Interim Consolidated Financial Statements

As of March 31, 2023 and December 31, 2022 and for the periods ended March 31, 2023 and 2022

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BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
March 31, 2023 and December 31, 2022
(In millions of Chilean pesos - MCh$)

	Note	March 31, 2023 MCh$	December 31, 2022 MCh$
ASSETS			
Cash and bank deposits	7	**4,540,584**	**4,256,396**
Transactions in the course of collection	7	**883,029**	**404,209**
Financial assets held for trading at fair value through profit or loss		**7,652,580**	**7,680,615**
Financial derivative contracts	8	6,865,320	6,770,653
Debt financial instruments	8	707,142	770,101
Other	8	80,118	139,861
Financial assets not held for trading mandatorily measured at fair value through profit or loss	9	**60,604**	**71,282**
Financial assets at fair value through profit or loss	10	**-**	**-**
Financial assets at fair value through other comprehensive income		**10,367,898**	**10,477,361**
Debt financial instruments	11	10,367,898	10,477,361
Other	11	-	-
Financial derivative contracts for accounting hedge	12	**1,730,864**	**1,788,851**
Financial assets at amortized cost		**49,149,285**	**49,830,891**
Rights for reverse repurchase agreements and securities lending	13	203,179	182,061
Debt securities	13	3,552,388	3,581,998
Loans and advances to banks	13	620,753	767,700
Loans and receivables from customers - Commercial	13	28,933,840	29,276,944
Loans and receivables from customers - Mortgage	13	12,777,055	12,809,381
Loans and receivables from customers - Consumer	13	3,062,070	3,212,807
Investments in companies	14	**138,248**	**175,736**
Intangible assets	15	**395,431**	**411,009**
Property and equipment	16	**244,809**	**249,105**
Right-of-use assets	17	**154,526**	**152,886**
Current tax assets	18	**187,060**	**138,066**
Deferred tax assets	18	**468,875**	**482,714**
Other assets	19	**1,695,357**	**1,895,064**
Non-current assets and disposal groups held for sale	20	**37,225**	**34,934**
TOTAL ASSETS		**77,706,375**	**78,049,119**

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
March 31, 2023 and December 31, 2022
(In millions of Chilean pesos - MCh$)

	Note	March 31, 2023 MCh$	December 31, 2022 MCh$
LIABILITIES			
Transactions in the course of payment	7	**1,054,684**	**330,138**
Financial liabilities held for trading at fair value through profit or loss	21	**6,372,313**	**6,584,736**
Financial derivative contracts	21	6,372,313	6,584,736
Other	21	-	-
Financial liabilities designated at fair value through profit or loss	10	**-**	**-**
Financial derivative contracts for accounting hedge	12	**2,744,407**	**2,590,468**
Financial liabilities at amortized cost		**58,684,715**	**59,760,444**
Deposits and other on-demand liabilities	22	23,108,933	24,122,165
Deposits and other term deposits	22	18,831,749	18,245,965
Liabilities for repurchase agreements and securities lending	22	908,246	384,883
Bank borrowings	22	6,534,132	6,661,071
Debt financial instruments issued	22	7,879,873	8,107,260
Other financial liabilities	22	1,421,782	2,239,100
Lease liabilities	17	**140,146**	**136,448**
Regulatory capital financial instruments issued	23	**1,525,112**	**1,499,299**
Provisions for contingencies	24	**151,360**	**227,716**
Provisions for dividends, payment of interests and revaluation of regulatory capital financial instruments issued	25	**297,519**	**246,247**
Special provisions for credit loss	26	**487,511**	**491,055**
Current taxes	18	**29,262**	**17,493**
Deferred taxes	18	**2,364**	**1,612**
Other liabilities	27	**1,437,381**	**1,386,662**
Liabilities included in disposal groups held for sale	20	**-**	**-**
TOTAL LIABILITIES		**72,926,774**	**73,272,318**
EQUITY			
Share capital	28	**4,225,332**	**4,225,332**
Reserves	28	**(26,640)**	**(26,640)**
Accumulated other comprehensive income	28	**(114,605)**	**2,211**
Items that will not be reclassified to profit or loss	28	(78)	(182)
Items that may be reclassified to profit or loss	28	(114,527)	2,393
Retained earnings from prior years	28	**820,822**	**-**
Profit for the year	28	**170,910**	**820,822**
Less: Provisions for dividends, payment of interests and revaluation of regulatory capital financial instruments issued	28	(297,519)	(246,247)
Owners of the bank	28	**4,778,300**	**4,775,478**
Non-controlling interests	28	**1,301**	**1,323**
TOTAL EQUITY		**4,779,601**	**4,776,801**
TOTAL LIABILITIES AND EQUITY		**77,706,375**	**78,049,119**

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 PERIOD
For the periods ended March 31, 2023 and 2022
(In millions of Chilean pesos - MCh$)

		As of March 31,	
		2023	2022
	Note	MCh$	MCh$
Interest income		952,636	546,481
Interest expenses		(574,272)	(168,049)
Net interest income	30	**378,364**	**378,432**
Inflation-indexation income		229,684	216,790
Inflation-indexation expenses		(131,233)	(112,142)
Net inflation-indexation income	31	**98,451**	**104,648**
Fee income		123,542	125,593
Fee expense		(42,083)	(34,300)
Net fee income	32	**81,459**	**91,293**
Finance income for:			
Financial assets and liabilities held for trading		(29,460)	(65,773)
Non-trading financial assets mandatorily measured at fair value through profit or loss		(6,341)	-
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		20	-
Foreign currency changes, inflation-indexation, and hedge accounting		77,964	97,162
Reclassification of financial assets due to change in business model		-	-
Other finance income		-	-
Net finance income	33	**42,183**	**31,389**
Income from investments in companies	34	2,796	1,187
Income from non-current assets and disposal groups held for sale not admissible as discontinued operations	35	2,329	2,698
Other operating income	36	8,634	12,613
TOTAL OPERATING INCOME		**614,216**	**622,260**
Expenses for employee benefit obligations	37	(157,622)	(147,697)
Administrative expenses	38	(104,097)	(88,033)
Depreciation and amortization	39	(27,854)	(27,946)
Impairment of non-financial assets	40	-	-
Other operating expenses	36	729	(14,194)
TOTAL OPERATING EXPENSES		**(288,844)**	**(277,870)**
OPERATING INCOME BEFORE CREDIT LOSSES		**325,372**	**344,390**
Credit loss expense for:			
Provisions for credit loss of loans and advances to banks and loans and receivables from customers		(140,831)	(91,781)
Special provisions for credit loss		861	(56,948)
Recovery of written-off credits		19,424	18,639
Impairment due to credit loss of other financial assets at amortized cost and financial assets at fair value through other comprehensive income		(8,287)	(8,410)
Credit loss expense	41	**(128,833)**	**(138,500)**
OPERATING PROFIT		**196,539**	**205,890**
Profit from continuing operations before tax		**196,539**	**205,890**
Income tax	18	(25,593)	(16,458)
Profit from continuing operations after tax		**170,946**	**189,432**
Profit from discontinued operations before tax		**-**	**-**
Discontinued operations tax	42	-	-
Profit from discontinued operations after tax		**-**	**-**
CONSOLIDATED PROFIT FOR THE YEAR ENDED		**170,946**	**189,432**
Attributable to:			
Owners of the Bank		170,910	189,397
Non-controlling interests		36	35
Earnings per share:			
Basic earnings		1,012	1,215
Diluted earnings		1,012	1,215

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 PERIOD
For the periods ended March 31, 2023, and 2022
(In millions of Chilean pesos - MCh$)

	Note	As of March 31, 2023 MCh$	2022 MCh$
CONSOLIDATED PROFIT FOR THE YEAR ENDED		**170,946**	**189,432**
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	-	-
Changes in fair value of equity instruments at fair value through other comprehensive income	28	104	67
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		**104**	**67**
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**	**104**	**67**
ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS			
Changes in fair value of financial assets at fair value through other comprehensive income	28	80,144	5,126
Translation differences for foreign operations	28	(118,858)	(161,044)
Hedge of net investments in foreign operations		-	-
Cash flow hedges	28	(78,468)	(121,612)
Undesignated items of accounting hedge instruments		-	-
Other		-	-
OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS BEFORE TAX	**28**	**(117,182)**	**(277,530)**
Income tax on other comprehensive income that may be reclassified to profit or loss	**28**	262	31,908
TOTAL OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS AFTER TAX	**28**	**(116,920)**	**(245,622)**
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED		**(116,816)**	**(245,555)**
COMPREHENSIVE INCOME FOR THE CONSOLIDATED YEAR ENDED		**54,130**	**(56,123)**
Attributable to:			
Owners of the Bank		54,094	(56,158)
Non-controlling interests		36	35

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BANCO DE CRÉDITO E INVERSIONES AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the periods ended March 31, 2023, and 2022
(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, 2022	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 compendium	-	3,706	-	-	(13,285)	-	-	-	**(13,285)**	-	-	-	**(9,579)**	-	**(9,579)**
Opening balances 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	-	-	-	-	-	-	-	-	**-**	-	-	-	**-**	-	**-**
Other equity movements	-	(3,540)	-	-	-	-	-	-	**-**	520,391	(520,391)	-	**(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**
Transfer to retained earnings	-	-	-	-	-	-	-	-	**-**	820,822	(820,822)	-	**-**	-	**-**
Other equity movements	-	-	-	-	-	-	-	-	**-**	-	-	-	**-**	(58)	**(58)**
Additions to share capital for capitalization without issuance of fully paid ordinary shares	-	-	-	-	-	-	-	-	**-**	-	-	-	**-**	-	**-**
Payment of ordinary share dividends	-	-	-	-	-	-	-	-	**-**	-	-	-	**-**	-	**-**
Provision for payment of ordinary share dividends	-	-	-	-	-	-	-	-	**-**	-	-	(51,272)	**(51,272)**	-	**(51,272)**
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**	**-**	**(297,519)**	**4,724,206**	**1,265**	**4,725,471**
Profit for the year	-	-	-	-	-	-	-	-	**-**	-	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**	**(297,519)**	**4,778,300**	**1,301**	**4,779,601**

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, 2023, and 2022
(In millions of Chilean pesos - MCh$)

		As of March 31,	
		2023	2022
	Note	MCh$	MCh$
A) CASH FLOWS FROM OPERATING ACTIVITIES			
CONSOLIDATED PROFIT BEFORE TAX FOR THE YEAR ENDED		**196,539**	**205,890**
Debit (credit) to profit or loss that do not represent movements in cash flows			
Depreciation and amortization	39	27,854	27,946
Impairment of non-financial assets	40	-	-
Provisions for credit loss		139,970	148,729
Adjustment to market value of financial instruments		(11,271)	20,990
Net loss on investment in companies	34	(2,796)	(1,187)
Net loss on sale of assets received in payment	35	(603)	-
Net loss on sale of property and equipment	35	(115)	(101)
Net gain on sale of property and equipment	35	-	7
Write-off of assets received in payment	35	565	-
Net interest income	30	(378,364)	(378,432)
Net inflation-indexation income	31	(98,451)	(104,648)
Net fee income	32	(81,459)	(91,293)
Other debit (credit) that do not represent movements in cash flows		119,103	(58,210)
Changes due to increases/decreases in operating assets and liabilities:			
(Increase) decrease in loans and advances to banks		147,373	40,773
(Increase) decrease in loans and receivables from customers		527,259	53,566
(Increase) decrease in financial investments		(302,227)	304,258
Increase (decrease) in other on-demand liabilities		(1,012,898)	(1,591,162)
Increase (decrease) in repurchase agreements and securities lending		537,689	214,188
Increase (decrease) in deposits and other term deposits		557,337	926,296
Increase (decrease) in bank borrowings		(59,902)	(149,978)
Increase (decrease) in other financial liabilities		(818,051)	(82,040)
Loans from the Central Bank of Chile (long-term)		6,708	-
Repayment of loans from the Central Bank of Chile (long term)		-	(28,580)
Long-term foreign loans		-	-
Repayment of long-term foreign loans		(77,570)	(315,870)
Income tax		(32,243)	(16,457)
Interest and inflation-indexation received		1,182,320	763,271
Interest and inflation-indexation paid		(705,505)	(280,191)
Fees received	32	123,542	125,593
Fees paid	32	(42,084)	(34,300)
Total net cash from operating activities		**(57,280)**	**(300,942)**
B) CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of investments in companies	14	-	-
Sale of investments in companies	14	-	-
Dividends received from investments in companies	14	-	-
Acquisition of property and equipment	16	(3,878)	(4,232)
Sale of property and equipment		1,745	11
Acquisition of intangible assets	15	(14,978)	(12,843)
Sale of intangible assets		-	-
Sale of goods received in payment or awarded		2,343	(765)
Net (increase) decrease in other assets and liabilities		(568,390)	(35,384)
Total net cash (used in) from investing activities		**(583,158)**	**(53,213)**

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, 2023, and 2022
(In millions of Chilean pesos - MCh$)

	Note	As of March 31, 2023 MCh$	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		(525)	(719)
Issuance of current bonds		194,040	364,308
Redemption and payment of interest / principal of current bonds		(48,948)	(152,981)
Issue of mortgage bonds		-	-
Redemption and payment of interest / principal of mortgage bonds		-	-
Payment of interest / principal of lease liabilities		(709)	(783)
Issue of subordinated bonds		-	-
Payment of interest and principal of subordinated bonds		(6,820)	(12,116)
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		-	1,164
Payment of ordinary shares dividends		-	-
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		**137,038**	**198,873**
NET INCREASE IN CASH AND CASH EQUIVALENTS FOR THE YEAR ENDED		**(744,378)**	**946,669**
EFFECT OF EXCHANGE RATE FLUCTUATIONS		**240,978**	**(1,101,951)**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**7,309,538**	**6,820,120**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**7**	**6,806,138**	**6,664,838**

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, 2023 and December 31, 2022 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 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 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 Interim 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 Interim Consolidated Financial Statements as at March 31, 2023 and December 31, 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 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 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		Indirect	
	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 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	
	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 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 %	
	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.	49.00	49.00

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 March 31, 2023 and December 31, 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 March 31, 2023 and December 31, 2022, the Bank presents the following investments in other companies: SWIFT shares, and other shares.

e) Basis of consolidation

These Interim Consolidated Financial Statements comprise the Financial Statements of the Bank and subsidiaries As of March 31, 2023 and December 31, 2022.

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 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 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 March 31, 2023 and December 31, 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$794.53 as of March 31, 2023 and $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.

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

The 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.

k) 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.

l) 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”.

m) 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.

n) 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.

o) 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.

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.

p) 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.

q) 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.

<u>Removal conditions</u>

- <u>Individual case</u>: for having improved their risk rating over the B3 category of the individual classification.

- <u>Group case:</u>

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.

As of March 31, 2023, the Bank performed an assessment of whether there are impairment losses on its assets, concluding that there are no impairment losses to be recorded on intangible assets and goodwill on such investments. As of December 31, 2022, it was determined that it was necessary to recognize an impairment loss associated with the Goodwill assigned to the Financial Services CGU for MCh$20,442 (see further details in Note No. 15, letter b).

r) 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.

s) 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 March 31, 2023, there are no significant changes between the carrying amount and the recoverable amount of cash-generating units containing goodwill and intangibles. As of December 31, 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. For further information, refer to note 15, letter b).

t) 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.

Re-measurement 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.

u) 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 March 31, 2023 and December 31, 2022, are as follows:

	March 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	36 years	36 years
Real estate improvements	10 years	10 years
Other property, plant, and equipment	36 years	36 years

v) 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.

w) 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 1.69%. This rate corresponds to the 20-year BCU as of March 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 March 31, 2023, there are no experience adjustments or changes in the variants, therefore no adjustments were made against other reserves. As of December 31, 2022, due to changes in the variants, an adjustment against other reserves of MCh$132 was made.

x) 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 re-measurement, 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 re-measurement 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, 2023 and December 31, 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.

y) 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:

- <u>Cash flows:</u> 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.

z) 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 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 re-measured 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, 2023, allowances have been established for additional amounts of Ch$416,511 million (Ch$415,022 million as of December 31, 2022), 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.

aa) 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 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 12 and 25)
- Impairment losses on certain assets (note 39)
- Valuation of financial instruments (notes 7,8, 9 and 10)
- Useful life of intangible assets and property and equipment (notes 14 and 15)
- Use of tax losses (note 17)
- Contingencies and commitments (note 28)
- Employee benefits (note 36)

bb) 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, 2023 and December 31, 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.

