERIE_M4	3,000,000	3,000,000	10-01-2019	10-01-2029	(0.31%)	3,382,047	118,747
SERIE_M5	3,000,000	3,000,000	10-01-2019	10-01-2030	0.27%	3,294,052	115,657
SERIE_N1	3,000,000	3,000,000	12-01-2020	06-01-2027	2.05%	2,935,446	103,066
SERIE_N2	3,000,000	3,000,000	12-01-2020	12-01-2027	2.76%	2,833,766	99,496
SERIE_N3	3,000,000	3,000,000	12-01-2020	12-01-2028	2.25%	2,881,357	101,167
SERIE_N4	3,000,000	3,000,000	12-01-2020	12-01-2030	2.84%	2,724,741	95,668
SERIE_P1	3,000,000	3,000,000	10-01-2021	10-01-2031	2.55%	3,131,101	109,936
SERIE_P2	3,000,000	3,000,000	10-01-2021	10-01-2032	3.04%	3,017,385	105,943
SERIE_P3	3,000,000	3,000,000	10-01-2021	10-01-2033	2.75%	3,097,805	108,767
SERIE_P4	3,000,000	3,000,000	10-01-2021	10-01-2035	2.59%	3,155,443	110,791
SERIE_P5	3,000,000	3,000,000	10-01-2021	10-01-2036	2.63%	3,155,059	110,777
SERIE_R1	1,000,000	1,000,000	09-01-2022	03-01-2028	2.85%	1,018,009	35,743
SERIE_R2	1,000,000	1,000,000	09-01-2022	09-01-2028	2.80%	1,021,219	35,856
SERIE_R3	1,000,000	1,000,000	09-01-2022	03-01-2029	2.80%	1,022,275	35,893
Fair value adjustment (fair value hedge)						(2,207,809)	(77,516)
Subtotal	**148,000,000**	**141,450,000**				**141,351,209**	**4,962,979**

CURRENT BONDS IN FOREIGN CURRENCY US DOLLAR							
Series	Amount issued US$	Amount placed US$	Issuance date	Maturity date	Average rate	Balance due US$	Balance due MCh$ (*)
USP32133CG63	500,000,000	500,000,000	02-11-2013	02-11-2023	4.09%	507,689,997	431,156
US05890MAA18	500,000,000	500,000,000	10-12-2017	10-12-2027	3.65%	498,086,844	423,000
XS1879614755	50,000,000	50,000,000	09-13-2018	03-13-2024	3.85%	50,468,931	42,861
XS1888335194	100,000,000	100,000,000	10-04-2018	04-04-2024	4.02%	100,750,404	85,562
XS1895749593	45,000,000	45,000,000	10-19-2018	04-19-2024	4.03%	45,257,689	38,435
XS1919312626	25,000,000	25,000,000	12-07-2018	12-07-2023	2.86%	25,038,459	21,264
XS1984711355	10,000,000	10,000,000	04-23-2019	04-23-2024	2.88%	10,069,831	8,552
XS2012024696	50,000,000	50,000,000	06-14-2019	06-14-2029	3.32%	49,754,847	42,254
XS2024766276	50,000,000	50,000,000	07-10-2019	07-10-2029	3.21%	50,432,740	42,830
XS2047630970	10,000,000	10,000,000	08-28-2019	08-28-2024	3.08%	10,023,193	8,512
XS2085920416	20,000,000	20,000,000	12-02-2019	06-02-2025	3.53%	19,983,378	16,971
XS2318617185	54,000,000	54,000,000	03-17-2021	12-03-2029	2.37%	53,508,090	45,442
XS2337108497	10,000,000	10,000,000	04-27-2021	04-27-2026	3.81%	10,030,006	8,518
XS2357310379	10,000,000	10,000,000	06-23-2021	06-23-2031	2.60%	9,901,679	8,409
XS2377687442	10,000,000	10,000,000	08-18-2021	08-18-2031	2.53%	9,983,973	8,479
XS2387450393	30,000,000	30,000,000	09-16-2021	09-16-2026	4.80%	29,829,997	25,333
XS2388190592	10,000,000	10,000,000	09-21-2021	09-21-2026	4.63%	9,908,333	8,415
XS2384719667	133,000,000	133,000,000	09-24-2021	09-24-2026	1.89%	132,251,644	112,315
XS2389126280	10,000,000	10,000,000	09-27-2021	09-27-2031	2.42%	9,959,735	8,458
US05890MAB90	500,000,000	500,000,000	10-14-2021	10-14-2031	3.08%	489,400,240	415,623
XS2398895651	17,000,000	17,000,000	10-19-2021	10-19-2026	4.35%	17,022,540	14,456
XS2402142371	20,000,000	20,000,000	10-27-2021	10-27-2028	4.82%	20,025,145	17,006
XS2407022313	20,000,000	20,000,000	12-01-2021	12-01-2026	4.85%	19,921,103	16,918
XS2454830824	10,000,000	10,000,000	03-10-2022	03-10-2029	5.35%	9,919,692	8,424
XS2457006521	25,000,000	25,000,000	03-15-2022	03-15-2027	5.26%	24,838,300	21,094
Fair value adjustment (fair value coverage)						(71,647,887)	(54,135)
Subtotal	**2,219,000,000**	**2,219,000,000**				**2,142,408,903**	**1,826,152**

CURRENT BONDS IN FOREIGN CURRENCY EURO							
Series	Amount issued EU	Amount placed EU	Placement date	Maturity date	Average rate	Balance due EU	Balance due MCh$
XS1493734971	20,000,000	20,000,000	09-23-2016	09-23-2024	0.89%	19,983,816	18,134
Fair value adjustment (fair value hedge)						-	-
Subtotal	**20,000,000**	**20,000,000**				**19,983,816**	**18,134**

CURRENT BONDS FOREIGN CURRENCY AUD							
Series	Amount issued AUD	Amount placed AUD	Placement date	Maturity date	Average rate	Balance due AUD	Balance due MCh$
XS1717587007	80,000,000	80,000,000	11-15-2017	11-15-2027	4.15%	79,906,915	46,118
XS1859545367	40,000,000	40,000,000	07-25-2018	07-25-2033	4.67%	40,501,691	23,376
XS1879612973	60,000,000	60,000,000	09-14-2018	09-14-2033	4.65%	60,305,740	34,805
XS1897619968	40,000,000	40,000,000	10-24-2018	10-24-2033	4.70%	39,732,868	22,932
XS2087687435	30,000,000	30,000,000	12-02-2019	12-03-2029	3.92%	29,869,943	17,239
Fair value adjustment (fair value hedge)						(10,839,716)	(6,256)
Subtotal	**250,000,000**	**250,000,000**				**239,477,441**	**138,214**

CURRENT BONDS IN FOREIGN CURRENCY SWISS FRANC							
Series	Amount issued CHF	Amount placed CHF	Placement date	Maturity date	Average rate	Balance due CHF	Balance due MCh$
CH0471298007	175,000,000	175,000,000	05-22-2019	11-22-2024	0.32%	174,662,351	160,428
CH0494734376	100,000,000	100,000,000	09-24-2019	09-24-2029	0.22%	99,332,320	91,237
CH0505011889	105,000,000	105,000,000	10-29-2019	10-29-2025	0.25%	104,406,038	95,897
CH0506071239	125,000,000	125,000,000	03-18-2020	09-18-2026	0.10%	124,097,896	113,985
CH1120085696	100,000,000	100,000,000	07-15-2021	12-15-2026	0.39%	98,903,688	90,844
CH1142512339	200,000,000	200,000,000	01-26-2022	04-26-2027	0.60%	198,594,342	182,410
Fair value adjustment (fair value hedge)						(9,100,743)	(8,359)
Subtotal	**805,000,000**	**805,000,000**				**790,895,892**	**726,442**

CURRENT BONDS IN FOREIGN CURRENCY YEN							
Series	Amount issued YEN	Amount placed YEN	Placement date	Maturity date	Average rate	Balance due YEN	Balance due MCh$
XS1830985781	5,000,000,000	5,000,000,000	06-01-2018	12-01-2028	0,75%	4,967,057,088	31,992
XS2424489958	5,000,000,000	5,000,000,000	01-07-2022	01-07-2027	0,50%	4,956,915,287	31,926
Fair value adjustment (fair value hedge)						(222,356,272)	(1,432)
Subtotal	**10,000,000,000**	**10,000,000,000**				**9,701,616,103**	**62,486**
Total current bonds							**8,105,460**

c) As of December 31, 2021, the detail of current bonds is as follows:

CURRENT BONDS IN CHILEAN PESOS							
Series	Amount issued CLP	Amount placed CLP	Placement date	Maturity date	Average rate	Balance due CLP	Balance due MCh$
SERIES_AM	50,000,000,000	50,000,000,000	01-06-2016	01-06-2023	4.90%	49,596,117,712	49,596
SERIES_E	100,000,000,000	100,000,000,000	01-11-2017	01-11-2022	4.27%	100,470,785,984	100,471
SERIES_O3	100,000,000,000	45,000,000,000	01-12-2020	01-12-2027	3.52%	43,937,680,021	43,938
Fair value adjustment (fair value hedge)						(2,788,854,908)	(2,789)
Subtotal	**250,000,000,000**	**195,000,000,000**				**191,215,728,809**	**191,216**

CURRENT BONDS IN UNIDADES DE FOMENTO							
Series	Amount issued UF	Amount placed UF	Placement date	Maturity date	Average rate	Balance due UF	Balance due MCh$
SERIES_AF2	10,000,000	10,000,000	08-01-2012	08-01-2022	3.43%	10,061,781	311,832
SERIES_AI2	5,000,000	-	03-01-2014	03-01-2024	-	-	-
SERIES_AJ2	20,000,000	20,000,000	10-01-2014	10-01-2024	2.23%	19,806,224	613,829
SERIES_AL1	3,000,000	3,000,000	06-01-2016	06-01-2022	1.89%	3,013,909	93,406
SERIES_AL2	3,000,000	3,000,000	06-01-2016	06-01-2023	2.15%	3,021,287	93,635
SERIES_AL3	3,000,000	3,000,000	06-01-2016	06-01-2024	2.40%	3,014,049	93,411
SERIES_AL4	3,000,000	3,000,000	06-01-2016	06-01-2028	2.36%	3,033,207	94,004
SERIES_AL5	3,000,000	3,000,000	06-01-2016	06-01-2031	2.50%	3,009,721	93,277
SERIES_AN2	3,000,000	3,000,000	12-01-2016	12-01-2024	1.95%	3,009,794	93,279
SERIES_AN3	3,000,000	3,000,000	12-01-2016	12-01-2026	2.00%	3,006,143	93,166
SERIES_A1	3,000,000	3,000,000	01-04-2017	01-04-2022	1.72%	3,016,921	93,500
SERIES_A2	3,000,000	3,000,000	01-04-2017	01-04-2027	2.18%	2,989,911	92,663
SERIES_B1	3,000,000	3,000,000	01-05-2017	01-05-2022	1.50%	3,015,004	93,440
SERIES_B2	3,000,000	3,000,000	01-05-2017	01-05-2023	1.67%	3,023,199	93,694
SERIES_C1	3,000,000	3,000,000	01-07-2017	01-01-2022	2.24%	3,029,815	93,899
SERIES_C2	3,000,000	3,000,000	01-07-2017	01-07-2023	2.32%	3,016,599	93,490
SERIES_C3	3,000,000	3,000,000	01-07-2017	01-07-2025	2.28%	3,003,084	93,071
SERIES_C4	3,000,000	3,000,000	01-07-2017	01-07-2026	2.42%	2,978,304	92,303
SERIES_D1	3,000,000	3,000,000	11-01-2017	11-01-2023	1.84%	3,018,915	93,561
SERIES_D2	3,000,000	3,000,000	11-01-2017	11-01-2025	2.04%	3,006,408	93,174
SERIES_D3	3,000,000	3,000,000	11-01-2017	11-01-2028	2.34%	2,947,932	91,362
SERIES_D4	3,000,000	3,000,000	11-01-2017	11-01-2029	2.45%	2,916,871	90,399
SERIES_F1	3,000,000	3,000,000	01-04-2018	01-04-2022	1.46%	3,019,072	93,566
SERIES_F2	3,000,000	3,000,000	01-04-2018	01-04-2024	1.60%	3,041,713	94,268
SERIES_F3	3,000,000	3,000,000	01-04-2018	01-04-2025	2.00%	3,015,727	93,463
SERIES_F4	3,000,000	3,000,000	01-04-2018	01-04-2028	2.17%	2,987,036	92,573
SERIES_F5	3,000,000	3,000,000	01-04-2018	01-04-2029	2.36%	2,945,770	91,295
SERIES_G1	3,000,000	3,000,000	06-01-2018	06-01-2025	1.47%	3,058,190	94,779
SERIES_G2	3,000,000	3,000,000	06-01-2018	06-01-2026	1.09%	3,122,703	96,778
SERIES_G3	3,000,000	3,000,000	06-01-2018	06-01-2029	2.10%	2,986,397	92,554
SERIES_I1	3,000,000	3,000,000	02-01-2019	02-01-2028	0.70%	3,256,940	100,938
SERIES_I2	3,000,000	2,730,000	02-01-2019	02-01-2029	0.49%	3,038,776	94,177
SERIES_I3	3,000,000	3,000,000	02-01-2019	02-01-2030	1.19%	3,212,298	99,555
SERIES_K1	3,000,000	3,000,000	05-01-2019	05-01-2023	-0.03%	3,091,220	95,802
SERIES_K4	3,000,000	3,000,000	05-01-2019	05-01-2029	0.45%	3,345,118	103,671
SERIES_M3	3,000,000	3,000,000	10-01-2019	10-01-2028	-0.09%	3,334,259	103,334
SERIES_M4	3,000,000	3,000,000	10-01-2019	10-01-2029	-0.31%	3,437,634	106,538
SERIES_M5	3,000,000	3,000,000	10-01-2019	10-01-2030	0.27%	3,330,123	103,206
SERIES_N1	3,000,000	3,000,000	12-01-2020	01-06-2027	2.05%	2,920,851	90,522
SERIES_N3	3,000,000	3,000,000	12-01-2020	12-01-2028	2.25%	2,862,289	88,707
Fair value adjustment (fair value hedge)						(1,153,593)	(35,758)
Subtotal	**146,000,000**	**140,730,000**				**141,791,601**	**4,394,363**

CURRENT BONDS IN FOREIGN CURRENCY US DOLLAR							
Series	Amount issued USD	Amount placed USD	Placement date	Maturity date	Average rate	Balance due USD	Balance due MCh$
USP32133CG63	500,000,000	500,000,000	02-11-2013	02-11-2023	4.09%	501,677,456	433,122
XS1655597034	50,000,000	50,000,000	08-01-2017	08-01-2022	2.96%	50,148,197	43,192
XS1692845396	50,000,000	50,000,000	10-06-2017	10-06-2022	3.00%	50,624,970	42,960
US05890MAA18	500,000,000	500,000,000	12-10-2017	12-10-2027	3.65%	500,906,234	424,604
XS1703060829	50,000,000	50,000,000	10-19-2017	10-19-2022	2.30%	50,003,058	42,748
XS1702405702	40,000,000	40,000,000	10-20-2017	10-20-2022	2.25%	40,003,982	34,199
XS1879614755	50,000,000	50,000,000	09-13-2018	03-13-2024	3.85%	49,862,836	43,044
XS1888335194	100,000,000	100,000,000	10-04-2018	04-04-2024	4.02%	101,510,935	85,933
XS1895749593	45,000,000	45,000,000	19-10-2018	19-04-2024	4.03%	45,598,799	38,600
XS1919312626	25,000,000	25,000,000	12-07-2018	12-07-2023	1.75%	24,880,369	21,276
XS1984711355	10,000,000	10,000,000	04-23-2019	04-23-2024	1.49%	9,962,313	8,517
XS2012024696	50,000,000	50,000,000	06-14-2019	06-14-2029	3.32%	50,090,965	42,469
XS2024766276	50,000,000	50,000,000	07-10-2019	07-10-2029	3.21%	49,952,087	43,048
XS2047630970	10,000,000	10,000,000	08-28-2019	08-28-2024	1.33%	9,956,886	8,513
XS2085920416	20,000,000	20,000,000	02-12-2019	02-06-2025	1.33%	19,846,253	16,972
XS2318617185	54,000,000	54,000,000	03-17-2021	03-12-2029	2.37%	53,701,039	45,646
XS2337108497	10,000,000	10,000,000	04-27-2021	04-27-2026	0.74%	9,928,347	8,489
XS2357310379	10,000,000	10,000,000	06-23-2021	06-23-2031	2.60%	9,948,357	8,450
XS2377687442	10,000,000	10,000,000	08-18-2021	08-18-2031	2.53%	9,900,971	8,520
XS2387450393	30,000,000	30,000,000	09-16-2021	09-16-2026	1.21%	29,679,670	25,384
XS2388190592	10,000,000	10,000,000	09-21-2021	09-21-2026	1.02%	9,855,876	8,431
XS2384719667	133,000,000	133,000,000	09-24-2021	09-24-2026	1.89%	131,103,773	112,676
XS2389126280	10,000,000	10,000,000	09-27-2021	09-27-2031	2.42%	9,881,113	8,500
US05890MAB90	500,000,000	500,000,000	10-14-2021	10-14-2031	3.08%	488,000,449	416,948
XS2398895651	17,000,000	17,000,000	10-19-2021	10-19-2026	0.94%	16,842,051	14,390
XS2402142371	20,000,000	20,000,000	10-27-2021	10-27-2028	1.13%	19,844,643	16,955
XS2407022313	20,000,000	20,000,000	12-01-2021	12-01-2026	1.01%	19,801,591	16,918
Fair value adjustment (fair value hedge)						44,090,019	37,671
Subtotal	**2,374,000,000**	**2,374,000,000**				**2,407,603,239**	**2,058,175**

CURRENT BONDS IN FOREIGN CURRENCY EURO							
Series	Amount issued EU	Amount placed EU	Placement date	Maturity date	Average rate	Balance due EU	Balance due MCh$
XS1493734971	20,000,000	20,000,000	09-23-2016	09-23-2024	0.89%	19,951,956	19,303
Fair value adjustment (fair value hedge)							
Subtotal	**20,000,000**	**20,000,000**				**19,951,956**	**19,303**

CURRENT BONDS IN FOREIGN CURRENCY AUD							
Series	Amount issued AUD	Amount placed AUD	Placement date	Maturity date	Average rate	Balance due AUD	Balance due MCh$
XS1717587007	80,000,000	80,000,000	11-15-2017	11-15-2027	4.15%	79,827,433	49,506
XS1859545367	40,000,000	40,000,000	07-25-2018	07-25-2033	4.67%	40,489,365	25,110
XS1879612973	60,000,000	60,000,000	09-14-2018	09-14-2033	4.65%	60,284,711	37,387
XS1897619968	40,000,000	40,000,000	10-24-2018	10-24-2033	4.70%	39,710,059	24,627
XS2087687435	30,000,000	30,000,000	12-02-2019	12-03-2029	1.81%	29,777,509	18,467
Fair value adjustment (fair value hedge)						11,275,206	6,993
Subtotal	**250,000,000**	**250,000,000**				**261,364,283**	**162,090**

CURRENT BONDS IN FOREIGN CURRENCY SWISS FRANC							
Series	Amount issued CHF	Amount placed CHF	Placement date	Maturity date	Average rate	Balance due CHF	Balance due MCh$
CH0471298007	175,000,000	175,000,000	05-22-2019	11-22-2024	0.32%	174,454,807	163,025
CH0494734376	100,000,000	100,000,000	09-24-2019	09-24-2029	0.23%	99,233,735	92,732
CH0505011889	105,000,000	105,000,000	10-29-2019	10-29-2025	0.25%	104,189,707	97,364
CH0506071239	125,000,000	125,000,000	03-18-2020	09-18-2026	0.10%	123,858,958	115,744
CH1120085696	100,000,000	100,000,000	07-15-2021	12-15-2026	0.39%	98,637,894	92,176
Fair value adjustment (fair value hedge)						1,492,916	1,395
Subtotal	**605,000,000**	**605,000,000**				**601,868,017**	**562,436**

CURRENT BONDS IN FOREIGN CURRENCY YEN							
Series	Amount issued YEN	Amount placed YEN	Placement date	Maturity date	Average rate	Balance due YEN	Balance due MCh$
XS1830985781	5,000,000,000	5,000,000,000	06-01-2018	12-01-2028	0.75%	4,965,188,128	36,843
Fair value adjustment (fair value coverage)						(15,953,459)	(118)
Subtotal	**5,000,000,000**	**5,000,000,000**				**4,949,234,669**	**36,725**
Total current bonds							**7,424,309**

d) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the maturity of current bonds is as follows:

	December 31, 2022		
	Long-term MCh$	Short-term MCh$	Total MCh$
Short and long-term maturity			
Current bonds	7,073,083	1,032,377	8,105,460
Total	**7,073,083**	**1,032,377**	**8,105,460**

	December 31, 2021		
	Long-term MCh$	Short- term MCh$	Total MCh$
Short and long-term maturity			
current bonds	6,381,095	1,043,213	7,424,308
Total	**6,381,095**	**1,043,213**	**7,424,308**

	January 1, 2021		
	Long-term MCh$	Short- term MCh$	Total MCh$
Short and long-term maturity			
current bonds	5,663,711	502,749	6,166,460
Total	**5,663,711**	**502,749**	**6,166,460**

e) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the securities under sale and repurchase agreements are as follows:

Entity type	Maturity as of December 31, 2022							
	On demand	Up to 1 month	From 1 to 3 months	From 3 months to 1 year	From 1 to 3 years	From 3 to 5 years	Over 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Transactions with domestic banks								
Repurchase agreements with other banks	-	127,673	-	-	-	-	-	**127,673**
Repurchase agreements with the Central Bank of Chile	-	-	-	-	-	-	-	**-**
Securities lending obligations	-	-	-	-	-	-	-	**-**
Subtotal	**-**	**127,673**	**-**	**-**	**-**	**-**	**-**	**127,673**
Transactions with foreign banks								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with foreign central banks	-	-	-	-	-	-	-	-
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transactions with other domestic entities								
Repurchase agreement	-	254,716	1,535	155	-	-	-	256,406
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**254,716**	**1,535**	**155**	**-**	**-**	**-**	**256,406**
Transactions with other foreign entities								
Repurchase agreement	-	804	-	-	-	-	-	804
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**804**	**-**	**-**	**-**	**-**	**-**	**804**
Total	**-**	**383,193**	**1,535**	**155**	**-**	**-**	**-**	**384,883**

Entity type	Maturity of the commitment as of December 31, 2021							
	On demand	Up to 1 month	From 1 to 3 months	From 3 months to 1 year	From 1 to 3 years	From 3 to 5 years	Over 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Transactions with domestic banks								
Repurchase agreements with other banks	2,641	583	24	-	-	-	-	3,248
Repurchase agreements with the Central Bank of Chile	400	-	-	-	-	-	-	400
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**3,041**	**583**	**24**	**-**	**-**	**-**	**-**	**3,648**
Transactions with foreign banks								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with foreign central banks	-	-	-	-	-	-	-	-
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transactions with other domestic entities								
Repurchase agreement	24,599	112,308	623	-	-	-	-	137,530
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**24,599**	**112,308**	**623**	**-**	**-**	**-**	**-**	**137,530**
Transactions with other foreign entities								
Repurchase agreement	-	-	-	-	-	-	-	-
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**27,640**	**112,891**	**647**	**-**	**-**	**-**	**-**	**141,178**

Entity type	Maturity of the commitment as of January 1, 2021							
	On demand	Up to 1 month	From 1 to 3 months	From 3 months to 1 year	From 1 to 3 years	From 3 to 5 years	Over 5 years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Transactions with domestic banks								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with the Central Bank of Chile	-	16,676	5	27	-	-	-	16,708
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**16,676**	**5**	**27**	**-**	**-**	**-**	**16,708**
Transactions with foreign banks								
Repurchase agreements with other banks	-	-	-	-	-	-	-	-
Repurchase agreements with foreign central banks	-	-	-	-	-	-	-	-
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transactions with other domestic entities								
Repurchase agreement	-	333,141	72	393	-	-	-	333,606
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**333,141**	**72**	**393**	**-**	**-**	**-**	**333,606**
Transactions with other foreign entities								
Repurchase agreement	-	-	-	-	-	-	-	-
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**349,817**	**77**	**420**	**-**	**-**	**-**	**350,314**

NOTE 23 – REGULATORY CAPITAL FINANCIAL INSTRUMENTS ISSUED

a) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the Bank and its subsidiaries do not record any default in the payment of their obligations with banks or any other associated breaches.

b) As of December 31, 2022, and 2021 and as of January 1, 2021, the detail of the regulatory capital financial instruments issued is as follows:

	December 31, 2022 MCh$	December 31, 2022 MCh$	January 1, 2022 MCh$
Regulatory capital financial instruments issued			
Subordinated bonds	1,499,299	1,332,936	1,258,653
Bonds without fixed maturity	-	-	-
Preferred stock	-	-	-
Total	**1,499,299**	**1,332,936**	**1,258,653**

c) As of December 31, 2022, and 2021 and as of January 1, 2021, movements in regulatory capital financial instruments issued are detailed as follows:

	Regulatory capital financial instruments issued		
	Subordinated bonds	Bonds without fixed maturity	Preferred stock
	MCh$	MCh$	MCh$
Balances as of January 1, 2022	1,332,936	-	-
New issues	-	-	-
Acquisition or redemption by the issuer	-	-	-
Modification of the issuance conditions	-	-	-
Payment of interest to the holder	(59,127)	-	-
Payment of principal to the holder	-	-	-
Accrued interest	71,540	-	-
Inflation-indexation accrued by the UF and/or the exchange rate	172,130	-	-
Foreign currency translation differences	-	-	-
Depreciation	-	-	-
Revaluation	-	-	-
Maturity	-	-	-
Conversion to common stock	-	-	-
Other	(18,180)	-	-
Balances as of December 31, 2022	**1,499,299**	**-**	**-**

	Regulatory capital financial instruments issued		
	Subordinated bonds	Bonds without fixed maturity	Preferred stock
	MCh$	MCh$	MCh$
Balances as of January 1, 2021	1,258,653	-	-
New issues	-	-	-
Acquisition or redemption by the issuer	-	-	-
Modification of the issuance conditions	-	-	-
Payment of interest to the holder	(53,162)	-	-
Payment of principal to the holder	-	-	-
Accrued interest	63,806	-	-
Inflation-indexation accrued by the UF and/or the exchange rate	80,885	-	-
Foreign currency translation differences	-	-	-
Depreciation	-	-	-
Revaluation	-	-	-
Maturity	-	-	-
Conversion to common stock	-	-	-
Other	(17,246)	-	-
Balances as of December 31, 2021	**1,332,936**	**-**	**-**

	Regulatory capital financial instruments issued		
	Subordinated bonds	Bonds without fixed maturity	Preferred stock
	MCh$	MCh$	MCh$
Balances as of January 1, 2020	940,621	-	-
New issues	-	-	-
Acquisition or redemption by the issuer	-	-	-
Modification of the issuance conditions	-	-	-
Payment of interest to the holder	(59,127)	-	-
Payment of principal to the holder	-	-	-
Accrued interest	68,618	-	-
Inflation-indexation accrued by the UF and/or the exchange rate	27,846	-	-
Foreign currency translation differences	-	-	-
Depreciation	-	-	-
Revaluation	-	-	-
Maturity	-	-	-
Conversion to common stock	-	-	-
Other	280,695	-	-
Balances as of January 1, 2021	**1,258,653**	**-**	**-**

As of December 31, 2022, subordinated bonds are as follows:

SUBORDINATED BONDS IN UNIDADES DE FOMENTO							
Series	Amount issued UF	Amount placed UF	Issuance date	Maturity date	Average rate	Balance due UF	Balance due MCh$
SERIE_AD1	4,000,000	4,000,000	06-01-2010	06-01-2040	4.17%	3,688,857	129,519
SERIE_AD2	3,000,000	3,000,000	06-01-2010	06-01-2042	4.14%	2,744,044	96,346
SERIE_F	1,200,000	1,200,000	05-01-1999	05-01-2024	7.73%	147,626	5,183
SERIE_G	400,000	400,000	05-01-1999	05-01-2025	7.92%	78,896	2,770
SERIE_L	1,200,000	1,200,000	10-01-2001	10-01-2026	6.39%	356,088	12,503
SERIE_M	1,800,000	1,800,000	10-01-2001	10-01-2027	6.43%	632,713	22,215
SERIE_N	1,500,000	1,500,000	06-01-2004	06-01-2029	5.25%	629,932	22,118
SERIE_O	1,500,000	1,500,000	06-01-2004	06-01-2030	3.93%	642,771	22,568
SERIE_R	1,500,000	1,500,000	06-01-2005	06-01-2038	4.72%	857,284	30,100
SERIE_S	2,000,000	2,000,000	12-01-2005	12-01-2030	4.86%	923,409	32,422
SERIE_T	2,000,000	2,000,000	12-01-2005	12-01-2031	4.52%	1,005,489	35,304
SERIE_U	2,000,000	2,000,000	06-01-2007	06-01-2032	4.19%	1,944,836	68,285
SERIE_W	4,000,000	4,000,000	06-01-2008	06-01-2036	4.05%	2,347,164	82,411
SERIE_Y	4,000,000	4,000,000	12-01-2007	12-01-2030	4.25%	2,876,328	100,991
SERIE_AC	6,000,000	6,000,000	03-01-2010	03-01-2040	3.96%	5,687,549	199,695
SERIE_AH	15,000,000	9,000,000	09-01-2013	09-01-2043	3.63%	7,919,664	278,068
SERIE_B1S	3,000,000	3,000,000	12-01-2019	12-01-2039	1.32%	3,314,978	116,392
SERIE_B2S	3,000,000	3,000,000	12-01-2019	12-01-2044	1.30%	3,406,294	119,598
SERIE_B3S	3,000,000	3,000,000	12-01-2019	12-01-2049	1.28%	3,497,802	122,811
Total subordinated bonds	**60,100,000**	**54,100,000**				**42,701,724**	**1,499,299**

As of December 31, 2021, subordinated bonds are as follows:

SUBORDINATED BONDS IN UNIDADES DE FOMENTO							
Series	Amount issued UF	Amount placed UF	Issuance date	Maturity date	Average rate	Balance due UF	Balance due MCh$
SERIES_F	1,200,000	1,200,000	05-01-1999	05-01-2024	7.73%	237,285	7,354
SERIES_G	400,000	400,000	05-01-1999	05-01-2025	7.92%	106,482	3,300
SERIES_L	1,200,000	1,200,000	10-01-2001	10-01-2026	6.39%	432,170	13,394
SERIES_M	1,800,000	1,800,000	10-01-2001	10-01-2027	6.43%	737,291	22,850
THEY LAUGH	1,500,000	1,500,000	01-06-2004	06-01-2029	5.25%	709,562	21,991
SERIES_O	1,500,000	1,500,000	01-06-2004	06-01-2030	3.93%	715,274	22,168
SERIES_R	1,500,000	1,500,000	01-06-2005	06-01-2038	4.72%	818,620	25,370
SERIES_S	2,000,000	2,000,000	12-01-2005	12-01-2030	4.86%	1,016,145	31,492
SERIES_T	2,000,000	2,000,000	12-01-2005	12-01-2031	4.52%	1,094,502	33,921
SERIES_U	2,000,000	2,000,000	06-01-2007	06-01-2032	4.19%	1,934,205	59,944
SERIES_Y	4,000,000	4,000,000	12-01-2007	12-01-2030	4.25%	2,759,064	85,508
SERIES_W	4,000,000	4,000,000	06-01-2008	06-01-2036	4.05%	2,255,804	69,911
SERIES_AC	6,000,000	6,000,000	03-01-2010	03-01-2040	3.96%	5,661,348	175,455
SERIES_AD 1	4,000,000	4,000,000	06-01-2010	06-01-2040	4.17%	3,666,989	113,646
SERIES_AD 2	3,000,000	3,000,000	06-01-2010	06-01-2042	4.14%	2,729,361	84,588
SERIES_AH	15,000,000	9,000,000	09-01-2013	09-01-2043	3.63%	7,868,860	243,869
SERIES_B1S	3,000,000	3,000,000	06-11-2020	12-01-2039	1.32%	3,331,268	103,241
SERIES_B2S	3,000,000	3,000,000	06-22-2020	12-01-2044	1.30%	3,422,067	106,056
SERIES_B3S	3,000,000	3,000,000	06-24-2020	12-01-2049	1.28%	3,513,088	108,878
Total subordinated bonds	**60,100,000**	**54,100,000**				**43,009,385**	**1,332,936**

NOTE 24 – PROVISIONS FOR CONTINGENCIES

a) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the provisions for contingencies are comprised of the following:

	December 31, 2022 MCh$	December 31, 2021 MCh$	January 1, 2021 MCh$
Provisions for employee benefit obligations	152,610	110,595	97,406
Provisions recorded by a foreign bank branch for remittances of profits to its parent	-	-	-
Provisions for restructuring plans	-	-	-
Provisions for lawsuits and litigation	401	400	-
Provisions for obligations related to customer loyalty and merit-based programs	7,827	6,053	5,739
Provisions for operational risk	576	661	-
Other provisions for other contingencies	66,302	20,902	27,819
Total	**227,716**	**138,611**	**130,964**

b) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, the provisions for employee benefit obligations are as follows:

	December 31, 2022 MCh$	December 31, 2021 MCh$	January 1, 2021 MCh$
Provision for short-term employee benefits	104,496	56,186	39,099
Provision for post-employment employee benefits	-	-	-
Provision for long-term employee benefits	-	-	-
Provision for employee termination benefits	974	901	-
Provision for share-based or equity payments to employees	-	-	-
Provision for defined contribution post-employment plans	-	-	-
Provision for post-employment defined benefit plans	-	-	-
Provision for other personnel liabilities	47,140	53,508	58,307
Total	**152,610**	**110,595**	**97,406**

c) Movements in the provision for performance bonuses as of December 31, 2022, and 2021 are as follows:

	Provision for performance bonuses	
	December 31, 2022 MCh$	December 31, 2021 MCh$
Balance as of January 1,	62,167	63,769
Provisions recorded	83,419	78,710
Provisions accrued	(57,909)	(80,312)
Provisions used	(1,525)	-
Other changes	(732)	-
Total as of December 31,	**85,420**	**62,167**

d) Movements in the provision for accrued vacations as of December 31, 2022, and 2021 are as follows:

	Provision for accrued vacations	
	December 31, 2022 MCh$	December 31, 2021 MCh$
Balance as of January 1,	17,351	15,828
Provisions recorded	16,999	16,398
Provisions accrued	(15,286)	(12,829)
Provisions used	-	-
Other changes	2,327	(2,046)
Total as of December 31,	**21,391**	**17,351**

NOTE 25 – PROVISIONS FOR DIVIDENDS, INTEREST PAYMENTS AND REVALUATION OF REGULATORY CAPITAL FINANCIAL INSTRUMENTS

a) As of December 31, 2022, and 2021 and as of January 1, 2021, the detail of the provisions for dividends, interest payments and revaluation of regulatory capital financial instruments is as follows:

	December 31, 2022 MCh$	December 31, 2022 MCh$	January 1, 2022 MCh$
Provisions for dividends, interest payment and revaluation of regulatory capital financial instruments issued			
Provisions for dividends	246,247	156,117	95,236
Provision for interest payment on bonds without fixed maturity	-	-	-
Provision for revaluation of bonds without fixed maturity	-	-	-
Total	**246,247**	**156,117**	**95,236**

b) As of December 31, 2022, and 2021 and as of January 1, 2021, movements in provisions for dividends, interest payments and revaluation of regulatory capital financial instruments are detailed as follows:

	Provisions				
	Provisions for dividends		Provision for interest payment on bonds without maturity date	Provision for revaluation of bonds without maturity date	Total
	Common stock	Preferred stock			
	MCh$	MCh$	MCh$	MCh$	MCh$
Balances as of January 1, 2022	156,117	-	-	-	156,117
Provisions recorded	246,247	-	-	-	246,247
Provisions accrued	(156,117)	-	-	-	(156,117)
Provisions used	-	-	-	-	-
Balance as of December 31, 2022	**246,247**	**-**	**-**	**-**	**246,247**

	Provisions				
	Provisions for dividends		Provision for interest payment on bonds without maturity date	Provision for revaluation of bonds without maturity date	Total
	Common stock	Preferred stock			
	MCh$	MCh$	MCh$	MCh$	MCh$
Balances as of January 1, 2021	95,236	-	-	-	95,236
Provisions recorded	156,117	-	-	-	156,117
Provisions accrued	(95,236)	-	-	-	(95,236)
Release of provisions	-	-	-	-	-
Balance as of December 31, 2021	**156,117**	**-**	**-**	**-**	**156,117**

	Provisions				
	Provisions for dividends		Provision for interest payment on bonds without maturity date	Provision for revaluation of bonds without maturity date	Total
	Common stock	Preferred stock			
	MCh$	MCh$	MCh$	MCh$	MCh$
Balances as of January 1, 2020	120,794	-	-	-	120,794
Provisions recorded	95,236	-	-	-	95,236
Provisions accrued	(120,794)	-	-	-	(120,794)
Release of provisions	-	-	-	-	-
Balance as of January 1, 2021	**95,236**	**-**	**-**	**-**	**95,236**

NOTE 26 – SPECIAL PROVISIONS FOR CREDIT LOSS

a) As of December 31, 2022, and 2021 and opening balances as of January 1, 2021, special provisions for credit loss are as follows:

	December 31, 2022 MCh$	December 31, 2022 MCh$	January 1, 2022 MCh$
Provisions for credit loss for contingent loans	60,252	58,441	44,713
Provisions for country risk for operations with debtors domiciled abroad	4,716	3,481	3,608
Special provisions for foreign loans	-	-	-
Additional provisions for loans	415,022	350,143	160,176
Provisions for adjustments to the minimum required provision for normal portfolio assessed on a stand-alone basis	11,065	-	-
Provisions accrued for credit loss as a result of complementary prudential requirements	-	-	-
Total	**491,055**	**412,065**	**208,497**

b) As December 31, 2022, and 2021 and opening balances as of January 1, 2021, the provisions for credit loss for contingent loans are as follows:

	December 31, 2022 MCh$	December 31, 2021 MCh$	January 1, 2021 MCh$
Provisions for credit loss for contingent loans			
Guarantors and surety bonds	3,498	4,606	3,719
Confirmed foreign letters of credit	646	955	721
Documentary letters of credit issued	-		-
Transactions related to contingent events	19,324	13,588	9,979
Subtotal	**23,468**	**19,149**	**14,419**
Undrawn lines of credit in:			
Current account - business portfolio	16,543	21,363	7,197
Credit card - business portfolio	3,980	-	-
Current account - consumer portfolio	1,492	1,392	1,360
Credit card - consumer portfolio	10	5,634	7,943
Subtotal	**22,025**	**28,389**	**16,500**
Other credit commitments			
Credits for higher education Law No. 20.027 (CAE)	3	9	12
Other irrevocable credit commitments	6,367	3,559	2,942
Subtotal	**6,370**	**3,568**	**2,954**
Undrawn credit lines with immediate termination in:			
Current account – business portfolio	-	-	-
Credit card – business portfolio	-	-	-
Current account – consumer portfolio	42	-	-
Credit card – consumer portfolio	8,347	7,335	10,840
Subtotal	**8,389**	**7,335**	**10,840**
Commitments to acquire debt in local currency abroad	-	-	-
Other contingent loans	-	-	-
Provisions for country risk for operations with debtors domiciled abroad	4,716	3,481	3,608
Special provisions for loans abroad	-	-	-
Additional provisions for loans	415,022	350,143	160,176
Provisions for adjustments to the minimum required provision for normal portfolio assessed on a stand-alone basis	11,065	-	-
Provisions accrued for credit loss as a result of complementary prudential requirements	-	-	-
Subtotal	**430,803**	**353,624**	**163,784**
Total	**491,055**	**412,065**	**208,497**

c) As of December 31, 2022, and 2021, movements in special provisions for credit loss are as follows:

	Credit risk for contingent loans MCh$	Country risk for transactions with debtors domiciled abroad MCh$	Special provisions for loans abroad MCh$	Additional provisions for loans MCh$	Adjustments to provisions for adjustments to the minimum required provision for normal portfolio assessed on a stand-alone basis MCh$	Provisions accrued for credit loss as a result of complementary prudential requirements MCh$	Total MCh$
Balance as of January 1, 2022	58,440	3,482	-	350,143	-	-	**412,065**
Provisions recorded	41,145	1,447	-	81,900	11,065	-	**135,557**
Provisions accrued	-	-	-	-	-	-	**-**
Provisions used	(39,274)	(196)	-	(16,882)	-	-	**(56,352)**
Exchange rate variation	(59)	(17)	-	(139)	-	-	**(215)**
Balance as of December 31, 2022	**60,252**	**4,716**	**-**	**415,022**	**11,065**	**-**	**491,055**

	Credit risk for contingent loans MCh$	Country risk for transactions with debtors domiciled abroad MCh$	Special provisions for loans abroad MCh$	Additional provisions for loans MCh$	Adjustments to provisions for adjustments to the minimum required provision for normal portfolio assessed on a stand-alone basis MCh$	Provisions accrued for credit loss as a result of complementary prudential requirements MCh$	Total MCh$
Balance as of January 1, 2021	44,713	3,608	-	160,176	-	-	**208,497**
Provisions recorded	25,146	433	-	214,128	-	-	**239,707**
Provisions accrued	-	-	-	-	-	-	**-**
Provisions used	(12,419)	(1,219)	-	(32,712)	-	-	**(46,350)**
Exchange rate variation	1,001	659	-	8,551	-	-	**10,211**
Balance as of December 31, 2021	**58,441**	**3,481**	**-**	**350,143**	**-**	**-**	**412,065**

NOTE 27 – OTHER LIABILITIES

As of December 31, 2022, and 2021 and beginning balances as of January 1, 2021, other liabilities are as follows:

	December 31, 2022	December 31, 2021	January 1, 2021
	MCh$	MCh$	MCh$
Cash guarantees received for derivative financial operations	715,387	473,046	249,726
Creditors for brokerage of financial instruments	-	-	-
Accounts payable to third parties	534,906	758,680	733,668
Accounts receivable from subsidiaries for services rendered (applicable only at individual bank level)	-	19,042	20,698
Agreed dividends payable	-	-	-
Valuation adjustments for macro hedges	20,267	5,934	-
Liability for revenue from contract with customers	41,229	37,332	28,568
VAT fiscal debit payable	15,031	13,925	8,072
Other cash collateral received	-	-	-
Pending transactions	38,707	32,300	29,171
Other liabilities	21,135	24,251	7,901
Total	**1,386,662**	**1,364,510**	**1,077,804**

NOTE 28 – EQUITY

a) Paid-in capital and shares

The changes in common shares as of December 31, 2022, and 2021, are as follows:

	December 31, 2022	December 31, 2021
	Number	Number
Shares issued as of January 1	155,886,505	148,767,940
Issuance of bonus shares	12,950,840	7,118,565
Shares subscribed and paid for capital increase	-	-
Total issued	**168,837,345**	**155,886,505**

b) Shareholders

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

As of December 31, 2022,	Shares	
	Number of shares	Ownership %
Empresas Juan Yarur S.P.A. (Parent)	93,467,212	55.36%
Banco de Chile on behalf of non-resident third parties	10,677,630	6.32%
Banchile Corredores de Bolsa S.A.	6,256,340	3.71%
Banco Santander on behalf of Foreign Investors	4,299,178	2.55%
AFP Habitat S.A.	4,204,591	2.49%
BCI Corredor de Bolsa S.A. on behalf of third parties.	3,997,804	2.37%
AFP Provida S.A.	3,289,875	1.95%
AFP Capital S.A.	3,086,939	1.83%
Larraín Vial S.A. Corredora de Bolsa	2,968,443	1.76%
Inversiones Cerro Sombrero Financiero S.P.A.	2,872,748	1.70%
Imsa Financiera S.P.A.	2,520,016	1.49%
Inversiones Nueva Altamira S.P.A	2,229,718	1.32%
Inversiones VYR S.P.A.	1,924,556	1.14%
AFP Cuprum S.A.	1,831,166	1.08%
Inversiones Tarascona Corporation Agencia en Chile	1,721,399	1.02%
Jorge Yarur Bascuñán	1,624,031	0.96%
Luis Enrique Yarur Rey	1,125,267	0.67%
AFP Modelo S.A.	1,086,439	0.64%
BTG Pactual Chile S.A. Corredores de Bolsa	1,035,947	0.61%
Empresas JY S.A.	928,693	0.55%
Bolsa de Comercio de Santiago Bolsa de Valores	862,462	0.51%
Bolsa Electrónica de Chile Bolsa de Valores	789,698	0.47%
Inversiones Colibrí Financiera S.A.	788,452	0.47%
Credicorp Capital S.A. Corredores de Bolsa	770,064	0.46%
AFP Planvital S.A.	662,643	0.39%
Other Shareholders	13,816,034	8.18%
Shares subscribed and paid	**168,837,345**	**100.00%**

As of December 31, 2021	Shares	
	Number of shares	Number of shares
Companies Juan Yarur SPA (Controller)	86,297,708	55.36%
Banco de Chile on behalf of non-resident third parties	8,993,578	5.77%
Jorge Yarur Bascuñán	3,921,535	2.52%
Banco Santander on behalf of Foreign Investors	3,883,578	2.49%
BCI Corredor de Bolsa SA on behalf of third parties.	3,843,412	2.47%
AFP Habitat S.A.	3,826,906	2.45%
AFP Provida SA	3,251,359	2.09%
Larrain Vial SA Stockbroker	3,064,000	1.97%
AFP Capital S.A.	2,652,390	1.70%
Investments Cerro Sombrero Financial SPA	2,367,117	1.52%
Banchile Brokers SA	2,326,715	1.49%
Imsa Financial SPA	2,139,987	1.37%
AFP Cuprum SA	1,971,204	1.26%
Inversiones Tarascona Corporation Agency in Chile	1,802,789	1.16%
Investments VYR SPA	1,776,930	1.14%
Investments Nueva Altamira SPA	1,662,255	1.07%
Luis Enrique Yarur Rey	1,555,849	1.00%
Investments Meyar SAC	1,541,786	0.99%
Santiago Stock Exchange Stock Exchange	1,499,458	0.96%
AFP Model SA	869,942	0.56%
Companies JY SA	857,457	0.55%
Credicorp Capital SA Stock Brokers	727,972	0.47%
Inversiones Colibri Financial SA	578,279	0.37%
BTG Pactual Chile SA Stockbrokers	528,058	0.34%
Compañía de Seguros de Vida Consorcio Nacional de Seguros S.A.	521,980	0.33%
Other Shareholders	13,424,261	8.60%
Shares subscribed and paid	**155,886,505**	**100.00%**

c) Dividends

During the periods ended December 31, 2022, and 2021, the following dividends were declared by the Bank:

	December 31,	December 31,
	2022	2021
$ per common share	$1,010	$700

The provision for minimum dividend as of December 31, 2022, amounts to MCh$246,247 (MCh$156,117 as of December 31, 2021).

d) As of December 31, 2022, and 2021, diluted and basic earnings per share are as follows:

	December 31,	December 31,
	2022	2021
Earnings attributable to equity holders of the parent	820,822	520,391
Profit available to shareholders in MCh$	**820,822**	**520,391**
Weighted average number of shares	144,922,480	142,299,514
Basic earnings per share ($/share)	**5,664**	**3,657**

Items that can be classified in profit or loss

- Foreign currency translation differences of foreign entities:

They arise from exchange differences arising from the translation of a net investment in foreign entities whose functional currency is different from the parent company's functional currency.

- Cash flow hedge:

They arise from the valuation at fair value at the end of each period of the derivative contracts that have been defined as cash flow hedges.

- Changes in the fair value of financial assets at fair value through other comprehensive income

The fair value reserve includes the accumulated net changes in the market value of investments available-for-sale. When (all or part of) the investment is sold or disposed of, these reserves are recognized in the Consolidated Statements of Income for the Period as part of the gain or loss related to investments (Note 1 (t) states the accounting treatment in case of impairment).

Items that will not subsequently be reclassified to profit or loss

Net changes in the fair value of equity instruments designated at fair value through other comprehensive income:

They relate to equity instruments (shares) for minority investments in companies recorded in accordance with IFRS 9, under which changes in the fair value of such instruments shall irrevocably be recorded in other comprehensive income after initial recognition.

As of December 31, 2022, and 2021, changes in Other Comprehensive Income are as follows:

	Accumulated Other Comprehensive Income																	
	Items that will not be reclassified to profit or loss								Items that can be reclassified to profit or loss									
	Re-measurement of the net defined benefit liability (asset) and actuarial results for other employee benefit plans	Net changes in the fair value of equity instruments at fair value through other comprehensive income	Changes in the fair value of financial liabilities at fair value through profit or loss attributable to changes in the credit risk of the financial liability	Share in other comprehensive income of entities accounted for under the equity method	Non-current assets and disposal groups held for sale	Other	Income tax	Subtotal	Changes in fair value of financial assets at fair value through other comprehensive income	Translation differences for foreign entities	Accounting hedges of net investments in foreign entities	Cash flow hedge	Items not designated as hedging instruments	Share in other comprehensive income of entities accounted for under the equity method	Non-current assets and disposal groups held for sale	Other	Income tax	Subtotal
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Closing balance as of December 31, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(242,905)**	**405,367**	**-**	**177,037**	**-**	**-**	**-**	**-**	**(36,959)**	**302,540**
Effect of the correction or errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies	-	-	-	-	-	-	-	-	(13,285)	-	-	-	-	-	-	-	-	(13,285)
Opening balance as of January 1, 2022	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(256,190)**	**405,367**	**-**	**177,037**	**-**	**-**	**-**	**-**	**(36,959)**	**289,255**
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period	(132)	(50)	-	-	-	-	-	(182)	(384,996)	(19,997)	-	(36,129)	-	-	-	-	154,260	(286,862)
Closing balance as of December 31, 2022	**(132)**	**(50)**	**-**	**-**	**-**	**-**	**-**	**(182)**	**(641,186)**	**385,370**	**-**	**140,908**	**-**	**-**	**-**	**-**	**117,301**	**2,393**

	Accumulated Other Comprehensive Income																	
	Items that will not be reclassified to profit or loss								Items that will not be reclassified to profit or loss									
	Re-measurement of the net defined benefit liability (asset) and actuarial results for other employee benefit plans	Net changes in the fair value of equity instruments at fair value through other comprehensive income	Changes in the fair value of financial liabilities at fair value through profit or loss attributable to changes in the credit risk of the financial liability	Share in other comprehensive income of entities accounted for under the equity method	Non-current assets and disposal groups held for sale	Other	Income tax	Subtotal	Changes in fair value of financial assets at fair value through other comprehensive income	Translation differences for foreign entities	Accounting hedges of net investments in foreign entities	Cash flow hedge	Items not designated as hedging instruments	Share in other comprehensive income of entities accounted for under the equity method	Non-current assets and disposal groups held for sale	Other	Income tax	Subtotal
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Closing balance as of December 31, 2020	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**77,966**	**79,987**	**-**	**(176,292)**	**-**	**-**	**-**	**-**	**40,562**	**22,223**
Effect of the correction or errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies	-	-	-	-	-	-	-	-	29,233	-	-	-	-	-	-	-	-	29,223
Opening balance as of January 1, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**107,199**	**79,987**	**-**	**(176,292)**	**-**	**-**	**-**	**-**	**40,562**	**51,456**
51, Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-	-	-	-	(350,104)	325,380	-	353,329	-	-	-	-	(77,521)	251,084
Closing balance as of December 31, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(242,905)**	**405,367**	**-**	**177,037**	**-**	**-**	**-**	**-**	**(36,959)**	**302,540**

NOTE 29 – CONTINGENCIES AND COMMITMENTS

a) Lawsuits and legal proceedings

Banco BCI

The Bank and its subsidiaries record several lawsuits related to their activities which, considering their background and grounds for the defensive arguments presented, in the opinion of Management and the internal legal advisors, will not generate liabilities or obligations in addition to those previously recorded by the Bank and its subsidiaries. Therefore, it has not been considered necessary to record a provision in addition to the one recorded for these contingencies. As of December 31, 2022, the Bank and its subsidiaries had provisions for civil, labor, and other claims amounting to MCh$715 (MCh$724 as of December 31, 2021).

b) Guarantees granted for operations:

- Direct commitments

As of December 31, 2022, and 2021, the Bank does not maintain guarantees for this concept.

- Guarantees for operations

BCI Corredor de Bolsa S.A.

As of December 31, 2022, this Company has collateralized the commitments for simultaneous operations in the Santiago Stock Exchange, whose valuation amounts to MCh$61,0061 (MCh$76,147 as of December 31, 2021).

As of December 31, 2022, the Company has provided guarantees for the correct fulfillment of the settlement of CCLV system operations in the Santiago Stock Exchange for MCh$7,763 (MCh$24,081 as of December 31, 2021).

As of December 31, 2022, the Company has provided guarantees for the correct fulfillment in the settlement of CCLV system operations with derivatives in the Santiago Stock Exchange MCh$495 (MCh$605 as of December 31, 2021).

As of S December 31, 2022, the Company maintains guarantees abroad for international market operations for MCh$42 (MCh$43 as of December 31, 2021).

As of December 31, 2022, the Company does not have any guaranteed bonds (MCh$15 as of December 31, 2021).

As of December 31, 2022, the Company has a guarantee amounting to UF20,000 to comply with the provisions of Article 30 of Law 18.045, which aims to ensure the correct and full compliance with all its obligations as a securities broker and whose beneficiaries are the present or future creditors that it has or may have as a result of its brokerage operations. This guarantee corresponds to a policy contracted on August 19, 2022 (Nº330-22-00033372) valid until August 19, 2023, with Compañía de Seguros de Mapfre Garantía y Crédito, being the Santiago Stock Exchange (Bolsa de Comercio de Santiago, Bolsa de Valores) the representative of the possible beneficiary creditors.

As of December 31, 2022, the Company maintains a guarantee amounting to UF10,000 to comply with the provisions of Article No. 12 and following and 99 and following of Law No. 20.712, which guarantees the faithful compliance with the obligations of BCI Corredor de Bolsa for the management of third-party funds and portfolio. This guarantee is effective from November 7, 2022 to November 7, 2023.

Employee fidelity insurance or employee loyalty insurance

As of December 31, 2022, BCI Corredor de Bolsa S.A. has an insurance policy taken out with Southbridge Compañía de Seguros Generales S.A., which covers Banco Crédito e Inversiones and its subsidiaries from May 31, 2022, to November 30, 2023, for an amount of UF500,000.

BCI Corredores de Seguros S.A.

As of December 31, 2022, the Company has contracted the following insurance policies to comply with the provisions of letter d) of Article No. 58 of Decree with Force of Law No. 251 of 1931, to guarantee the correct and full compliance with all the obligations arising from its activity:

Guarantee Policy for Insurance Brokers No. 100-49-989 for an insured amount of UF500 contracted with Compañía de Seguros Generales Consorcio Nacional de Seguros S.A., valid from April 15, 2022, to April 14, 2023, establishing the right of the insurance company to reimburse the broker for all amounts disbursed by the former to pay third-parties affected by the broker's deficient brokerage.

Professional Civil Liability Policy for Insurance Brokers No. 100-49-262 for an insured amount of UF60,000, contracted with Compañía de Seguros Generales Consorcio Nacional de Seguros S.A., valid from April 15, 2022, to April 14, 2023, to protect the broker against possible claims by third parties, with the insurance company having the power to request the broker to reimburse the amount paid to the claiming third-party.

BCI Factoring S.A.

As of December 31, 2022, the Company has approved coverage lines for operators of the Factor Chain International in the amount of MCh$0 (ThCh$1,233 as of December 2021), of which MCh$0 (MCh$0 as of December 2021) have been used.

BCI Corredores de Bolsa de Productos S.A.

As of December 31, 2022, the Company has Surety Bond No.609566 taken with Banco de Crédito e Inversiones, for UF6,000, in favor of Bolsa de Productos Agropecuarios SA, to guarantee compliance with the Company's obligations as a product broker in favor of its principals in compliance with article 11 of Law 19.220. The possibility of paying this bond is covered by a "credit line opening agreement to cover potential guarantee payments issued in Chilean pesos or foreign currency", which is in the possession of the financial institution and is valid up to October 19, 2023.

As of December 31, 2022, the Company has Bond No.609565 taken with Banco de Crédito e Inversiones, for UF2,000, in favor of Bolsa de Productos Agropecuarios SA, to guarantee compliance with all its obligations as a product broker in relation to operations invoiced to the Company. The possibility of paying this bond is covered by a "credit line opening agreement to cover potential guarantee payments issued in Chilean pesos or foreign currency", which is in the possession of the financial institution and is valid up to October 19, 2023.

BCI Asset Management Administradora General de Fondos S.A.

Guarantees established in articles 12, 13 and 14 of the Single Fund Law No.20.712.

As of December 31, 2022, there are guarantee policies for all funds and portfolio management, amounting to MCh$105,326

Fund	Type of Guarantee	Amount MCh$	Amount Issued UF
Fund	Surety bonds in UF	95,167	2,711,314.37
Portfolio Management	Surety bonds in UF	10,129	288,487.24
Other guarantees	Surety bonds in UF	-	-
	Total	**105,296**	**2,999,801.61**

This is in conformity with the provisions of article 226 of Law No.18.045 of the Securities Market and NCG No.125 of 2001, which state that General Fund Administrators must permanently maintain a guarantee for each managed fund, which must always be equivalent to UF10,000 or 1% of the average equity of the corresponding calendar year prior to the date of its determination.

Similarly, in order to comply with the requirements of Title IV of Circular 1790, mutual funds defined as collateralized structured funds must have at all times a guarantee granted by a third-party other than the management company.