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 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:**

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.
Disclosures of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgments).	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.

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 Interim Consolidated Financial Statements, given that the companies included in the consolidation issue no insurance contracts.

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Statement of Practice 2 Making Materiality Judgments)

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 Judgments*, issued by the Board in 2017, which outlines a four-step process that prepares can use to help them make materiality judgments 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 Interim 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 Interim 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 Interim 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 Interim Consolidated Financial Statements, given that the companies included in the consolidation issue no insurance contracts.

b. The following new standards and interpretations have been issued but their effective date is not yet effective:

Accounting pronouncements issued not yet effective.

The following accounting pronouncements issued are applicable for annual periods beginning after January 1, 2023, and have not been applied in the preparation of these consolidated interim financial statements, The Bank intends to adopt the applicable accounting pronouncements on their respective dates of application and not in advance.

Amendments to IFRS	Mandatory application date
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2024, Earlier adoption 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
Leasehold Liabilities in a Sale and Leaseback Sale (Amendments to IFRS 16)	Annual periods beginning on or after January 1, 2024, Early adoption permitted
Non-Current Liabilities with Covenants (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2024

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 amendment, entities should review their loan contracts to determine whether their classification will change.

The amendments include the following:

- The right to defer repayment must be substantiated: current IAS 1 states that entities classify a liability as current when they do not have an unconditional right to defer repayment of the liability for at least twelve months after the reporting period date, As part of its amendments, the IASB has removed the requirement for the right to be unconditional and instead states that the right to defer repayment must be substantiated 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 they have the right 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 defer 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 features: the amendments note that the cancellation of a liability includes the transfer of the entity's own equity instruments to the counterparty, The amendment clarifies how entities classify a liability that includes a conversion option from the counterparty, which could be recognized as equity or as a liability separately with respect to the liability component provided for in IAS 32 Financial Instruments: Presentation.

The amendment is effective, retrospectively, for annual periods beginning on or after January 1, 2023. However, companies will consider including the disclosures in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors in their next annual financial statements.

Management has not determined the potential impact of the application of this amendment on its Interim Consolidated Financial Statements.

Sale or Contribution of Assets between an Investor and an Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)

On September 11, 2014, this amendment was issued, which requires that, upon transfers from subsidiaries 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 on the definition of "business" for recognition in profit or loss, The amendment also introduces new and unexpected accounting for transactions that consider the partial holding in assets that are not businesses.

The effective date of application of this amendment has been postponed indefinitely.

The Bank's management is awaiting the new effective date to evaluate the potential effects of this amendment.

Lease Liabilities in a Sale and Leaseback Sale (Amendments to IFRS 16)

In September 2022, the Board issued amendments to IFRS 16 Leases-Liability for Leases on a Sale and Leaseback Sale, 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 leaseback sale at the date the transaction occurs, 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 believes that the application of these amendments does not have a significant effect on the 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 indicates that only covenants that an enterprise must comply with on or before the reporting date affect the classification of a liability as current or non-current.

However, where non-current liabilities are subject to covenants, companies must now 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 Interim Financial Statements.

c. Standards and instructions issued by the Financial Market Commission (CMF).

Circular No. 2,330: On January 13, 2023, the Commission for the Financial Market incorporated a new Chapter 21-14 to the Updated Collection of Standards 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 Interim 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. The institutions should therefore prepare the following periodic information files:

1. File C50 on operations associated with special FOGAPE guarantee programs, In this case it is a modification to the current file C50, through which operations subject to provisions for credit risk that have FOGAPE COVID-19 and FOGAPE Reactivation guarantees are reported monthly, adding a code in field 16 that allows identifying operations that have FOGAPE Chile Apoya guarantee.
2. New file D61 on daily interest rates of operations guaranteed by FOGAPE Chile Apoya.
3. New file E25 on the details of the requests for financing under the FOGAPE Chile Apoya program.

The Bank's Management believes that the application of this standard will have no effect on the Bank's Consolidated Interim Financial Statements.

NOTE 4 – ACCOUNTING CHANGES

As of the date of these Interim Consolidated Financial Statements there are no accounting changes to disclose.

NOTE 5 – SIGNIFICANT EVENTS

a) Agreement for the distribution of profits for the year 2022

At a meeting held on March 14, 2023, the Board of Directors agreed to propose to shareholders 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 matters approved at the Meeting are, among others, the following:

- Distribute the balance of liquid profits amounting to $ 820,821,690,521 (MCH$ 820,822), as follows: Distribute a dividend of $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), that is, 30.85% of the distributable net profit for the year 2022; and
- Allocate the remaining balance of profits for the year to the reserve fund from profits, that is, the sum of $567,565,673,021 (MCH$567,566).

b) Issue and placement of bonds

During the year 2023, no subordinated bond issues or placements have been made.

During the year 2023, the following issue of Current Bonds in pesos was made:

Series	Placement date	Nominal value	Internal Return Rate (TIR) (%)	Due date
BBCIT40223	02-24-2023	35,000,000,000	6.800	02-01-2029
BBCIT50223	02-27-2023	15,000,000,000	6.580	02-01-2031
BBCIT50223	02-28-2023	10,500,000,000	6.580	02-01-2031
BBCIT50223	03-08-2023	9,500,000,000	6.520	02-01-2031
BBCIT10223	03-09-2023	5,000,000,000	7.050	02-01-2027
BBCIT10223	03-09-2023	1,500,000,000	7.050	02-01-2027

During 2023, there have been no issuances or placements of current bonds in UF:

During 2023, there have been no issuances or placements of Current Bonds in Japanese Yen:

During 2023, there have been no issuances or placements of Current Bonds in Australian Dollars,

During the year 2023, there have been no issuances or placements of Current Bonds in Euros,

During the year 2023, there have been no issuances or placements of Current Bonds in U.S. Dollars:

During the year 2022, the following issuance and placement of Current Bond in Swiss Francs was made:

Series	Placement date	Nominal value	Internal Return Rate (TIR) (%)	Due date
CH1248666963	03-22-2023	135,000,000	2.8925	03-22-2028

c) 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.

As of the date of issuance of these Interim Consolidated Financial Statements, refunds to customers have been made in full in accordance with the agreement between Sernac and the Bank.

d) 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.

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 March 31, 2023 and December 31, 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:

	March 31, 2023								
	Retail	SMEs	Wholesale	Finance	Total Segments	Bci Financial Group	Financial Services	Other	Total Consolidated Bci
	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	(159)	81,460
Other operating income	857	3,022	12,955	23,773	40,607	8,085	3,454	999	53,145
Total operating income	**163,550**	**58,073**	**166,050**	**51,941**	**439,614**	**130,056**	**36,460**	**5,290**	**611,420**
Provisions for credit loss	(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									**170,946**

	March 31, 2023							
	Retail	SMEs	Wholesale	Finance	Total Segments	CNB	Financial services	Total Consolidated BCI
	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.

b) Profit (loss) in 2022 :

	March 31, 2022								
	RETAIL	SMEs	WHOLESALE	FINANCE	Total Segments	BCI FINANCIAL GROUP	Financial services	OTHER	Total Consolidated BCI
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Net interest and Inflation-indexation income	138,020	49,438	118,472	22,671	328,601	116,669	30,235	7,575	483,080
Net fee income	43,182	8,791	19,974	1,826	73,773	7,924	8,301	1,295	91,293
Other operating income	1,256	3,266	14,453	17,380	36,355	6,354	5,408	(1,417)	46,700
Total operating income (loss)	**182,458**	**61,495**	**152,899**	**41,877**	**438,729**	**130,947**	**43,944**	**7,453**	**621,073**
Provisions for credit loss	(34,704)	(30,530)	(44,487)	1,547	(108,174)	(6,021)	(22,338)	(1,967)	(138,500)
Net operating income	**147,754**	**30,965**	**108,412**	**43,424**	**330,555**	**124,926**	**21,606**	**5,486**	**482,573**
Total operating expenses	**(89,152)**	**(26,342)**	**(42,249)**	**(18,787)**	**(176,530)**	**(59,438)**	**(20,191)**	**(21,711)**	**(277,870)**
OPERATING INCOME (LOSS)	**58,602**	**4,623**	**66,163**	**24,637**	**154,025**	**65,488**	**1,415**	**(16,225)**	**204,703**
Income from investments in companies									1,187
Profit before tax									**205,890**
Income tax									(16,458)
CONSOLIDATED PROFIT FOR THE PERIOD									**189,432**

	March 31, 2022							
	RETAIL	SMEs	WHOLESALE	FINANCE	Total Segments	CNB	Financial services	Total Consolidated BCI
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
ASSETS	12,304,718	2,839,535	10,033,134	26,277,467	51,454,854	17,413,747	677,684	**69,546,285**
Loans and receivables from customers (1)	12,487,573	2,946,966	10,336,125	4,745,497	30,516,161	11,305,123	217,150	42,038,434
LIABILITIES	7,617,684	2,346,023	10,867,527	27,948,391	48,779,625	15,808,467	580,655	**65,168,747**
On-demand and term deposits (2)	6,475,125	2,134,803	10,348,045	4,080,700	23,038,673	14,749,439	2,564	37,790,676
EQUITY								**4,377,538**

(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

a) 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:

	March 31, 2023 MCh$	March 31, 2022 MCh$	December 31, 2022 MCh$
Cash and bank deposits			
Cash	529,748	718,455	580,389
Deposits in the Central Bank of Chile (i)	1,398,521	3,143,573	1,357,600
Deposits in foreign central banks	1,885,178	156,197	2,128,274
Deposits in local banks	6,704	19,873	8,250
Deposits in foreign banks	720,433	1,886,601	181,883
Subtotal - Cash and bank deposits	**4,540,584**	**5,924,699**	**4,256,396**
Transactions in the course of collection or payment (ii)	(171,655)	(585,600)	74,071
Other cash equivalents (iii)	2,437,209	1,325,739	2,979,071
Total cash and cash equivalent	**6,806,138**	**6,664,838**	**7,309,538**

(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, 2023 and 2022 and December 31, 2022 is as follows:

	March 31, 2023 MCh$	March 31, 2022 MCh$	December 31, 2022 MCh$
Assets			
Notes payable to other banks (exchange)	57,669	57,840	57,687
Transfer of current funds receivable	825,360	171,613	346,522
Subtotal – assets	**883,029**	**229,453**	**404,209**
Liabilities			
Transfer of funds in process to be delivered	1,054,684	815,053	330,138
Subtotal - liabilities	**1,054,684**	**815,053**	**330,138**

NOTE 8 – FINANCIAL ASSETS HELD FOR TRADING AT FAIR VALUE THROUGH PROFIT OR LOSS

a) As of March 31, 2023 and December 31, 2022, the detail of financial assets held for trading at fair value through profit or loss is as follows:

	March 31, 2023 MCh$	December 31, 2022 MCh$
Financial derivative contracts	6,865,320	6,770,653
Debt financial instruments	707,142	770,101
Other financial instruments	80,118	139,861
Total	**7,652,580**	**7,680,615**

b) As of March 31, 2023 and December 31, 2022, the detail of financial derivatives is as follows:

	March 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	-	16,753,548	13,321,768	25,320,210	5,269,859	2,168,910	2,385,410	**65,219,705**	**1,481,510**
Swaps	259,000	5,504,647	12,809,012	38,894,222	49,250,157	25,250,465	29,271,730	**161,239,233**	**5,377,686**
Call options	-	12,016	50,624	67,630	798	-	-	**131,068**	**475**
Put options	-	9,720	35,088	67,572	278	-	-	**112,658**	**5,649**
Futures	-	-	6,407	-	-	-	-	**6,407**	**-**
Other	-	-	-	-	-	-	-	**-**	**-**
Total	**259,000**	**22,279,931**	**26,222,899**	**64,349,634**	**54,521,092**	**27,419,375**	**31,657,140**	**226,709,071**	**6,865,320**

	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 March 31, 2023 and December 31, 2022, the composition of debt instruments is as follows:

	March 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	-	6,000	10,000	62,320	181,679	-	8,324	**268,323**	**259,387**
Other debt financial instruments issued locally	-	25,395	10,797	176,039	257,750	-	15,147	**485,128**	**447,755**
Debt financial instruments issued abroad	-	-	-	-	-	-	-	**-**	**-**
Total	**-**	**31,395**	**20,797**	**238,359**	**439,429**	**-**	**23,471**	**753,451**	**707,142**

	December 31, 2022								
	Notional Amount								Fair Value
	On-demand	Up to 1 month	than 1 up to 3 months	than 3 months up to 1 year	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 March 31, 2023 and December 31, 2022, the composition of other financial instruments is as follows:

	March 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	14,210	21,385	-	1,024	-	-	29,622	**66,241**	**66,241**
Equity instruments	10,629	-	-	-	-	-	3,248	**13,877**	**13,877**
Loans originated and acquired by the entity	-	-	-	-	-	-	-	**-**	**-**
Other	-	-	-	-	-	-	-	**-**	**-**
Total	**24,839**	**21,385**	**-**	**1,024**	**-**	**-**	**32,870**	**80,118**	**80,118**

	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 March 31, 2023 and December 31, 2022, the composition of non-trading financial assets mandatorily measured at fair value through profit or loss is as follows:

	March 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	60,604	71,282
Other	-	-
Subtotal other financial instruments	**60,604**	**71,282**
Total	**60,604**	**71,282**

NOTE 10 – FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

a) As of March 31, 2023 and December 31, 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 March 31, 2023 and December 31, 2022, the detail of financial assets at fair value through other comprehensive income is as follows:

	March 31, 2023 MCh$	December 31, 2022 MCh$
Debt financial instruments		
Of the Government and Central Bank of Chile	4,702,393	4,876,148
Other debt financial instruments issued locally	1,568,537	1,501,544
Debt financial instruments issued abroad	4,096,968	4,099,669
Subtotal debt financial instruments	**10,367,898**	**10,477,361**
Loans originated and acquired by the entity	-	-
Other	-	-
Subtotal other financial instruments	**-**	**-**
Total	**10,367,898**	**10,477,361**

b) As of March 31, 2023 and December 31, 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**	**24,113**	**821**	**-**	**24,934**
Purchases made in the period	3,813,464	-	-	3,813,464	7,030	-	-	7,030
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Assets derecognized or matured	(3,637,101)	(13,107)	-	(3,650,208)	(2,901)	82	-	(2,819)
Changes due to modifications not derecognized	-	-	-	-	-	-	-	-
Exchange rate adjustments	(272,495)	(224)	-	(272,719)	(1,448)	(49)	-	(1,497)
Final balance as of March 31, 2023	**10,377,082**	**(9,184)**	**-**	**10,367,898**	**26,794**	**854**	**-**	**27,648**

	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	-	-	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**

c) As of March 31, 2023 and December 31, 2022, the detail of the present value, fair value, unrealized gains and losses, corresponding financial instruments is as follows:

	March 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	4,827,899	4,702,393	8,168	133,673
Other debt financial instruments issued locally	1,599,849	1,568,537	2,438	33,749
Debt financial instruments issued abroad	4,685,987	4,096,968	2,566	591,586
Subtotal	**11,113,735**	**10,367,898**	**13,172**	**759,008**
Other financial instruments:				
Loans originated and acquired by the entity	-	-	-	-
Other	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**
Total	**11,113,735**	**10,367,898**	**13,172**	**759,008**

	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 March 31, 2023 and December 31, 2022, the detail of the portfolio of financial derivative contracts for accounting hedge is as follows:

	March 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	-	63,000	651,226	213,453	2,241,226	1,624,345	1,259,951	**6,053,201**	**475,765**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**63,000**	**651,226**	**213,453**	**2,241,226**	**1,624,345**	**1,259,951**	**6,053,201**	**475,765**
Cash flow hedging derivatives:									
Forwards	-	-	-	249,028	-	-	-	**249,028**	**15,278**
Swaps	-	23,742	337,352	844,758	2,870,645	1,776,392	2,751,730	**8,604,619**	**1,239,821**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**23,742**	**337,352**	**1,093,786**	**2,870,645**	**1,776,392**	**2,751,730**	**8,853,647**	**1,255,099**
Hedging derivative abroad									
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**86,742**	**988,578**	**1,307,239**	**5,111,871**	**3,400,737**	**4,011,681**	**14,906,848**	**1,730,864**

	March 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	-	63,000	595,156	177,394	2,171,682	1,504,570	1,232,602	**5,744,404**	**363,094**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**63,000**	**595,156**	**177,394**	**2,171,682**	**1,504,570**	**1,232,602**	**5,744,404**	**363,094**
Cash flow hedging derivatives:									
Forwards	-	-	-	228,226	-	-	-	**228,226**	**42,218**
Swaps	-	35,575	409,118	1,127,747	3,477,622	1,919,204	3,345,759	**10,315,025**	**2,339,095**
Call options	-	-	-	-	-	-	-	-	-
Put options	-	-	-	-	-	-	-	-	-
Futures	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**35,575**	**409,118**	**1,355,973**	**3,477,622**	**1,919,204**	**3,345,759**	**10,543,251**	**2,381,313**
Hedging derivative abroad									
Other	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**98,575**	**1,004,274**	**1,533,367**	**5,649,304**	**3,423,774**	**4,578,361**	**16,287,655**	**2,744,407**

	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 value hedges As of March 31, 2023 and December 31, 2022 in notional amounts is presented below:

	March 31, 2023									
	Notional amounts								Fair Value	Fair Value
	On-demand	Up to 1 month	More than 1 up to 3 months	onths up to 1 year	More than 1 up to 3 years	More than 3 up to 5 years	re than 5 years	Total	Assets	Liabilities
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Hedged item:										
Sensitivity	-	-	-	-	-	400,900	360,095	**760,995**	6,624	10,663
Items set / loans	-	-	-	-	-	-	-	-	-	-
Of the Government and Central Bank of Chile	-	-	-	-	-	-	420,385	**420,385**	3,949	47,954
Other instruments issued locally	-	-	-	-	397,265	-	-	**397,265**	-	2,598
Instruments issued abroad	-	-	-	-	47,041	47,673	205,295	**300,009**	-	31,909
Consumer	-	-	-	-	-	-	-	-	-	-
Mortgage	-	-	-	397,265	397,265	-	-	**794,530**	-	4,607
Commercial	-	-	-	-	-	-	28,844	**28,844**	130	-
Items set / liabilities	-	-	-	-	1,156,018	-	-	**1,156,018**	72,913	-
Term deposit	-	63,000	281,046	-	118,745	-	-	**462,791**	907	1,281
Current bonds	-	-	370,179	213,453	925,033	1,185,323	597,515	**3,291,503**	116,106	13,147
Subordinated bonds	-	-	-	-	-	-	-	-	-	-
Mortgage bonds	-	-	-	-	-	-	-	-	-	-
Foreign investment	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**63,000**	**651,225**	**610,718**	**3,041,367**	**1,633,896**	**1,612,134**	**7,612,340**	**200,629**	**112,159**
Hedging instrument:										
Forwards	-	-	-	-	-	-	-	-	-	-
CCS	-	-	363,225	213,453	889,837	1,058,893	677,097	**3,202,505**	14,420	81,300
IRS	-	63,000	288,000	397,265	2,151,530	575,003	935,037	**4,409,835**	104,578	122,455
Options	-	-	-	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**63,000**	**651,225**	**610,718**	**3,041,367**	**1,633,896**	**1,612,134**	**7,612,340**	**118,998**	**203,755**

	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 March 31, 2023 and December 31, 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:

	March 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	-	1,312	13,559	62,374	280,470	82,241	156,843	596,799
Cash outflow	-	(2,060)	(14,547)	(52,993)	(280,107)	(98,673)	(172,845)	(621,225)
Net cash flows	**-**	**(748)**	**(988)**	**9,381**	**363**	**(16,432)**	**(16,002)**	**(24,426)**
Hedging instruments								
Cash inflow	-	2,060	14,547	52,993	280,107	98,673	172,845	621,225
Cash outflow	-	(1,312)	(13,559)	(62,374)	(280,470)	(82,241)	(156,843)	(596,799)
Net cash flows	**-**	**748**	**988**	**(9,381)**	**(363)**	**16,432**	**16,002**	**24,426**

	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)**

ii) Cash flow projection for inflation risk:

	March 31, 2023							
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	-	40,454	412,168	1,066,131	2,530,291	1,042,456	2,380,552	**7,472,052**
Cash outflow	-	(53,101)	(392,192)	(1,085,414)	(2,460,299)	(1,128,962)	(2,168,060)	**(7,288,028)**
Net cash flows	**-**	**(12,647)**	**19,976**	**(19,283)**	**69,992**	**(86,506)**	**212,492**	**184,024**
Hedging instruments								
Cash inflow	-	53,101	392,192	1,085,414	2,460,299	1,128,962	2,168,060	**7,288,028**
Cash outflow	-	(40,454)	(412,168)	(1,066,131)	(2,530,291)	(1,042,456)	(2,380,552)	**(7,472,052)**
Net cash flows	**-**	**12,647**	**(19,976)**	**19,283**	**(69,992)**	**86,506**	**(212,492)**	**(184,024)**

	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)**

iii) Cash flow projections for exchange rate risk:

	March 31, 2023							
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	-	30,907	1,365	108,683	405,765	893,035	333,019	**1,772,774**
Cash outflow	-	(2,140)	(1,404)	(76,860)	(344,854)	(827,641)	(320,909)	**(1,573,808)**
Net cash flows	**-**	**28,767**	**(39)**	**31,823**	**60,911**	**65,394**	**12,110**	**198,966**
Hedging instruments								
Cash inflow	-	2,140	1,404	76,860	344,854	827,641	320,909	**1,573,808**
Cash outflow	-	(30,907)	(1,365)	(108,683)	(405,765)	(893,035)	(333,019)	**(1,772,774)**
Net cash flows	**-**	**(28,767)**	**39**	**(31,823)**	**(60,911)**	**(65,394)**	**(12,110)**	**(198,966)**

	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
	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 March 31, 2023 and December 31, 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:

	March 31, 2023 MCh$	December 31 2022 MCh$
Hedged item		
Sensitivity	-	-
Items set / loans	156,595	156,595
Of the Government and Central Bank of Chile	70,770	70,770
Other instruments issued locally	-	-
Instruments issued abroad	-	-
Consumer	-	-
Mortgage	-	-
Commercial	(166)	(166)
Items set / liabilities	(63,422)	(63,422)
Term deposit	-	-
Current bonds	(21,955)	(21,955)
Subordinated bonds	-	-
Mortgage bonds	-	-
Foreign investment	-	-
Dismantling	(914)	(914)
Deferred tax	(38,045)	(38,045)
Total	**102,863**	**102,863**

e) As of March 31, 2023 and December 31, 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:

	March 31, 2023 MCh$	December 31 2022 MCh$
Hedged item		
Sensitivity	-	-
Items set / loans	(972,826)	(929,428)
Of the Government and Central Bank of Chile	(95,300)	(82,667)
Other instruments issued locally	-	-
Instruments issued abroad	-	-
Consumer	-	-
Mortgage	-	-
Commercial	(166)	(110)
Items set / liabilities	5,129	8,097
Term deposit	-	-
Current bonds	(92,009)	9,603
Subordinated bonds	-	-
Mortgage bonds	-	-
Foreign investment	-	-
Total	**(1,155,172)**	**(994,505)**

NOTE 13 – FINANCIAL ASSETS AT AMORTIZED COST

a) As of March 31, 2023 and December 31, 2022, the detail of financial assets at amortized cost is as follows:

	March 31, 2023 MCh$	December 31, 2022 MCh$
Rights for reverse repurchase agreements and securities lending	203,179	182,061
Debt financial instruments	3,552,388	3,581,998
Loans and advances to banks	620,753	767,700
Loans and receivables from customers - Commercial	28,933,840	29,276,944
Loans and receivables from customers - Mortgage	12,777,055	12,809,381
Loans and receivables from customers - Consumer	3,062,070	3,212,807
Total	**49,149,285**	**49,830,891**

b) As of March 31, 2023 and December 31, 2022, the movement in debt financial instruments at amortized cost is as follows:

	Changes in fair value				Expected credit loss			
	Stage 1 MCh$	Stage 2 MCh$	Stage 3 MCh$	Total Stage MCh$	Stage 1 MCh$	Stage 2 MCh$	Stage 3 MCh$	Total Stage MCh$
Opening balance as of January 1, 2023	**3,581,998**	**-**	**-**	**3,581,998**	**11,675**	**-**	**-**	**11,675**
Purchases made during the year	110,699	-	-	110,699	1,851	-	-	1,851
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Assets derecognized or expired	45,962	-	-	45,962	754	-	-	754
Changes due to modifications not derecognized	-	-	-	-	-	-	-	-
Exchange rate adjustments	(186,271)	-	-	(186,271)	(787)	-	-	(787)
Final balance as of March 31, 2023	**3,552,388**	**-**	**-**	**3,552,388**	**13,493**	**-**	**-**	**13,493**

	Changes in fair value				Expected credit loss			
	Stage 1 MCh$	Stage 2 MCh$	Stage 3 MCh$	Total Stage MCh$	Stage 1 MCh$	Stage 2 MCh$	Stage 3 MCh$	Total Stage 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**

c) As of March 31, 2023 and December 31, 2022, the rights under repurchase agreements and securities loans are as follows:

	Maturity of the commitment to March 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	-	178,162	15,013	10,004	-	-	-	203,179
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	**-**	**178,162**	**15,013**	**10,004**	**-**	**-**	**-**	**203,179**
Transactions with other entities abroad								
Transactions with other entities abroad	-	-	-	-	-	-	-	-
Securities lending rights	-	-	-	-	-	-	-	-
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Accumulated impairment in rights for repurchase agreements	-	-	-	-	-	-	-	-
Total	**-**	**178,162**	**15,013**	**10,004**	**-**	**-**	**-**	**203,179**

	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**

d) As of March 31, 2023 and December 31, 2022, the detail of debt financial instruments is as follows:

	March 31, 2023 MCh$	December 31, 2023 MCh$
Debt financial instruments:		
Of the Government and Central Bank of Chile	1,135,295	1,145,241
Other debt financial instruments issued locally	44,457	43,345
Debt financial instruments issued abroad	2,386,131	2,405,089
Debt financial instruments	(13,495)	(11,677)
Total	**3,552,388**	**3,581,998**

e) As of March 31, 2023 and December 31, 2022 , the detail of loans and advances to banks is as follows:

March 31, 2023	Financial assets before provisions				Provisions recorded				let Financial Asset
	Regular Portfolio	Substandard Portfolio	lon-performing portfolio	Total	Regular Portfolio	Substandard Portfolio	lon-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	**621,435**	-	-	**621,435**	**(682)**	-	-	**(682)**	**620,753**
Interbank liquidity loans	245,289	-	-	245,289	(262)	-	-	(262)	245,027
Interbank commercial loans	-	-	-	-	-	-	-	-	-
Overdrafts in checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean exports	87,228	-	-	87,228	(102)	-	-	(102)	87,126
Foreign trade loans - Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third-party countries	288,918	-	-	288,918	(318)	-	-	(318)	288,600
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	**621,435**	-	-	**621,435**	**(682)**	-	-	**(682)**	**620,753**
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	**621,435**	-	-	**621,435**	**(682)**	-	-	**(682)**	**620,753**

December 31, 2022	Financial assets before provisions				Provisions recorded				let 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 March 31, 2023 and December 31, 2022, the balances of loans and receivables from customers are as follows:

March 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	
	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	19,511,662	3,410,406	1,157,145	505,836	308,547	24,893,596	(101,455)	(31,362)	(25,933)	(108,434)	(88,787)	(355,971)	(28,506)	(384,477)	24,509,119
Foreign trade credits Chilean exports	874,337	9,817	24,633	3,493	-	912,280	(6,042)	(236)	(405)	(349)	-	(7,032)	-	(7,032)	905,248
Foreign trade credits Chilean imports	304,447	20,883	13,623	130	-	339,083	(3,110)	(635)	(2,378)	(52)	-	(6,175)	-	(6,175)	332,908
Foreign trade credits between third countries	169,792	-	10,773	-	-	180,565	(611)	-	(2,067)	-	-	(2,678)	-	(2,678)	177,887
Debtors in current accounts	47,134	70,430	10,023	1,197	8,149	136,933	(478)	(1,912)	(1,383)	(629)	(4,356)	(8,758)	-	(8,758)	128,175
Credit card debtors	6,595	54,405	861	434	5,976	68,271	(121)	(1,631)	(97)	(359)	(3,327)	(5,535)	-	(5,535)	62,736
Factoring operations	1,080,324	69,213	4,631	3,111	2,002	1,159,281	(11,568)	(1,096)	(66)	(1,874)	(646)	(15,250)	-	(15,250)	1,144,031
Commercial finance lease operations	1,111,721	277,600	143,387	30,983	12,352	1,576,043	(8,318)	(2,745)	(3,160)	(6,328)	(4,709)	(25,260)	-	(25,260)	1,550,783
Student loans	-	112,218	-	-	12,433	124,651	-	(1,388)	-	-	(2,451)	(3,839)	-	(3,839)	120,812
Other loans and receivable	-	-	-	8,786	393	9,179	-	-	-	(6,875)	(163)	(7,038)	-	(7,038)	2,141
Subtotal	**23,106,012**	**4,024,972**	**1,365,076**	**553,970**	**349,852**	**29,399,882**	**(131,703)**	**(41,005)**	**(35,489)**	**(124,900)**	**(104,439)**	**(437,536)**	**(28,506)**	**(466,042)**	**28,933,840**
Mortgage loans															
Loans with letters of credit	-	1,082	-	-	131	1,213	-	(1)	-	-	(12)	(13)	-	(13)	1,200
Loans with endorsable mortgage mutual funds	-	2,780,895	-	-	8,013	2,788,908	-	(41,009)	-	-	(71)	(41,080)	-	(41,080)	2,747,828
Loans with mutual funds financed with mortgage bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other credits with mortgage loans	-	9,683,196	-	-	297,670	9,980,866	-	(15,554)	-	-	(26,659)	(42,213)	-	(42,213)	9,938,653
Financial lease operations for Mortgage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other loans and accounts receivable	-	85,268	-	-	4,697	89,965	-	(211)	-	-	(380)	(591)	-	(591)	89,374
Subtotal	**-**	**12,550,441**	**-**	**-**	**310,511**	**12,860,952**	**-**	**(56,775)**	**-**	**-**	**(27,122)**	**(83,897)**	**-**	**(83,897)**	**12,777,055**
Consumer Loans															
Consumer loans in installments	-	1,706,693	-	-	179,574	1,886,267	-	(65,382)	-	-	(97,691)	(163,073)	-	(163,073)	1,723,194
Debtors in current accounts	-	90,925	-	-	17,076	108,001	-	(6,462)	-	-	(12,765)	(19,227)	-	(19,227)	88,774
Credit card debtors	-	1,282,396	-	-	111,581	1,393,977	-	(81,867)	-	-	(73,804)	(155,671)	-	(155,671)	1,238,306
Consumer finance lease operations	-	323	-	-	-	323	-	(4)	-	-	-	(4)	-	(4)	319
Other loans and receivable	-	12,419	-	-	285	12,704	-	(1,033)	-	-	(194)	(1,227)	-	(1,227)	11,477
Subtotal	**-**	**3,092,756**	**-**	**-**	**308,516**	**3,401,272**	**-**	**(154,748)**	**-**	**-**	**(184,454)**	**(339,202)**	**-**	**(339,202)**	**3,062,070**
TOTAL	**23,106,012**	**19,668,169**	**1,365,076**	**553,970**	**968,879**	**45,662,106**	**(131,703)**	**(252,528)**	**(35,489)**	**(124,900)**	**(316,015)**	**(860,635)**	**(28,506)**	**(889,141)**	**44,772,965**