To ensure compliance with these regulations, BCI Asset Management Administradora General de Fondos S.A. maintains Surety Bonds with the Bank.

a) As of 31 December 31, 2022, and 2021 and opening balances as of January 1, 2021, the composition of the contingent receivables are as follows:

	December 31, 2022 MCh$	December 31, 2021 MCh$	January 1, 2021 MCh$
Guarantees and finance	**329,687**	**277,922**	**196,037**
Guarantees and finance in Chilean currency	-	-	-
Guarantees and finance in foreign currency	329,687	277,922	196,037
Letters of credit for merchandise circulation transactions	**257,529**	**366,531**	**322,318**
Commitments to purchase debt in local currency abroad	**-**	**-**	**-**
Transactions related to contingent events	**2,681,573**	**2,262,375**	**1,819,884**
Transactions related to contingent events in Chilean currency	1,742,679	1,508,048	1,222,972
Transactions related to contingent events in foreign currencies	938,894	754,327	596,912
Undrawn lines of credit with immediate cancellation	**3,833,454**	**3,918,241**	**3,608,571**
Available balance of line of credit and overdraft line of credit agreed in current account - commercial portfolio	-	-	-
Available balance of credit line in credit card - commercial portfolio	-	-	-
Available balance of line of credit and overdraft line of credit agreed in current account - consumer portfolio	1,915	1	-
Available balance of line of credit on credit card - consumer portfolio	3,831,539	3,918,240	3,608,571
Available balance of line of credit and overdraft line of credit agreed on current account - portfolio due from banks	-	-	-
Unrestricted lines of credit	**4,790,828**	**4,458,177**	**3,637,047**
Available balance of line of credit and overdraft line of credit agreed in current account - commercial portfolio	4,044,000	2,881,251	2,184,402
Available balance of credit line in credit card - commercial portfolio	316,846	324,665	298,285
Available balance of line of credit and overdraft line of credit agreed in current account - consumer portfolio	429,982	1,211,957	1,108,319
Available balance of line of credit on credit card - consumer portfolio	-	40,304	46,041
Available balance of line of credit and overdraft line of credit agreed on current account - portfolio due from banks	-	-	-
Other credit commitments	**970,825**	**790,744**	**434,866**
Loans for higher education studies Law No. 20,027	2,260	3,097	4,608
Other irrevocable credit commitments	968,565	787,647	430,258
Other contingent loans	-	-	-
Total	**12,863,896**	**12,073,990**	**10,018,723**

NOTE 30 – INTEREST INCOME AND EXPENSES

a) As of December 31, 2022, and 2021, interest income and expense are as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Interest income	2,903,692	1,709,828
Interest expenses	(1,343,274)	(349,599)
Total net interest income	**1,560,418**	**1,360,229**

b) As of December 31, 2022, and 2021, net interest income is comprised of the following:

	December 31,	
	2022	2021
	MCh$	MCh$
Interest income		
Financial assets at amortized cost:		
Rights for repurchase agreements and securities lending	5,871	378
Debt financial instruments	45,590	2,721
Debts held by banks	21,614	6,697
Commercial loans	1,561,194	958,633
Mortgage housing loans	275,849	216,820
Consumer loans	512,443	407,323
Other financial instruments	77,156	4,305
Subtotal	**2,499,717**	**1,596,877**
Financial assets at fair value through other comprehensive income:		
Debt financial instruments	365,897	132,993
Other financial instruments	-	-
Subtotal	**365,897**	**132,993**
Gain (loss) from interest rate risk hedges		
Profit from financial derivative contracts for accounting hedge	221,410	113,923
Loss from financial derivative contracts for accounting hedge	(183,332)	(133,965)
Results from adjustment of hedged financial assets	-	-
Subtotal	**38,078**	**(20,042)**
Total interest income	**2,903,692**	**1,709,828**
Interest expenses		
Financial liabilities at amortized cost:		
Deposits and other obligations on demand	(95,419)	(31,676)
Deposits and other time deposits	(768,882)	(78,023)
Obligations for repurchase agreements and securities lending	(21,320)	(1,800)
Bank borrowings	(95,268)	(45,855)
Debt financial instruments issued	(185,000)	(149,958)
Other financial obligations	(36,189)	(5,639)
Subtotal	**(1,202,078)**	**(312,951)**
Lease liabilities	(2,897)	(3,348)
Regulatory capital financial instruments issued	(48,567)	(44,404)
Gain (loss) from interest rate risk hedges		
Gain from financial derivative contracts for accounting hedge	425,576	190,806
Loss from financial derivative contracts for accounting hedge	(508,177)	(192,422)
Gain (loss) from adjustment of hedged financial liabilities	(7,131)	12,720
Subtotal	**(89,732)**	**11,104**
Total interest expense	**(1,343,274)**	**(349,599)**
Net interest income	**1,560,418**	**1,360,229**

c) As of December 31, 2022, and 2021, suspended interest income is as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Suspended interest income		
Debts held by banks	-	-
Commercial loans	4,932	1,645
Mortgage housing loans	3,671	1,315
Consumer loans	287	-
Total	**8,890**	**2,960**

d) As of December 31, 2022, and 2021, interest income received is as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Interest received from impaired portfolio		
Debts held by banks	-	-
Commercial loans	7,844	3,339
Mortgage housing loans	9,627	889
Consumer loans	5,566	8
Total	**23,037**	**4,236**

NOTE 31 – INFLATION-INDEXATION INCOME AND EXPENSES

a) As of December 31, 2022, and 2021, inflation-indexation income and expenses are as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Inflation-indexation income from	1,476,901	655,232
Inflation-indexation expenses	(727,603)	(315,057)
Total net inflation-indexation income	**749,298**	**340,175**

b) As of December 31, 2022, and 2021, the net inflation-indexation income is as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Inflation-indexation income		
Financial assets at amortized cost:		
Rights for repurchase agreements and securities lending	-	248
Debt financial instruments	-	-
Debts held by banks	-	-
Commercial loans	664,291	334,076
Mortgage housing loans	1,140,179	512,602
Consumer loans	2,665	1,787
Other financial instruments	12,115	3,504
Subtotal	**1,819,250**	**852,217**
Financial assets at fair value through other comprehensive income:		
Debt financial instruments	228,673	98,800
Other financial instruments	-	-
Subtotal	**228,673**	**98,800**
Gain (loss) from interest rate risk hedges		
Gain from financial derivative contracts for accounting hedge	83,137	103,455
Loss from financial derivative contracts for accounting coverage	(651,625)	(335,209)
Results from adjustment of hedged financial assets	(2,534)	(64,031)
Subtotal	**(571,022)**	**(295,785)**
Total Inflation-indexation income	**1,476,901**	**655,232**
Inflation-indexation expenses		
Financial liabilities at amortized cost:		
Deposits and other obligations on demand	(8,297)	(4,027)
Deposits and other time deposits	(51,792)	(7,898)
Obligations for repurchase agreements and securities lending	435	(7,369)
Bank borrowings	1,061	1,264
Debt financial instruments issued	(567,054)	(280,688)
Other financial obligations	(31,591)	(28,589)
Subtotal	**(657,238)**	**(327,307)**
Gain (loss) from interest rate risk hedges		
Gain from financial derivative contracts for accounting hedge	691,149	95,291
Loss from financial derivative contracts for accounting hedge	(584,590)	-
Gain (loss) from adjustment of hedged financial liabilities	-	-
Subtotal	**106,559**	**95,291**
Regulatory capital financial instruments issued:		
Subordinated bonds	(176,924)	(83,041)
Bonds without fixed maturity	-	-
Subtotal	**(176,924)**	**(83,041)**
Total inflation-indexation expenses	**(727,603)**	**(315,057)**
Net inflation-indexation income	**749,298**	**340,175**

c) As of December 31, 2022, and 2021, income from suspended inflation-indexation is as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Income from suspended inflation-indexation		
Debts held by banks	-	-
Commercial loans	1,071	189
Mortgage housing loans	37,802	2,117
Consumer loans	35	3
Total	**38,908**	**2,309**

d) As of December 31, 2022, and 2021, income from inflation-indexation received is as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Income from inflation-indexation received		
Debts held by banks	-	-
Commercial loans	7,971	299
Mortgage housing loans	9,846	871
Consumer loans	827	4
Total	**18,644**	**1,174**

NOTE 32 – FEE INCOME AND EXPENSES

a) As of December 31, 2022, and 2021, fee income and expenses are as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Fee income		
Loan prepayment fees	4,508	9,108
Fes for loans with letters of credit	-	-
Fees for lines of credit and checking account overdrafts	35,003	29,613
Fees for card services	112,827	99,309
Account management fees	60,022	52,810
Fees for collections and payments	82,067	66,245
Fees for securities brokerage and management (Stockbrokers and/or Securities Agency)	7,313	8,012
Fees for administration of mutual funds, investment funds or other	59,463	58,802
Fees for brokerage and insurance advisory services	58,652	60,296
Fees for factoring services	5,277	4,933
Fees for finance lease transaction services	-	-
Fees for securitizations	159	99
Fees for financial advisory services	11,095	16,428
Other fees earned	71,942	77,850
Total fee income	**508,328**	**483,505**
Fee expenses		
Fee for card operation	(42,709)	(46,184)
License fees for the use of card brands	-	-
Other fees for services linked to the credit card system and payment cards with provision of funds as a means of payment	-	-
Expenses for obligations of loyalty programs and merits for card customers	(27,039)	(20,744)
Fees for securities trading	(42,072)	(33,610)
Other commissions for services received	(29,597)	(27,337)
Total commission expenses	**(141,417)**	**(127,875)**
Total net fee income	**366,911**	**355,630**

NOTE 33 – NET FINANCIAL INCOME (EXPENSE)

As of December 31, 2022, and 2021, the net financial income (expense) is as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Financial assets held for trading at fair value through profit or loss:		
Financial derivative contracts	37,067	135,118
Debt financial instruments	64,736	39,741
Other financial instruments	3,655	(790)
Equity instruments	(81,421)	(46,922)
Loans granted and received by the entity	(296)	(497)
Other	33	9,159
Subtotal	**23,774**	**135,809**
Financial liabilities held for trading at fair value through profit or loss		
Financial derivative contracts	-	-
Other financial instruments	-	-
Subtotal	-	-
Financial assets not held for trading mandatorily measured at fair value through profit or loss		
Debt financial instruments	-	-
Other	(24,090)	-
Subtotal	**(24,090)**	-
Financial assets at fair value through profit or loss		
Debt financial instruments	-	-
Other financial instruments	-	-
Loans granted and received by the entity (debts held by banks, commercial loans, mortgage housing loans and consumer loans)	-	-
Other	-	-
Subtotal	-	-
Financial liabilities designated at fair value through profit or loss		
Deposits, other obligations and deposits on demand and other loans	-	-
Debt instruments issued	-	-
Other	-	-
Subtotal	-	-
Financial result on derecognition of financial assets and liabilities at amortized cost and financial assets at fair value through other amortized cost and financial assets at fair value through other comprehensive income comprehensive income		
Financial assets at amortized cost	8,399	-
Financial assets at fair value through other comprehensive income	-	-
Financial liabilities at amortized costs	-	-
Regulatory capital financial instruments issued	-	-
Subtotal	**8,399**	-
Financial income (expense) for changes, adjustments, and foreign currency hedge		
Gain (loss) from foreign currency translation	43,278	(410,930)
Gain (loss) from exchange rate adjustments		
Financial assets held for trading at fair value through profit or loss	-	-
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	-
Financial assets at fair value through profit or loss	-	-
Financial assets at fair value through other comprehensive income	(5,653)	3,967
Financial assets at amortized cost:		
Debts held by banks	-	-
Commercial loans	-	-
Mortgage housing loans	-	-
Consumer loans	-	-
Other assets	(1,862)	25,952
Financial liabilities at amortized cost	-	-
Financial liabilities held for trading at fair value through profit or loss	-	-
Financial liabilities designated at fair value through profit or loss	-	-
Regulatory capital financial instruments issued	-	-
Net income (expense) from derivatives in foreign currency risk hedges	(91,898)	295,539
Subtotal	**(56,135)**	**(85,472)**
Financial income (loss) from reclassification of financial assets due to change in business model		
From financial assets at amortized cost to financial assets held for trading at fair value through profit or loss	-	-
From financial assets at fair value through other comprehensive income to financial assets held for trading at fair value through profit or loss	-	-
Subtotal	-	-
Reclassifications of financial assets due to changes in business models		
From financial assets at amortized cost to financial assets held for trading at fair value through profit or loss	-	-
From financial assets at fair value through other comprehensive income to financial assets held for trading at fair value through profit or loss	-	-
Subtotal	-	-
Other financial income (expense) from changes in financial assets and liabilities		
Financial assets at fair value through other comprehensive income	-	-
Financial liabilities at amortized cost	-	-
Lease liabilities	-	-
Issued regulatory capital financial instruments	-	-
Subtotal	-	-
Other financial income (expense) from ineffective accounting hedges		
Income (expense) from ineffective cash flow hedges	-	-
Income (expense) from ineffective hedges of net foreign investment	-	-
Subtotal	-	-
Other financial income (expense) from other hedges		
Hedges of other types of financial assets	-	-
Subtotal	-	-
Total net financial income (expense)	**(48,052)**	**50,337**

NOTE 34 – INCOME FROM INVESTMENTS IN COMPANIES

As of December 31, 2022, and 2021, the income from investment in companies is as follows:

	December 31,					
	2022			2021		
	Profit / Loss	Ownership	Accrued income	Profit / Loss	Ownership	Accrued income
	MCh$	%	MCh$	MCh$	%	MCh$
Investments in associates						
Redbanc S.A.	1,711	12.71	217	1,413	12.71	180
Combanc S.A.	930	13.30	124	392	11.74	46
Transbank S.A.	26,031	8.72	2,270	(12,439)	8.72	(1,085)
Nexus S.A.	-	-	-	3,162	14.81	468
Servicio de Infraestructura de Mercado OTC S.A.	872	13.61	119	261	13.61	36
AFT S.A.	4,021	20.00	804	1,925	20.00	385
Centro de Compensación Automatizado S.A.	4,702	33.33	1,567	2,628	33.33	876
Sociedad Interbancaria de Depósitos de Valores S.A.	1,508	7.03	106	1,175	7.03	83
Pago y Servicios S.A.	(1,588)	49.90	(792)	(2,186)	49.90	(1,091)
Minority investments						
Shares of SWIFT	-	-	-	-	-	-
Shares of BLADEX	-	-	409	-	-	808
Other shares	-	-	33	-	-	147
Investments in joint ventures						
Servipag Ltda.	3,732	50.00	1,866	1,662	50.00	831
Artikos Chile S.A.	1,361	50.00	681	1,211	50.00	606
Total	**43,280**		**7,404**	**(796)**		**2,290**

NOTE 35 – INCOME FROM NON-CURRENT ASSETS AND DISPOSAL GROUPS HELD FOR SALE NOT ADMISSIBLE AS DISCONTINUED OPERATIONS

As of December 31, 2022, and 2021, the income from non-current assets and disposal groups held for sale not admissible as discontinued operations are as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Net income for assets received in payment or foreclosed at judicial auction:		
Other income from sale of assets received in payment or foreclosed at judicial auction	186	91
Other income from assets received in payment or foreclosed judicial auction	3,355	3,575
Provisions for adjustments to the net realizable value of assets received in payment or foreclosed at judicial auction	(397)	1,418
Write-offs of assets received in payment or foreclosed at judicial auction	(1,160)	(135)
Expenses for maintenance of assets received in payment or foreclosed at judicial auction	(797)	(840)
Subtotal	**1,187**	**4,109**
Non-current assets held for sale:		
Investments in companies	-	-
Intangible assets	-	-
Property and equipment	(216)	1,059
Assets for recovery of assets under finance lease agreements	8,731	6,469
Other assets	-	-
Subtotal	**8,515**	**7,528**
Disposal group held for sale	-	-
Total	**9,702**	**11,637**

NOTE 36 – OTHER OPERATING INCOME AND EXPENSES

As of December 31, 2022, and 2021, other operating income and expenses are as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Other operating income		
Payments from insurance companies for claims other than operational risk related events	23	-
Net income from investment property	-	-
Income from card brands issued (VISA, MC, etc.)	10,190	-
Income from correspondent banks	-	-
Income other than interest and fees from lease agreements	-	-
Income from expense recovery	4,432	5,773
Other income	38,761	30,986
Total	**53,406**	**36,759**
Other operating expenses		
Insurance premium expense to cover operational risk events	-	-
Net loss expense from operational risk events	-	-
Gross loss expense from operational risk events	(14,008)	(14,724)
Recovery of expenses for operational risk events	3,640	5,079
Expense for provision for unearned insurance brokerage fees	-	-
Expense for provision for unearned insurance premium collection fees	-	-
Provisions for restructuring plans	-	-
Provisions for lawsuits and litigation	64	271
Other provisions for other contingencies	(53,597)	(3,429)
Expenses for finance lease credit transactions	-	-
Expenses for factoring credit transactions	-	-
Expenses for administration, maintenance, and support of ATMs	-	-
Expenses for adoption of new technologies in cards	-	-
Other operating expenses	(32,252)	(40,197)
Total	**(96,153)**	**(53,000)**

NOTE 37 – EXPENSES FOR EMPLOYEE BENEFITS

As of December 31, 2022, and 2021, expenses for employee benefit obligations are as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Short-term employee benefits		
Remuneration	(352,548)	(294,235)
Incentives (performance bonuses)	(129,075)	(99,166)
Legal bonus	(54,281)	(49,529)
Other	(67,105)	(61,558)
Subtotal	**(603,009)**	**(504,488)**
Post-employment benefits		
Post-employment employee benefits	-	-
Subtotal	**-**	**-**
Long-term employee benefits		
Remuneration	-	-
Incentives (performance bonuses)	-	-
Other	-	-
Subtotal	**-**	**-**
Termination benefits		
Severance indemnity	(20,966)	(21,495)
Other	-	(1,565)
Subtotal	**(20,966)**	**(23,060)**
Share-based or equity-based payment transactions		
Equity-settled share-based payment transactions	-	-
Cash-settled share-based payment transactions	-	-
Subtotal	**-**	**-**
Expenses for defined contribution post-employment plans	-	-
Expenses for defined benefit post-employment plans	-	-
Expenses for other personnel obligations with	-	-
Other personnel expenses	(15,014)	(12,505)
Subtotal	**(15,014)**	**(12,505)**
Total	**(638,989)**	**(540,053)**

NOTE 38 – ADMINISTRATIVE EXPENSES

As of December 31, 2022 and 2021, administrative expenses are as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Administrative expenses	**(271,354)**	**(241,773)**
Expenses for short-term leases	-	-
Expenses for leases of low-value assets	(11,058)	(9,216)
Other expenses for lease liabilities	-	-
Maintenance and repair of property and equipment	(15,296)	(14,555)
Insurance premiums except for those intended to cover operational risk events	(14,444)	(10,526)
Office supplies	(3,048)	(3,013)
IT and communications expenses	(110,880)	(109,624)
Lighting, heating, and other services	(8,610)	(8,309)
Surveillance services and transportation of securities	(13,519)	(13,309)
Staff representation and travel expenses	(4,707)	(2,072)
Legal and notary expenses	(1,749)	(2,669)
Fees for review and audit of the financial statements by the external auditor	(5,979)	(5,226)
Fees for advisory and consulting services by the external auditor	-	-
Fees for advisory and consulting services by other auditing companies	-	-
Title classification fees	-	-
Fees for other technical reports	(6,553)	(6,700)
Fines by the CMF	-	-
Fines by other agencies	(57)	(98)
Other general administrative expenses	(75,454)	(56,456)
Outsourced services	**(64,113)**	**(16,946)**
Board Expenses	**(6,774)**	**(5,668)**
Board Remuneration	(6,285)	(5,199)
Other expenses of the Board of Directors	(489)	(469)
Advertising	**(42,194)**	**(36,394)**
Taxes, property taxes and other legal charges	**(38,085)**	**(33,115)**
Property taxes	(3,455)	(3,232)
Municipal patents	(2,388)	(2,261)
Other taxes other than income tax	(14,055)	(12,203)
Control contributions to the regulator	(18,187)	(15,419)
Other legal fees	-	-
Total	**(422,520)**	**(333,896)**

NOTE 39 – DEPRECIATION AND AMORTIZATION

As of December 31, 2022, and 2021, depreciation and amortization are detailed as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Amortization of intangible assets	(64,653)	(59,333)
Depreciation of property and equipment	(24,493)	(24,372)
Depreciation and amortization of right-of-use assets under lease agreements	(24,497)	(23,226)
Total	**(113,643)**	**(106,931)**

NOTE 40 – IMPAIRMENT OF NON-FINANCIAL ASSETS

As of December 31, 2022, and 2021, impairment of non-financial assets is as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Impairment of investments in companies	-	-
Impairment of intangible assets (*)	(21,009)	-
Impairment of property and equipment	-	(23)
Impairment of right-of-use assets under lease agreements	-	-
Impairment of other assets for investment property	-	-
Impairment of assets from revenue	-	-
Gain from an acquisition through a business combination in a bargain condition	-	-
Total	**(21,009)**	**(23)**

(*) Impairment of goodwill in the Financial Services CGU of MCh$20,442 and for intangible assets due to the obsolescence of internally generated software of MCh$567.

I. Determination of the impairment of goodwill

As of December 31, 2022, as a result of the recent impacts described in Note 5 "Significant events", the Bank's Management estimated the recoverable amount of its Financial Services CGU recording balances in intangible assets, resulting in the recognition of an impairment loss associated with the goodwill assigned to this CGU of MCh$20,442.

II. Key assumptions used in the recoverable amount calculations

i) Methodology

The methodology used is the income approach using the Dividend Flow model discounted at Ke rate (discount rate). The income approach focuses on the revenue-producing capacity of an asset. The fundamental premise of this approach is that the value of an asset can be measured by the present value of the net economic benefit to be received over the useful life of the asset.

The dividend flow methodology systematically integrates the key factors affecting the value of a business, from which the following stand out:

- Business growth potential.
- Compliance with liquidity and efficiency ratios required by the regulatory context.
- Flow of distributable dividends.
- Time horizon in which the market believes that management can obtain returns above the cost of capital.
- Expected rate of return on equity.
- Business risk.

The first four factors determine the cash flows, whereas the other two factors determine the discount rate used to obtain the present value of the dividend flows.

ii) Forecast period

A time horizon of 6 years was considered with a perpetuity captured from an exit ratio based on comparable data that considers from January 1, 2023, and December 31, 2028.

iii) Discount rate

A shareholder discount rate, in Chilean pesos, of 14.70% was considered.

The discount rate reflects both the time value of money and the risks inherent to the business and represents the return that would be required to invest in the Company. The discount rate should be consistent with the flow of funds being used and accordingly, in the particular case of financial entities, the flow of dividends should be discounted at the cost of equity rate.

III. Results from the evaluation

As a result of the impairment evaluation process described above, Management concluded that the relationship between the recoverable amounts and the carrying amount of the Financial Services CGU as of December 31, 2022, is as follows:

	As of December 31, 2022
	Goodwill
Discount rate	14.70%
Recoverable amount/Carrying amount	83.90%
Impairment	16.10%

The recoverable amount for each intangible asset corresponds to the value in use, as it is the higher of fair value less costs to sell and value in use.

NOTE 41 – EXPENSES FOR CREDIT LOSSES

a) As of December 31, 2022, and 2021, expenses for credit losses are as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Expense for provisions for credit loss of loans	(484,580)	(287,367)
Expense for special provisions for credit loss	(81,910)	(192,403)
Recovery of written-off loans	78,217	78,646
Impairment due to credit risk of other financial assets not measured at fair value through profit or loss	(6,597)	-
Total	**(494,870)**	**(401,124)**

b) The summary of credit risk allowance expense and credit loss expense, as of December 31, 2022, and 2021 is as follows:

December 31, 2022	Expense for provisions recorded for loans during the year							
	Normal Portfolio Individual/group assessment		Substandard Portfolio Evaluation Individual	Non-performing portfolio Individual/group assessment		Subtotal	Deductible guarantees FOGAPE Covid-19(i)	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks								
Provisions recorded	199	-	-	-	-	**199**	-	**199**
Provisions used	-	-	-	-	-	**-**	-	**-**
Subtotal	**199**	**-**	**-**	**-**	**-**	**199**	**-**	**199**
Commercial loans								
Provisions recorded	9,308	2,979	-	41,364	89,942	**143,593**	-	**143,593**
Provisions used	-	-	(5,641)	-	-	**(5,641)**	(9,534)	**(15,175)**
Subtotal	**9,308**	**2,979**	**(5,641)**	**41,364**	**89,942**	**137,952**	**(9,534)**	**128,418**
Mortgage loans								
Provisions recorded	-	-	-	-	20,471	**20,471**	-	**20,471**
Provisions used	-	(4,417)	-	-	-	**(4,417)**	-	**(4,417)**
Subtotal	**-**	**(4,417)**	**-**	**-**	**20,471**	**16,054**	**-**	**16,054**
Consumer loans								
Provisions recorded	-	144,625	-	-	195,284	**339,909**	-	**339,909**
Provisions used	-	-	-	-	-	**-**	-	**-**
Subtotal	**-**	**144,625**	**-**	**-**	**195,284**	**339,909**	**-**	**339,909**
Expense of provisions recorded for loan credit risk: (A)	**9,507**	**143,187**	**(5,641)**	**41,364**	**305,697**	**494,114**	**(9,534)**	**484,580**
Recovery of written-off loans: (B) (ii)								
Loans and advances to banks								-
Commercial loans								29,896
Mortgage loans								4,856
Consumer Loans								43,465
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**78,217**
Expense for loan losses: (AB) (ii)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**406,363**

December 31, 2021	Expense for provisions recorded for loans during the year							
	Normal Portfolio Individual/group assessment		Substandard Portfolio Evaluation Individual	Non-performing portfolio Individual/group assessment		Subtotal	Deductible guarantees FOGAPE Covid-19(i)	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks								
Provisions recorded	342	-	-	-	-	**342**	-	**342**
Provisions used	-	-	-	-	-	**-**	-	**-**
Subtotal	**342**	**-**	**-**	**-**	**-**	**342**	**-**	**342**
Commercial loans								
Provisions recorded	15,079	-	-	16,858	104,234	**136,171**	16,917	**153,088**
Provisions used	-	(5,396)	(5,542)	-	-	**(10,938)**	-	**(10,938)**
Subtotal	**15,079**	**(5,396)**	**(5,542)**	**16,858**	**104,234**	**125,233**	**16,917**	**142,150**
Mortgage loans								
Provisions recorded	-	2,165	-	-	9,796	**11,961**	-	**11,961**
Provisions used	-	-	-	-	-	**-**	-	**-**
Subtotal	**-**	**2,165**	**-**	**-**	**9,796**	**11,961**	**-**	**11,961**
Consumer loans								
Provisions recorded	-	36,615	-	-	96,299	**132,914**	-	**132,914**
Provisions used	-	-	-	-	-	**-**	-	**-**
Subtotal	**-**	**36,615**	**-**	**-**	**96,299**	**132,914**	**-**	**132,914**
Expense of provisions recorded for loan credit risk: (A)	**15,421**	**33,384**	**(5,542)**	**16,858**	**210,329**	**270,450**	**16,917**	**287,367**
Recovery of written-off loans: (B) (ii)								
Loans and advances to banks								-
Commercial loans								19,701
Mortgage loans								3,161
Consumer Loans								55,784
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**78,646**
Expense for loan losses: (AB) (ii)	**-**		**-**	**-**	**-**	**-**	**-**	**208,721**

c) The summary of the expense for special provisions for credit loss as of December 31, 2022, and 2021, is as follows:

	December 31,	
	2022	2021
	MCh$	MCh$
Expense of provisions for credit loss for contingent loans	**(2,584)**	**(8,678)**
Loans and advances to banks	-	-
Commercial loans	(4,599)	(7,286)
Consumer Loans	2,015	(1,392)
Expense of provisions for country risk for operations with debtors domiciled abroad	**(1,577)**	**(432)**
Expense of special provisions for loans abroad	**-**	**-**
Expense of additional provisions for loans	**(66,685)**	**(183,293)**
Additional provisions for commercial loans	(47,785)	(68,193)
Additional provisions for mortgage loans	(5,000)	(15,000)
Additional provisions for consumer loans	(13,900)	(100,100)
Expense of provisions for adjustments to the minimum provision required for normal portfolio with individual evaluation	**(11,064)**	**-**
Expense of provisions constituted for credit risk as a result of complementary prudential requirements	-	-
Total	**(81,910)**	**(192,403)**

NOTE 42 – PROFIT OR LOSS FROM DISCONTINUED OPERATIONS

The Bank has no results from discontinued operations as of December 31, 2022, and 2021.