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**

g) As of March 31, 2023 and December 31, 2022, the balance of contingent loans related to commercial and consumer loans are as follows:

EXPOSURE TO CREDIT RISK FOR CONTINGENT LOANS March 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	
	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	226,587	1,698	1,589	2,580	-	**232,454**	(1,684)	(45)	(341)	(1,055)	-	**(3,125)**	**229,329**
Letters of credit for goods movement operations	36,581	4,070	192	-	138	**40,981**	(260)	(7)	(1)	-	-	**(268)**	**40,713**
Debt purchase commitments abroad in local currency	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**
Transactions related to contingent events	1,259,758	63,001	54,475	5,657	1,760	**1,384,651**	(7,228)	(1,453)	(7,547)	(2,979)	(925)	**(20,132)**	**1,364,519**
Lines of credit of freely available and immediate payment	-	360,975	-	-	10,951	**371,926**	-	(3,410)	-	-	(3,937)	**(7,347)**	**364,579**
Freely available lines of credit	1,305,652	536,756	36,732	2,067	4,277	**1,885,484**	(11,246)	(5,899)	(1,678)	(1,618)	(1,506)	**(21,947)**	**1,863,537**
Other credit commitments	764,898	50,858	1,185	-	69	**817,010**	(4,154)	(537)	(10)	-	(54)	**(4,755)**	**812,255**
Other contingent loans	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**

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	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**

h) As of March 31, 2023 and December 31, 2022, the summary of movements in provisions recorded by banks is as follows:

March 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	**963**	-	-	**963**
Recording / (use) of provisions for:				
Change in measurement without portfolio reclassification during the period:	**(44)**	-	-	**(44)**
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	121	-	-	**121**
New loans acquired	-	-	-	-
New loans for conversion of contingent to loans	131	-	-	**131**
Sale or transfer of loans	-	-	-	-
Loan repayment	(479)	-	-	**(479)**
Application of provisions for write-offs	-	-	-	-
Recovery of written-off credits	-	-	-	-
Translation difference	(10)	-	-	**(10)**
Balance as of March 31, 2023	**682**	-	-	**682**

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**

i) As of March 31, 2023 and December 31, 2022, the summary of the movement of provisions recorded by commercial loans is as follows:

March 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
	Individual / group			Individual / group				
	Assessment			Assessment				
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Commercial loans								
Opening balance as of January 1, 2023	**133,627**	**42,269**	**32,728**	**123,789**	**101,169**	**433,582**	**36,659**	**470,241**
Recording / (use) of provisions for:								
Change in measurement without portfolio reclassification during the period:	1,580	1,524	(244)	1,413	(1,822)	2,451	(5,988)	**(3,537)**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(1,109)	(2,859)	678	4,035	13,562	14,307	(952)	**13,355**
Regular individual to Substandard	(1,016)	-	2,504	-	-	1,488	(224)	**1,264**
Regular individual to Individual non-performing	(230)	-	-	2,076	-	1,846	(91)	**1,755**
Substandard to individual non-performing	-	-	(869)	2,218	-	1,349	(5)	**1,344**
Substandard to regular individual	76	-	(149)	-	-	(73)	(18)	**(91)**
Individual non-performing to Substandard	-	-	474	(221)	-	253	-	**253**
Individual non-performing to Individual regular	-	-	-	(46)	-	(46)	-	**(46)**
Group regular to Group non-performing	-	(3,383)	-	-	14,915	11,532	(150)	**11,382**
Group non-performing to Group regular	-	110	-	-	(1,742)	(1,632)	(16)	**(1,648)**
Individual (regular, substandard, non-performing) to Group (regular, non-performing)	(140)	554	(1,438)	-	389	(635)	(396)	**(1,031)**
Group (regular, non-performing) to Individual (regular, substandard, non-performing)	201	(140)	156	8	-	225	(52)	**173**
New loans originated	11,951	2,211	3,681	3,197	1,429	22,469	-	**22,469**
New loans for conversion of contingent to loans	5,146	1,047	459	51	1,134	7,837	-	**7,837**
New loans acquired	-	-	-	-	-	-	-	**-**
Sale or transfer of loans	-	-	-	-	-	-	-	**-**
Loan repayment	(14,037)	(2,945)	(1,159)	(2,975)	(5,135)	(26,251)	(190)	**(26,441)**
Application of provisions for write-offs	-	(6)	(18)	(3,231)	(5,627)	(8,882)	235	**(8,647)**
Recovery of written-off credits	-	-	-	-	-	-	-	**-**
Changes in models and methodologies	-	-	-	-	-	-	-	**-**
Translation differences	(5,455)	(236)	(636)	(1,379)	(271)	(7,977)	-	**(7,977)**
Other changes in provisions (if applicable)	-	-	-	-	-	-	(1,258)	**(1,258)**
Balance as of March 31, 2023	**131,703**	**41,005**	**35,489**	**124,900**	**104,439**	**437,536**	**28,506**	**466,042**

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**

j) As of March 31, 2023 and December 31, 2022, the detail of movements in provisions recorded for mortgage loans is as follows:

March 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	**58,808**	**24,309**	**83,117**
Change in measurement without portfolio reclassification during the period:	3,200	74	**3,274**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(1,042)	3,523	**2,481**
Group regular to Group non-performing	(1,148)	4,180	**3,032**
Group non-performing to Group regular	106	(657)	**(551)**
New loans originated	207	-	**207**
New credits for conversion of contingent to loans	-	-	**-**
New loans acquired	-	-	**-**
Sale or transfer of loans	-	-	**-**
Loan repayment	(1,430)	(614)	**(2,044)**
Application of provisions for write-offs	-	(178)	**(178)**
Recovery of written-off credits	-	-	**-**
Changes in models and methodologies	-	-	**-**
Translation differences	(2,968)	8	**(2,960)**
Other changes in provisions (if applicable)	-	-	**-**
Balance as of March 31, 2023	**56,775**	**27,122**	**83,897**

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 March 31, 2023 and December 31, 2022, the balances for this concept are as follows:

March 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:	30,827	(2,019)	**28,808**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(40,970)	73,641	**32,671**
Group regular to Group non-performing	(41,401)	75,715	**34,314**
Group non-performing to Group regular	431	(2,074)	**(1,643)**
New loans originated	2,009	17,059	**19,068**
New credits for conversion of contingent to loans	14,233	5,299	**19,532**
New loans acquired	-	-	**-**
Sale or transfer of loans	-	-	**-**
Repayment of loans	(9,967)	(59,759)	**(69,726)**
Application of provisions for write-offs	(35)	(14,613)	**(14,648)**
Recovery of written-off credits	44	-	**44**
Changes in models and methodologies	-	-	**-**
Translation differences	(350)	(2)	**(352)**
Other changes in provisions (if applicable)	-	-	**-**
Balance as of March 31, 2023	**154,748**	**184,454**	**339,202**

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 March 31, 2023 and December 31, 2022, the detail of the movement of provisions recorded by contingent loans is as follows:

March 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	**23,713**	**14,162**	**8,881**	**6,525**	**6,971**	**60,252**
Change in measurement without portfolio reclassification during the period:	399	(422)	8	(97)	(510)	**(622)**
Change in measurement due to portfolio reclassification from the beginning to the end of the period [portfolio from (-) to (+)]:	(202)	(108)	971	(223)	700	**1,138**
Regular individual to Substandard	(308)	-	982	-	-	**674**
Regular individual to Individual non-performing	-	-	-	10	-	**10**
Substandard to individual non-performing	-	-	(5)	17	-	**12**
Substandard to regular individual	12	-	(32)	-	-	**(20)**
Individual non-performing to Substandard	-	-	28	(50)	-	**(22)**
Individual non-performing to Individual regular	-	-	-	(200)	-	**(200)**
Group regular to Group non-performing	-	(104)	-	-	1,625	**1,521**
Group non-performing to Group regular	-	11	-	-	(925)	**(914)**
Individual (regular, substandard, non-performing) to Group (regular, non-performing)	(11)	70	(12)	-	-	**47**
Group (regular, non-performing) to Individual (regular, substandard, non-performing)	105	(85)	10	-	-	**30**
New loans originated	4,495	1,113	5,229	322	223	**11,382**
Contingent loans for conversion to loans	618	-	-	-	-	**618**
Loan repayment	(3,694)	(3,353)	(5,449)	(557)	(953)	**(14,006)**
Application of provisions for write-offs	-	-	-	-	(8)	**(8)**
Changes in models and methodologies	-	-	-	-	-	**-**
Translation differences	(757)	(41)	(63)	(318)	(1)	**(1,180)**
Other changes in provisions (if applicable)	-	-	-	-	-	**-**
Balance as of Mach 31, 2023	**24,572**	**11,351**	**9,577**	**5,652**	**6,422**	**57,574**

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	(1,075)	(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**

m) As of March 31, 2023 and December 31, 2022, the concentration of credits by economic activity is as follows:

As of March 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	**-**	**621,435**	**621,435**	**-**	**(682)**	**(682)**
Commercial loans	1,323,480	414,302	**1,737,782**	(31,779)	(5,926)	**(37,705)**
Agriculture and livestock	497,260	51,369	**548,629**	(12,357)	(2,955)	**(15,312)**
Fruit growing	329,155	16,290	**345,445**	(10,899)	(257)	**(11,156)**
Forestry and logging	130,547	66,445	**196,992**	(2,227)	(121)	**(2,348)**
Fishing	74,014	93,657	**167,671**	(2,611)	(1,616)	**(4,227)**
Exploitation of mines and quarries	226,890	150,532	**377,422**	(1,924)	(443)	**(2,367)**
Crude oil and natural gas production	65,614	36,009	**101,623**	(1,761)	(534)	**(2,295)**
Product Manufacturing Industry	1,570,284	615,078	**2,185,362**	(39,135)	(5,236)	**(44,371)**
Food, beverage, and tobacco industry	398,072	174,325	**572,397**	(7,531)	(1,317)	**(8,848)**
Textile and leather industry	36,890	7,548	**44,438**	(1,874)	(510)	**(2,384)**
Wood and furniture industry	46,198	5,156	**51,354**	(1,651)	(130)	**(1,781)**
Printing and publishing paper industry	62,608	3,312	**65,920**	(3,150)	(56)	**(3,206)**
Chemicals and petroleum derivatives	300,243	81,830	**382,073**	(5,934)	(357)	**(6,291)**
Metallic, non-metallic, machinery, or other	486,176	186,181	**672,357**	(14,237)	(1,530)	**(15,767)**
Other Manufacturing Industries	240,097	156,726	**396,823**	(4,758)	(1,336)	**(6,094)**
Electricity, gas, and water	822,176	20,544	**842,720**	(5,746)	(779)	**(6,525)**
Home building	108,694	51,383	**160,077**	(901)	(9)	**(910)**
Other works and constructions	1,588,533	224,647	**1,813,180**	(34,454)	(3,367)	**(37,821)**
Wholesale trade	1,568,244	404,992	**1,973,236**	(45,337)	(4,279)	**(49,616)**
Retail restaurants and hotels	904,316	1,225,503	**2,129,819**	(36,235)	(9,874)	**(46,109)**
Transport and storage	1,352,825	398,603	**1,751,428**	(19,795)	(3,156)	**(22,951)**
Telecommunications	382,363	100,965	**483,328**	(6,432)	(1,505)	**(7,937)**
Financial and insurance establishments	2,477,664	283,787	**2,761,451**	(35,243)	(6,416)	**(41,659)**
Real estate and services provided to companies	2,256,168	5,006,542	**7,262,710**	(52,063)	(16,308)	**(68,371)**
Community, social and personal services	2,722,737	3,576,052	**6,298,789**	(70,543)	(31,524)	**(102,067)**
Total Commercial loans	**17,077,484**	**12,322,398**	**29,399,882**	**(377,663)**	**(88,379)**	**(466,042)**
Mortgage loans	**10,073,604**	**2,787,348**	**12,860,952**	**(42,835)**	**(41,062)**	**(83,897)**
Consumer Loans	**3,355,204**	**46,068**	**3,401,272**	**(335,667)**	**(3,535)**	**(339,202)**
Contingent loan exposure	**3,196,748**	**1,535,758**	**4,732,506**	**(43,091)**	**(14,483)**	**(57,574)**

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	1,460,829	276,785	**1,737,614**	(32,907)	(5,859)	**(38,766)**
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)	(33,357)	**(98,885)**
Total Commercial loans	**17,354,522**	**12,392,663**	**29,747,185**	**(372,855)**	**(97,388)**	**(470,243)**
Mortgage loans	**9,942,313**	**2,950,186**	**12,892,499**	**(38,264)**	**(44,854)**	**(83,118)**
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 March 31, 2023 and December 31, 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:

March 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
PVG <= 40%	1,102,301	38,554	12,458	4,105	9,112	**1,166,530**	(7,583)	(918)	(530)	(297)	(847)	**(10,175)**
40% < PVG <= 80%	9,116,849	258,026	97,110	43,093	89,635	**9,604,713**	(44,643)	(7,350)	(3,858)	(2,248)	(8,356)	**(66,455)**
80% < PVG <= 90%	1,823,907	29,271	12,082	7,465	11,133	**1,883,858**	(3,273)	(764)	(474)	(361)	(947)	**(5,819)**
PVG > 90%	195,596	4,394	2,414	1,540	1,907	**205,851**	(1,085)	(83)	(60)	(73)	(147)	**(1,448)**
Total LTV	**12,238,653**	**330,245**	**124,064**	**56,203**	**111,787**	**12,860,952**	**(56,584)**	**(9,115)**	**(4,922)**	**(2,979)**	**(10,297)**	**(83,897)**

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)**

o) As of March 31, 2023 and December 31, 2022, loans and advances to bank and commercial loans and their provisions recorded by classification category, are as follows:

As of March 31, 2023	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		
	A1	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	-	158,964	34,523	-	51,802	-	245,289	-	-	-	-	-	-	-	-	-	-	-	-	**245,289**	-	-	-	**245,289**	-
Commercial interbank loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overdrafts on checking accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign trade credits Chilean exports	-	67,996	18,973	259	-	-	87,228	-	-	-	-	-	-	-	-	-	-	-	-	**87,228**	-	-	-	**87,228**	-
Foreign trade credits Chilean imports	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign trade credits between third countries	-	230,003	58,915	-	-	-	288,918	-	-	-	-	-	-	-	-	-	-	-	-	**288,918**	-	-	-	**288,918**	-
Non-transferable deposits in banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other credit balances with banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**-**	**456,963**	**112,411**	**259**	**51,802**	**-**	**621,435**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**621,435**	**-**	**-**	**-**	**621,435**	**-**
Provisions recorded	**-**	**(381)**	**(246)**	**(5)**	**(50)**	**-**	**(682)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(682)**	**-**	**-**	**-**	**(682)**	**-**
% Provisions recorded	**0.00%**	**0.08%**	**0.22%**	**1.75%**	**0.10%**	**0.00%**	**0.11%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.11%**	**0.00%**	**0.00%**	**0.00%**	**0.11%**	**0.00%**
Commercial loans																									
Commercial loans	175,629	1,340,640	3,132,382	3,274,410	4,581,688	7,006,913	19,511,662	936,679	152,308	26,173	41,985	1,157,145	188,307	116,509	93,969	41,083	25,119	40,849	505,836	**21,174,643**	3,410,406	308,547	**3,718,953**	**24,893,596**	(28,506)
Foreign trade credits Chilean exports	-	290,922	347,516	126,185	85,718	23,996	874,337	18,209	-	2,261	4,163	24,633	-	3,493	-	-	-	-	3,493	**902,463**	9,817	-	**9,817**	**912,280**	-
Foreign trade credits Chilean imports	-	18,814	96,200	116,599	49,011	23,823	304,447	6,087	7,536	-	-	13,623	-	-	-	130	-	-	130	**318,200**	20,883	-	**20,883**	**339,083**	-
Foreign trade credits between third countries	244	-	100,482	9,273	47,678	12,115	169,792	467	5,599	-	4,707	10,773	-	-	-	-	-	-	-	**180,565**	-	-	-	**180,565**	-
Debtors in current accounts	-	8,003	24,851	5,554	6,980	1,746	47,134	7,112	2,257	194	460	10,023	274	113	65	103	93	549	1,197	**58,354**	70,430	8,149	**78,579**	**136,933**	-
Credit card debtors	-	1,402	1,147	2,310	1,016	720	6,595	716	111	15	19	861	-	10	15	5	48	356	434	**7,890**	54,405	5,976	**60,381**	**68,271**	-
Factoring operations	49,138	221,203	318,905	285,315	172,366	33,397	1,080,324	4,594	37	-	-	4,631	76	182	-	-	2,853	-	3,111	**1,088,066**	69,213	2,002	**71,215**	**1,159,281**	-
Commercial finance lease operations	-	82,588	171,963	319,887	228,403	308,880	1,111,721	105,598	24,480	10,978	2,331	143,387	14,149	5,121	5,387	1,445	3,137	1,744	30,983	**1,286,091**	277,600	12,352	**289,952**	**1,576,043**	-
Student loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	112,218	12,433	**124,651**	**124,651**	-
Other loans and receivable	-	-	-	-	-	-	-	-	-	-	-	-	89	1	-	1,122	1,488	6,086	8,786	**8,786**	-	393	**393**	**9,179**	-
Subtotal	**225,011**	**1,963,572**	**4,193,446**	**4,139,533**	**5,172,860**	**7,411,590**	**23,106,012**	**1,079,462**	**192,328**	**39,621**	**53,665**	**1,365,076**	**202,895**	**125,429**	**99,436**	**43,888**	**32,738**	**49,584**	**553,970**	**25,025,058**	**4,024,972**	**349,852**	**4,374,824**	**29,399,882**	**(28,506)**
Provisions recorded	**(67)**	**(2,225)**	**(6,438)**	**(29,286)**	**(34,186)**	**(59,501)**	**(131,703)**	**(21,145)**	**(6,579)**	**(3,669)**	**(4,096)**	**(35,489)**	**(4,119)**	**(12,593)**	**(24,866)**	**(17,700)**	**(21,441)**	**(44,181)**	**(124,900)**	**(292,092)**	**(41,005)**	**(104,439)**	**(145,444)**	**(437,536)**	**-**
% Provisions recorded	**0.03%**	**0.11%**	**0.15%**	**0.71%**	**0.66%**	**0.80%**	**0.57%**	**1.96%**	**3.42%**	**9.26%**	**7.63%**	**2.60%**	**2.03%**	**10.04%**	**25.01%**	**40.33%**	**65.49%**	**89.10%**	**22.55%**	**1.17%**	**1.02%**	**29.85%**	**3.64%**	**1.57%**	

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	ortfolio in Default	Total		
	A1	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 March 31, 2023 and December 31, 2022, the balances for loans and their provisions recorded by tranches of days past due, are as follows:

As of March 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	
	Individual/group Assessment		Individual Assessment	Individual/group Assessment			Individual/group Assessment		Individual Assessment	Individual/group Assessment					
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Loans and advances to banks															
0 days	621,435	-	-	-	-	621,435	(682)	-	-	-	-	(682)	-	**(682)**	**620,753**
1 to 29 days	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30 to 59 days	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60 to 89 days	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
>= 90 days	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	**621,435**	**-**	**-**	**-**	**-**	**621,435**	**(682)**	**-**	**-**	**-**	**-**	**(682)**	**-**	**(682)**	**620,753**
Commercial loans															
0 days	21,200,294	3,864,822	1,260,904	361,675	94,019	26,781,714	(117,796)	(31,752)	(28,719)	(62,534)	(26,344)	(267,145)	(28,928)	**(296,073)**	**26,485,641**
1 to 29 days	1,833,046	114,267	91,128	30,420	29,594	2,098,455	(13,762)	(4,742)	(6,505)	(4,313)	(7,083)	(36,405)	(229)	**(36,634)**	**2,061,821**
30 to 59 days	63,188	34,093	10,450	9,545	27,325	144,601	(141)	(2,856)	(215)	(2,410)	(6,674)	(12,296)	(131)	**(12,427)**	**132,174**
60 to 89 days	9,484	11,790	2,537	32,304	22,502	78,617	(4)	(1,655)	(42)	(4,802)	(5,475)	(11,978)	(119)	**(12,097)**	**66,520**
>= 90 days	-	-	57	120,026	176,412	296,495	-	-	(8)	(50,841)	(58,863)	(109,712)	901	**(108,811)**	**187,684**
Subtotal	**23,106,012**	**4,024,972**	**1,365,076**	**553,970**	**349,852**	**29,399,882**	**(131,703)**	**(41,005)**	**(35,489)**	**(124,900)**	**(104,439)**	**(437,536)**	**(28,506)**	**(466,042)**	**28,933,840**
Mortgage loans															
0 days	-	12,149,342	-	-	89,311	12,238,653	-	(48,951)	-	-	(7,633)	(56,584)	-	**(56,584)**	**12,182,069**
1 to 29 days	-	288,818	-	-	41,427	330,245	-	(5,549)	-	-	(3,566)	(9,115)	-	**(9,115)**	**321,130**
30 to 59 days	-	84,494	-	-	39,570	124,064	-	(1,605)	-	-	(3,317)	(4,922)	-	**(4,922)**	**119,142**
60 to 89 days	-	27,787	-	-	28,416	56,203	-	(670)	-	-	(2,309)	(2,979)	-	**(2,979)**	**53,224**
>= 90 days	-	-	-	-	111,787	111,787	-	-	-	-	(10,297)	(10,297)	-	**(10,297)**	**101,490**
Subtotal	**-**	**12,550,441**	**-**	**-**	**310,511**	**12,860,952**	**-**	**(56,775)**	**-**	**-**	**(27,122)**	**(83,897)**	**-**	**(83,897)**	**12,777,055**
Consumer loans															
0 days	-	2,922,904	-	-	109,007	3,031,911	-	(88,336)	-	-	(50,954)	(139,290)	-	**(139,290)**	**2,892,621**
1 to 29 days	-	88,940	-	-	23,211	112,151	-	(28,247)	-	-	(12,117)	(40,364)	-	**(40,364)**	**71,787**
30 to 59 days	-	54,501	-	-	22,033	76,534	-	(24,357)	-	-	(12,643)	(37,000)	-	**(37,000)**	**39,534**
60 to 89 days	-	26,411	-	-	25,718	52,129	-	(13,808)	-	-	(17,542)	(31,350)	-	**(31,350)**	**20,779**
>= 90 days	-	-	-	-	128,547	128,547	-	-	-	-	(91,198)	(91,198)	-	**(91,198)**	**37,349**
Subtotal	**-**	**3,092,756**	**-**	**-**	**308,516**	**3,401,272**	**-**	**(154,748)**	**-**	**-**	**(184,454)**	**(339,202)**	**-**	**(339,202)**	**3,062,070**
TOTAL	**23,727,447**	**19,668,169**	**1,365,076**	**553,970**	**968,879**	**46,283,541**	**(132,385)**	**(252,528)**	**(35,489)**	**(124,900)**	**(316,015)**	**(861,317)**	**(28,506)**	**(889,823)**	**45,393,718**

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 Assessment		Individual Assessment	Individual/group Assessment			Individual/group Assessment		Individual Assessment	Individual/group 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**

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 March 31, 2023 and December 31, 2022, approximately MCh$637,003 and MCh$609,754, respectively, correspond to finance leases on personal property, and MCh$939,361 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 March 31, 2023 and December 31, 2022, is as follows:

	Net balance receivable	
	As of March 31, 2023 MCh$	As of December 31, 2022 MCh$
Gross finance lease	1,804,745	1,597,939
Unaccrued finance income	(228,381)	(214,164)
Net finance lease	**1,576,364**	**1,383,775**

As of March 31, 2023 and December 31, 2022, the cash flows receivable by the Bank from finance lease agreements due to expiration are as follows:

	Net balance receivable	
	As of March 31, 2023 MCh$	As of December 31, 2022 MCh$
On-demand	-	-
Up to a month	207,144	181,837
More than 1 month to 3 months	199,547	175,167
More than 3e months to 1 year	328,092	288,009
More than 1 year to 3 years	332,589	291,959
More than 3 years to 5 years	209,962	184,310
More than 5 years	299,030	262,493
Total	**1,576,364**	**1,383,775**

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$3,202 million as of March 31, 2023 and Ch$8,913 million for the period 2022, through the execution of guarantees or dations in payment of collateral.

NOTE 14 – INVESTMENTS IN COMPANIES

a) As of March 31, 2023 and December 31, 2022 , the main investments in companies and joint ventures are detailed below:

	March 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.	11,788	12,71	1,498	11,368	12.71	1,445
Combanc S.A.	7,438	13,30	989	7,354	13.3	978
Transbank S.A.	112,562	8,72	9,814	110,929	8.72	9,672
Servicio de Infraestructura de Mercado OTC S.A.	13,413	13,61	1,825	13,222	13.61	1,800
AFT S.A.	21,080	20,00	4,216	20,626	20	4,125
Centro de Compensación Automatizado S.A.	15,884	33,33	5,294	15,047	33.33	5,015
Sociedad Interbancaria de Depósitos de Valores S.A.	7,479	7,03	526	7,255	7.03	510
Pagos y servicios S.A.	5,105	49,90	2,548	5,126	49.9	2,558
Minority investments						
Shares in SWIFT	-	-	56	-	-	56
Shares in BLADEX	-	-	807	-	-	803
Shares FHLB and FRB	-	-	102,074	-	-	140,616
Other shares	-	-	11	-	-	11
Investments in joint ventures						
Servipag Ltda.	14,282	50,00	7,141	13,662	50.00	6,831
Artikos Chile S.A.	2,899	50,00	1,449	2,632	50.00	1,316
Total	**211,930**		**138,248**	**207,221**		**175,736**

(*) 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 March 31, 2023 and December 31, 2022, are as follows:

	March 31, 2023	December 31, 2022
	MCh$	MCh$
Balance as of January 1,	**175,736**	**115,414**
Acquisition of investments (*)	(40,130)	55,990
Translation adjustment	-	-
Equity in profit or loss	2,796	7,404
Sale of investments in companies	-	(1,319)
Dividend received	-	(3,668)
Adjustment of provision for minimum dividend and results	24	(20)
Provision for minimum dividend	(98)	(615)
Capital increase adjustment	-	3,003
Regulatory adjustment	-	-
MTM shares	(80)	(453)
Total	**138,248**	**175,736**

(*) 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.

NOTE 15 – INTANGIBLE ASSETS

a) As of March 31, 2023 and December 31, 2022, intangible assets are as follows:

March 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	-	-	145,615	-	145,615
Other intangible assets arising from business combinations:					
Customer relationships					
Core deposits	10	7	34,890	(17,782)	17,108
Right to use trademarks	8	2	99,229	(84,378)	14,851
Right to use channels	10	7	19,420	(2,218)	17,202
Contract for collection of services	10	7	2,538	(1,552)	986
Mortgage loans servicing rights	-	-	8,508	(3,687)	4,821
Other intangibles	-	-	695	(147)	548
Other independently generated intangible assets	11	7	8,676	(3,657)	5,019
Software or computer programs purchased independently	6	4	405,546	(233,637)	171,909
Software or computer programs generated internally	6	5	73,866	(56,511)	17,355
Mortgage loans servicing rights	-	-	-	-	-
Other intangible assets	-	-	17	-	17
Total			**799.000**	**(403.569)**	**395.431**

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**

b) Changes in intangible assets As of March 31, 2023 and December 31, 2022, 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, 2023	**155,234**	**34,890**	**106,063**	**20,405**	**2,538**	**8,508**	**552**	**9,053**	**382,283**	**85,763**	-	**22**	**805,311**
Acquisitions	-	-	-	-	-	-	143	-	3,081	11,754	-	-	**14,978**
Derecognition / disposal	-	-	-	-	-	-	-	-	(65)	(14)	-	(5)	**(84)**
Transfers	-	-	-	-	-	-	-	-	22,632	(23,637)	-	-	**(1,005)**
Exchange rate variation	(9,619)	-	(6,834)	(985)	-	-	-	(377)	(2,385)	-	-	-	**(20,200)**
Goodwill remeasurement	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment (*)	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross balance as of December 31, 2022	**145,615**	**34,890**	**99,229**	**19,420**	**2,538**	**8,508**	**695**	**8,676**	**405,546**	**73,866**	-	**17**	**799,000**
Amortization for the period	-	(679)	(1,562)	(128)	(44)	(213)	-	(2,126)	(2,185)	(1,834)	-	(7,649)	(16,420)
Amortization accumulated at the beginning of	-	(17,103)	(86,366)	(2,090)	(1,508)	(3,474)	(136)	(3,645)	(226,041)	(53,939)	-	-	(394,302)
the period	-	-	-	-	-	-	(11)	-	-	-	-	-	(11)
Derecognition / disposal	-	-	-	-	-	-	-	2,114	(6,463)	-	-	-	(4,349)
Transfers	-	-	3,550	-	-	-	-	-	1,052	(738)	-	7,649	11,513
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-
Total amortization and accumulated impairment	-	(17,782)	(84,378)	(2,218)	(1,552)	(3,687)	(147)	(3,657)	(233,637)	(56,511)	-	-	(403,569)
Net balance as of March 31, 2023	**145,615**	**17,108**	**14,851**	**17,202**	**986**	**4,821**	**548**	**5,019**	**171,909**	**17,355**	-	**17**	**395,431**

		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**

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 March 31, 2023, the Bank performed an evaluation on whether there are impairments of the value of its assets, concluding that there are no impairments to be recorded in intangibles and goodwill on such investments, As of December 31, 2022, two impacts related to impairments of intangibles were recorded, The first impairment related to the obsolescence of internally generated software for 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, resulting in the recognition of an impairment loss associated with the Goodwill assigned to this CGU for MCH$20,442.