NOTE 43 – RELATED PARTIES DISCLOSURES

a) As of December 31, 2022 and 2021 the assets and liabilities for transactions with related parties are as follows:

December 31, 2022,	Related Party Type				
	Parent entity (i)	Other legal entity (ii)	Key personnel of the Consolidated Bank (iii)	Other related parties (iv)	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS					
Financial assets to be traded at fair value through profit or loss:	**-**	**-**	**-**	**-**	**-**
Financial derivative contracts	-	-	-	-	-
Debt financial instruments	-	-	-	-	-
Financial assets not held for trading compulsorily valued at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**
Financial assets at fair value with changes in other comprehensive income:	**-**	**-**	**-**	**-**	**-**
Financial derivative contracts for accounting coverage	-	-	-	-	-
Financial assets at amortized cost:	**-**	**5,380**	**6,130**	**224,615**	**236,125**
Rights for repurchase agreements and securities lending	-	-	868	129	**997**
Debt financial instruments	-	-	-	-	**-**
Loans and accounts receivable from customers - Commercial	-	5,392	844	147,344	**153,580**
Loans and accounts receivable from customers - Housing	-	-	4,098	68,009	**72,107**
Loans and accounts receivable from customers - Consumption	-	-	326	9,717	**10,043**
Provisions made for credit risk	-	(12)	(6)	(584)	**(602)**
Other assets	**20**	**8,308**	**-**	**29,469**	**37,797**
Contingent loans	**27**	**75,698**	**1,378**	**43,362**	**120,465**
LIABILITIES					
Financial liabilities to be traded at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**
Financial derivative contracts	-	-	-	-	-
Financial liabilities designated at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**
Financial derivative contracts for accounting coverage	-	-	-	-	-
Financial liabilities at amortized cost:	**5**	**91,203**	**8,610**	**368,939**	**468,757**
Deposits and other on-demand deposits	5	30,597	346	84,987	**115,935**
Deposits and other term deposits	-	60,606	7,385	283,636	**351,627**
Obligations for repurchase agreements and securities lending	-	-	879	129	**1,008**
Bank borrowings	-	-	-	-	**-**
Debt financial instruments issued	-	-	-	187	**187**
Other financial obligations	-	-	-	-	**-**
Lease liabilities	-	-	-	-	**-**
Other liabilities	**-**	**1,158**	**-**	**24,311**	**25,469**

December 31, 2021	Related Party Type				
	Parent entity (i)	Other legal entity (ii)	Key personnel of the Consolidated Bank (iii)	Other related parties (iv)	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS					
Financial assets held for trading at fair value through profit or loss:	-	-	-	-	-
Financial derivative contracts	-	-	-	-	-
Debt financial instruments	-	-	-	-	-
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	-	-	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-	-
Financial assets at fair value through other comprehensive income:	-	-	-	-	-
Financial derivative contracts for accounting hedge	-	-	-	-	-
Financial assets at amortized cost:	-	**5,558**	**5,664**	**272,999**	**284,221**
Rights for reverse repurchase agreements and securities lending	-	-	868	129	**997**
Debt financial instruments	-	-	-	-	-
Loans and receivables from customers - Commercial	-	5,648	686	203,116	**209,450**
Loans and receivables from customers - Mortgage	-	-	3,805	59,535	**63,340**
Loans and receivables from customers - Consumption	-	-	313	11,288	**11,601**
Provisions for credit loss	-	(90)	(8)	(1,069)	**(1,167)**
Other assets	41	8,277	-	16,807	**25,125**
					-
Contingent loans	**27**	**70,493**	**1,358**	**73,094**	**144,972**
LIABILITIES					
Financial liabilities held for trading at fair value through profit or loss	-	-	-	-	-
Financial derivative contracts	-	-	-	-	-
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-
Financial derivative contracts for accounting hedge	-	-	-	-	-
Financial liabilities at amortized cost:	-	**30,287**	**4,280**	**150,690**	**185,257**
Deposits and other on-demand deposits	-	20,342	979	99,181	**120,502**
Deposits and other term deposits	-	9,945	2,422	51,380	**63,747**
Obligations for repurchase agreements and securities lending	-	-	879	129	**1,008**
Bank borrowings	-	-	-	-	-
Debt financial instruments issued	-	-	-	-	-
Other financial obligations	-	-	-	-	-
Lease liabilities	-	-	-	-	-
Other liabilities	-	**282**	**60**	**3,361**	**3,703**

b) As of December 31, 2022, and 2021 , income and expenses from related party transactions, is as follows:

December 31, 2022	Related Party Type				
	Parent entity (i)	Other legal entity (ii)	Key personnel of the Consolidated Bank (iii)	Other related parties (iv)	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
Interest income	-	605	102	11,162	**11,869**
Inflation-indexation income	-	56	589	15,531	**16,176**
Fee income	378	9,246	117	76,874	**86,615**
Net financial result	-	(93,337)	-	(36,712)	**(130,049)**
Other income	-	-	19	249	**268**
Total income	**378**	**(83,430)**	**827**	**67,104**	**(15,121)**
Interest expense	-	(1,449)	(418)	(5,152)	**(7,019)**
Inflation-indexation expense	-	(310)	(52)	(673)	**(1,035)**
Commission expense	-	(19)	(1)	(197)	**(217)**
Credit loss expense	-	411	5	398	**814**
Expenses for employee benefit obligations	-	-	(32)	(65)	**(97)**
Administrative expenses	-	(1,757)	-	(1,516)	**(3,273)**
Other expenses	(1)	(58)	(19)	(474)	**(552)**
Total expenses	**(1)**	**(3,182)**	**(517)**	**(7,679)**	**(11,379)**

December 31, 2021	Related Party Type				
	Parent entity (i)	Other legal entity (ii)	Key personnel of the Consolidated Bank (iii)	Other related parties (iv)	Total
	MCh$	MCh$	MCh$	MCh$	MCh$
Interest income	-	1,042	68	9,357	**10,467**
Inflation-indexation income	-	45	277	7,546	**7,868**
Fee income	462	8,569	122	63,196	**72,349**
Net financial result	-	55,527	-	(45,085)	**10,442**
Other income	-	-	-	263	**263**
Total income	**462**	**65,183**	**467**	**35,277**	**101,389**
Interest expense	-	(522)	(26)	(511)	**(1,059)**
Inflation-indexation expense	-	-	(8)	(293)	**(301)**
Commission expense	-	(13)	(1)	(160)	**(174)**
Credit loss expense	-	(324)	(2)	(86)	**(412)**
Expenses for employee benefit obligations	-	(1)	-	(20)	**(21)**
Administrative expenses	-	(1,327)	-	(1,309)	**(2,636)**
Other expenses	(1)	(20)	(20)	(385)	**(426)**
Total expenses	**(1)**	**(2,207)**	**(57)**	**(2,764)**	**(5,029)**

c) As of December 31, 2022, and 2021 , related-party transactions in the period are as follows:

December 31, 2022										
Business name	Nature of the relationship with the bank	Description of the transaction			Transactions under equivalence conditions to those transactions with mutual independence between the parties	Amount	Effect on the Statement of Income		Effect on the Statement of Financial Position	
		Type of service	Term	Renewal Conditions			Income	Expense	Receivables	Payables
						MCh$	MCh$	MCh$	MCh$	MCh$
Artikos Chile S.A.	Joint venture	Procurement service	Undefined	Automatic renewal every 1 year	Yes	1,122	-	1,122	-	-
BCI Seguros de Vida S.A.	Other	Collection service and use of channels, suitcase	Annual	Annual Hiring	Yes	2,623	2,623	-	-	-
		brand use	Annual	Annual Hiring	Yes	1,580	1,580	-	-	-
		Suitcase	Annual	Annual Hiring	Yes	190	190	-	-	-
		Use of channels	Annual	Annual Hiring	Yes	527	527	-	-	-
		Marketing	Annual	Annual Hiring	Yes	524	524	-	-	-
		Subordinated bond	Annual	Annual Hiring	Yes	433	-	94	-	-
		Financial Bond	Annual	Annual Hiring	Yes	8,126	-	907	-	-
		Bank charges	Annual	Annual Hiring	Yes	232	-	195	-	-
		Commissions for collection Servicios Financieros y Administración de Créditos Comerciales S.A.	Annual	Annual Hiring	Yes	7,903	6,641	-	-	-
		Insurance	Annual	Annual Hiring	Yes	5,842	-	4,356	-	-
		Brokerage commissions SSFF Corredores de Seguros y Gestión Financiera Ltda.	Annual	Annual Hiring	Yes	6,752	5,556	-	-	-
		Brokerage commissions BCI CCSS	Annual	Annual Hiring	Yes	36,712	36,712	-	-	-
Zenit General Insurance SA	Other	Investments at Fair Value, Financial Bond	Annual	NA	No	1,161	-	129	-	-
Centro de Compensación Automatizado S.A.	Other	Electronic banking transactions	Undefined	Automatic renewal every 1 year.	Yes	2,274	-	2,274	-	-
Combanc S.A.	associate	Compensation and high value payments	Undefined	Automatic renewal.	Yes	517	-	517	-	-
Comder Contraparte Central S.A.	associate	bank processing	Undefined	Automatic renewal.	Yes	1,453	-	1,453	-	-
Conexxion Spa	Other	postal mail service	Undefined	Automatic renewal every 1 year.	Yes	240	-	240	-	-
Inmobiliaria JY S.P.A	Other	Real estate projects	Undefined	Automatic renewal.	Yes	256	-	256	-	-
Jordan (Chile) S.A.	common controller	Printing of forms	Undefined	Automatic renewal every 1 year.	Yes	2,728	-	2,728	-	-
Redbank SA	associate	ATM operation	Undefined	Automatic renewal every 3 years.	Yes	8,673	-	8,673	-	-
Salcobrand S.A.	common controller	ATM's space for rent	Undefined	Automatic renewal every 1 year.	Yes	246	-	246	-	-
Servipag Ltda.	joint venture	Collection and payment of services	Undefined	Automatic renewal.	Yes	4,429	-	4,429	-	-
Inmobiliaria SB SPA	Other	Office rental	Undefined	Automatic renewal.	Yes	152	-	152	-	-
Boston Consulting Group	Other	Strategic consulting	Undefined	Automatic renewal.	Yes	5,846	-	5,846	-	-
Demos una Oportunidad al Menor	Other	Social donations	Defined	52 Months (4 years and 4 months)	Yes	271	-	271	-	-
Transbank SA	Other	Administration of credit cards and income from the use of credit cards	Undefined	Automatic renewal every 2 years.	Yes	2,234	714	1,520	-	-

December 31, 2021										
Business name	Nature of the relationship with the bank	Description of the transaction			Transactions under equivalence conditions to those transactions with mutual independence between the parties	Amount	Effect on the Statement of Income		Effect on the Statement of Financial Position	
		Type of service	Term	Renewal Conditions			Income	Expense	Receivables	Payables
						MCh$	MCh$	MCh$	MCh$	MCh$
Artikos Chile S.A.	Joint venture	Procurement service	Undefined	Automatic renewal every 1 year	Yes	103	-	103	-	-
BCI Seguros de Vida S.A.	Other	Collection service and use of channels, suitcase	Annual	Annual Hiring	Yes	187	187	-	-	-
		brand use	Annual	Annual Hiring	Yes	139	139	-	-	-
		Suitcase	Annual	Annual Hiring	Yes	16	16	-	-	-
		Use of channels	Annual	Annual Hiring	Yes	46	46	-	-	-
		Claims management	Annual	Annual Hiring	Yes	105	105	-		
		Marketing	Annual	Annual Hiring	Yes	59	59	-	-	-
		Subordinated bond	Annual	Annual Hiring	Yes	51	-	7	-	-
		Financial Bond	Annual	Annual Hiring	Yes	116	-	36	-	-
		Bank charges	Annual	Annual Hiring	Yes	19	-	16	-	-
		Commissions for collection Servicios Financieros y Administración de Créditos Comerciales S.A.	Annual	Annual Hiring	Yes	919	773	-	-	-
		Brokerage commissions BCI CCSS	Annual	Annual Hiring	Yes	1,078	1,078	-	-	-
BCI General Insurance SA	Other	brand use	Annual	Annual Hiring	Yes	139	139		-	-
		Suitcase	Annual	Annual Hiring	Yes	9	9			
		Use of channels	Annual	Annual Hiring	Yes	46	46		-	-
		Marketing	Annual	Annual Hiring	Yes	42	42		-	-
		Fixed Term Deposits	Annual	Annual Hiring	Yes	144	-	-	-	-
		Financial Bonus	Annual	Annual Hiring	Yes	1,049	-	-	-	-
		Insurance	Annual	Annual Hiring	Yes	663	-	557	-	-
		Brokerage commissions SSFF Corredores de Seguros y Gestión Financiera Ltda.	Annual	Annual Hiring	Yes	795	668	-	-	-
		Brokerage commissions BCI CCSS	Annual	Annual Hiring	Yes	3,199	3,199	-	-	-
		Commissions for intermediation BCI CCSS Marketing Contribution	Annual	Annual Hiring	Yes	18	18	-		
Zenit General Insurance SA	Other	Investments at Fair Value, Financial Bond	Annual	NA	No	145	-	4	-	-
Centro de Compensación Automatizado S.A.	Other	Electronic banking transactions	Undefined	Automatic renewal every 1 year.	Yes	201	-	201	-	-

December 31, 2021										
Business name	Nature of the relationship with the bank	Description of the transaction			Transactions under equivalence conditions to those transactions with mutual independence between the parties	Amount	Effect on the Statement of Income		Effect on the Statement of Financial Position	
		Type of service	Term	Renewal Conditions			Income	Expense	Receivables	Payables
						MCh$	MCh$	MCh$	MCh$	MCh$
Combanc S.A.	Associate	Compensation and high value payments	Undefined	Automatic renewal.	Yes	52	-	52	-	-
Comder Contraparte Central S.A.	Associate	bank processing	Undefined	Automatic renewal.	Yes	98	-	98	-	-
Conexxion Spa	Other	Postal mail service	Undefined	Automatic renewal every 1 year.	Yes	24	-	24	-	-
DCV Registros S.A.	Other	Shareholders register administration	Undefined	Automatic renewal.	Yes	10	-	10	-	-
Depósitos Central de Valores S.A.	Other	Custody of financial instruments	Undefined	Automatic renewal.	Yes	59	-	59	-	-
Digitech Solutions S.A.	Other	Document digitalization	Undefined	Automatic renewal.	Yes	31	-	31	-	-
Inmobiliaria Anya S.A.	Other	Real estate projects	8 years	Automatic renewal.	Yes	12	-	12	-	-
Inmobiliaria JY S.P.A	Other	Real estate projects	Undefined	Automatic renewal.	Yes	23	-	23	-	-
Jordan (Chile) S.A.	Common Parent	Printing of forms	Undefined	Automatic renewal every 1 year.	Yes	228	-	228	-	19
Operadoras de Tarjetas de Crédito Nexus S.A.	Associate	Card processing	Undefined	Automatic renewal every 3 years.	Yes	858	-	858	-	-
Redbank SA	Associate	ATM operation	Undefined	Automatic renewal every 3 years.	Yes	716	-	716	-	-
Salcobrand S.A.	Common Parent	ATM's space for rent	Undefined	Automatic renewal every 1 year.	Yes	25	-	25	-	-
Servicios de Información Avanzada S.A.	Other	Commercial Information Service	Undefined	Automatic renewal.	Yes	99	-	99		
Servipag Ltda.	Joint venture	Collection and payment of services	Undefined	Automatic renewal.	Yes	429	-	429	-	-
Sistema Nacional de Com. Financieras S.A. (Sinacofi)	Other	Office rental	Undefined	Automatic renewal.	Yes	57	-	57	-	-
Boston Consulting Group	Other	Strategic consulting	Defined	Defined	Yes	318	-	318	-	-
Transbank SA	Associate	Administration of credit cards and income from the use of credit cards	Undefined	Automatic renewal every 2 years.	Yes	187	49	138	-	-

d) As of December 31, 2022, and 2021 , the compensation of the key personnel of the Bank and its subsidiaries is as follows:

	December 31, 2022	December 31, 2021
	MCh$	MCh$
Directors:		
Payment of salaries and expenses of the Board of Directors - Bank and Bank Subsidiaries		
Key personnel of the Management of the Bank and its Subsidiaries:	6,285	5,199
Payment for short-term term employee benefits		
Payment for benefits to post-employment employees	32,819	26,190
Payment for benefits to long-term employees	-	-
Payment for benefits to employees for termination of employment contract	-	-
Payment to employees based on shares or equity instruments	-	-
Payment for obligations for defined contribution post-employment plans	-	-
Payment for obligations for post-employment defined benefit plans	-	-
Payment for other staff obligations	-	-
Subtotal - Payments for employee benefit obligations:	**32,819**	**26,190**
TOTAL	**39,104**	**31,389**

e) As of December 31, 2022, and 2021, the Bank presents Number of key management personnel members of the Bank and its Subsidiaries:

	December 31, 2022	December 31, 2021
	No. of Executives	
Directors:		
Directors - Bank and Bank Subsidiaries	89	90
Key personnel of the Management of the Bank and its Subsidiaries:		
General Manager - Bank	1	1
General managers - Bank subsidiaries	10	10
Division/Area Managers - Bank	11	11
Division/Area Managers - Bank Subsidiaries	68	62
Subtotal	**90**	**84**
TOTAL	**179**	**174**

NOTE 44 – FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Assets and liabilities at fair value

The following table summarizes the carrying amounts and fair values of the main financial assets and liabilities not presented in the Consolidated Financial Statements at their fair values

	As of December 31, 2022		As of December 31, 2021		As of January 1, 2021	
	Carrying amount	Fair Values	Carrying amount	Fair Values	Carrying amount	Fair Values
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS						
Cash and bank deposits	4,256,396	4,256,396	3,960,498	3,960,498	4,597,868	4,597,868
Transactions in course of collection	404,209	404,209	350,072	350,072	236,710	236,710
Financial assets held for trading at fair value through profit or loss	7,680,615	7,680,615	6,066,335	6,066,334	5,567,454	5,567,454
Financial assets not held for trading mandatorily measured at fair value through profit or loss	71,282	71,282	-	-	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	10,477,361	10,477,361	10,813,647	11,204,592	7,691,869	7,691,869
Financial derivative contracts for accounting hedge	1,788,851	1,788,851	1,589,058	1,589,058	1,031,722	1,031,722
Financial assets at amortized cost	49,830,891	54,297,122	43,730,731	43,954,637	35,589,133	39,399,339
Total assets	**74,509,605**	**78,975,836**	**66,510,341**	**67,125,191**	**54,714,756**	**58,524,961**
LIABILITIES						
Financial liabilities held for trading at fair value through profit or loss	330,138	330,138	258,686	258,686	201,437	201,437
Financial liabilities designated at fair value through profit or loss	6,584,736	6,584,736	5,094,231	5,094,231	4,530,724	4,530,724
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-
Financial derivative contracts for accounting hedge	2,590,468	2,590,468	1,492,815	1,492,815	1,262,629	1,262,629
Financial liabilities at amortized cost	59,760,444	63,862,236	54,086,905	55,887,076	44,271,211	46,996,300
Total Liabilities	**69,265,786**	**73,367,578**	**60,932,637**	**62,732,808**	**50,266,001**	**52,991,090**

The fair value estimates presented above do not attempt to estimate the value of the Bank's earnings, generated by its business, or future activities, and therefore, do not represent the value of the Bank as a going concern. Loans are shown net of provisions.

The methods used to estimate the fair value of financial instruments are detailed below.

Financial assets at amortized cost

This account includes Loans and receivables from customers and repurchase agreements.

Loans and receivables from customers are shown net of their provision for credit or impairment risk. The estimated fair value of loans represents the discounted amount of future cash flows expected to be received.

Cash flows are discounted at the base market interest rate; in this case, we use an interbank rate, considering the relevant term and currency.

The criteria used for the incorporation of credit risk of the assets considered for these purposes are:

1. From the expected loss estimation models, it is possible to infer about the credit quality of the portfolio (at least in qualitative terms), for the residual term of the operations that make up the asset accounts considered (commercial loans, mortgage loans for housing and consumer loans).
2. In quantitative terms, the provision percentage assigned to an operation is an approximation variable to the credit profile of said operation.
3. The amount resulting from applying the 'provisions/total loans' factor to the present value of the respective loans is an approximation of the adjustment for credit risk.

Liabilities at amortized cost

In this section we include on-demand and term deposits, bank borrowings and debt instruments issued.

The estimated fair value of on demand accounts and deposits, that is, without an established term, including those accounts that do not accrue interest, is the amount to be paid when the client demands it. Therefore, the amortized cost of these deposits is a reasonable approximation of their fair value.

The fair value of term deposits has been estimated based on discounted future cash flows based on interest rate structures adjusted from transactions observed at the measurement date.

The fair value of liabilities with financial institutions has been determined using discounted cash flow models, based on the relevant interest rate curve for the remaining term of the instrument until maturity.

The fair value of these liabilities has been determined using discounted cash flow models, based on the relevant interest rate curve for the remaining term of the instrument until maturity.

Financial assets and liabilities held for trading through profit or loss

The fair value of financial assets and liabilities (fixed income instruments classified as Held for Trading and Available for Sale, in addition to Derivative instruments) is estimated using the valuation techniques detailed in the following letters.

Financial instruments measured at fair value

Please refer to Note 2, letter j) for further details on the criteria used to determine fair value.

Hierarchy used to determine fair value

The regulations distinguish between different hierarchies of inputs used for valuation techniques, discriminating between "observable" or "unobservable" inputs. Observable inputs reflect market data obtained from independent sources, and unobservable inputs reflect the assumptions of the Bank and subsidiaries in relation to market behavior. From these two types of inputs, the following hierarchy has been created:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities to those being measured. This level includes debt instruments, whether they are fixed or variable income, equity instruments and derivative financial instruments traded on local or international stock markets.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable inputs directly (i.e., as prices) or indirectly (i.e., derived from prices) for assets and liabilities. This category includes prices that require interpolation within a price structure, such as derivative instruments. The same occurs with bonds valued with some valuation technique such as interpolation or matrix pricing, based on inputs that are observable.

Level 3 – Inputs that are not based on observable market data (unobservable inputs). This level includes equity and debt instruments that have significant unobservable inputs.

This hierarchy requires that when there are observable market data, they are used. The Bank and subsidiaries consider observable relevant market data in their valuations whenever possible.

Non-recurring assets and liabilities are presented below according to the hierarchy to determine the fair value.

	As of December 31, 2022			
	Total	Level 1	Level 2	Level 3
	MCh$	MCh$	MCh$	MCh$
Assets				
Financial assets at amortized cost	54,297,122	-	54,297,122	-
Total	**54,297,122**	**-**	**54,297,122**	**-**
Liabilities				
Financial liability at amortized cost	63,862,236	-	63,862,236	-
Total	**63,862,236**	**-**	**63,862,236**	**-**

	As of December 31, 2021			
	Total	Level 1	Level 2	Level 3
	MCh$	MCh$	MCh$	MCh$
Assets				
Financial assets at amortized cost	43,954,637	-	43,954,637	-
Total	**43,954,637**	**-**	**43,954,637**	**-**
Liabilities				
Financial liability at amortized cost	**55,887,076**	**-**	**55,887,076**	**-**
Total	**55,887,076**	**-**	**55,887,076**	**-**

The Bank and Subsidiaries have not made transfers of financial assets or liabilities between levels 1, 2 and 3 as of December 31, 2022, and 2021.

	As of December 31, 2022			
	Level 1	Level 2	Level 3	Total
	MCh$	MCh$	MCh$	MCh$
FINANCIAL ASSETS				
Financial assets held for trading at fair value through profit or loss:	**909,962**	**6,770,350**	**303**	**7,680,615**
Financial derivative contracts	-	6,770,350	303	**6,770,653**
Debt instruments	770,101	-	-	**770,101**
Other Financial Instruments	139,861	-	-	**139,861**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	**71,282**	**-**	**-**	**71,282**
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income:	**10,393,918**	**-**	**83,443**	**10,477,361**
Debt financial instruments	10,393,918	-	83,443	**10,477,361**
Other Financial Instruments	-	-	-	**-**
Financial derivative contracts for accounting hedge	**-**	**1,788,851**	**-**	**1,788,851**
Total financial assets	**11,375,162**	**8,559,201**	**83,746**	**20,018,109**
FINANCIAL LIABILITIES				
Financial liabilities held for trading at fair value through profit or loss	**-**	**6,584,736**	**-**	**6,584,736**
Financial derivative contracts	-	6,584,736	-	6,584,736
Other	-	-	-	-
Financial liabilities designated at fair value through profit or loss	**-**	-	-	-
Financial derivative contracts for hedging	**-**	**2,590,468**	**-**	**2,590,468**
Total financial liabilities	**-**	**9,175,204**	**-**	**9,175,204**

	As of December 31, 2021			
	Level 1	Level 2	Level 3	Total
	MCh$	MCh$	MCh$	MCh$
FINANCIAL ASSETS				
Financial assets held for trading at fair value through profit or loss:	**873,868**	**5,191,239**	**1,227**	**6,066,335**
Financial derivative contracts	-	5,191,239	1,227	5,192,467
Debt instruments	717,058	-	-	717,058
Other Financial Instruments	156,810	-	-	156,810
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	-	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-
Financial assets at fair value through other comprehensive income:	**10,813,647**	-	-	**10,813,647**
Debt financial instruments	10,813,647	-	-	10,813,647
Other Financial Instruments	-	-	-	-
Financial derivative contracts for accounting hedge	-	**1,589,058**	-	1,589,058
Total financial assets	**11,687,515**	**6,780,298**	**1,227**	**18,469,040**
FINANCIAL LIABILITIES				
Financial liabilities held for trading at fair value through profit or loss	-	**5,094,231**	-	**5,094,231**
Financial derivative contracts	-	5,094,231	-	5,094,231
Other	-	-	-	-
Financial liabilities designated at fair value through profit or loss	-	-	-	-
Financial derivative contracts for hedging	-	**1,492,815**	-	**1,492,815**
Total financial liabilities	-	**6,587,046**	-	**6,587,046**

a) Valuation of La Polar Bonds

As of December 31, 2022, the Bank has applied valuation techniques to determine the fair value of the financial instruments “BLAPO-F” and “BLAPO-G”. Such valuation is based on the IRR of the last existing market transaction between the closing date of the Consolidated Financial Statements and the exchange date of said financial instrument.

b) Level 3 Reconciliation

Value changes in level 3 derivatives are explained by the following reconciliation table

	As of December 31, 2022					
Reconciliation level 3	Opening balance	Gain (loss) recognized in profit or loss	Gain (loss) recognized in Equity	Net of purchases, sales, and agreements	Transfers from level 1 and 2	Closing balance
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Assets						
Derivative Contracts	-	-	-	-	-	-
Forwards	-	-	-	-	-	-
Swaps	1,127	(924)	-	-	-	303
Call Options	-	-	-	-	-	-
Put Options	-	-	-	-	-	-
Total	**1,127**	**(924)**	**-**	**-**	**-**	**303**
	-	-	-	-	-	-
Liabilities	-	-	-	-	-	-
Derivative Contracts	-	-	-	-	-	-
Forwards	-	-	-	-	-	-
Swaps	-	-	-	-	-	-
Call Options	-	-	-	-	-	-
Put Options	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

	As of December 31, 2021					
Reconciliation level 3	Opening balance	Gain (loss) recognized in profit or loss	Gain (loss) recognized in Equity	Net of purchases, sales, and agreements	Transfers from level 1 and 2	Closing balance
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Assets						
Derivative Contracts	-	-	-	-	-	-
Forwards	-	-	-	-	-	-
Swaps	6,265	(5,038)	-	-	-	1,227
Call Options	-	-	-	-	-	-
Put Options	-	-	-	-	-	-
Total	**6,265**	**(5,038)**	**-**	**-**	**-**	**1,227**
	-	-	-	-	-	-
Liabilities	-	-	-	-	-	-
Derivative Contracts	-	-	-	-	-	-
Forwards	-	-	-	-	-	-
Swaps	-	-	-	-	-	-
Call Options	-	-	-	-	-	-
Put Options	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

NOTE 45 – MATURITY OF FINANCIAL ASSETS AND LIABILITIES AS PER THEIR REMAINING TERMS

a) As of December 31, 2022, and 2021 , the new contractual maturities according to remaining terms of financial assets and liabilities, are as follows:

December 31, 2022	On-demand	Up to a month	More than one month and three months	More than three months up to one year	Between 1 year and 3 years	More than 3 years up to 5 years	More than five years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS								
Cash and bank deposits	4,256,396	-	-	-	-	-	-	**4,256,396**
Transactions in course of collection	-	404,209	-	-	-	-	-	**404,209**
Financial assets held for trading at fair value through profit or loss	-	617,286	789,479	1,982,622	2,047,161	1,188,390	1,055,677	**7,680,615**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	32,002	1,449	9,773	7,537	4,673	15,848	**71,282**
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	**-**
Financial assets at fair value through other comprehensive income	-	4,703,904	213,020	1,436,419	1,107,804	686,846	2,329,368	**10,477,361**
Financial derivative contracts for hedge accounting	-	14,268	68,107	274,450	563,104	385,633	483,289	**1,788,851**
Financial assets at amortized cost	-	11,216,391	3,166,941	6,441,563	7,235,662	4,231,119	17,539,215	**49,830,891**
Total assets	**4,256,396**	**16,988,060**	**4,238,996**	**10,144,827**	**10,961,268**	**6,496,661**	**21,423,397**	**74,509,605**
LIABILITIES								
Transactions in course of payment	-	330,138	-	-	-	-	-	**330,138**
Financial liabilities held for trading at fair value through profit or loss	-	511,967	603,412	1,730,518	1,701,356	892,406	1,145,077	**6,584,736**
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	**-**
Financial derivative contracts for accounting hedge	-	49,578	77,961	461,040	768,065	452,455	781,369	**2,590,468**
Financial liabilities at amortized cost	-	24,503,023	6,334,141	4,716,604	7,250,380	1,729,546	15,226,750	**59,760,444**
Lease liabilities	-	1,565	3,951	13,478	45,232	61,214	11,008	**136,448**
Issued regulatory capital financial instruments	-	-	-	29,796	57,835	56,033	1,355,635	**1,499,299**
Total Liabilities	**-**	**25,396,271**	**7,019,465**	**6,951,436**	**9,822,868**	**3,191,654**	**18,519,839**	**70,901,533**
Net mismatch between financial assets and liabilities	**4,256,396**	**(8,408,211)**	**(2,780,469)**	**3,193,391**	**1,138,400**	**3,305,007**	**2,903,558**	**3,608,072**

As of December 31, 2021	On-demand	Up to a month	More than one month and three months	More than three months up to one year	Between 1 year and 3 years	More than 3 years up to 5 years	More than five years	Total
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS								
Cash and bank deposits	3,960,498	-	-	-	-	-	-	3,960,498
Transactions in course of collection	-	350,072	-	-	-	-	-	350,072
Financial assets held for trading at fair value through profit or loss	-	1,677,142	98,932	851,207	1,078,212	783,874	1,576,968	6,066,335
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	-	-	-	-	-	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	-	2,702,569	158,514	526,849	1,611,888	1,181,509	4,632,318	10,813,647
Financial derivative contracts for hedge accounting	-	-	4,954	-	315,764	145,604	1,122,736	1,589,058
Financial assets at amortized cost	-	913,464	1,467,988	5,139,909	9,241,789	9,246,368	17,721,213	43,730,731
Total assets	**3,960,498**	**5,643,247**	**1,730,388**	**6,517,965**	**12,247,653**	**11,357,355**	**25,053,235**	**66,510,341**
LIABILITIES								
Transactions in course of payment	-	258,686	-	-	-	-	-	258,686
Financial liabilities held for trading at fair value through profit or loss	-	1,013,904	232,891	818,742	1,106,753	860,226	1,061,715	5,094,231
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	-
Financial derivative contracts for accounting hedge	-	330,978	59,768	184,934	317,896	256,941	342,298	1,492,815
Financial liabilities at amortized cost	26,823,060	7,680,742	4,504,550	2,755,255	7,104,964	1,188,499	4,029,835	54,086,905
Lease liabilities	-	1,986	5,016	14,478	55,195	49,509	47,542	173,726
Issued regulatory capital financial instruments	-	1,332,936	-	-	-	-	-	1,332,936
Total Liabilities	**26,823,060**	**10,619,232**	**4,802,225**	**3,773,409**	**8,584,808**	**2,355,175**	**5,481,390**	**62,439,299**
Net mismatch between financial assets and liabilities	**22,862,562**	**4,975,985**	**(3,071,837)**	**2,744,556**	**3,662,845**	**9,002,180**	**19,571,845**	**4,071,042**

NOTE 46 – FINANCIAL AND NON-FINANCIAL ASSETS AND LIABILITIES BY CURRENCY

a) As of December 31, 2022 and 2021, financial and non-financial assets and liabilities by currency are detailed as follows:

December 31, 2022	Chilean pesos		Adjustable by Exchange rate	Us dollars	Colombian pesos	Pound sterling	Euro	Swiss francs	Yen	Chinese yuan	Other Foreign Currencies	Total
	CLP	UF	ER	USD	COP	GBP	EUR	CHF	JPY	CNY	OTHER	
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSET												
Cash and bank deposits	1,532,258	-	-	2,599,848	-	2,774	55,165	5,887	8,598	3,117	48,749	**4,256,396**
Transactions in course of collection	182,046	-	-	191,837	-	74	30,065	44	88	-	55	**404,209**
Financial assets held for trading at fair value through profit or loss	7,091,044	457,807	-	131,749	15	-	-	-	-	-	-	**7,680,615**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	-	-	71,282	-	-	-	-	-	-	-	**71,282**
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	**-**
Financial assets at fair value through other comprehensive income	4,366,177	1,746,743	-	4,227,268	-	-	123,142	-	-	-	14,031	**10,477,361**
Financial derivative contracts for hedge accounting	1,458,464	64,779	-	1,089	-	-	42	263,436	20	-	1,021	**1,788,851**
Financial assets at amortized cost:	12,623,917	15,146,723	133,826	21,700,978	-	425	79,822	-	43,542	1,827	99,831	**49,830,891**
Investments in companies	35,119	-	-	140,617	-	-	-	-	-	-	-	**175,736**
Intangible Assets	200,338	-	36,327	164,988	-	-	-	-	-	-	9,356	**411,009**
Property and equipment	193,559	-	-	53,950	-	-	-	-	-	-	1,596	**249,105**
Right-of-use assets	19,828	85,678	-	45,976	-	-	-	-	-	-	1,404	**152,886**
Current tax assets	137,908	-	-	-	-	-	-	-	-	-	158	**138,066**
Deferred tax assets	350,871	-	-	130,265	-	-	-	-	-	-	1,578	**482,714**
Other assets	409,236	48	40,941	1,437,323	-	-	-	-	-	-	7,516	**1,895,064**
Non-current assets and disposal groups held for sale	34,934	-	-	-	-	-	-	-	-	-	-	**34,934**
Total assets	**28,635,699**	**17,501,778**	**211,094**	**30,897,170**	**15**	**3,273**	**288,236**	**269,367**	**52,248**	**4,944**	**185,295**	**78,049,119**
LIABILITIES												
Transactions in course of payment	177,910	-	-	145,710	-	3	6,325	19	-	171	-	**330,138**
Financial liabilities held for trading at fair value	6,535,373	-	-	49,363	-	-	-	-	-	-	-	**6,584,736**
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	**-**
Financial derivative contracts for accounting hedge	825,245	1,426,917	-	337,767	-	-	-	539	-	-	-	**2,590,468**
Financial liabilities at amortized cost	22,584,996	5,937,240	1	30,096,130	-	2,675	123,641	739,007	66,695	4,424	205,635	**59,760,444**
Lease liabilities	-	100,064	-	35,001	-	-	-	-	-	-	1,383	**136,448**
Issued regulatory capital financial instruments	-	1,499,299	-	-	-	-	-	-	-	-	-	**1,499,299**
Provisions for contingencies	158,568	-	-	68,351	-	-	-	-	-	-	797	**227,716**
Provisions for dividends, payment of interest and revaluation of regulatory capital financial instruments issued	246,247	-	-	-	-	-	-	-	-	-	-	**246,247**
Special provisions for credit loss	455,437	-	-	34,955	-	-	639	18	2	1	3	**491,055**
Current tax	1,131	-	-	16,362	-	-	-	-	-	-	-	**17,493**
Deferred tax	1,612	-	-	-	-	-	-	-	-	-	-	**1,612**
Other liabilities	389,143	207,953	2,166	784,599	-	-	-	-	-	-	2,801	**1,386,662**
Liabilities included in disposal groups held for sale	-	-	-	-	-	-	-	-	-	-	-	**-**
Total liabilities	**31,375,662**	**9,171,473**	**2,167**	**31,568,238**	**-**	**2,678**	**130,605**	**739,583**	**66,697**	**4,596**	**210,619**	**73,272,318**
Mismatches by currency as of December 31, 2022	**(2,739,963)**	**8,330,305**	**208,927**	**(671,068)**	**15**	**595**	**157,631**	**(470,216)**	**(14,449)**	**348**	**(25,324)**	**4,776,801**

As of December 31, 2021	Chilean pesos		Adjustable by CT	US dollars	Colombian pesos	Pound sterling	Euro	Swiss francs	yen	Chinese yuan	Other Foreign Currencies	Total
	CLP	UF	CT	USD	COP	GBP	EUR	CHF	JPY	CNY	OTHER	
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSET												
Cash and bank deposits	618,825	-	-	3,220,839	-	21,463	43,584	1,152	19,204	9,713	25,718	**3,960,498**
Transactions in course of collection	159,555	-	-	171,178	-	482	18,273	156	4	106	318	**350,072**
Financial assets held for trading at fair value through profit or loss	5,346,341	596,647	-	127,009	24	-	(4,304)	-	-	-	618	**6,066,335**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	**-**
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	**-**
Financial assets at fair value through other comprehensive income	4,139,559	1,895,246	-	4,625,708	-	-	153,134	-	-	-	-	**10,813,647**
Financial derivative contracts for hedge accounting	1,465,138	20,543	-	1,200	-	-	45	101,056	23	-	1,053	**1,589,058**
Financial assets at amortized cost:	12,259,203	13,746,812	128,327	17,529,323	-	549	32,683	-	12,087	-	21,747	**43,730,731**
Investments in companies	115,414	-	-	-	-	-	-	-	-	-	-	**115,414**
Intangible Assets	210,974	-	43,400	186,597	-	-	-	-	-	-	(13)	**440,958**
Property and equipment	197,509	-	-	55,222	-	-	-	-	-	-	3	**252,734**
Right-of-use assets	22,714	101,489	-	64,823	-	-	-	-	-	-	-	**189,026**
Current tax assets	7,123	-	-	12,449	-	-	-	-	-	-	-	**19,572**
Deferred tax assets	224,076	-	-	29,081	-	-	-	-	-	-	395	**253,552**
Other assets	301,396	71	41,212	970,131	-	-	-	-	-	-	7,153	**1,319,963**
Non-current assets and disposal groups held for sale	45,718	-	-	-	-	-	-	-	-	-	-	**45,718**
Total assets	**25,113,545**	**16,360,808**	**212,939**	**26,993,560**	**24**	**22,494**	**243,415**	**102,364**	**31,318**	**9,819**	**56,992**	**69,147,278**
LIABILITIES												
Transactions in course of payment	124,345	-	-	119,376	-	2,087	8,678	196	3,872	106	26	**258,686**
Financial liabilities held for trading at fair value	5,071,412	31	-	22,521	24	-	-	-	-	-	243	**5,094,231**
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	**-**
Financial derivative contracts for accounting hedge	1,368,895	20,543	-	1,200	-	-	45	101,056	23	-	1,053	**1,492,815**
Financial liabilities at amortized cost	21,670,271	4,604,138	3,250	26,893,228	-	18,910	122,935	564,534	44,918	9,386	155,335	**54,086,905**
Lease liabilities	-	118,005	-	55,721	-	-	-	-	-	-	-	**173,726**
Issued regulatory capital financial instruments	1,176,819	156,117	-	-	-	-	-	-	-	-	-	**1,332,936**
Provisions for contingencies	104,521	-	-	34,003	-	-	-	-	-	-	87	**138,611**
Provisions for dividends, payment of interest and revaluation of regulatory capital financial instruments issued	156,117	-	-	-	-	-	-	-	-	-	-	**156,117**
Special provisions for credit loss	376,336	-	-	35,729	-	-	-	-	-	-	-	**412,065**
Current tax	129,078	-	-	12,449	-	-	-	-	-	-	8	**141,535**
Deferred tax	926	-	-	-	-	-	-	-	-	-	-	**926**
Other liabilities	436,236	484,876	1,308	441,516	-	-	-	-	-	-	574	**1,364,510**
Liabilities included in disposal groups held for sale	-	-	-	-	-	-	-	-	-	-	-	**-**
Total liabilities	**30,614,956**	**5,383,710**	**4,558**	**27,615,743**	**24**	**20,997**	**131,658**	**665,786**	**48,813**	**9,492**	**157,326**	**64,653,063**
Mismatches by currency as of December 31, 2021	**(5,501,411)**	**10,977,098**	**208,381**	**(622,183)**	**-**	**1,497**	**111,757**	**(563,422)**	**(17,495)**	**327**	**(100,334)**	**4,494,215**

NOTE 47 – RISK MANAGEMENT AND REPORTING

1. INTRODUCTION

Financial risk management is performed throughout the organization, under a framework containing policies that define the criteria and procedures guiding the actions of the Bank and its subsidiaries.

Business activities performed by the Bank involve identifying, assessing, accepting, and managing different types of risks or combinations of risks. The main risk categories to which the Bank is exposed are financial risk, market risk, structural risk, and liquidity risk.

To manage financial risks, the Bank's Board of Directors and Senior Management are responsible for:

- understanding the nature and magnitude of the financial risks assumed, as well as the strategies implemented to manage them;
- directing the management of financial risks using prudential criteria, which avoid exposing the Bank to insolvency or financial instability;
- defining a framework of policies that comprehensively regulate the management of financial risks, considering the best practices in the market, current regulations and the Bank's culture;
- establishing a structure of limits structure that covers all relevant risks, is consistent with the Board of Directors' risk tolerance and current regulatory margins;
- establishing a clear segregation of duties between trading and control activities, so that risk measurement, supervision and information are performed by units that are independent from the risk-assuming areas;
- receiving relevant, complete and timely information; and
- verifying the application of policies and compliance with limits through a continuous internal audit process.

2. GOVERNANCE AND MANAGEMENT

The Board of Directors, through the Executive Committee, approves the policies and defines the level of financial risk tolerance. The Comptroller supervises compliance with risk policies, using independent evaluations. Likewise, the Bank controls exposure to financial risks through the Finance and Risk Committee.

The Chief Executive Officer, as the main individual responsible for the Bank's overall management, must conduct the business strictly adhering to the current legal framework and internal policies, limits and procedures established. He chairs the Assets and Liabilities Committee (ALCO), a body where he is informed about the risks assumed by the Corporation and provides guidelines for such purposes.

The Assets and Liabilities Committee (ALCO) is the highest-ranking executive body assigned to manage financial risks. In its regular meetings, the ALCO Committee reviews the liquidity position, asset and liability management and investment strategies, with due regard to risks assumed.

The Finance Department is responsible for the direct management of financial risks. Such department must implement business, investment, and financing strategies for the Bank to achieve its objectives while minimizing the risks assumed.

The Market and Liquidity Risk Management measures and controls financial risks. This Department is responsible for proposing policies and limits to mitigate risks, as well as designing measurement tools according to the size and complexity of operations.

The limit structure and daily control ensure that risks are within the margins established by the ALCO Committee and approved by the Executive Committee. This is strengthened by an adequate segregation of duties and the control by opposition established in the Bank's organizational structure, which allows managing risks without any conflict of interest.

The Market and Liquidity Risk Management reports on a daily basis risk exposures and the use of limits. In addition, on a monthly basis it communicates the overall financial risk position to the ALCO Committee, so that Senior Management understands the risks assumed, and if required, establishes guidelines.

The supervision of the financial risks performed by the Bank on the subsidiaries is covered by the Subsidiary Control Policy. This is performed through the process of annual review of policies, quantification of risks, definition of stand-alone or consolidated limits, and coordination between the different vehicles when appropriate.

3. MARKET RISK

Market risk represents losses that could affect the value of investment portfolios because of adverse movements in market prices.

Principles for managing market risk include: the use of methodologies to quantify market risks in accordance with the volume and complexity of the activities performed; mechanisms for periodic review of the models used to quantify market risks, including their independent validations; formal and periodic performance of stress exercises, appropriate for the scale and complexity of transactions and daily monitoring of limits and excesses.

In the field of market risks, the following are managed:

Price risk: it is the risk of losses that can cause a change in the value of a portfolio of financial instruments, in trading activities with customers (*market making)* and proprietary investments. This risk is found in all portfolios subject to market valuation.

Basis risk: losses that may originate from an imperfect correlation between two or more market variables used to hedge the risk of a financial position.

Convexity or mismatch risk: losses that may originate when assuming positions in a risk factor, generating mismatches in time periods. Those terms where there is greater market depth should be considered as one of the important variables.

Optionality risk: Buying or writing options carries its own risks. These are closely characterized by the non-linear relationship between the gain generated by the option, the value of the underlying factors and the volatility of such factors.

The Bank separate the management, control, and measurement of market risks between trading portfolios and available-for-sale and/or held-to-maturity portfolios. The former includes positions as a result of the flow of sales to corporate and institutional customers, positions as a result of the market making business, and hedge or trading positions. The latter holds positions that come mainly from the management of interest rates associated with personal and commercial banking loans, in addition to a portfolio of financial investments.

3.1 MARKET RISK IN THE TRADING BOOK

The main market risks generated in the trading book are the following:

Interest rate risk: arise as a result of exposure to movement in the different interest rate curves on which a current position is maintained. The typical products that generate this sensitivity correspond to interest rate derivative products (Swap or Cross Currency Swap), such as those products of the capital market business (Debt Securities, Term Deposits, Futures or other). However, in practice, all financial products are exposed to movements in interest rates due to the effect on the valuation associated with their discount factor.

Currency risk: this risk is generated by the movements from the several exchange rates with the currencies on which current positions are held. This risk is generated in currency spot positions, as well as in any derivative product whose underlying is an exchange rate.

Optionality risk: The purchase or writing of options carries its own risks. These are closely characterized by the non-linear relationship between the gain generated by the option, the value of the underlying factors and the volatility of said factors.

Equity security risk arises as a result of movements in share prices. Such risk is generated in cash positions of shares as well as in any derivative product whose underlying is a share or a variable income index. This type of instrument mainly arises from the subsidiary BCI Corredor de Bolsa, whereas Bank BCI, by regulation, does not have access to these markets.

3.1.1 Management and Limits

The functions established for Financial Risk include the daily control of market risk positions, which implies ensuring compliance with the limits and/or alerts approved by Senior Management. This follow-up is performed regularly to assess the evolution of risk metrics and their significant movements, as well as communicate risks and possible excesses through the channels established for such purposes.

Setting limits for trading market risk is a dynamic process that is associated with the level of risk appetite established by the BCI Corporation. Such process is part of the annual limit review and update plan.

Limits are established on different metrics and are intended to cover all activities subject to this risk from multiple views, applying a prudent criterion, where the main are as follows:

- VaR limits (Total and by risk factor).
- Sensitivity limits to the exchange rate.
- Interest rate sensitivity limits (total and by terms).
- Sensitivity limits for positions in significant products.
- Sensitivity limits for positions in significant spreads.
- Vega limits.

These general limits are supplemented by other sub-limits for structure that is granular to allow the effective control of the different types of trading market risk factors to which the Corporation is exposed in its trading activities.

These limits are approved by senior management (ALCO and/or Board of Directors).

3.1.2 Metrics

a) **VaR (Value at Risk):** this is a methodology that estimates losses that a portfolio would incur as a result of an adverse movement of interest rates and/or market prices over a time horizon and for a certain confidence level.

   The VaR methodology used is historical simulation that recognizes the fat-tail property of financial returns. A 2-year rolling window of daily data is used. The 1st percentile of the P&L distribution is measured, or VaR at 99% confidence. The volatility updating technique is used, which recognizes the existence of volatility clusters.

   Objectives and limitations of the VaR methodology: The objective of VaR is to measure the risk of a portfolio of assets by determining how much it can lose over a period and with a given level of confidence, under normal market conditions. This method is applied to portfolios that have information on the relevant market variables. In addition, it does not depend on the calculation of correlations and volatilities, as these are calculated implicitly when using historical information, which means having the history of the associated variables to perform this calculation.

The 1-day VaR for each portfolio is shown below.

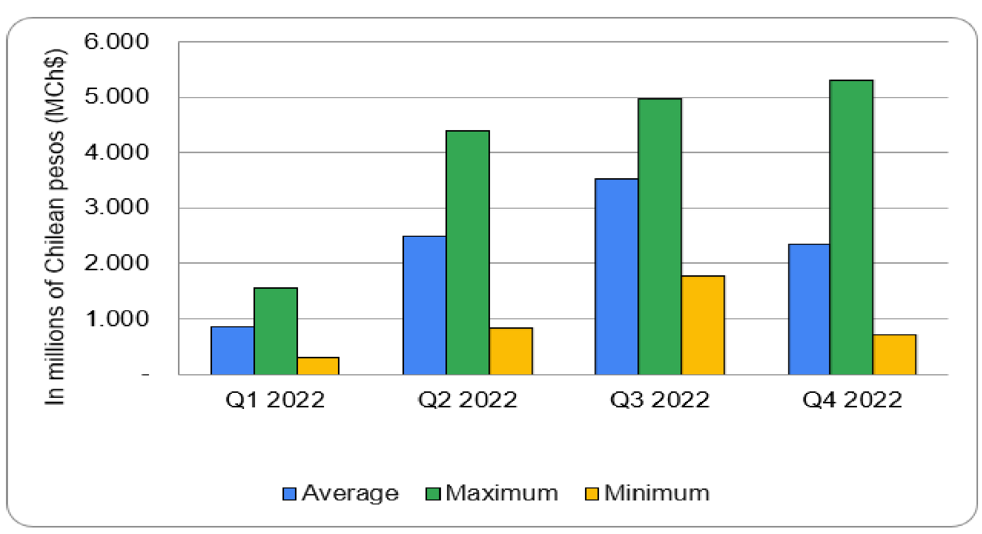
VaR tables by Portfolio: annual comparison as of December 31, 2022

Figures in millions of Chilean pesos, with a 1-day time horizon.

VaR	2022	2021	Variance
	MCh$	MCh$	MCh$
Trading	**1,771**	**894**	**877**
Maximum	5,312	2,723	2,589
Minimum	303	211	92
Average	2,307	1,309	998
Balance	**800**	**893**	(93)
Maximum	1,517	3,887	(2,370)
Minimum	247	81	166
Average	727	694	33
BCI Corredor de Bolsa	**1,421**	**258**	**1,163**
Maximum	1,855	952	903
Minimum	213	88	125
Average	666	346	320
BCI Asset Management	**116**	**204**	**(88)**
Maximum	323	386	(63)
Minimum	114	127	(13)
Average	212	247	(35)

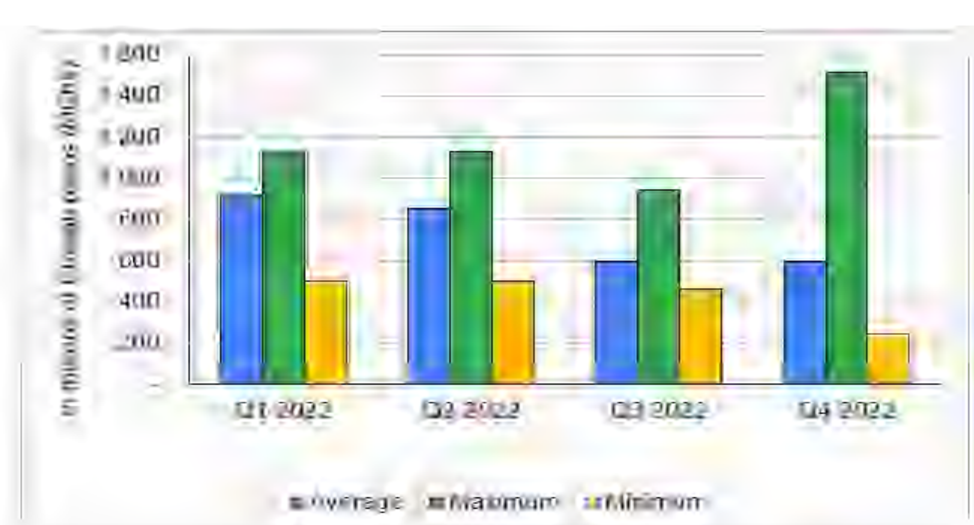
VaR Trading: Quarterly graphic comparison as of December 31, 2022

Amounts in millions of Chilean pesos, with a 1-day time horizon.



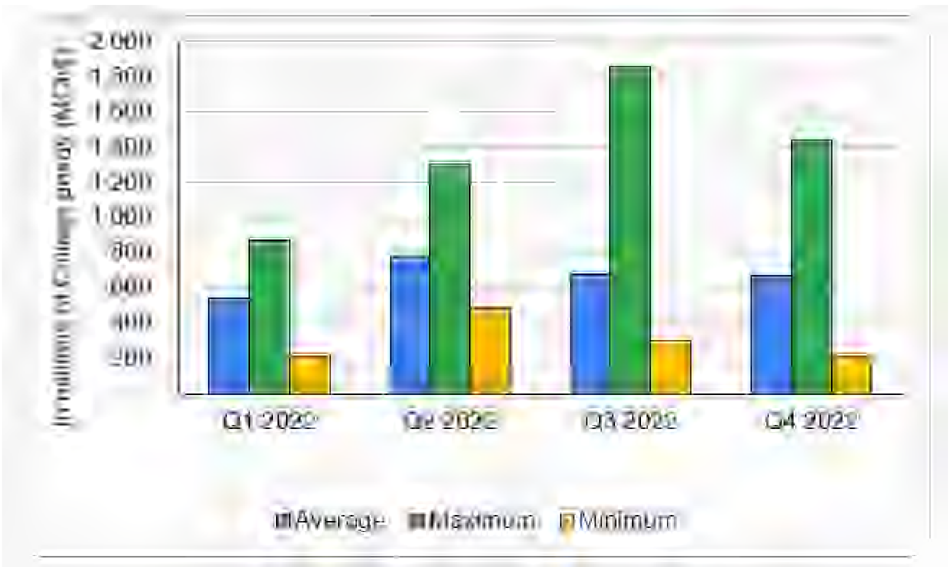
VaR Balance: quarterly graphic comparison as of December 31, 2022

Amounts in millions of Chilean pesos, with a 1-day time horizon.



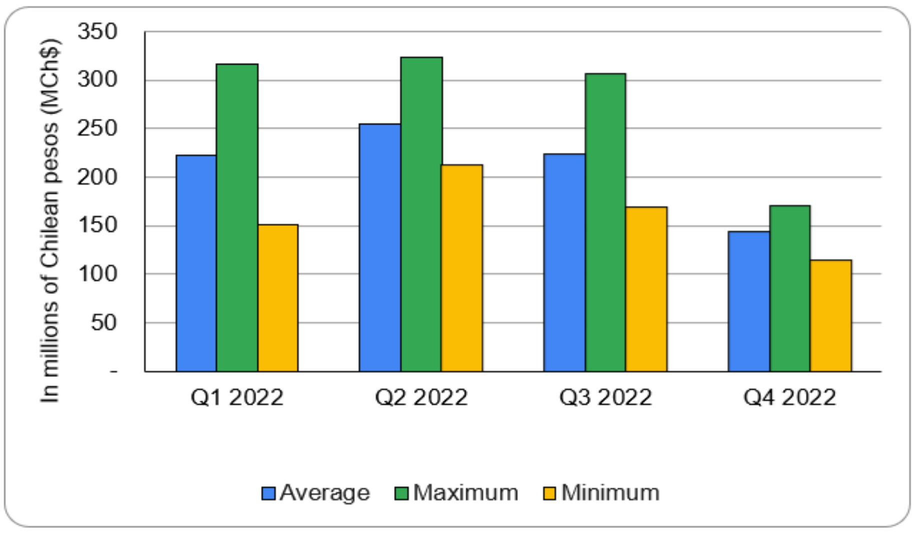
VaR Bci Corredora de Bolsa: quarterly graphic comparison as of December 31, 2022

Amounts in millions of Chilean pesos, with a 1-day time horizon.



VaR Bci Asset Management: quarterly graphic comparison as of December 31, 2022

Amounts in millions of Chilean pesos, with a 1-day time horizon.



For the current period, the VaR (Value at Risk) is broken down into the different risk factors that compose it for its management, this corresponds to:

VaR by Risk factor: comparative table as of December 31, 2022, v/s 2021

Amounts in millions of Chilean pesos.

Value at Risk	2022	2021	Variance
	MCh$	MCh$	MCh$
Total	**1,771**	**894**	**877**
Interest rate	1,580	810	770
Foreign currency	271	123	148
Optionality	15	110	(95)

<u>Note</u>: consider that the calculation of VAR having correlations, the sum of its factors is not the same related to the Total VAR.

a) Stressed VaR (sVaR): there are limitations of the VaR models, mainly in the face of extreme events that have not been noted in the historical information or because they do not capture the intra-day movements in the portfolio. Because of this, stress situations are modeled to assess potential impacts on the value of the most extreme event portfolios. The following analysis presents the Stress VaR study for the main current risks.

Stress VaR: annual comparison as of December 31, 2022

Figures in millions of Chilean pesos, with a 1-day time horizon.

STRESS VaR	2022	2021	Variance
	MCh$	MCh$	MCh$
Total	**3,130**	**3,684**	**(554)**
Maximum	8,844	5,358	3,486
Minimum	2,366	1,559	807
Average	4,657	3,216	1,441

3.2 COUNTERPARTY MARKET RISK

Counterparty risk management encompasses the management of financial risks that seeks to recognize and subsequently manage the possible credit deterioration of each counterparty, arising from investments and/or businesses related to the capital market.