NOTE 16 – PROPERTY AND EQUIPMENT

a) As of March 31, 2023 and December 31, 2022, property and equipment are detailed as follows:

	March 31, 2023				
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	37	29	242,840	(49,565)	193,275
Other property and equipment	6	5	199,979	(148,445)	51,534
Total			**442,819**	**(198,010)**	**244,809**

	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**

b) Changes in property and equipment As of March 31, 2023 and December 31, 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	-	3,878	3,878
Derecognition/disposal	(29)	(5,361)	(5,390)
Transfers	742	(285)	457
Other	(3,202)	(1,572)	(4,774)
Impairment	-	-	-
Gross balance as of March 31, 2023	**242,840**	**199,979**	**442,819**
Depreciation for the year	(780)	(4,937)	(5,717)
Derecognition/disposal	-	5,307	5,307
Transfers	-	-	-
Accumulated depreciation at the beginning of the period	(49,066)	(150,477)	(199,543)
Other	281	1,662	1,943
Impairment	-	-	-
Total accumulated depreciation	**(49,565)**	**(148,445)**	**(198,010)**
Net balance as of March 31, 2023	**193,275**	**51,534**	**244,809**

	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 March 31, 2023 and December 31, 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 March 31, 2023 and December 31, 2022, this caption is detailed as follows:

	March 31, 2023				
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	9	6	204,476	(71,021)	133,455
Leasehold improvements	10	7	67,570	(46,499)	21,071
Other property and equipment	-	-	-	-	-
Other intangible assets	-	-	-	-	-
Total			**272,046**	**(117,520)**	**154,526**

	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**

b) Changes in right-of-use assets As of March 31, 2023 and December 31, 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	21,158	80	-	-	21,238
Derecognition/disposal	(11,920)	(290)	-	-	(12,210)
Transfers	(34)	333	-	-	299
Other	(4,106)	(1,325)	-	-	(5,431)
Impairment	-	-	-	-	-
Gross balance as of March 31, 2023	**204,476**	**67,570**	**-**	**-**	**272,046**
Depreciation for the period	(4,833)	(885)	-	-	(5,718)
Derecognition/disposal	1,619	271	-	-	1,890
Transfers	-	-	-	-	-
Accumulated depreciation	(68,907)	(46,357)	-	-	(115,264)
Other	1,100	(472)	-	-	1,572
Impairment	-	-	-	-	-
Total accumulated depreciation	**(71,021)**	**(46,499)**	**-**	**-**	**(117,520)**
Net balance as of March 31, 2023	**133,455**	**21,071**	**-**	**-**	**154,526**

	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**

c) As of March 31, 2023 and December 31, 2022, lease liabilities are as follows:

	March 31, 2023	December 31, 2022
	MCh$	MCh$
Lease liabilities	140,146	136,448
Total	**140,146**	**136,448**

d) Lease liabilities As of March 31, 2023 and December 31, 2022 :

	March 31, 2023	December 31, 2022
	MCh$	MCh$
Depreciation	5,719	24,498
Interests	709	2,897
Short-term leases	-	-
Total	**6,428**	**27,395**

e) As of March 31, 2023 and December 31, 2022, the expenses related to right-of-use assets and lease liabilities are as follows:

	March 31, 2023 MCh$	December 31, 2022 MCh$
Contract maturity		
On demand	-	-
Up to one month	1,914	1,933
From 1 to 3 months	4,783	4,765
From 3 months to 1 years	21,109	20,395
Between 1 and 3 years	58,990	56,168
From 3 to 5 years	45,061	48,169
More than 5 years	8,289	5,018
Total	**140,146**	**136,448**

f) As of March 31, 2023 and December 31, 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 March 31, 2023 and December 31, 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 ThCh$157,798 as of March 31, 2023 (ThCh$120,573 as of December 31, 2022). Such provisions are presented net of recoverable taxes, as detailed below:

	Legal fees per jurisdiction	
	2023	2022
Chile	27.00%	27.00%
United States	21.00%	21.00%
Peru	29.50%	29.50%

	March 31, 2022 MCh$	December 31, 2022 MCh$
Current tax assets	187,060	138,066
Current tax (liabilities)	(29,262)	(17,493)
Total assets (liabilities)	**157,798**	**120,573**

	March 31, 2023			
	Chile MCh$	United States MCh$	Peru MCh$	Total MCh$
Income tax (27% tax rate)	(5,607)	(13,418)	-	**(19,025)**
Previous year provision	(124,309)	(61,970)	-	**(186,279)**
Provision for 40% of single tax	(296)	-	-	**(296)**
Provision for 10% flat tax Law 21,420	(334)	-	-	**(334)**
Less:				
Monthly provisional payments	291,025	48,168	-	**339,193**
Tax credit for training expenses	2,398	-	-	**2,398**
Credit for acquisition of property and equipment	11	-	-	**11**
Credit for donations	1,699	-	-	**1,699**
Income tax recoverable	16,417	-	129	**16,546**
Other taxes and withholdings recoverable	3,851	-	34	**3,885**
Total	**184,855**	**(27,220)**	**163**	**157,798**

	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**

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, 2023			
	Chile	Florida	Peru	Total
	MCh$	MCh$	MCh$	MCh$
Current tax asset	186,896	-	164	**187,060**
Current tax liability	(2,042)	(27,220)	-	**(29,262)**
Net total	**184,854**	**(27,220)**	**164**	**157,798**

	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**

b. Income tax

The effect of tax expenditure for the periods as of March 31, 2023 and December 31, 2022, is comprised of the following:

	March 31,	
	2023	2022
	MCh$	MCh$
Income tax expense:		
Current year tax	(19,025)	(12,152)
Surplus/ deficit in previous year provision	-	-
Deferred tax credit (debit):		
Origination and reversal of temporary differences	(6,193)	(4,233)
Subtotal	**(25,218)**	**(16,385)**
Tax for non-deductible expenses under Article 21	(41)	(73)
Capital gains tax Law 21,420 (10%)	(334)	-
Net income tax debit (credit) to profit or loss	**(25,593)**	**(16,458)**

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, 2023 and December 31, 2022:

	March 31,			
	2023		2022	
	Tax rate	Amount	Tax rate	Amount
	%	MCh$	%	MCh$
Profit before tax		196,539		205,890
Tax at the prevailing tax rate	27.00%	53,066	27.00%	55,590
Tax effect of non-deductible expenses when calculating taxable income:				
Currency correction BCI Financial Group (1)	(3.31%)	(6,496)	(10.88%)	(22,399)
U.S. and Peru rate differences (2)	(0.62%)	(1,223)	1.54%	3,160
Equity price-level restatement	(8.02%)	(15,770)	(15.95%)	(32,843)
One-time tax (disallowed expenses)	0.02%	41	0.04%	73
Bonds 104 LIR (3)	(0.66%)	(1,298)	4.70%	9,675
Single tax art. 107 LIR	0.17%	334	0.00%	-
Others	(1.56%)	(3,061)	1.55%	3,202
Effective rate and income tax expense	**13.02%**	**25,593**	**8.00%**	**16,458**

(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 March 31, 2023, is a tax expense of Ch$6,496 million, while as of December 31, 2022, is a tax expense of Ch$4,575 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.

d. Effect of deferred taxes in equity

The deferred tax that has been recognized as a debit to equity As of March 31, 2023 and December 31, 2022, is comprised of the following:

	Accumulated balances		Credit (debit) to profit or loss	
	March 31,	December 31,	March 31,	December 31,
	2023	2022	2023	2022
	MCh$	MCh$	MCh$	MCh$
Financial investments available for sale	14,419	18,413	(3,995)	7,572
Investments for Cash Flow Hedge	(16,859)	(38,045)	21,186	9,755
Other deferred tax credit (debit) on equity	120,003	136,933	(16,929)	136,933
Deferred tax credit (debit on equity	**117,563**	**117,301**	**262**	**154,260**

e. Deferred tax effect

As of March 31, 2023 and December 31, 2022, the Bank has recorded the effects of deferred taxes in accordance with IAS 12 in its Interim Consolidated Financial Statements.

	March 31, 2023	December 31, 2022
	MCh$	MCh$
Deferred tax assets:		
With effect in income	586,438	600,015
With effect in equity	(117,563)	(117,301)
Total deferred tax assets	**468,875**	**482,714**
Deferred tax liabilities:		
With effect in profit or loss	(2,364)	(1,612)
With effect in Shareholders' equity	-	-
Total deferred tax liabilities	(2,364)	**(1,612)**
Total net deferred tax assets:	**466,511**	**481,102**

The following are the effects of net deferred taxes by jurisdiction as of March 31, 2023 and December 31, 2022:

	March 31, 2023			
	Chile	United States	Peru	Total
	MCh$	MCh$	MCh$	MCh$
Detail of deferred tax assets (liabilities)				
Allowance for credit losses	249,908	53,282	-	303,190
Provision for employee vacations and bonuses	50,610	-	35	50,645
Leases (net)	44,141	(104,352)	-	(60,211)
Property and equipment	(14,672)	(394)	5	(15,061)
Transitory assets	(22,268)	18,853	-	(3,415)
Derivative contracts	(3,917)	(19,795)	-	(23,712)
Subordinated bonds	12,453	-	-	12,453
Tax loss	28,554	42,662	1,450	72,666
Other	21,806	(9,761)	348	12,393
Total net assets (liabilities)	**366,615**	**(19,505)**	**1,838**	**348,948**
Deferred tax credit (debit) on equity	(2,439)	120,002	-	117,563
Net effect of deferred tax asset	**364,176**	**100,497**	**1,838**	**466,511**

	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**

NOTE 19 – OTHER ASSETS

As of March 31, 2023 and December 31, 2022, other assets are as follows:

	March 31, 2022	December 31, 2022
	MCh$	MCh$
Assets to be leased in financial leases as lessor	216,976	209,763
Cash guarantees delivered for derivative financial transactions	152,774	150,486
Debtors for brokerage of financial instruments	-	-
Accounts receivable for use of payment cards with provision of funds	-	-
Accounts receivable from third parties	109,650	143,266
Investment property	-	-
VAT fiscal credit receivable	21,061	17,603
Prepaid expenses	88,820	64,535
Valuation adjustments for macro hedges	6,624	691
Assets to support obligations for post-employment defined benefit plans	411,871	437,480
Assets from revenue from ordinary activities from contracts with customers	-	-
Investments in gold	7,259	7,127
Other cash collateral provided	550,926	564,658
Pending operations	55,589	238,494
Other assets	73,807	60,961
Total	**1,695,357**	**1,895,064**

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, 2023 and December 31, 2022, non-current assets and disposal group held for sale are as follows:

	March 31, 2023 MCh$	December 31, 2022 MCh$
Assets received in payment or foreclosed at judicial auction (*):		
Goods received in payment	733	306
Assets foreclosed at judicial auction	6,180	5,199
Provisions for goods received in payment or foreclosed at judicial auction	(320)	(310)
Subtotal	**6,593**	**5,195**
Investment in companies	-	-
Intangible assets	-	-
Property and equipment	-	-
Assets for recovery of assets under finance leases	30,632	29,739
Other assets	-	-
Subtotal	**30,632**	**29,739**
Total	**37,225**	**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, 0.103987% as of March 31, 2023 and 0.082530% as of December 31, 2022.

b) As of March 31, 2023 and December 31, 2022, changes in provisions for assets received in payment are as follows:

	Provisions MCh$
Balance as of January 1, 2023	(310)
Provisions accrued	994
Provisions used	(1,004)
Balance as of March 31, 2023	**(320)**

	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 March 31, 2023 and December 31, 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 March 31, 2023 and December 31, 2022, financial liabilities held for trading at fair value through profit or loss are as follows:

	March 31, 2023 MCh$	December 31, 2022 MCh$
Financial derivative contracts	6,372,313	6,584,736
Other financial instruments	-	-
Total	**6,372,313**	**6,584,736**

b) As of March 31, 2023 and December 31, 2022, financial derivative contracts are as follows:

	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 March 31, 2023
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Financial derivative contracts									
Forwards	-	16,363,710	12,707,387	23,809,707	4,965,557	2,041,930	2,053,477	**61,941,768**	**1,676,536**
Swaps	259,000	5,452,134	12,696,120	38,796,165	49,016,115	25,007,404	28,925,113	**160,152,051**	**4,689,383**
Call Options	-	13,944	63,902	80,431	989	-	-	**159,266**	**741**
Put Options	-	10,709	39,414	71,957	298	-	-	**122,378**	**5,445**
Futures	-	-	6,407	-	-	-	-	**6,407**	**208**
Other	-	-	-	-	-	-	-	**-**	**-**
Totals	**259,000**	**21,840,497**	**25,513,230**	**62,758,260**	**53,982,959**	**27,049,334**	**30,978,590**	**222,381,870**	**6,372,313**

	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 December 31, 2022
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	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**

c) As of March 31, 2023 and December 31, 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 March 31, 2023 and December 31, 2022, financial liabilities at amortized cost are as follows:

	March 31, 2023 MCh$	December 31, 2022 MCh$
Deposits and other obligations on demand		
Current accounts	19,920,078	21,585,141
Demand deposit accounts	706,325	761,815
Other demand deposits	270,454	255,380
Obligations for fund provision accounts for payment cards	19,970	19,699
Other obligations on demand	2,192,106	1,500,130
Subtotal	**23,108,933**	**24,122,165**
Deposits and other time deposits		
Time deposits	18,761,119	18,172,045
Term savings accounts	68,134	71,647
Other term credit balances	2,496	2,273
Subtotal	**18,831,749**	**18,245,965**
Obligations for repurchase agreements and securities lending		
Transactions with domestic banks	120,222	127,673
Transactions with foreign banks	-	-
Transactions with other domestic entities	787,543	256,406
Transactions with other foreign entities	481	804
Subtotal	**908,246**	**384,883**
Bank borrowings		
Domestic banks	348,875	408,618
Foreign banks	1,662,959	1,736,799
Central Bank of Chile	4,522,298	4,515,654
Foreign Central Banks	-	-
Subtotal	**6,534,132**	**6,661,071**
Debt financial instruments issued		
Letters of credit	1,335	1,800
Current bonds	7,878,538	8,105,460
Subtotal	**7,879,873**	**8,107,260**
Other financial obligations		
Other financial obligations with the public sector	1,025	1,099
Other domestic financial obligations	79,930	79,780
Other foreign financial obligations	1,340,827	2,158,221
Subtotal	**1,421,782**	**2,239,100**
Total	**58,684,715**	**59,760,444**

b) As of March 31, 2023, current bonds are as follows:

CURRENT BONDS IN PESOS							
Serie	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	01-06-2016	01-06-2023	4.90%	50,587,253,785	50,587
SERIE_O1	100,000,000,000	100,000,000,000	01-12-2020	01-12-2025	8.25%	88,963,582,175	88,964
SERIE_O2	100,000,000,000	100,000,000,000	01-12-2020	01-12-2026	7.11%	88,242,156,349	88,242
SERIE_O3	100,000,000,000	100,000,000,000	01-12-2020	01-12-2027	5.49%	91,431,569,319	91,432
SERIE_Q1	50,000,000,000	50,000,000,000	01-09-2022	01-03-2025	7.20%	50,966,291,813	50,966
SERIE_T1	6,500,000,000	6,500,000,000	01-02-2023	01-02-2027	7.05%	6,359,506,249	6,360
SERIE_T4	35,000,000,000	35,000,000,000	01-02-2023	01-02-2029	6.80%	34,172,031,544	34,172
SERIE_T5	35,000,000,000	35,000,000,000	01-02-2023	01-02-2031	6.58%	34,344,683,249	34,345
Fair value adjustment (fair value hedge)						5,464,141,801	5,464
Subtotal	**476,500,000,000**	**476,500,000,000**				**450,531,216,284**	**450,532**

CURRENT BONDS IN UF							
Serie	Amount issued UF	Amount placed UF	Issuance date	Maturity date	Average rate	Balance due UF	Balance due MCh$
SERIE_AI2	5,000,000	-	01-03-2014	01-03-2024	0.00%	-	-
SERIE_AJ2	20,000,000	20,000,000	01-10-2014	01-10-2024	2.23%	20,126,961	716,026
SERIE_AL2	3,000,000	3,000,000	01-06-2016	01-06-2023	2.15%	3,026,543	107,671
SERIE_AL3	3,000,000	3,000,000	01-06-2016	01-06-2024	2.40%	3,028,448	107,738
SERIE_AL4	3,000,000	3,000,000	01-06-2016	01-06-2028	2.36%	3,046,680	108,387
SERIE_AL5	3,000,000	3,000,000	01-06-2016	01-06-2031	2.50%	3,027,722	107,713
SERIE_AN2	3,000,000	3,000,000	01-12-2016	01-12-2024	1.95%	3,022,455	107,525
SERIE_AN3	3,000,000	3,000,000	01-12-2016	01-12-2026	2.00%	3,020,582	107,459
SERIE_A2	3,000,000	3,000,000	01-04-2017	01-04-2027	2.18%	3,010,406	107,097
SERIE_B2	3,000,000	3,000,000	01-05-2017	01-05-2023	1.67%	3,025,731	107,642
SERIE_C2	3,000,000	3,000,000	01-07-2017	01-07-2023	2.32%	3,012,536	107,172
SERIE_C3	3,000,000	3,000,000	01-07-2017	01-07-2025	2.28%	2,997,149	106,625
SERIE_C4	3,000,000	3,000,000	01-07-2017	01-07-2026	2.42%	2,976,793	105,901
SERIE_D1	3,000,000	3,000,000	01-11-2017	01-11-2023	1.84%	3,027,586	107,708
SERIE_D2	3,000,000	3,000,000	01-11-2017	01-11-2025	2.04%	3,022,242	107,518
SERIE_D3	3,000,000	3,000,000	01-11-2017	01-11-2028	2.34%	2,973,239	105,774
SERIE_D4	3,000,000	3,000,000	01-11-2017	01-11-2029	2.45%	2,945,251	104,779
SERIE_F2	3,000,000	3,000,000	01-04-2018	01-04-2024	1.60%	3,041,783	108,213
SERIE_F3	3,000,000	3,000,000	01-04-2018	01-04-2025	2.00%	3,030,222	107,802
SERIE_F4	3,000,000	3,000,000	01-04-2018	01-04-2028	2.17%	3,007,083	106,978
SERIE_F5	3,000,000	3,000,000	01-04-2018	01-04-2029	2.36%	2,971,626	105,717
Serie_G1	3,000,000	3,000,000	01-06-2018	01-06-2025	1.47%	3,053,829	108,641
Serie_G2	3,000,000	3,000,000	01-06-2018	01-06-2026	1.09%	3,104,810	110,455
Serie_G3	3,000,000	3,000,000	01-06-2018	01-06-2029	2.10%	3,004,051	106,871
SERIE_I1	3,000,000	3,000,000	01-02-2019	01-02-2028	0.70%	3,194,969	113,663
SERIE_I2	3,000,000	3,000,000	01-02-2019	01-02-2029	0.72%	3,231,761	114,971