This risk is defined as the possibility that the issuer or the counterparty does not comply with its obligations or commitments within the agreed terms and amounts. This risk is determined by the debt at the time of default, by the probability of default by the counterparty, and by the loss given default. On a daily basis, the current market value plus the potential future exposure of the derivatives is calculated; estimating the value of the debt in an event of default that has not yet occurred. The potential future exposure represents the maximum market value that the instruments could reach during the remaining term of the contract. The result of this calculation determines the use of the credit facility associated with derivative instruments.

As part of counterparty risk management, Senior Management encourages direct involvement in both local and foreign clearing houses, as applicable, and the trading of derivative instruments must be conducted in accordance with the policies, limits and procedures established by the Bank, in compliance with internal and external regulations, and all new products must comply with the provisions of the New Products Policy prior to being traded.

3.2.1 Management and Limits

The Bank manages its counterparty risk through analysis of the future exposure of financial instruments, called PFE (Potential Future Exposure) and in turn through adjustments to the Fair value of derivative instruments, referred to as CVA (Credit Value Adjustment).

3.2.2 Metrics

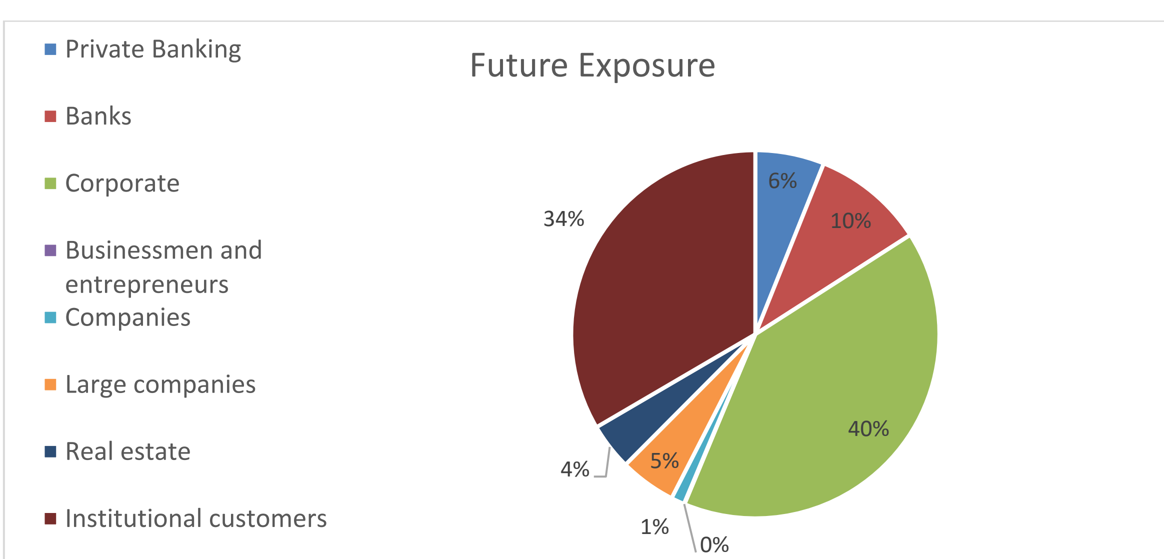
a) **Future Exposures:** The future exposure of an *over-the-counter (OTC) derivative* is directly related to the credit exposure generated by this type of product for BCI. The risk from such contracts exists when the valuation or *mark-to-market (MTM)* is positive in favor of BCI. These contracts are measured on a daily basis, and the risk or uncertainty arises regarding the potential value that the MTM may reach throughout the life of the operation.

Monte Carlo simulation techniques are used to calculate future exposures by counterparty. Specific limits by counterparty ensure that defined risk levels are not exceeded, and adequate diversification is achieved. The following table provides the detail of the exposure for each segment for the periods ended December 31, 2022, and 2021.

Future Exposure by Banks: as of December 31, 2022

Amounts in millions of Chilean pesos.

Future Exposure		
Banking	December 31, 2022	December 31, 2021
	MCh$	MCh$
BCI Bank	**2,672,646**	**2,467,992**
Private Banking	162,221	88,535
Banks	263,355	641,300
Corporate	1,078,829	765,047
SMEs	1,364	1,610
Business	31,526	38,110
Large Corporations	132,170	98,075
Real Estate	109,839	104,509
Institutional	893,342	730,806
Total	**2,672,646**	**2,467,992**

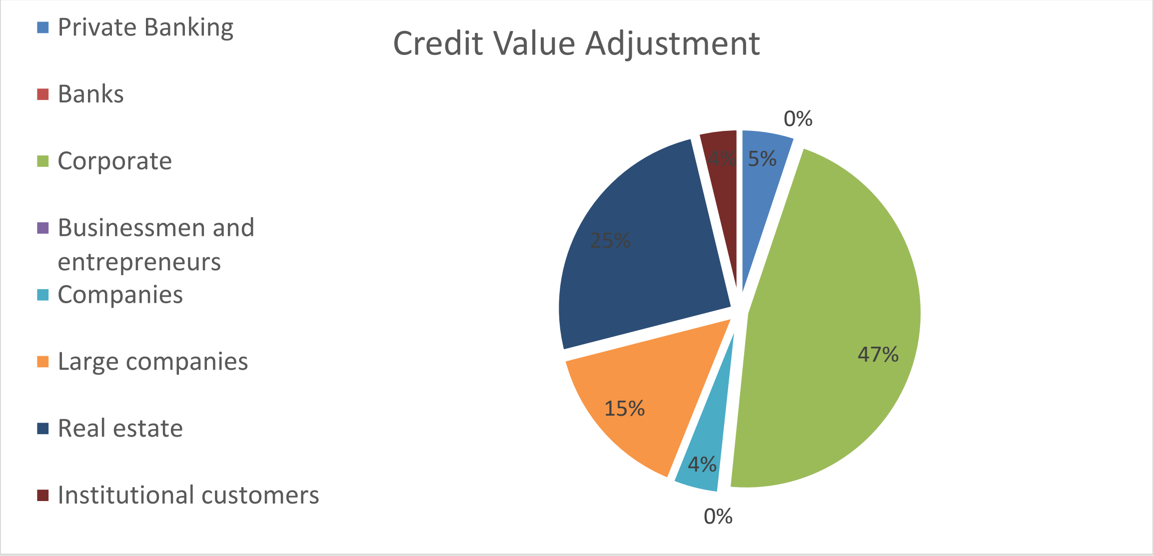


b) **Derivative credit valuation adjustment (CVA):** The objective is to determine the expected losses due to counterparty risk in OTC derivative contracts. The CVA of a derivative is defined as the difference between the market value free of credit risk (without risk of default by the counterparty) and the value of the derivative engaged that carries the possibility of default by the counterparty. Accordingly, the CVA of a customer can be obtained from the expected exposure (EE) by counterparty risk (the expected loss amount) and the expected loss rate (EL) associated with the default of the counterparty. The table below details the allowance for CVA by segment for the periods ended December 31, 2022, and 2021.

CVA (Credit Value Adjustment): as of December 31, 2022

Amounts in millions of Chilean pesos.

Credit Value Adjustment (CVA)			
Banking	December 31, 2022	December 31, 2021	Variation
	MCh$	MCh$	MCh$
BCI Bank	**13,016**	**11,143**	**1,873**
Private Banking	666	428	238
Banks	7	237	(230)
Corporate	6,044	5,090	954
SMEs	12	8	4
Business	569	585	(16)
Large Corporations	1,944	1,535	409
Real Estate	3,284	2,888	396
Institutional	489	372	117
City National Bank	**1,736**	**1,409**	**327**
BCI CdB	**0.48**	**0.23**	**0.25**
Total	**14,753**	**12,553**	**2,200**



3.3 MARKET RISK OUTSIDE OF THE TRADING BOOK

Financial assets at fair value through other comprehensive income relate to all financial instruments that have not been acquired for trading them at short-term, where the Bank intends to keep them on its balance sheet Instruments that are classified as financial assets at fair value through other comprehensive income may not be subsequently reclassified to the category financial assets held for trading at fair value through profit or loss.

Certain definitions that should be considered for the market of these assets are included below.

Debt Securities (IRF): this is the name given to securities representing medium and long-term obligations, issued in series, intended to finance different production and housing activities. They bear interest and are generally quoted as a percentage of par value.

Portfolio of Non-Derivative Financial Instruments: relates to the set of investment debt securities classified as Available for Sale, Investments to Maturity and the portfolio of corporate bonds classified in Trading, which weight different economic sectors, issuers, terms, rates (fixed versus floating or mixed rates), currencies, prepayment options, etc.

Investment Grade Instruments: relate to instruments to which the investment grade classification has been associated by one of the international rating agencies: S&P, Moody's and Fitch. This is equivalent to a BBB- or higher rating for the International market and A- for domestic instruments.

Covenants: restrictions used by banks or institutional investors to ensure that issuers will operate prudently, allowing them to pay their debt on agreed terms. A *covenant* may require the issuer to present its financial statements to the bank or, an extreme covenant, would prohibit it from assuming new debt.

3.3.1 Management and Limits

Like the management of limits for the trading book, for the available for sale book, the duties established by Financial Risk are, in general, the definition of measurement criteria and regular control of the portfolio, which implies ensuring compliance with the limits and/or warnings approved by Senior Management.

Setting market risk limits for available for sale securities is a dynamic process associated with the level of risk appetite established by the BCI Corporation. This process is part of the annual limit review and update plan.

Limits applied are different for the different portfolios due to their different nature and objectives.
We highlight the following market risk limits associated with available-for-sale instruments:

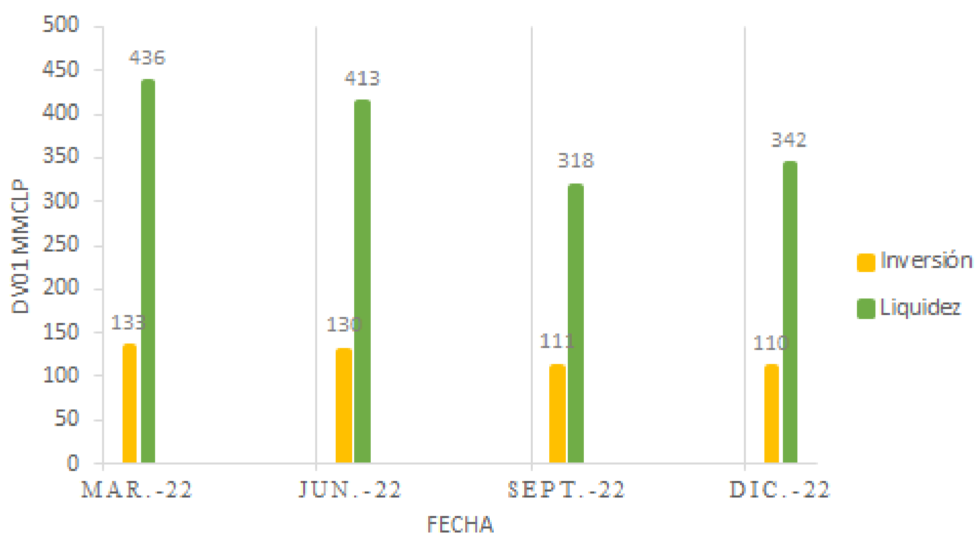
- ➔ Interest rate sensitivity limits. It is the maximum amount by which the market value of the investment portfolio can change due to a one basis point increase in discount rates.
- ➔ Diversification limits. Investment concentration limits by country, type of industry and business.
- ➔ Portfolio permanence limits. According to the business model, the investments must remain a minimum amount of time in the portfolio as a whole.

3.3.1.1 Metrics

Sensitivities and positions

The sensitivity analysis assesses the impact of one basis point on the interest rates at which each of the instruments in the available-for-sale investment portfolio are carried at fair value.

Evolution of DV01 Investment book and Liquidity management. Amounts in millions of Chilean pesos



The main positions in investments available for sale by type of issuer and currency are detailed below. The risk rating of such positions at the end of the most recent period is also reported.

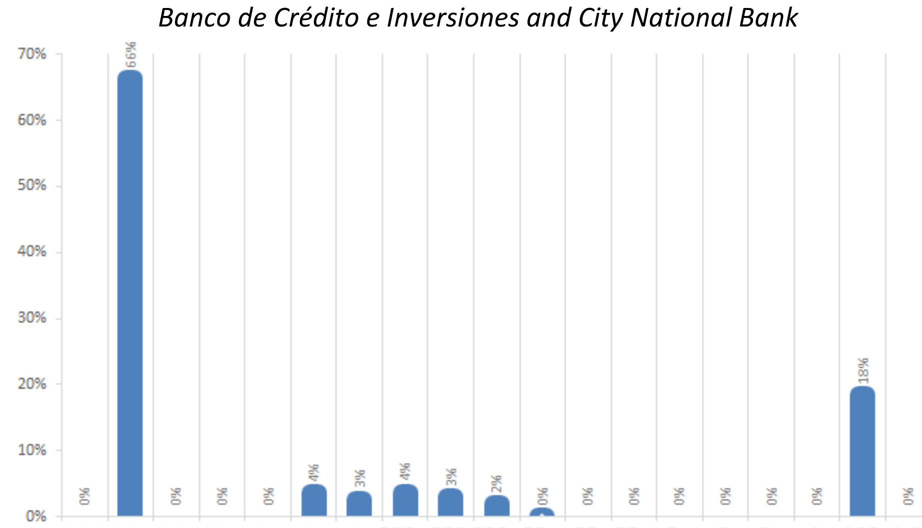
Investments available for sale
Fair value as of December 31, 2022 (MCh$)
Banco de Crédito e Inversiones and City National Bank

	CLP	UF	USD	EUR	OTHER
Sovereign bonds	1,556,869	304,394	557,132	-	-
Corporate bonds	-	10,561	277,287	48,265	-
Financial institutions bonds	11,115	893,170	3,153,683	-	-
Mortgage-funding notes	-	23,447	-	-	-
Time deposits	576,739	34,628	-	-	-
Investments funds	-	-	32,680	-	-
Shares	-	-	121,003	-	-
Total	**2,144,723**	**1,266,201**	**4,141,785**	**48,265**	**-**

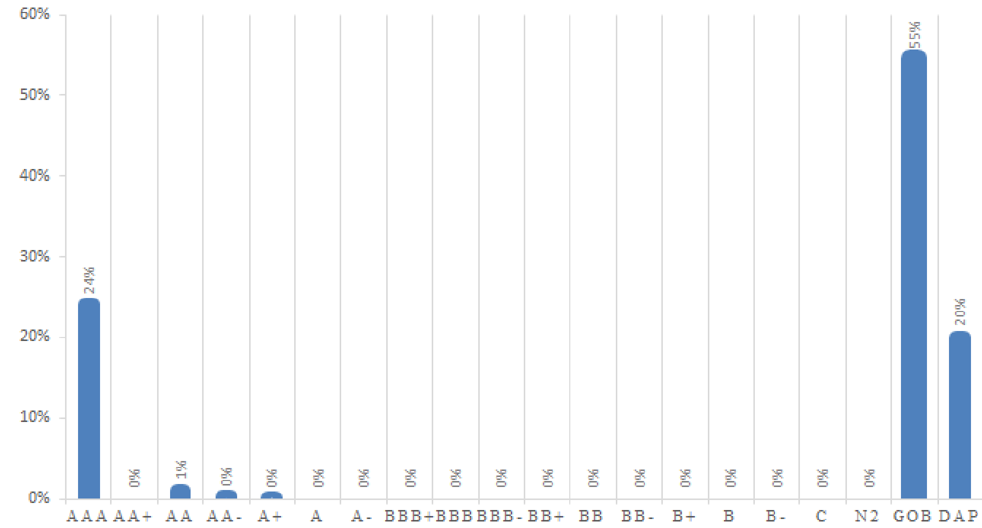
Investments available for sale
Fair value as of December 31, 2021 (MCh$)
Banco de Crédito e Inversiones and City National Bank

	CLP	UF	USD	EUR	OTHER
Sovereign bonds	1,205,272	9,496	616,468	-	-
Corporate bonds	-	9,325	226,728	56,600	-
Financial institutions bonds	21,236	296,644	3,800,490	-	-
Mortgage-funding notes	-	26,572	-	-	-
Time deposits	399,040	-	-	-	-
Investments funds	-	-	43,914	-	-
Shares	-	-	67,178	-	-
Total	**1,625,548**	**342,037**	**4,754,778**	**56,600**	**-**

Investments available for sale
International bond portfolio risk rating as of December 31, 2022 (%)
Banco de Crédito e Inversiones and City National Bank



Investments available for sale
Risk rating of bond portfolio and LCH of national issue as of December 31, 2022 (%)
Banco de Crédito e Inversiones and City National Bank



4. STRUCTURAL INTEREST RATE RISK

The management of the structural risks of interest rates and inflation seeks to manage the risks arising from the Bank's operations and asset and liability positions, derivatives, and non-derivatives, excluding trading activities.

In this area, the following risks are managed:

- ➔ **Interest rate risk**: possibility of economic losses in the Bank's equity position (profit or loss or equity) as a result of adverse and unexpected changes in interest rates (parallel movements in the level of general rates and spreads).

- ➔ **Repricing risk**: arises from differences in the maturity or repricing structure between assets and liabilities, as well as off-balance sheet positions. Repricing risk occurs when there are gaps or mismatches in the maturity structure or " *repricing* " of the Bank's assets and liabilities, whether on or off the balance sheet (e.g., positions in derivative financial instruments, contingent loans, etc.). Exposure varies according to the magnitude of the mismatches and the direction of the change in rates.

- ➔ **Risk in the structure of interest rates**: arises from changes in the shape of the intertemporal structure of interest rates.

- ➔ **Base risk**: results from the existence of an imperfect correlation in the adjustment of interest rates received and paid on certain financial instruments, which should have similar adjustment characteristics in their prices.

- ➔ **Optionality risk**: arises from short positions in implicit options both in assets, liabilities as well as in off-balance sheet instruments or explicit options. This risk includes the option of a prepayment of loans, translating this payment option as a prepayment risk.

- ➔ **Inflation risk**: possibility of economic losses in the Bank's equity position (profit or loss or equity) as a result of adverse changes in the price path or price index.

4.1 Management and Limits

Currently, limits are set on the following metrics to ensure consistency with the Bank's strategic objectives and avoid risk situations in stress scenarios (illiquidity, loss of profitability, among other).

- ➔ **Short-term risk**: it is controlled with the *SaR methodology*, the result of which may not be higher than a percentage of the Bank's financial margin.

- ➔ **Long-term risk:** controlled by the *MVS methodology*, the result of which may not be higher than a percentage of the Bank's basic capital.

- ➔ **Limits** are established **for metrics X1** (short-term rate risk) and **X2** (long-term rate risk) of the C40 regulatory report.

4.2 Metrics

Unexpected changes in interest rates or inflation can have negative effects on both the Bank's profit for the period and economic value. Exposure to interest rate risks is noted in:

1. The short-term impact on the Bank's revenue (typically 1 year).
2. Long-term impact on the present value of future cash flows.
3. The impact on other sources of revenue.
4. This view allows using two supplementary methodologies to assess such exposure to interest rate risk:

Accumulated Net Interest Margin (Spread at Risk, *SaR*)
The analysis focuses on the impact associated with variations in interest rates and short-term inflation on annual revenue The analysis is performed considering the impact of changes in interest rates on the Bank's financial margin over a given time horizon.

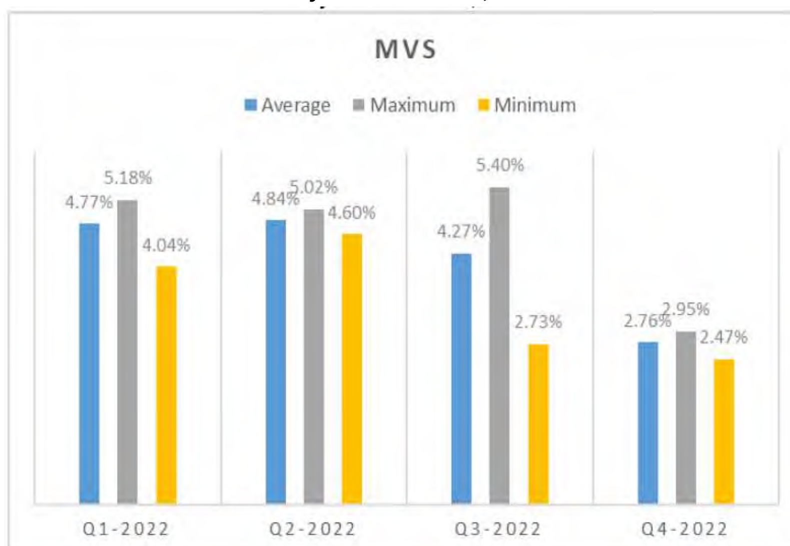
Economic Value (Market Value Sensitivity, *MVS*)

The economic value of a bank can be expressed as the present value of the expected net cash flows, defined as the expected cash flows of assets less the expected cash flows of liabilities, plus the expected net flows of positions recorded off-balance.

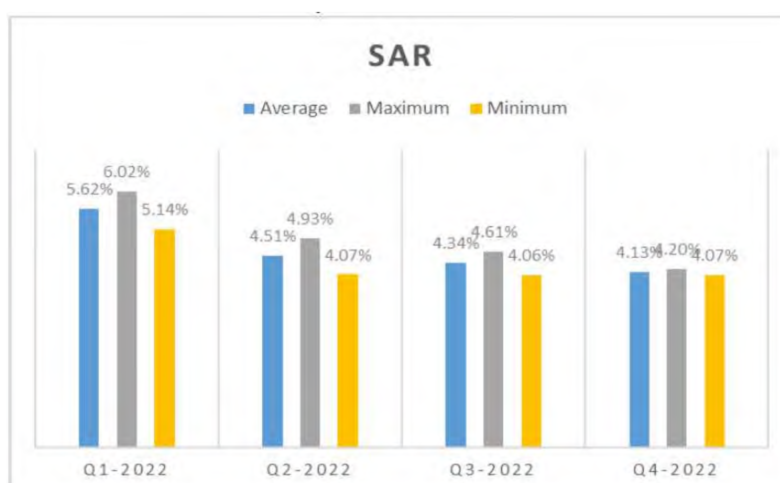
As the economic value considers the potential impact of changes in interest rates on the present value of future cash flows, it provides a better view of the potential long-term effects of changes in interest rate structures.

The average long-term SVM measurement for 2022 is 4.16% (2.77% 2021) of capital over a limit of 12%. The SaR meanwhile has an average in 2022 of 4.65% versus an average of 2.19% in 2021.

SVM
As of December 31, 2022



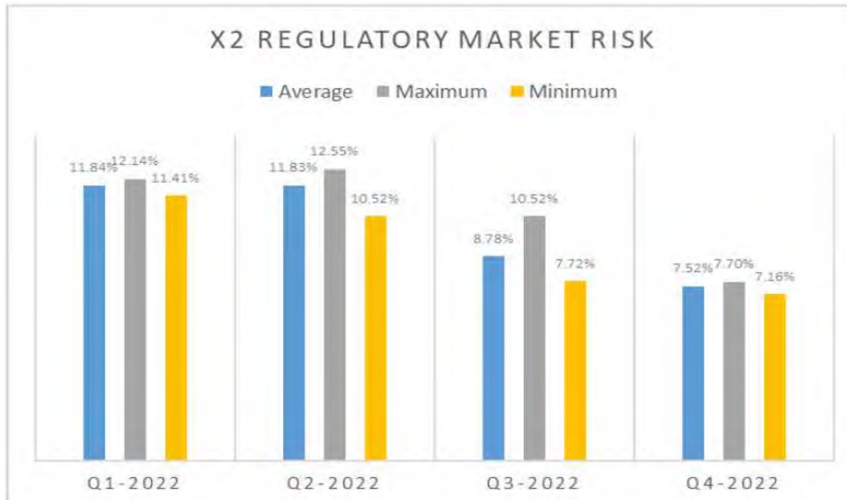
SaR
As of December 31, 2022



The evolution of regulatory indices X1 (exposure to short-term market risk) and X2 (exposure to long-term market risk) registered slack with respect to the limits so far in 2022, mainly explained by the management of the balance sheet with accounting hedges.

Regulatory Market Risk X1
Banco de Crédito e Inversiones and City National Bank
As of December 31, 2022

Regulatory Market Risk X2
Banco de Crédito e Inversiones and City National Bank
As of December 31, 2022



5. LIQUIDITY RISK

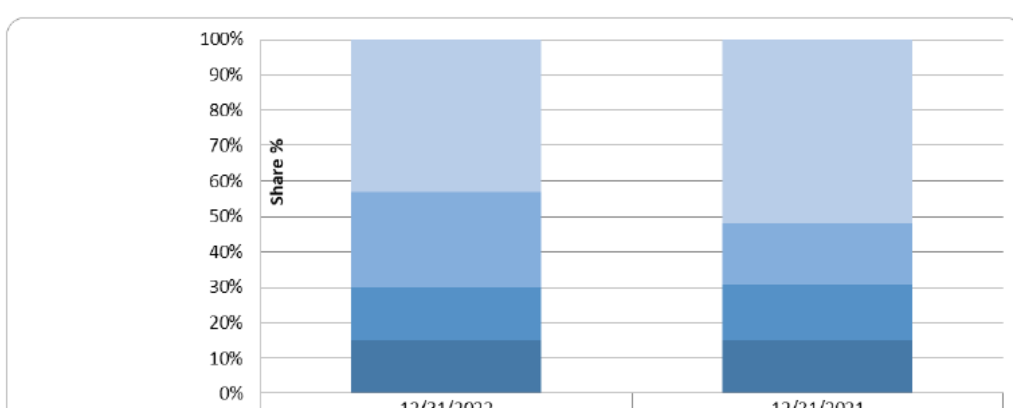
Liquidity management is a strategic activity, it must be aligned at all times at the corporate level in terms of its objectives, guidelines and resources assigned in the commercial line, risk control, financial operations, and technology, among other areas.

For these purposes, the liquidity risk will correspond to the impossibility of:

- ➔ Comply with contractual obligations.
- ➔ Avoid regulatory sanctions for non-compliance with regulatory ratios.
- ➔ Permanently and competitively finance commercial activity.
- ➔ Liquidate positions without significant losses.

The concentration of liabilities by main sources of funding is presented below.

Evolution of main sources of funding
As of December 31, 2022, and 2021
Banco de Crédito e Inversiones and City National Bank



	12/31/2022	12/31/2021
Sight drafts	43%	52%
Term and other deposits	27%	17%
Bond issuances	15%	16%
Other liabilities	15%	15%

5.1 Management and Limits

The Bank's liquidity management policy and models seek to guarantee, even in the face of unexpected events, the Bank's ability to adequately respond to its obligations.

Liquidity and funding management is performed by treasury in accordance with practices and limits aligned with local regulations, best international practices, and the Bank's risk appetite. For this reason, the Bank must maintain a limit structure that allows an adequate and robust risk management. Currently, limits are set on the following metrics:

- ➔ **Liquidity barrier:** A ratio that is controlled on a daily basis and whose objective is to constitute a minimum highly liquid reserve fund, which allows it to face unexpected situations of illiquidity, bank runs or confidence crises. The limit is reviewed at least annually.

- ➔ **Concentration of deposits and time deposits:** it is controlled on a daily basis, to prevent the Bank from being exposed to a sudden outflow from its source of funding.

- ➔ **Accumulated cash flow mismatches:** it is controlled on a daily basis, to ensure that there is a sufficient income flow to meet short-term obligations.

- ➔ **Liquidity coverage ratios (LCR):** controlled on a daily basis to provide a liquidity structure that is capable of withstanding a stress scenario in the short term. The LCR measures a bank's liquidity risk profile, ensuring that it has an adequate pool of high-quality assets (ALAC), which can be easily and immediately converted into cash, without significant loss of value, in the financial markets.

- ➔ **Net Stable Funding Ratio (NSFR):** requires banks to maintain a stable funding profile in relation to their assets. The objective is to reduce the risk that the volatility of funding sources deteriorates the Bank's liquidity position. It is controlled on a daily basis, seeking to discourage excessive short-term wholesale funding. The metric seeks for the Bank to diversify its sources of financing.
  Since the latter are the main ratios of liquidity, it should be noted that they have remained comfortable with respect to both regulatory and internal limits.

5.2 Metrics

➔ **Liquidity barrier**

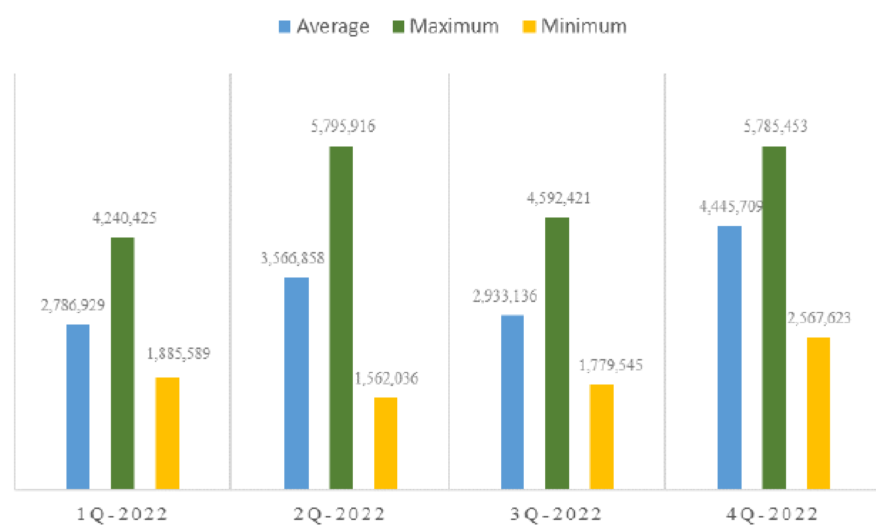
The liquidity barrier established in BCI consists of a minimum *buffer* of highly liquidity and credit quality assets, of a counter-cyclical nature in relation to liquidity, whose purpose is to support the ability to cover short-term obligations.
The measurement of the level of requirement of the barrier considers on average the wholesale DAP maturities, issued bonds, liquidity provision of subsidiaries and external funding (Miami Branch) of the last year.

To comply with the requirement of a minimum buffer of High-Quality Liquid Assets, two short-term measurement periods are defined, which constitute an Alert (15 days) and a Limit (10 days). Both values are reviewed and updated annually by the Financial Risk team. As of December 31, 2022, and 2021, the liquidity barrier is as follows:

	As of December 31, 2022				As of December 31, 2021			
	Average	Maximum	Minimum	Close	Average	Maximum	Minimum	Close
Liquidity Threshold (*)	4,445,709	5,785,453	2,567,623	5,167,482	3,615,093	5,186,826	2,390,548	2,573,489

(*) Amounts in millions of pesos.

Liquidity barrier evolution as of December 31, 2022
Amounts in millions of Chilean pesos



➔ **Liquidity Coverage Ratio (*LCR*)**

This ratio is within the Basel III standards and aims to ensure that banks have an adequate fund of High-Quality Assets (ALAC), which can be easily and immediately converted into cash, to meet their obligations in a 30-day liquidity stress scenario. This ratio has a regulatory limit and will increase to 100% as of June 2022. Its form of measurement is ALAC on net expenses, where the different items have different weights.

As of December 31, 2022, BCI had a Global consolidation LCR of 166.3%, well above the required limit, given the current regulation.

	As of December 31, 2022				As of December 31, 2021			
	Average	Maximum	Minimum	Close	Average	Maximum	Minimum	Close
LCR	119.5%	134.8%	110.4%	166.3	326.1%	387.3%	275.0%	299.6%

As the latter are the main indicators of liquidity, note that they have remained comfortable with respect to both regulatory and internal limits.

LCR evolution as of December 31, 2022

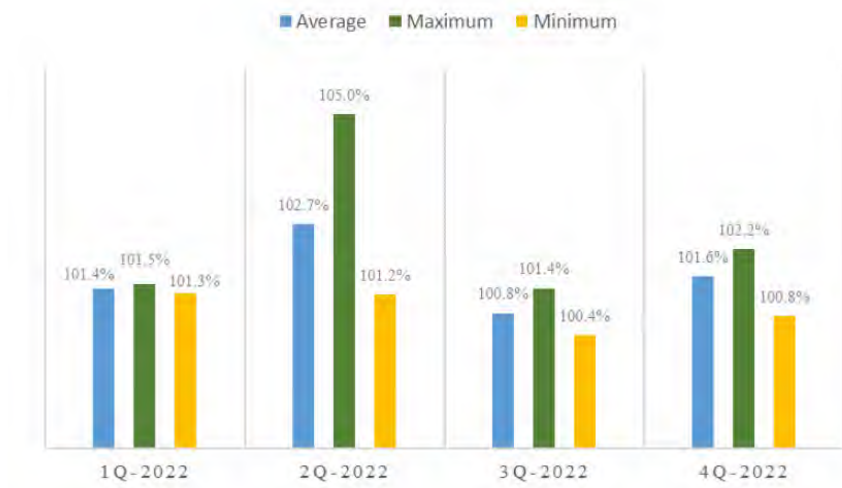
➔ **Net Stable Funding Ratio (*NSFR*)**

This ratio is designed to address long-term liquidity mismatches and covers the entire balance sheet by providing incentives for financial institutions to use stable sources of funding. It is measured given the Stable Financing Available (FED) over the Stable Financing Required (FER), the first being the proportion of own and external resources that are classified as reliable. The FER, on the other hand, corresponds to the book value of the assets based on the characteristics of liquidity and residual maturities.

Currently, this ratio does not have a regulatory limit, however, the Bank has decided to consider an incremental internal limit, which expects to reach a 100% NSFR requirement in 2025. As of December 31, 2022, BCI placed its Global consolidation NSFR at 102.2%.

	As of December 31, 2022				As of December 31, 2021			
	Average	Maximum	Minimum	Close	Average	Maximum	Minimum	Close
NSFR	100.8%	101.4%	100.4%	102.2%	103.9%	111.0%	96.8%	96.8%

NSFR evolution (global consolidated) as of December 31, 2022



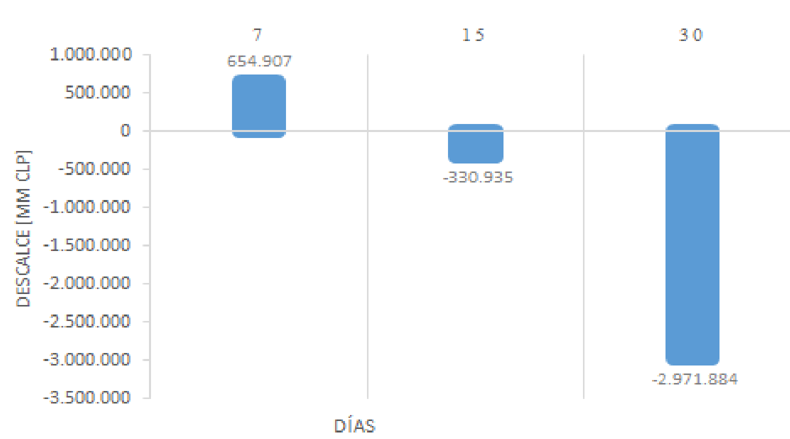
→ **Liquidity early warning ratios**

BCI has a set of early warnings that allow capturing negative trends in the markets or in the balance structure. Both market variables and information from the Bank's balance sheet are monitored. The funding liquidity prizes in local banks, or the increase in the volatility of market prices, are some of the market variables that stand out. On the other hand, demand deposit flight rates or *deficits* in the renewal of time deposits are relevant balance sheet information among other elements of periodic monitoring.

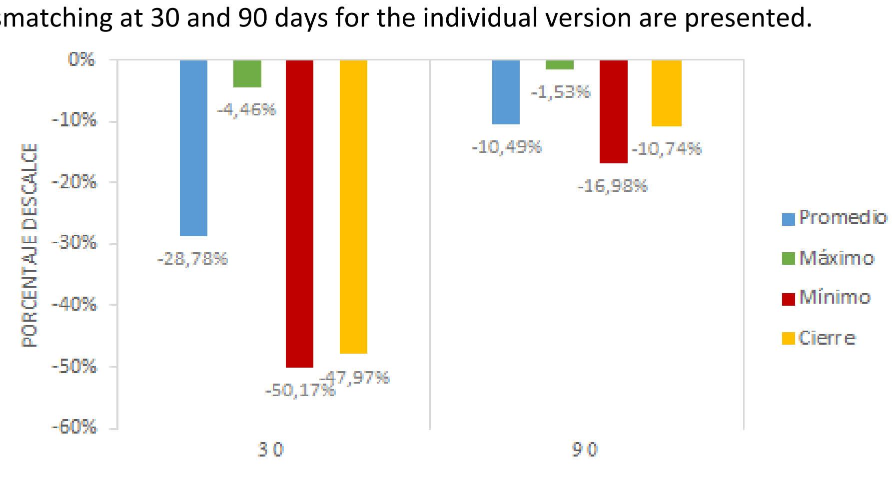
→ **Mismatch of deadlines**

The mismatch is the metric that determines the difference between Expenditures and Income of the flows of the main items of the Bank. For its determination, adjusted flows were considered, that is, considering behavioral models for some items. In this sense, for example, the liabilities associated with financial and non-financial calls are considered, considering the unstable part and the stable part as the demand balance according to their behavior. Below is the mismatch of terms at 7, 15 and 30 days in the case of the local version considering adjusted flows.

Local consolidation term mismatch as of December 31, 2022

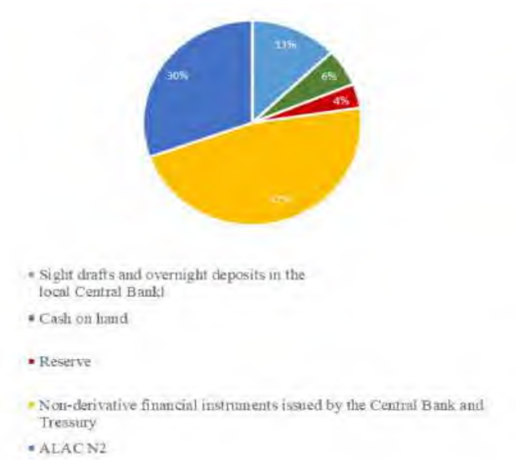


Additionally, the relevant metrics for mismatching at 30 and 90 days for the individual version are presented.



In addition to the aforementioned metrics, it is important to highlight the distribution of high-quality Liquid Assets held by the Bank for optimal liquidity management.

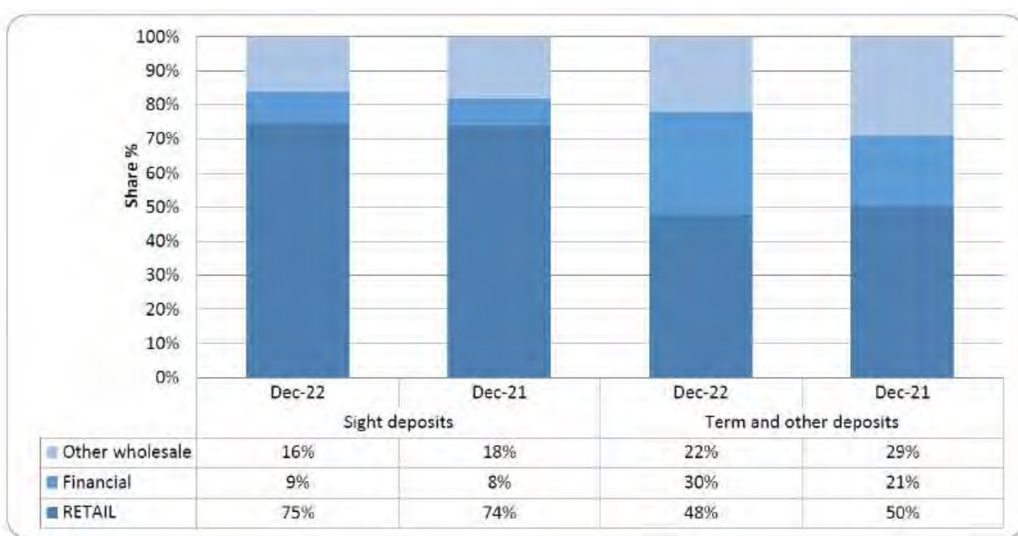
Composition of liquid assets as of 12/31/2022



➔ **Concentration of Time Deposits and Funding**

Below is the concentration by counterparty for on demand and time deposit items.

Composition of Counterparties by Main Liabilities as of 12/31/2022



➔ **Maturity of non-derivative and derivative liabilities**

To see the details of maturities, it is recommended to see note 45 - Contractual Maturity according to the remaining terms of financial assets and liabilities.

6. FINANCIAL RISK STRESS TESTING EXERCISES

Stress tests are risk measurement tools designed with the aim of gaining a deeper understanding of the profile and dynamics of the different market and liquidity risks associated with Trading and Banking books about:

➔ Measurement of the impact of extreme movements in the markets (prospective, hypothetical, historical and idiosyncratic)
➔ Isolated measurement of the impact of a particular/specific risk component
➔ Measurement of a dynamic interdependence between relevant risk factors

The stress tests are intended to identify financial vulnerabilities in the balance sheet structure and trading book against low probability but plausible situations or risk scenarios that can be seen in a short-term horizon. The analysis separates the impacts on those positions that affect the income statement from those that affect the equity accounts.

The scope and criteria for the development of stress tests are given by:

➔ Limitations of the methodological approaches used: these approaches intervene in the calculation of the shocks to be applied in the different scenarios and their limitations correspond to obtaining the shocked curves that are modeled from macroeconomic factors. Therefore, there is a tolerance margin of how this modeling of curves can be explained by macroeconomic factors.

➔ For liquidity stress scenarios, these are configured, on the one hand, by calibrating prices and system stress measures (monitor of market conditions), as well as short-term impacts (30 days and 90 days) on the structure balance.

➔ The market monitor is calibrated by estimating the price levels at which the stress scenario is estimated. In the case of historical scenarios, the basic argument is historical information and estimates of the impact of the crisis, while in the case of prospective scenarios, the analysis is based on the risks inherent to the banking industry, which are included with information to raise awareness of risk scenarios and vision is essential.

➔ On the other hand, the changes in the balance sheet structure are projected as stress scenarios, and in no case are the estimates based exclusively on historical measurements. Depending on the level of criticality of the estimated market conditions for each scenario, conservative estimates of leak rates and balance sheet movements are projected. In general, the higher the estimated criticality for each scenario, the higher the leakage rate associated with the sources of funding. In addition, depending on the characteristics of the depositor and the estimated stability of the deposits, the flight rates are modeled with different movements and sensitivities to stress scenarios.
➔ The bank's capacity to absorb potential losses is contained within the established risk appetite and the action plans that the bank has to modify its risk profile.

➔ Action plans: As a preventive financial measure, BCI constitutes the liquidity barrier, which represents the minimum level of liquid assets evaluated to ensure liquidity even in extreme illiquidity events, calibrated with the level of tension that the system evidences. In addition to the above, to take action in the face of any liquidity contingency, BCI has a Liquidity Contingency Plan, which meets with a liquidity contingency committee (CCL). The CCL must consider various sources of funds to face a liquidity crisis. The set of tentative actions, visualized before performing a risk scenario, may consider:

a) Subordinate trading portfolio to declarations of liquidity needs. The amount may vary according to the considerations of the committee, and the entire portfolio may be used for liquidity purposes in case of contingency.
b) Manage funding sources. Stimulate the raising of funds with adequate prices in the event of a contingency declaration.
c) Conditions to make FPL and Repos with the Central Bank. The Liquidity Sub-Management will manage, at its discretion, the use of facilities with the Central Bank of Chile.
d) Stimulate Sales with an agreement, Repo, and funding via TRS when feasible. Monitor assets to finance the contingency. Potential available monitoring of Barrier Papers, Monitoring of Liquid Assets issued abroad, in BCI, Miami Branch and City National Bank portfolios.
e) Use of local and international interbank lines. Costs and ease of use of the available lines will be evaluated.
f) Use window discount FED. Semi-annual monitoring of fund-raising capacity with FED window discount.
g) Sale of loan portfolio subject to evaluation by the contingency committee.

6.1. Scenario Analysis

The scenarios associated with the banking book seek to capture, through hypothetical, prospective or historical scenarios, the dynamics between nominal short-term and long-term rates and inflation (Real TPM). These effects are represented by shocks in the rates in the different time horizons, reflecting the variations in inflation expectations if they correspond to each scenario.

For their part, the trading book scenarios aim to capture movements in relative prices as a result of changes in expectations or flows in derivative instruments associated with differentials in external and internal rates that allow us to identify risk exposures outside the normal behavior of the portfolio.

At least 3 scenarios are established, which aim to measure the bank's exposure to stress situations observed at a global and/or systemic level. These were conceived based on expert opinion, historical crisis situations and developed with econometric techniques.

The proposed scenarios are:

I. Historical.
II. Adverse.
III. Dynamic.

I. Historical scenario

The mortgage default crisis in the US inevitably led to a counterparty crisis and severe liquidity shortages that had profound repercussions on the real economy and global financial markets.

Stock markets in the US fall more than 4%, Asian markets 5%, the most important markets in Europe fall an average of 3.3%, Brazil falls more than 7% and Argentina more than 5%, all this on the same day of the fall of Lehman Brothers.

Copper for its part falls 53%, WTI 50%, Japan 38%, Dow Jones 30%, and Chile 16%. All these 3 months after the fall.

In the 2 months following the fall of Lehman Brothers, the dollar rises 21% while the Euro strengthens against the dollar by more than 3% during the first week after the Lehman crash, although it ends up collapsing by more 12% during the first two months.

II. Adverse scenario

The pessimistic scenario is characterized by external and domestic impacts. Externally, there is a global recession (USA, Asia, Europe and Latam) accompanied by a lower demand for commodities. At the local level, there is a strong contraction (economic recession) in the construction, commerce, and mining sectors.

Commodity prices (copper price) plummet as a result of the global recession. World demand for Chilean exports decreases significantly, accelerating the external imbalance. Imports of capital goods fall sharply. The exchange rate depreciates significantly amid massive capital flight, generating inflationary pressures.

The labor market deteriorates, unemployment increases, salaried employment and wages fall sharply, the MPR (monetary policy rate) falls in the face of a smaller output gap and strong inflationary pressures. As a final consequence, the GDP contracts significantly throughout the stress scenario, converging to a lower growth rate in the long term.

III.* Dynamic *scenario

In this scenario, the most adverse historical shocks are faced with respect to the current rate structure, and monthly shock rate scenarios are defined. The period to be selected is the one that generates shocks at the 1% and 99% percentile.

The scenarios proposed for the liquidity stress tests are:

IV. Historical.
V. Adverse.
VI. Idiosyncratic.

IV. Historical Scenario

The determination of these is based on the use of historical data of the banking system obtained from the web page of the Financial Market Commission of Chile (CMF). The time series of the most relevant income and expense items of the balance sheets of the banks in the financial market, as well as off-balance sheet items, are used. To select the historical scenario, the result of applying the leakage rates of each scenario (each date) on the 30 and 90-day flows of the relevant balance sheet items used in the Liquidity Stress Exercise is calculated. The scenario selected will be the one that generates the highest net outflows (outflows minus revenues).

V. Adverse Scenario

The pessimistic scenario is characterized by external and domestic impacts. At the external level, there is a world recession (USA, Asia, Europe, and Latin America) accompanied by a lower demand for commodities. Locally, there is a strong contraction (economic recession) in the construction, trade, and mining sectors.

Commodity prices (copper prices) plummet as a result of the world recession. World demand for Chilean exports decreases significantly, accelerating the external imbalance. Imports of capital goods fall sharply. The exchange rate depreciates significantly amid massive capital flight, generating inflationary pressures.

The labor market deteriorates sharply, unemployment increases, salaried employment and wages fall sharply, the monetary policy rate (TPM) falls in the face of a smaller output gap and strong inflationary pressures. As a final consequence, GDP contracts sharply throughout the stress scenario, converging to a lower growth rate in the long run.

VI. Idiosyncratic Scenario

To develop the basis for BCI's idiosyncratic scenario, we opt for the analysis of a historical liquidity crisis triggered by non-systematic factors. This is because it is considered that the definition and simulation of idiosyncratic effects by themselves and independent of empirical impacts would require a series of assumptions that at an aggregate level could generate a series of validity problems such as the deterioration of the specification of the models used or the obtaining of insignificant or even infeasible results.

To carry out this work, we first analyze the background of the case of the Bank under Study, the reasons and impact of the crisis, and then we define the methodology to simulate the impacts that such a scenario would have if experienced by BCI according to its own characteristics.

6.2 Results and impacts

➔ **Market risk**

The following tables show the results of the banking and trading books, distinguishing the effects on the income statement from the effects on the bank's capital.

Summary of Banking Book results as of December 31, figures in millions of CLP
(Impacts are measured for the next 12 months)

Banking Book	Inflation	Reprice	PnL
Historical	(766)	(4,945)	(5,712)
Adverse	(2,858)	(4,102)	(6,959)
Dynamic Perc. 1%	(172)	7,011	6,839
Dynamic Perc. 99%	(771)	(6,923)	(7,694)

Summary of trading book results as of December 31, figures in millions of CLP
(Impacts are measured based on the duration of each scenario)

Trading	Income
Historical	(1,871)
Adverse	9,747
Dynamic Perc. 1%	3,493
Dynamic Perc. 99%	(6,198)

Balance Sheet - Trading Book	PnL
Historical	(2)
Adverse	3,249
Dynamic Perc. 1%	(973)
Dynamic Perc. 99%	(308)

Summary results portfolios Available for Sale as of December 31, figures in millions of CLP
(Impacts are measured based on the duration of each scenario)

Available for sale- Consolidated	Equity	Effect E/R (P&L)
Historical	(183,838)	82,118
Adverse	209,178	163,380
Dynamic Perc. 1%	113,232	-
Dynamic Perc. 99%	(123,072)	-

The effects on Equity correspond to movements in both discount rates and spread, corresponding to CEMBI. While the effects shown in results are directly related to the exchange rate risk in the investment portfolio.

Summary results Fair Value Hedges as of December 31, figures in millions of CLP
(Impacts are measured based on the duration of each scenario)

	Fair Value Hedge		
Fair Value Hedge	**Adjustment (P&L)**	**Rate (P&L)**	**Total**
Historical	-	(359)	(359)
Adverse	-	58,267	58,267
Dynamic Perc. 1%	-	34,035	34,035
Dynamic Perc. 99%	-	(35,830)	(35,830)

Fair Value hedges correspond to strategies to float the base risk of active bonds, whose interest rate is fixed, and its currency is foreign.

Summary of Bank portfolio results as of December 31, figures in millions of CLP
(Impacts are measured based on the duration of each scenario)

Scenario	**P&L**	**Equity**	**Total Economic**
Historical	(7,585)	(183,838)	(191,423)
Adverse	6,037	209,178	215,215
Dynamic Perc. 1%	9,359	113,232	122,591
Dynamic Perc. 99%	(14,200)	(123,072)	(137,272)

Effect on P&L	**Bank book**	**Trading book**	**Total P&L**
Historical	(5,712)	(1,873)	(7,585)
Adverse	(6,959)	12,996	6,037
Dynamic Perc. 1%	6,839	2,520	9,359
Dynamic Perc. 99%	(7,694)	(6,506)	(14,200)

Effect on Equity	**Bank Portfolio**	**Total Equity**
Historical	(183,838)	(183,838)
Adverse	209,178	209,178
Dynamic Perc. 1%	113,232	113,232
Dynamic Perc. 99%	(123,072)	(123,072)

Liquidity risk

The following tables show the results of the effects on the Bank's liquidity, in each of the scenarios:

Table # 5: Additional Needs of Funds for liquidity 30 and 90 days to December 31,
(Figures in Billions of CLP)

	Demand for Liquidity 30 days	**Demand for Liquidity 90 days**	**Available Liquid Assets**	**Liquidity Needs**
Historical	2,192	801	5,779	-
Adverse	2,158	875	5,416	-
Idiosyncratic	662	240	5,829	-

Survival Period: From the data obtained for the Bank's liquidity stress test, it can be observed that the survival period under the Historical and Idiosyncratic Scenario is less than 30 days. On the other hand, in case of the Pessimistic Scenario, the survival period is between 30 and 90 days.

7. OPERATIONAL RISK

Introduction

Bci has adopted the Basel Committee's definition of Operational Risk, which defines it as the "risk of loss resulting from inadequate or failed internal processes, personnel and systems or from external events". This definition includes technological risk and legal risk.

Operational risk is a risk inherent to all banking products and services, processes, and systems, therefore, the effective management of this risk is a fundamental element of Bci's risk management program.

Description of operational risk policies

Our Operational Risk Policy establishes the management framework for this risk, which contains the necessary elements for its governance, executed through the actions of different committees defined in this policy, which aim to build a robust culture for effective management; through the process of identifying and managing risk on an ongoing basis; measuring; defining strategies for its mitigation; reporting and operational risk culture, establishing clear roles and responsibilities based on the three lines of defense approach.

The principles of the policy are as follows:

- The Board of Directors and senior management promote the generation of a healthy risk culture in all Bci's operational risk collaborators.
- Bci has a framework for operational risk management consistent with the volume and complexity of its activities, which is implemented throughout the organization.

- Bci manages operational risk based on the three lines of defense approach, where all employees assume and understand their roles and responsibilities with respect to operational risk management.
- For Bci, operational risk management is a fundamental element for the achievement of the business strategy. By strengthening the internal control environment, we promote the generation and maintenance of safe, simple processes with effective controls to reduce losses, claims, operational and technological incidents, improve the customer experience, and protect Bci Corporation's assets and reputation.

The policy considers the guidelines and requirements established by the Financial Market Commission and the recommendations of the Basel Committee regarding good operational risk management practices.

Operational risk management structure

The Bank manages its operational risks on a day-to-day basis and makes decisions with a solid Corporate Governance structure as follows:

Committees formed by Directors:

- Executive Committee of the Board of Directors: responsible for approving operational risk policies that address the relative importance of operational risks considering the volume and complexity of operations and approval of the Operational Risk Appetite.
- Finance and Corporate Risk Committee, responsible for monitoring the levels of Bci's different operational risks.
- Directors' Committee: takes cognizance of significant operational risks detected by the Comptroller's Office, third line of defense, Non-Financial Risk Management, External Auditors, or other sources, and is informed of the action plans or measures that have been defined or are being implemented to mitigate them. Analyzes reports on inspection visits, instructions and presentations made by regulatory agencies related to Operational Risk.

Committees formed by Senior Management:

The committees formed by the General Manager and/or first level managers reporting to the General Manager that have a direct relationship in the management of operational risk are as follows:

- Operational Risk and Information Security Committee. This committee is chaired by Bci's Chief Executive Officer and is responsible for operational risk strategy and management in the Bank and its subsidiaries.
- Operational Risk and Information Security Committees specific to risk management in each line of business. There are 4 separate committee sessions for the Finance Division, Wholesale Banking, Retail Banking and MACH. Each of these committees is chaired by the respective first level Manager reporting to the General Manager of these four Business and Support Units, who is responsible for operational risk management in each Business.

Committees specializing in the management of specific operational risks

The purpose of these committees is the specific and specialized management of operational risks:

- Information Security and Cybersecurity Committee: Committee responsible for the governance of the information security and cybersecurity management system, made up of representatives from various areas of the Bank, who ensure that the regulatory framework is kept up to date with new risks and threats, the implementation and monitoring of the security manual and compliance with specific policies and information security and cybersecurity program.
- Risk Management Committee for Outsourced Services: Committee responsible for the governance of operational risk management in services provided to third parties and strategic suppliers.
- Corporate Business Continuity Risk Committee: Committee responsible for the governance of business continuity management, disaster recovery plan and crisis management.
- New Products Committee: Committee responsible for risk analysis in new initiatives and the launch of products and services with identified and controlled risks.

Operational risk management in subsidiaries

With respect to operational risk management in the subsidiaries, the operational risk work methodologies have been continuously reinforced with the risk management teams of the Bank's subsidiaries, who execute the risk management program in each subsidiary with an independent corporate governance, coordinated and aligned with the policies, risk appetite framework and corporate risk governance.

Non-Financial Risk Management

It is responsible for designing policies, programs, and methodologies for the adequate management of non-financial risk, understood as the different types of operational risks and compliance risks, among which are the prevention of money laundering and regulatory risks. The role of this management is to mobilize the execution of the activities of this risk management program, measure and monitor the level of risk independently from the first line. Responsible for the development of governance committees and the reporting of risk levels.

Non-Financial Risk Management is actively involved in:

— **Operational Incident Management.**

The Bank has systems, procedures, organization, and governance in place to identify operational incidents, assess their impact, mitigate their effects, monitor security and operations, and report them in a timely manner. Incidents are a source of root cause analysis and implementation of improvement plans, which are shared with the CMF.

— **Information Security and Cybersecurity**

The Bank has an information security and cybersecurity strategy based on industry best practices that is supported by a comprehensive management program, whose main component is the general information security policy approved by the Executive Committee of the Board of Directors and reviewed annually, complemented by a regulatory body of specific control regulations, a security culture program aimed at employees, customers and suppliers, continuous vulnerability analysis and ethical hacking programs, and an organization made up of specialized areas in the Bank's three lines of defense, oriented to the operation of security controls and the specialized management of these risks.

The information security and cybersecurity strategy contemplate the execution of various initiatives and investments to strengthen the technological infrastructure, team training and specific cybersecurity operation and monitoring processes, aimed at preventing, detecting, and stopping cyber-attacks on the bank and its subsidiaries.

— **Business continuity and crisis management**

The business continuity and crisis management strategies developed during the last few years have been consolidated, adding new risk scenarios, and increasing the coverage of the plan to different units that need to maintain the continuity of their services in the event of contingency scenarios.

The Bank is permanently working on strengthening its business continuity plan and on training the teams that make up the contingency and crisis management teams. The coverage of the plan has increased according to the Bank's requirements, including the processes that require it according to their criticality.

— **Fraud Prevention**

This function is responsible for implementing a corporate fraud prevention strategy, both internal and external, to protect the assets of our clients and the Bank, as well as the reputation and image of BCI. To this end, processes, technologies, methodologies, and models have been reinforced to make optimal decisions in real time, to prevent and anticipate emerging and sophisticated fraud risks, as well as activities have been carried out to reinforce the culture and adherence to the ethical framework for the good performance of the Bank's employees and its subsidiaries.

— **Operational risk management in outsourced services**

The Non-Financial Risk Management has a risk management program for outsourced services for the Bank, the purpose of which is to identify and manage in a timely manner the risks that may exist in a process to be contracted or contracted to a third party. This management is carried out during the entire life cycle of the outsourced service, that is, from the time the service is contracted until the contractual relationship is terminated. Depending on the risks identified, decisions are taken to keep the risks within acceptable levels for BCI.

— **Insurance**

BCI Corporation has risk mitigation programs through insurance policies that transfer the risk of high-severity losses.

— **Security procedures and controls**

The Corporation has adequate security controls for the physical protection of cash, negotiable instruments, precious metals, and client assets.

— **Prevention of Money Laundering and Financing of Terrorism**

The objective of the "Prevention of Money Laundering and Financing of Terrorism" program is to ensure full compliance with all applicable regulations on these matters, both in Chile and in all countries where Bci operates, thus preventing the Corporation from being used by third parties to launder funds derived from illegal or criminal activities, or to facilitate the transfer of funds for the purpose of financing terrorist operations.

Regulatory Risk Prevention:

— **Crime prevention program**

Bci has a crime prevention program certified by an independent organization, established in accordance with the provisions of Law No. 20,393 on Criminal Liability of Legal Entities, which establishes a corporate organization to prevent the commission of these and other crimes by some of the members of Bci. Therefore, it seeks to prevent and avoid the commission of behaviors described in this regulation and to guarantee that, in the event that any employee engages in any of these behaviors, he/she will do so not only in contradiction with the corporate culture, but also in spite of the efforts made by the company to prevent it.

— **Program for the Protection of Free Competition**

The objective of the Program for the Protection of Free Competition is to avoid anti-competitive practices, which are established in DL 211, because they can delay the development of new goods and services, the efficient allocation of resources, the adequate satisfaction of needs, and the participation of new and better suppliers of goods and services in the different markets.

— **Regulatory Management**

Bci carries out all its activities in strict compliance with the applicable regulations, both external and internal, in all countries and jurisdictions in which it operates. To this end, there is a continuous process of review of new external regulations for their incorporation into the internal regulatory framework.

Event type	Gross loss	Recovery	Net Loss
Internal fraud	(178)	37	(141)
External fraud	(8,526)	2,687	(5,839)
Labor practices and business safety	(1,029)	10	(1,019)
Customers, products and business practices	(1,658)	46	(1,612)
Damage to physical assets	(342)	142	(200)
Business interruption and system failures	(352)	173	(179)
Process execution, delivery and management	(6,102)	129	(5,973)
Totals	**(18,187)**	**3,224**	**(14,963)**

8. CREDIT RISK

a) Credit risk structure

Credit risk is defined as the probability that a given counterparty will not be able to repay the resources delivered by the creditor institution under the originally agreed conditions, resulting in the loss of part or all the amount loaned or agreed interest. This breach may be due to capacity, disposition, transferability, or convertibility.

Likewise, there are sub-risks that arise from contractual conditions with customers, but which were not necessarily generated by a monetary disbursement from Bci. In short, credit risk is the sum of payment risk, contingent risk, market and counterparty risk, *overnight position* risk and *settlement risk* .

The Bank assumes the entire credit risk while the obligation of the client or counterparty is in force. The risk is extinguished with the full payment of principal, interest, and readjustments.

Credit risk governance

At Banco BCI, credit risk governance is determined by the interaction of the various areas, as well as by the instances in which the Board of Directors and Senior Management participate. The main roles and responsibilities in the field of credit risk governance are as follows:

Executive Committee of the Board of Directors: The Board of Directors, through this body, is responsible for approving general risk policies; reviewing and approving credit operations submitted to its resolution; approving credit and risk policy manuals; determine the resources that will be allocated periodically to provisions and penalties.

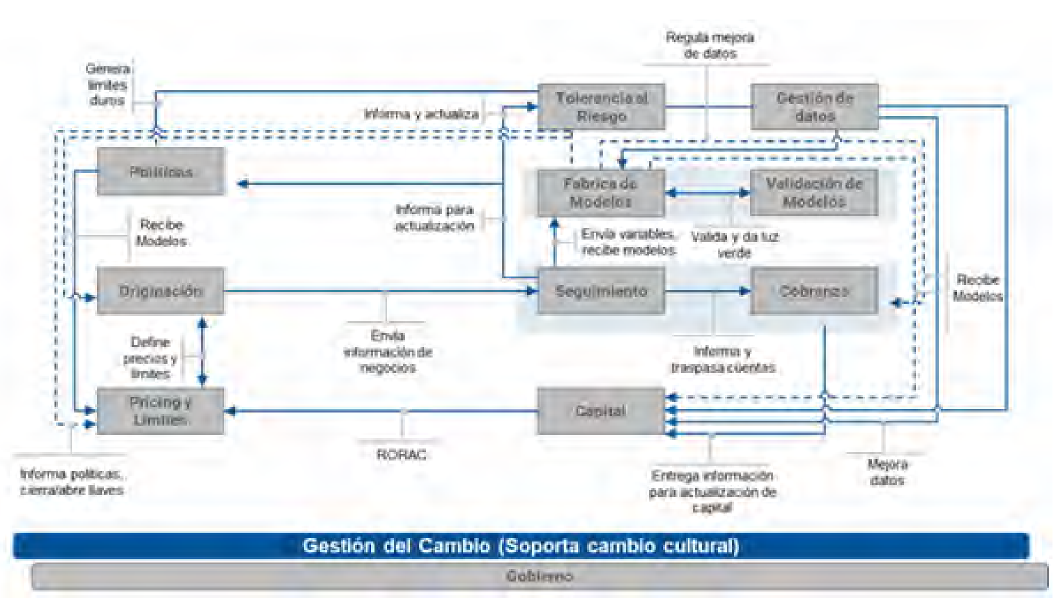
Finance and Corporate Risk Committee: Committee in which the directors participate and whose objective is to monitor and control the credit risk profile and periodically monitor the evolution of adherence to risk tolerance, analyze the proposed measures when they reach critical levels and requests that the pertinent measures be adopted to prevent the limits established for such ratios from being exceeded.

Credit Risk Management: Reports to the Corporate Risk Management and has the following objectives and responsibilities; execute the origination process under the tolerance framework and risk policies, collaborate with commercial teams in business configuration, monitoring of debtors, raising early warnings (visits, financial information, behavior, etc.) and execution of strategies defined.

Credit resolution instances: The Bank has structured its credit approval process based on personal and non-delegable credit powers granted by the Board of Directors. Based on these credit faculties, the operations are approved at the different levels of the Administration, always requiring the concurrence of two executives with faculties.

As the amount of the operation increases, it is approved by pairs of senior executives from both the commercial and risk areas and senior management committees, up to the highest instance that corresponds to the Executive Committee of the Board of Directors.

Below you can see a matrix scheme of the main functions of credit risk:



The credit risk environment is a continuous process in which various areas interact, whose functions are intertwined for the development of a governance and management chain.

__**Main equipment and its functions**__

Commercial teams / Risk Strategy: they evaluate and establish the initial credit configuration of the customers in accordance with the current policy framework. They are also responsible for collecting and validating information for credit evaluation and entry into the systems; resolve or recommend credit operations within the framework of its powers and the level of risk; verify course documentation and approval conditions; give permanent follow-up and ensure the adequate qualification of its portfolio.

Origination Risk: responsible for the execution and permanent optimization of the origination process, under the framework of tolerance, policies, and appetite for risk. This team must resolve or recommend credit operations within the framework of its powers and their risk level; ensure and execute an adequate integration to the monitoring and collection process; participate in the Strategic Risk, Tolerance, and Model Risk Councils and Credit Committees.

Policies: responsible for the administration, drafting, renewal and adherence control of the Bank's policies. Credit policies are presented and authorized annually by the board of directors.

Monitoring: responsible for monitoring the portfolio and its debtors, as well as adherence to risk strategies.

Rating: its function is to properly interpret the rating regulations for individual portfolio customers and ensure their correct application in the Bank. Likewise, the team must ensure the correct constitution of provisions for the individual portfolio.

Prosecutor's Office: it is responsible for informing companies and powers of attorney of customers, legal entities, to act. You must generate documentation that allows the legal support of the operation courses (promissory notes, credit applications, etc.); report guarantees and prepare the necessary documentation and the correct constitution when appropriate.

Collection: its function is to monitor and execute collection processes for customers with high delinquency.

Model Factory: responsible for developing risk models to leverage comprehensive credit process decisions (origination, monitoring, and collection) and in all customer segments (Individuals, SMEs, and Wholesale & Investment Banking). Likewise, it must generate models for the management of non-financial risks, among which the prevention of asset laundering and operational risk management stand out. Likewise, the area is responsible for managing risk data.

Comprehensive model risk management: unit that carries out independent controls and tests to ensure that the models built for credit risk management meet the desired standards and the purpose for which they were designed. Likewise, it has the role of certifying the models associated with provisions for credit loss.

Operations (ACA): responsible for ensuring that operations are processed in accordance with the criteria approved by the credit solver, validating, among other things, the validity, the margins, and the conditions.

Exploitation of policies: area responsible for the margin loading processes and owner of the limit control systems.

b) Credit risk measurement methodologies

In accordance with the provisions of Chapter B1 of the Compendium of Accounting Standards for Banks, banks must permanently evaluate their portfolio of loans and contingent loans, to timely establish the necessary and sufficient provisions to cover the expected losses associated with the characteristics of debtors and their credits, which determine payment behavior and subsequent recovery.

The Bank has a series of models that are applied depending on the type of portfolio and operations. These models are approved by the Board of Directors, who is informed annually of the sufficiency of provisions. In accordance with the standard, the provision models are divided into individual portfolio or group portfolio models. These models, as well as other management models, are managed through a mature governance structure, whose components are:

- Policies and Regulations: clearly establish the roles and responsibilities of each unit involved in this process. The guiding principles are control by opposition and the fact that management is based on three lines of defense. These policies and regulations also establish the approval routes of the models according to their inherent risk.

- Collegiate Structures: The different councils that officiate as approval instances, as well as where corrective and alignment measures are taken to guarantee the correct management of the risk implicit in the use of models are: The Technical Council of Models, the Council of Risk of Models, the Management Committee, and the Executive Committee (Board of Directors). The instances necessary for approval are determined by the Inherent Risk of the model to be approved.

- Units participating in Model Management are divided into three lines of defense:

  - First Line: This line includes the teams that develop analytical solutions, monitor the implemented models, deploy said solutions (IT) in the Bank's systems, and the business units that use said results and integrate them into management. Its objective is to ensure the transparency and sustainability of the model throughout its life cycle.
  - Second Line: in this line is the Validation Unit, which with independent tests (proportional to the inherent risk of the model) ensures that the model was estimated without flaws and that it has an adequate methodological approach. It is concerned with carrying out tests to ensure the correct functioning of the model once it is productive, as well as compliance with the internal regulatory framework. Its goal is to challenge designed solutions.
  - Third Line: this function is performed by the Comptroller, it is responsible for ensuring that both the first and second lines adhere to the declared management framework, as well as the directions of the Regulator and internal policy.

c) Credit risk appetite

The risk appetite framework establishes the limits within which Management must execute the strategy and conduct the Corporation's business, optimizing the risk-return relationship. Through this, the aim is to understand the risks to which the Bank and its subsidiaries are exposed to manage them proactively.

The conceptual framework of the risk appetite is defined based on the following elements: (1) Corporate risk tolerance statement, (2) Governance and monitoring of risk tolerance ratios and (3) Incorporation of the risk appetite in the key processes.

Having a risk appetite framework makes it possible to ensure prudent and efficient risk taking and helps to conduct the strategy, through regular and systematic analysis of the evolution of material risks and timely communication of the risk profile to the High Administration and Directory.

Different areas and committees of the Bank and its subsidiaries participated in the survey of risks and in the definition of the guiding principles and the dimensions and metrics for their control.

The review of the appetite framework is a process that takes place annually, in accordance with the best practices and main risks present in the Bank and the financial system. Through this process, areas and dimensions of risk are identified, as well as emerging risks (based on the risk identification and assessment process).
Additionally, there is a monthly follow-up and monitoring process of risk appetite ratios, where the following activities are distinguished:

- Monitoring, review, and consolidation of risk tolerance reports of the Bank and subsidiaries.
- Review and monitoring of action plans associated with ratios at risk.

- Sending of results report to risk owners.
- Monthly monitoring report of risk appetite ratios to the Risk Appetite Council and the corresponding executive-level committees (Profitability and Capital Adequacy Committee, Operational Risk Committee, Assets and Liabilities Committee, among others)
- Submission of monthly appetite report to the Management Committee (CDD) and Directors.
- Presentation of the status of corporate risk appetite and the status of current plans in the Finance and Risk Committee.

Figure N° 1: Monthly follow-up scheme and monitoring of risk tolerance ratios

The material risks managed under the appetite framework are as follows: Credit, market and counterparty, liquidity, operational, compliance, strategic, capital adequacy, reputational, models and ESG risk.

In the case of credit risk, they correspond to the economic losses assumed by the Bank and its subsidiaries as a result of non-compliance with the contractual obligations assumed by the counterparties. It is the most relevant risk for the Bank and its subsidiaries, its full and detailed understanding is essential for proper performance.

Compliance with the credit limit for related debtors according to Art.84 No. 2 of the General Law of Banks and RAN 12-4

In accordance with article 84 of the General Bank Law, the relationship of related debtors that affects both natural and legal persons with the Bank occurs when:

a) Has a direct, indirect or through third party participation in the property of the institution greater than or equal to 5% of the capital.
b) Participates in the management of the entity: corresponding to those people who, without necessarily having an ownership interest, exercise some degree of control over the decisions of the entity or any of its subsidiaries. Directors, the general manager, the assistant general manager, managers and assistant managers, agents, and persons who are general attorneys-in-fact or serve as advisers to the board of directors, a committee of directors, or management, such as also the prosecutor, the chief lawyer, and the comptroller.

The global limit for all loans granted to groups of people related to the Bank by ownership or management as of December 31, 2022, is 6.06%.

Indicator Name	Regulatory Limit	Dic-22 % On Equity	Dic-22 MCh$
Total exposure related by management or ownership	100%	6.49%	377,756
Maximum group exposure related to management or ownership (Not Collateralized)	5%	2.17%	135,113

e) Collateral Guarantees and other credit enhancements obtained

The maximum exposure to credit risk is reduced by guarantees, credit enhancements and other actions that mitigate the Bank's exposure. Therefore, the constitution of guarantees in favor of the Bank is a necessary mechanism, but not sufficient for the granting of a loan; therefore, the acceptance of the risk by the Bank will require the verification of other variables such as the payment capacity or generation of resources to mitigate the risk incurred.

The Bank has robust procedures for the management and valuation of its collateral guarantees, for which it has internal regulations, approved by the Corporate Risk Management.

The BCI appraisal process is described below:

The appraisal value corresponds to the value assigned to the asset to receive it as collateral, at the time the appraisal is requested, at a current market value, added to the risks of possible price fluctuations and difficulties in disposing of the asset in the event of having to be liquidated, due to default by the debtor.

Therefore, the value obtained by the appraiser is given by taking into account the different records compiled for its evaluation, taking into account the real transaction values, "offer value according to the market", as well as complementary records of leases or manufacturing of goods. similar characteristics and conditions, existing in the market at the time of appraisal, excluding considerations based on mere expectations regarding the improvement of future conditions.

Appraisal Methodology

The Bank uses various methodologies to determine the value of the appraisal, such as the comparative method or market value, depending on the type of asset to be appraised.

Regardless of the valuation method used, the so-called "settlement value" will be generated, which will consider adjustments to the value of the collateral asset to incorporate in it some of the following aspects, which could affect its value in the future:

- Expected depreciation or obsolescence
- Price Fluctuation Risk
- Execution expenses and marketing costs
- Economic, social, health or war crisis.

Types of guarantees

The guarantees can be grouped between real guarantees and personal guarantees, within the first ones are:

- Property

They are things that cannot be transported from one place to another, such as land, for example, things or objects that adhere permanently, to which they cannot be transported, such as solid material buildings, bridges, sewers, are also considered real estate. , wells, tunnels, aqueducts, etc.

- Movable property

Under this denomination, transferable assets such as machinery, vehicles or any other asset of the company that does not comply with being real estate are understood.

- financial guarantees

They correspond to representative documents of value such as term deposits, pledges on mutual funds, stand-by credit letter or other financial instruments whose issuers are recognized by the CMF.

The so-called personal guarantees include guarantees and solidarity bonds granted by natural or legal persons to support credit operations of third parties.

NOTE 48 – INFORMATION ON REGULATORY CAPITAL AND CAPITAL ADEQUACY RATIOS

a) Regulatory capital strategy and objectives

The management of the Bank's regulatory capital seeks to ensure: (i) a level of capital adequacy in the short, medium, and long term, (ii) a profitability commensurate with the risks assumed by the business units, (iii) compliance with strategic financial objectives and (iv) compliance with internal limits and the regulatory framework.

To this end, the main ratios and metrics associated with capital management are periodically generated, analyzed, and reported to the relevant governing bodies (Profitability and Capital Adequacy Council, Executive Committee and Board of Directors) and the necessary action plans are drawn up.

BCI defines its capital management objectives considering the level of effective equity that the entity considers necessary to maintain both now and, in the future, formally contemplated in its capital planning process and that is consistent with the risks inherent to its activity. to the economic environment in which it operates, its governance, risk management and control systems, its strategic business plan, the quality of the available assets and the real possibilities of obtaining greater own resources.

As of December 2022, according to the transitional provisions applicable to the systemic charge (and without applying them to the conservation buffer), the minimum regulatory capital requirement is 10.88%.

Banco Bci's minimum capital requirements as of December 22 under Basel III guidelines:

	Capital CET1	Capital T1	Capital T2	Total Regulatory Capital
Pillar I	4.50	1.50	2.00	**8.00**
Pillar II	0.00	0.00	0.00	**0.00**
Systemic charge (1)	0.38	0.00	0.00	**0.38**
Conservation buffer (2)	2.50	0.00	0.00	**2.50**
Countercyclical buffer	0.00	0.00	0.00	**0.00**
Total	**7.38**	**1.50**	**2.00**	**10.88**

(1) Systemic charge: considers the gradual incorporation (25% as of December 22) of the total charge of 1.50% of core capital with respect to total risk-weighted assets, as established in the transitory provisions defined in chapter 21-11 of the RAN.

(2) Transitional provisions for the conservation buffer are not considered, considering that they do not apply to compliance with the conditions required in chapter 1-13 of the RAN to maintain an A solvency rating.

b) Policies and processes for capital management

To achieve the objectives, regulatory capital management will be articulated based on the following essential elements, in line with chapter 21-13 of the RAN on the evaluation of the sufficiency of effective equity of banks:

Identification and evaluation of risks: Senior Management must perform the corporate risk identification and evaluation process to assess the material risks to which the Bank and its subsidiaries are exposed.

Tolerance framework: There must be a tolerance framework that ensures the conduct of business within the established and approved risk ranges. The most relevant risks must have limits and regular monitoring by Senior Management.

Determination of an internal capital objective: The Bank must establish an internal capital objective higher than the minimum requirements established in article 66 of the LGB, which will be approved by the Board of Directors.

Stress tests: There must be a corporate stress testing program that identifies possible vulnerabilities and allows analysis of the ability to generate results and the adequacy of capital under severe, low probability but plausible scenarios. Additionally, the bank must have capital recovery plans that allow it to meet the target solvency levels.

Corporate strategic planning and monitoring process: The strategic planning process must be developed continuously considering a reflection and adaptation of the strategy, the prioritization of resource allocation, the definition of financial planning with a prospective vision, the setting of goals and the monitoring of strategic objectives.

Monitoring and follow-up: Adequate monitoring and follow-up systems must be established for risk assessment that allow effective supervision of compliance with business plans and determine how the incidence of changes in the risk profile could translate into capital requirements. additional.

Internal control: The internal control structure is a fundamental part of the capital evaluation process. Effective control over the capital evaluation process must incorporate an independent review, and when required, the involvement of internal auditors and/or an external audit firm.

c) External capital requirement

Bci manages the capital considering the definition of articles 66, 55 and 55bis of the LGB and chapter 21-1 of the RAN on equity for legal and regulatory purposes and is made up of basic capital (common equity tier 1 capital or CET1) , additional tier 1 capital (AT1) and tier 2 capital (T2).

The CET1 corresponds to subscribed and paid shares plus the other items that are part of the accounting equity of the banks, with a floor of 4.5% of the RWA.

AT1 is defined in chapter 21-2 of the RAN and corresponds to preferred shares and bonds without a fixed maturity date, subordinated to T2 and subject to capitalization, depreciation and re-appreciation or expiration, depending on the issuance conditions. The LGB imposes a floor of 6% of the RWAs for Tier 1 capital (CET1+AT1).

T2 is made up of fixed-term bonds, subordinated to other obligations, for up to 50% of CET1, plus voluntary provisions (whatever exceeds the specific ones) for up to 1.25% of APRC, net of required provisions, when the banks use standardized methodologies to calculate the denominator, or 0.625%, in the case of using their own methodologies.
The regulatory minimum effective equity is not the same for all banks in the system, but rather depends on their systemic importance (systemic charge) and their strategic objectives (pillar 2).

On top of this specific minimum for each bank, basic capital buffers are added to deal with stress situations: the conservation buffer and the countercyclical buffer. The regulatory limits established in the LGB will be measured at the global consolidated level and at the local consolidated level.

As of December 31, 2022, total assets, risk-weighted assets, and components of effective equity are as follows:

No.	Item Description	Global Consolidated 12-31-2022 MCh$	Global Consolidated 12-31-2021 MCh$	Local Consolidated 12-31-2022 MCh$	Local Consolidated 12-31-2021 MCh$
1	Total assets according to the statement of financial position	78,049,118	69,158,636	58,277,063	52,448,910
2	Investment in subsidiaries that are not consolidated	-	-	1,761,674	1,881,577
3	Assets discounted from regulatory capital, other than item 2	155,234	176,582	19,607	40,132
4.a	Financial derivatives	8,559,504	6,781,525	8,485,450	6,731,019
4.b	Credit Equivalents	2,263,520	1,558,625	2,151,182	1,531,140
5	contingent loans	4,949,466	4,123,157	3,914,248	3,455,537
6	Assets generated by the intermediation of financial instruments	-	-	-	-
7	**= (1-2-3-4a+4b+5-6) Total assets for regulatory purposes**	**76,547,366**	**67,882,311**	**54,075,762**	**48,782,859**
8.a	Assets weighted by credit risk, estimated according to the standard methodology (APRC)	41,060,729	36,365,384	28,234,753	26,083,475
8.b	Assets weighted by credit risk, estimated according to internal methodologies (APRC)	-	-	-	-
9	Assets weighted by market risk (APRM)	3,782,050	3,998,066	3,449,848	2,812,074
10	Assets weighted by operational risk (APRO)	3,749,857	2,926,335	3,102,351	2,427,111
11th	**= (8.a/ 8.b +9+10) Risk-Weighted Assets (APR)**	**48,592,636**	**43,289,785**	**34,786,952**	**31,322,660**
11.b	**= (8.a/ 8.b +9+10) Risk-weighted assets, after applying the output floor (APR)**	**48,592,636**	**43,289,785**	**34,786,952**	**31,322,660**
12	owners' assets	4,775,478	4,500,076	4,775,478	4,500,076
13	Non-controlling interest	1,323	1,400	2	2
14	Goodwill	155,234	176,582	19,607	40,132
15	Excess minority investments	-	-	-	-
16	**= (12+13-14-15) Common Equity Tier 1 Capital (CET1)**	**4,621,567**	**4,324,894**	**4,755,873**	**4,459,946**
17	Additional deductions to ordinary capital level 1, other than item 2	56,123	-	43,003	-
18	**= (16-17-2) Common Equity Tier 1 (CET1)**	**4,565,444**	**4,324,894**	**2,951,196**	**2,578,369**
19	Voluntary provisions (additional) imputed as additional capital level 1 (AT1)	-	99,552	-	68,325
20	Subordinated bonds imputed as additional capital level 1 (AT1)	242,963	333,346	173,935	244,901
21	Preferred shares allocated to additional tier 1 capital (AT1)	-	-	-	-
22	Bonds without a fixed term of maturity imputed to additional capital level 1 (AT1)	-	-	-	-
23	Discounts applied to AT1	-	-	-	-
24	**= (19+20+21+22-23) Additional tier 1 capital (AT1)**	**242,963**	**432,898**	**173,935**	**313,226**
25	**= (18+24) Capital level 1**	**4,808,407**	**4,757,792**	**3,125,131**	**2,891,595**
26	Voluntary provisions (additional) imputed as Tier 2 capital (T2)	415,022	250,591	352,934	258,775
27	Subordinated bonds imputed as Tier 2 capital (T2)	1,071,278	839,096	1,140,306	927,540
28	**Equivalent tier 2 capital (T2)**	**1,486,300**	**1,089,687**	**1,493,240**	**1,186,315**
29	Discounts applied to T2	-	-	-	-
30	**= (28-29) Tier 2 capital (T2)**	**1,486,300**	**1,089,687**	**1,493,240**	**1,186,315**
31	**= (25+30) Effective equity**	**6,294,707**	**5,847,479**	**4,618,371**	**4,077,910**
32	**Additional basic capital required for the constitution of the conservation buffer**	-	-	-	-
33	**Additional basic capital required to set up the countercyclical buffer**	-	-	-	-
34	**Additional basic capital required for banks qualified as systemic**	-	-	-	-
35	**Additional capital required for the evaluation of the adequacy of effective equity (Pillar 2)**	-	-	-	-

No.	Item Description	Global Consolidated 12-31-2022 %	Global Consolidated 12-31-2021 %	Local Consolidated (f) 12-31-2022 %	Local Consolidated (f) 12-31-2021 %
1	Leverage Indicator (T1_I18/T1_I7)				
1.b	Leverage indicator that the bank must meet, considering the minimum requirements	5.96	6.37	5.46	5.29
2	Basic capital indicator (T1_I18/T1_I11.b)				
2.a	Common Equity Tier 1 capital indicator that the bank must meet	9.40	9.99	8.48	8.23
2.b	Capital buffer shortfall	0.00	0.00	0.00	0.00
3	Tier 1 capital indicator (T1_I25/T1_I11.b)				
3.a	Level 1 capital indicator that the bank must meet, considering the minimum requirements	9.90	10.99	8.98	9.23
4	Effective equity indicator (T1_I31/T1_I11.b)				
4.1	Effective equity indicator that the bank must meet, considering the minimum requirements	12.95	13.51	13.28	13.02
4.b	Effective equity indicator that the bank must comply with, considering the charges for article 35 bis, if applicable	0.00	0.00	0.00	0.00
4.c	Effective equity indicator that the bank must meet, considering the minimum requirements, the conservation buffer, and the cyclical buffer	0.00	0.00	0.00	0.00
5	Solvency rating (Level A, B or C)	A	A	A	A
	Regulatory compliance indicators for solvency				
6	Voluntary provisions (additional) imputed in Tier 2 capital (T2) in relation to APRC (T1_I26 /(T1_I8.a or 8.b))	1.01	0.69	1.25	0.99
7	Subordinated bonds imputed in capital level 2 (T2) in relation to basic capital	23.46	19.40	38.64	35.97
8	Tier 1 additional capital (AT1) in relation to basic capital (T1_I24/T1_I18)	5.32	10.01	5.89	12.15
9	Voluntary provisions (additional) and subordinated bonds that are charged to additional tier 1 capital (AT1) in relation to RWAs ((T1_I19+T1_I 20)/ T1_I11.b)	0.50	1.00	0.50	1.00

NOTE 49 – SUBSEQUENT EVENTS

At the Extraordinary Shareholders' Meeting of January 31, 2023, the shareholders of Banco BCI Perú agreed to make a capital increase of which the Bank contributed MCh$4,865. On February 16, 2023, a new capital increase was agreed upon, of which the Bank contributed MCh$9,526. The Bank continues to hold interest of 99.99%.

At the Extraordinary Shareholders' Meeting of February 17, 2023, the shareholders of Servicios Financieros y Administración de Créditos Comerciales agreed to a make capital increase of which the Bank has contributed MCh$53,991.

Between January 1, 2023, and the date of issuance of these Consolidated Financial Statements, there have been no other subsequent events that may affect the presentation of these Consolidated Financial Statements.

Alfredo Mendoza Osorio Chief Accounting Officer	Eugenio Von Chrismar Carvajal Chief Executive Officer

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