CURRENT BONDS IN UF							
Serie	Amount issued UF	Amount placed UF	Issuance date	Maturity date	Average rate	Balance due UF	Balance due MCh$
SERIE_I3	3,000,000	3,000,000	01-02-2019	01-02-2030	1.19%	3,169,300	112,749
SERIE_K1	3,000,000	3,000,000	01-05-2019	01-05-2023	-0.03%	3,030,077	107,796
SERIE_K2	3,000,000	1,450,000	01-05-2019	01-05-2025	1.90%	1,465,121	52,122
SERIE_K4	3,000,000	3,000,000	01-05-2019	01-05-2029	0.45%	3,303,716	117,531
SERIE_M3	3,000,000	3,000,000	01-10-2019	01-10-2028	-0.09%	3,285,555	116,885
SERIE_M4	3,000,000	3,000,000	01-10-2019	01-10-2029	-0.31%	3,379,456	120,226
SERIE_M5	3,000,000	3,000,000	01-10-2019	01-10-2030	0.27%	3,296,245	117,265
SERIE_N1	3,000,000	3,000,000	01-12-2020	01-06-2027	2.05%	2,950,175	104,954
SERIE_N2	3,000,000	3,000,000	01-12-2020	01-12-2027	2.76%	2,852,825	101,491
SERIE_N3	3,000,000	3,000,000	01-12-2020	01-12-2028	2.25%	2,897,208	103,070
SERIE_N4	3,000,000	3,000,000	01-12-2020	01-12-2030	2.84%	2,743,590	97,605
SERIE_P1	3,000,000	3,000,000	01-10-2021	01-10-2031	2.55%	3,150,600	112,084
SERIE_P2	3,000,000	3,000,000	01-10-2021	01-10-2032	3.04%	3,039,751	108,141
SERIE_P3	3,000,000	3,000,000	01-10-2021	01-10-2033	2.75%	3,118,555	110,944
SERIE_P4	3,000,000	3,000,000	01-10-2021	01-10-2035	2.59%	3,175,399	112,966
SERIE_P5	3,000,000	3,000,000	01-10-2021	01-10-2036	2.63%	3,175,319	112,964
SERIE_R1	1,000,000	1,000,000	01-09-2022	01-03-2028	2.85%	1,010,053	35,933
SERIE_R2	1,000,000	1,000,000	01-09-2022	01-09-2028	2.80%	1,013,163	36,044
SERIE_R3	1,000,000	1,000,000	01-09-2022	01-03-2029	2.80%	1,014,224	36,081
Fair value adjustment (fair value hedge)						(1,144,778)	(40,726)
Subtotal	**148,000,000**	**141,450,000**				**142,856,012**	**5,082,171**

CURRENT BONDS IN US$							
Serie	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	12-10-2017	12-10-2027	3.65%	502,647,579	399,369
XS1879614755	50,000,000	50,000,000	13-09-2018	13-03-2024	3.85%	50,006,262	39,731
XS1888335194	100,000,000	100,000,000	04-10-2018	04-04-2024	4.02%	101,789,315	80,875
XS1895749593	45,000,000	45,000,000	19-10-2018	19-04-2024	4.03%	45,727,620	36,332
XS1919312626	25,000,000	25,000,000	07-12-2018	07-12-2023	2.89%	25,055,413	19,907
XS1984711355	10,000,000	10,000,000	23-04-2019	23-04-2024	3.00%	10,081,914	8,010
XS2012024696	50,000,000	50,000,000	14-06-2019	14-06-2029	3.32%	50,168,369	39,860
XS2024766276	50,000,000	50,000,000	10-07-2019	10-07-2029	3.21%	50,029,791	39,750
XS2047630970	10,000,000	10,000,000	28-08-2019	28-08-2024	3.14%	10,024,826	7,965
XS2085920416	20,000,000	20,000,000	02-12-2019	02-06-2025	3.60%	19,993,502	15,885
XS2318617185	54,000,000	54,000,000	17-03-2021	03-12-2029	2.37%	53,829,078	42,769
XS2337108497	10,000,000	10,000,000	27-04-2021	27-04-2026	4.09%	10,036,785	7,975
XS2357310379	10,000,000	10,000,000	23-06-2021	23-06-2031	2.60%	9,965,839	7,918
XS2377687442	10,000,000	10,000,000	18-08-2021	18-08-2031	2.53%	9,919,781	7,882
XS2387450393	30,000,000	30,000,000	16-09-2021	16-09-2026	4.94%	29,838,093	23,707
XS2388190592	10,000,000	10,000,000	21-09-2021	21-09-2026	4.80%	9,912,622	7,876
XS2384719667	133,000,000	133,000,000	24-09-2021	24-09-2026	1.89%	131,670,638	104,616
XS2389126280	10,000,000	10,000,000	27-09-2021	27-09-2031	2.42%	9,897,834	7,864
US05890MAB90	500,000,000	500,000,000	14-10-2021	14-10-2031	3.08%	493,100,204	391,783
XS2398895651	17,000,000	17,000,000	19-10-2021	19-10-2026	4.76%	17,040,230	13,539
XS2402142371	20,000,000	20,000,000	27-10-2021	27-10-2028	5.18%	20,033,870	15,918
XS2407022313	20,000,000	20,000,000	01-12-2021	01-12-2026	4.99%	19,927,488	15,833
XS2454830824	10,000,000	10,000,000	10-03-2022	10-03-2029	5.75%	9,925,673	7,886
XS2457006521	25,000,000	25,000,000	15-03-2022	15-03-2027	5.69%	24,847,484	19,742
Fair value adjustment (fair value hedge)						(71,647,887)	(32,665)
Subtotal	**1,719,000,000**	**1,719,000,000**				**1,643,822,323**	**1,330,327**

CURRENT BONDS IN EURO							
Serie	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	23-09-2016	23-09-2024	0.89%	20,033,511	17,292
Ajuste valor razonable (cobertura fair value)							
Subtotal	**20,000,000**	**20,000,000**				**20,033,511**	**17,292**

CURRENT BONDS IN AUD							
Serie	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	15-11-2017	15-11-2027	4.15%	80,740,952	43,013
XS1859545367	40,000,000	40,000,000	25-07-2018	25-07-2033	4.67%	40,959,517	21,820
XS1879612973	60,000,000	60,000,000	14-09-2018	14-09-2033	4.65%	60,990,329	32,492
XS1897619968	40,000,000	40,000,000	24-10-2018	24-10-2033	4.70%	40,196,333	21,414
XS2087687435	30,000,000	30,000,000	02-12-2019	03-12-2029	4.27%	29,874,826	15,915
Ajuste valor razonable (cobertura fair value)						(3,297,210)	(1,757)
Subtotal	**250,000,000**	**250,000,000**				**249,464,747**	**132,897**

CURRENT BONDS IN FRANCO SUIZO							
Serie	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	22-05-2019	22-11-2024	0.32%	174,874,641	152,258
CH0494734376	100,000,000	100,000,000	24-09-2019	24-09-2029	0.22%	99,398,693	86,543
CH0505011889	105,000,000	105,000,000	29-10-2019	29-10-2025	0.25%	104,511,455	90,995
CH0506071239	125,000,000	125,000,000	18-03-2020	18-09-2026	0.10%	124,165,338	108,107
CH1120085696	100,000,000	100,000,000	15-07-2021	15-12-2026	0.39%	99,042,552	86,233
CH1142512339	200,000,000	200,000,000	26-01-2022	26-04-2027	0.60%	198,959,039	173,228
CH1248666963	135,000,000	135,000,000	22-03-2023	22-03-2028	2.89%	132,991,179	115,791
Ajuste valor razonable (cobertura fair value)						(7,663,524)	(6,672)
Subtotal	**940,000,000**	**940,000,000**				**926,279,373**	**806,483**

CURRENT BONDS IN YEN							
Serie	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	01-06-2018	01-12-2028	0.75%	4,976,308,415	29,739
XS2424489958	5,000,000,000	5,000,000,000	07-01-2022	07-01-2027	0.50%	4,951,320,956	29,590
Ajuste valor razonable (cobertura fair value)						(82,555,371)	(493)
Subtotal	**10,000,000,000**	**10,000,000,000**				**9,845,074,000**	**58,836**
Total bonos corrientes							**7,878,538**

c) As of December 31, 2022, current bonds are as follows:

CURRENT BONDS IN PESOS							
Series	Amount issued	Amount placed	Issuance	Maturity	Average	Balance due	Balance due
	Ch$	Ch$	date	date	rate	Ch$	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	Amount placed	Issuance	Maturity	Average	Balance due	Balance due
	UF	UF	date	date	rate	UF	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	Amount placed	Issuance	Maturity	Average rate	Balance due	Balance due
	US$	US$	date	date		US$	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	Amount placed	Placement	Maturity	Average	Balance due	Balance due
	EU	EU	date	date	rate	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	Maturity	Average	Balance due	Balance due
	AUD	AUD	date	date	rate	AUD	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	Amount placed	Placement	Maturity	Average	Balance due	Balance due
	CHF	CHF	date	date	rate	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	Maturity	Average	Balance due	Balance due
	YEN	YEN	date	date	rate	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 March 31, 2023 and December 31, 2022, the maturity of current bonds is as follows:

	As of March 31, 2023		
	Long-term	Short- term	Total
	MCh$	MCh$	MCh$
Por vencimiento corto y largo plazo			
Short and long-term maturity	7,230,323	648,215	7,878,538
current bonds	**7,230,323**	**648,215**	**7,878,538**

	As of 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 March 31, 2023 and December 31, 2022, the securities under sale and repurchase agreements are as follows:

	Maturity of the commitment as of March 31, 2023							
Entity type	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	-	120,222	-	-	-	-	-	**120,222**
Repurchase agreements with the Central Bank of Chile	-	-	-	-	-	-	-	-
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**120,222**	**-**	**-**	**-**	**-**	**-**	**120,222**
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	-	389,947	397,596	-	-	-	-	**787,543**
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**389,947**	**397,596**	**-**	**-**	**-**	**-**	**787,543**
Transactions with other foreign entities								
Repurchase agreement	-	177	83	221	-	-	-	**481**
Securities lending obligations	-	-	-	-	-	-	-	-
Subtotal	**-**	**177**	**83**	**221**	**-**	**-**	**-**	**481**
Total	**-**	**510,346**	**397,679**	**221**	**-**	**-**	**-**	**908,246**

	Maturity as of December 31, 2022							
Entity type	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 March 31, 2023 and December 31, 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 March 31, 2023 and December 31, 2022, the detail of the regulatory capital financial instruments issued is as follows:

	March 31, 2023	December 31, 2022
	MCh$	MCh$
Regulatory capital financial instruments issued		
Subordinated bonds	1,525,112	1,499,299
Bonds without fixed maturity	-	-
Preferred stock	-	-
Total	**1,525,112**	**1,499,299**

c) As of March 31, 2023 and December 31, 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	(6,820)	-	-
Payment of principal to the holder	-	-	-
Accrued interest	12,745	-	-
Inflation-indexation accrued by the UF and/or the exchange rate	19,888	-	-
Foreign currency translation differences	-	-	-
Depreciation	-	-	-
Revaluation	-	-	-
Maturity	-	-	-
Conversion to common stock	-	-	-
Other	-	-	-
Balances as of March 31, 2023	**1,525,112**	**-**	**-**

	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 March 31, 2023, 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	01-06-2010	01-06-2040	4.17%	3,726,217	132,561
SERIE_AD2	3,000,000	3,000,000	01-06-2010	01-06-2042	4.14%	2,771,627	98,602
SERIE_F	1,200,000	1,200,000	01-05-1999	01-05-2024	7.73%	150,357	5,349
SERIE_G	400,000	400,000	01-05-1999	01-05-2025	7.92%	80,393	2,860
SERIE_L	1,200,000	1,200,000	01-10-2001	01-10-2026	6.39%	361,567	12,863
SERIE_M	1,800,000	1,800,000	01-10-2001	01-10-2027	6.43%	642,510	22,858
SERIE_N	1,500,000	1,500,000	01-06-2004	01-06-2029	5.25%	637,940	22,695
SERIE_O	1,500,000	1,500,000	01-06-2004	01-06-2030	3.93%	648,921	23,086
SERIE_R	1,500,000	1,500,000	01-06-2005	01-06-2038	4.72%	867,095	30,847
SERIE_S	2,000,000	2,000,000	01-12-2005	01-12-2030	4.86%	934,260	33,237
SERIE_T	2,000,000	2,000,000	01-12-2005	01-12-2031	4.52%	1,016,511	36,163
SERIE_U	2,000,000	2,000,000	01-06-2007	01-06-2032	4.19%	1,964,606	69,892
SERIE_W	4,000,000	4,000,000	01-06-2008	01-06-2036	4.05%	2,370,256	84,323
SERIE_Y	4,000,000	4,000,000	01-12-2007	01-12-2030	4.25%	2,905,996	103,382
SERIE_AC	6,000,000	6,000,000	01-03-2010	01-03-2040	3.96%	5,549,749	197,435
SERIE_AH	15,000,000	9,000,000	01-09-2013	01-09-2043	3.63%	7,990,086	284,251
SERIE_B1S	3,000,000	3,000,000	01-12-2019	01-12-2039	1.32%	3,325,714	118,314
SERIE_B2S	3,000,000	3,000,000	01-12-2019	01-12-2044	1.30%	3,417,161	121,567
SERIE_B3S	3,000,000	3,000,000	01-12-2019	01-12-2049	1.28%	3,508,790	124,827
Total subordinated bonds	**60,100,000**	**54,100,000**				**42,869,756**	**1,525,112**

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**

NOTE 24 – PROVISIONS FOR CONTINGENCIES

a) As of March 31, 2023 and December 31, 2022, the provisions for contingencies are comprised of the following:

	March 31, 2023 MCh$	December 31, 2022 MCh$
Provisions for employee benefit obligations	92,267	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	1,078	401
Provisions for obligations related to customer loyalty and merit-based programs	8,317	7,827
Provisions for operational risk	581	576
Other provisions for other contingencies	49,117	66,302
Total	**151,360**	**227,716**

b) As of March 31, 2023 and December 31, 2022, the provisions for employee benefit obligations are as follows:

	March 31, 2023 MCh$	December 31, 2022 MCh$
Provision for short-term employee benefits	61,823	104,496
Provision for post-employment employee benefits	-	-
Provision for long-term employee benefits	-	-
Provision for employee termination benefits	542	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	29,902	47,140
Total	**92,267**	**152,610**

c) Movements in the provision for performance bonuses as of March 31, 2023 and December 31, 2022 are as follows:

	Provision for performance bonuses	
	March 31, 2023 MCh$	December 31, 2022 MCh$
Balance as of January 1,	85,420	62,167
Provisions recorded	17,651	83,419
Provisions accrued	(66,222)	(57,909)
Provisions used	(1,898)	(1,525)
Other changes	(1,948)	(732)
Total as of December 31,	**33,003**	**85,420**

d) Movements in the provision for accrued vacations As of March 31, 2023 and December 31, 2022 are as follows:

	Provision for accrued vacations	
	March 31, 2023 MCh$	December 31, 2022 MCh$
Balance as of January 1,	21,391	17,351
Provisions recorded	5,875	16,999
Provisions accrued	(9,373)	(15,286)
Provisions used	-	-
Other changes	(2,346)	2,327
Total as of December 31,	**15,547**	**21,391**

NOTE 25 – PROVISIONS FOR DIVIDENDS, INTEREST PAYMENTS AND REVALUATION OF REGULATORY CAPITAL FINANCIAL INSTRUMENTS

a) As of March 31, 2023 and December 31, 2022, the detail of the provisions for dividends, interest payments and revaluation of regulatory capital financial instruments is as follows:

	March 31, 2023 MCh$	December 31, 2022 MCh$
Provisions for dividends, interest payment and revaluation of regulatory capital financial instruments issued		
Provisions for dividends	297,519	246,247
Provision for interest payment on bonds without fixed maturity	-	-
Provision for revaluation of bonds without fixed maturity	-	-
Total	**297,519**	**246,247**

b) As of March 31, 2023 and December 31, 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	297,519	-	-	-	**297,519**
Provisions accrued	(246,247)	-	-	-	**(246,247)**
Release of provisions	-	-	-	-	**-**
Balance as of March 31, 2023	**297,519**	**-**	**-**	**-**	**297,519**

	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 March 31, 2023 and December 31, 2022, special provisions for credit loss are as follows:

	March 31, 2023 MCh$	December 31, 2022 MCh$
Provisions for credit loss for contingent loans	57,573	60,252
Provisions for country risk for operations with debtors domiciled abroad	4,628	4,716
Special provisions for foreign loans	-	-
Additional provisions for loans	416,511	415,022
Provisions for adjustments to the minimum required provision for normal portfolio assessed on a stand-alone basis	8,799	11,065
Provisions accrued for credit loss as a result of complementary prudential requirements	-	-
Total	**487,511**	**491,055**

b) As of March 31, 2023 and December 31, 2022, the provisions for credit loss for contingent loans are as follows:

	March 31, 2023 MCh$	December 31, 2022 MCh$
Provisions for credit loss for contingent loans		
Guarantors and surety bonds	3,125	3,498
Confirmed foreign letters of credit	268	646
Documentary letters of credit issued	-	-
Transactions related to contingent events	20,132	19,324
Subtotal	**23,525**	**23,468**
Undrawn lines of credit in:		
Current account - business portfolio	16,766	16,543
Credit card - business portfolio	3,640	3,980
Current account - consumer portfolio	1,533	1,492
Credit card - consumer portfolio	7	10
Subtotal	**21,946**	**22,025**
Other credit commitments		
Credits for higher education Law No. 20.027 (CAE)	3	3
Other irrevocable credit commitments	4,752	6,367
Subtotal	**4,755**	**6,370**
Undrawn credit lines with immediate termination in:		
Current account – business portfolio	-	-
Credit card – business portfolio	-	-
Current account – consumer portfolio	62	42
Credit card – consumer portfolio	7,285	8,347
Subtotal	**7,347**	**8,389**
Commitments to acquire debt in local currency abroad	-	-
Other contingent loans	-	-
Provisions for country risk for operations with debtors domiciled abroad	4,628	4,716
Special provisions for loans abroad	-	-
Additional provisions for loans	416,511	415,022
Provisions for adjustments to the minimum required provision for normal portfolio assessed on a stand-alone basis	8,799	11,065
Provisions accrued for credit loss as a result of complementary prudential requirements	-	-
Subtotal	**429,938**	**430,803**
Total	**487,511**	**491,055**

c) As of March 31, 2023 and December 31, 2022, 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, 2023	60,252	4,716	-	415,022	11,065	-	491,055
Provisions recorded	4,498	4,080	-	7,511	-	-	16,089
Provisions accrued	-	-	-	-	-	-	-
Provisions used	(5,549)	(3,899)	-	(5,633)	(2,266)	-	(17,347)
Exchange rate variation	(1,628)	(269)	-	(389)	-	-	(2,286)
Balance as of March 31, 2023	**57,573**	**4,628**	**-**	**416,511**	**8,799**	**-**	**487,511**

	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**

NOTE 27 – OTHER LIABILITIES

As of March 31, 2023 and December 31, 2022, other liabilities are as follows:

	March 31, 2023 MCh$	December 31, 2022 MCh$
Cash guarantees received for derivative financial operations	781,858	715,387
Creditors for brokerage of financial instruments	-	-
Accounts payable to third parties	489,055	534,906
Accounts receivable from subsidiaries for services rendered (applicable only at individual bank level)	-	-
Agreed dividends payable	-	-
Valuation adjustments for macro hedges	10,663	20,267
Liability for revenue from contract with customers	37,404	41,229
VAT fiscal debit payable	15,887	15,031
Other cash collateral received	9,622	-
Pending transactions	82,978	38,707
Other liabilities	9,914	21,135
Total	**1,437,381**	**1,386,662**

NOTE 28 – EQUITY

a) Paid-in capital and shares

The changes in common shares As of March 31, 2023 and December 31, 2022, are as follows:

	March 31, 2023 Number	December 31, 2022 Number
Shares issued as of January 1	168,837,345	155,886,505
Issuance of bonus shares	-	12,950,840
Shares subscribed and paid for capital increase	-	-
Total issued	**168,837,345**	**168,837,345**

b) Shareholders

As of March 31, 2023 and December 31, 2022, the distribution of shareholders is as follows:

As of March 31, 2023	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	10,584,148	6.27%
Banchile Corredores de Bolsa S.A.	5,613,214	3.32%
Banco Santander on behalf of Foreign Investors	4,393,808	2.60%
AFP Habitat S.A.	4,177,175	2.47%
BCI Corredor de Bolsa S.A. on behalf of third parties.	4,155,269	2.46%
AFP Provida S.A.	3,471,220	2.06%
AFP Capital S.A.	2,176,348	1.29%
Larraín Vial S.A. Corredora de Bolsa	2,789,502	1.65%
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.	2,896,983	1.72%
Inversiones Tarascona Corporation Agencia en Chile	1,721,399	1,02%
Jorge Juan Yarur Bascuñán	1,624,031	0.96%
Santander Corredores de Bolsa Ltda.	587,038	0.35%
AFP Modelo S.A.	1,115,275	0.66%
BTG Pactual Chile S.A. Corredores de Bolsa	921,076	0.55%
Empresas JY S.A.	928,693	0.55%
Bolsa de Comercio de Santiago Bolsa de Valores	763,388	0.45%
Bolsa Electrónica de Chile Bolsa de Valores	666,165	0.39%
Inversiones Colibrí Financiera S.A.	788,452	0.47%
Credicorp Capital S.A. Corredores de Bolsa	759,775	0.45%
AFP Planvital S.A.	825,250	0.49%
Other Shareholders	14,864,886	8.80%
Shares subscribed and paid	**168,837,345**	**100%**

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

During the periods ended March 31, 2023 and December 31, 2022, the following dividends were declared by the Bank:

	March 31, 2023	December 31, 2022
Ch$ per common share	1,500	1,010

The provision for minimum dividend as of March 31, 2023 amounts to MCh$297,519 (MCh$246,247 as of December 31, 2022).

d) As of March 31, 2023 and December 31, 2022, there are no dilutive securities, such that basic and diluted earnings per share are the same:

	March 31, 2023	December 31, 2022
Earnings attributable to equity holders of the parent	170,910	820,822
Profit available to shareholders in MCh$	**170,910**	**820,822**
Weighted average number of shares	168,837,345	144,922,480
Basic earnings per share ($/share)	**1,012**	**5,664**

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 March 31, 2023 and December 31, 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, 2023	**(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**
51, Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period	-	104	-	-	-	-	-	104	80,144	(118,858)	-	(78,468)	-	-	-	-	262	(116,920)
Closing balance as of March 31, 2023	**(132)**	**54**	**-**	**-**	**-**	**-**	**-**	**(78)**	**(561,042)**	**266,512**	**-**	**62,440**	**-**	**-**	**-**	**-**	**117,563**	**(114,527)**

	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 comprehensi ve 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 comprehensiv e 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 comprehensi ve income	Translati on differenc es for foreign entities	Accounting hedges of net investment s 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 accountin g 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 comprehensi ve 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 March 31, 2023, the Bank and its subsidiaries had provisions for civil, labor, and other claims amounting to MCh$1,104 (MCh$715 as of December 31, 2022).

b) Guarantees granted for operations:

- Direct commitments

As of March 31, 2023 and December 31, 2022, the Bank does not maintain guarantees for this concept.

- Guarantees for operations

BCI Corredor de Bolsa S.A.

As of March 31, 2023, this Company has collateralized the commitments for simultaneous operations in the Santiago Stock Exchange, whose valuation amounts to MCh$84,410 (MCh$61,006 as of December 31, 2022).

As of March 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$ 8,026 (MCh$7,763 as of December 31, 2022).

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$295 (MCh$495 as of December 31, 2022).

As of March 31, 2023, the Company maintains guarantees abroad for international market operations for MCh$40 (MCh$43 as of December 31, 2022).

As of March 31, 2023, the Company does not have any guaranteed bonds.

As of March 31, 2023, the Company has a guarantee amounting to UF 20,000 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 March 31, 2023, the Company maintains a guarantee amounting to UF 10,000 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 March 31, 2023, 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 UF 500,000.

BCI Corredores de Seguros S.A.

As of March 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. 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, 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. 100-49-262 for an insured amount of UF 60,000, 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 March 31, 2023, the Company has approved coverage lines for operators of the Factor Chain International in the amount of MCh$158 (ThCh$158 as of December 2022), of which MCh$0 (MCh$14 as of December 2022) have been used.

BCI Corredores de Bolsa de Productos S.A.

As of March 31, 2023, the Company has Surety Bond No.609566 taken with Banco de Crédito e Inversiones, for UF 6,000, 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 March 31, 2023, the Company has Bond No.609565 taken with Banco de Crédito e Inversiones, for UF 2,000, 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 March 31, 2023, there are guarantee policies for all funds and portfolio management, amounting to MCh$78,911.

Fund	Type of Guarantee	Amount	Amount Issued
		MCh$	UF
Fund	Surety bonds in UF	68,665	1,930,124,40
Portfolio Management	Surety bonds in UF	10,246	288,008,58
Other guarantees	Surety bonds in UF	-	-
Total		**78,911**	**2,218,132,98**

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 UF 10,000 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 March 31, 2023 and 31 December 31, 2022, the composition of the contingent receivables are as follows:

	March 31, 2023	December 31, 2022
	MCh$	MCh$
Guarantees and finance	**232,453**	**329,687**
Guarantees and finance in Chilean currency	-	-
Guarantees and finance in foreign currency	232,453	329,687
Letters of credit for merchandise circulation transactions	**204,349**	**257,529**
Commitments to purchase debt in local currency abroad	**-**	**-**
Transactions related to contingent events	**2,761,883**	**2,681,573**
Transactions related to contingent events in Chilean currency	1,809,207	1,742,679
Transactions related to contingent events in foreign currencies	952,676	938,894
Undrawn lines of credit with immediate cancellation	**3,620,702**	**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	3,134	1,915
Available balance of line of credit on credit card - consumer portfolio	3,617,568	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	**4,704,194**	**4,790,828**
Available balance of line of credit and overdraft line of credit agreed in current account - commercial portfolio	3,983,401	4,044,000
Available balance of credit line in credit card - commercial portfolio	296,316	316,846
Available balance of line of credit and overdraft line of credit agreed in current account - consumer portfolio	424,477	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	**818,840**	**970,825**
Loans for higher education studies Law No. 20,027	2,153	2,260
Other irrevocable credit commitments	816,687	968,565
Other contingent loans	-	-
Total	**12,342,421**	**12,863,896**

NOTE 30 – INTEREST INCOME AND EXPENSES

a) As of March 31, 2023 and 2022, interest income and expense are as follows:

	March 31,	
	2023	2022
	MCh$	MCh$
Interest income	952,636	546,481
Interest expenses	(574,272)	(168,049)
Total net interest income	**378,364**	**378,432**

b) As of March 31, 2023 and 2022, net interest income is comprised of the following:

	March 31,	
	2023	2022
	MCh$	MCh$
Interest income		
Financial assets at amortized cost:		
Rights for repurchase agreements and securities lending	2,869	764
Debt financial instruments	15,473	7,752
Debts held by banks	11,797	1,789
Commercial loans	512,295	289,276
Mortgage housing loans	78,250	61,798
Consumer loans	142,372	113,131
Other financial instruments	24,980	7,374
Subtotal	**788,036**	**481,884**
Financial assets at fair value through other comprehensive income:		
Debt financial instruments	155,306	56,101
Other financial instruments	-	-
Subtotal	**155,306**	**56,101**
Gain (loss) from interest rate risk hedges		
Profit from financial derivative contracts for accounting hedge	56,809	37,252
Loss from financial derivative contracts for accounting hedge	(47,645)	(28,756)
Results from adjustment of hedged financial assets	130	-
Subtotal	**9,294**	**8,496**
Total interest income	**952,636**	**546,481**
Interest expenses		
Financial liabilities at amortized cost:		
Deposits and other obligations on demand	(59,237)	(9,580)
Deposits and other time deposits	(350,167)	(78,259)
Obligations for repurchase agreements and securities lending	(7,071)	(2,118)
Bank borrowings	(48,427)	(11,685)
Debt financial instruments issued	(47,947)	(40,888)
Other financial obligations	(16,459)	(1,461)
Subtotal	**(529,308)**	**(143,991)**
Lease liabilities	(709)	(783)
Regulatory capital financial instruments issued	(12,745)	(11,459)
Gain (loss) from interest rate risk hedges		
Gain from financial derivative contracts for accounting hedge	488,232	58,906
Loss from financial derivative contracts for accounting hedge	(514,778)	(72,258)
Gain (loss) from adjustment of hedged financial liabilities	(4,964)	1,536
Subtotal	**(31,510)**	**(11,816)**
Total interest expense	**(574,272)**	**(168,049)**
Net interest income	**378,364**	**378,432**

c) As of March 31, 2023 and 2022, suspended interest income is as follows:

	March 31,	
	2023	2022
	MCh$	MCh$
Suspended interest income		
Debts held by banks	-	-
Commercial loans	4,282	1,713
Mortgage housing loans	5,318	2,132
Consumer loans	343	156
Total	**9,943**	**4,001**

d) As of March 31, 2023 and 2022, interest income received is as follows:

	March 31,	
	2023	2023
	MCh$	MCh$
Interest received from impaired portfolio		
Debts held by banks	-	-
Commercial loans	2,463	3,728
Mortgage housing loans	3,040	2,129
Consumer loans	2,343	820
Total	**7,846**	**6,677**

NOTE 31 – INFLATION-INDEXATION INCOME AND EXPENSES

a) As of March 31, 2023 and 2022, inflation-indexation income and expenses are as follows:

	March 31,	
	2023	2022
	MCh$	MCh$
Inflation-indexation income from	229,684	216,790
Inflation-indexation expenses	(131,233)	(112,142)
Total net inflation-indexation income	**98,451**	**104,648**

b) As of March 31, 2023 and 2022, the net inflation-indexation income is as follows:

	March 31,	
	2023	2022
	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	53,807	106,403
Mortgage housing loans	130,614	201,954
Consumer loans	224	573
Other financial instruments	134	221
Subtotal	**184,779**	**309,151**
Financial assets at fair value through other comprehensive income:		
Debt financial instruments	25,434	44,895
Other financial instruments	-	-
Subtotal	**25,434**	**44,895**
Gain (loss) from interest rate risk hedges		
Gain from financial derivative contracts for accounting hedge	151,055	11,314
Loss from financial derivative contracts for accounting coverage	(153,255)	(143,113)
Results from adjustment of hedged financial assets	21,671	(5,457)
Subtotal	**19,471**	**(137,256)**
Total Inflation-indexation income	**229,684**	**216,790**
Inflation-indexation expenses		
Financial liabilities at amortized cost:		
Deposits and other obligations on demand	(978)	(1,543)
Deposits and other time deposits	(12,414)	(3,226)
Obligations for repurchase agreements and securities lending	534	1,570
Bank borrowings	-	468
Debt financial instruments issued	(66,734)	(104,638)
Other financial obligations	(2,970)	(7,677)
Subtotal	**(82,562)**	**(115,046)**
Gain (loss) from interest rate risk hedges		
Gain from financial derivative contracts for accounting hedge	70,492	44,963
Loss from financial derivative contracts for accounting hedge	(98,759)	(10,311)
Gain (loss) from adjustment of hedged financial liabilities	(516)	-
Subtotal	**(28,783)**	**34,652**
Regulatory capital financial instruments issued:		
Subordinated bonds	(19,888)	(31,748)
Bonds without fixed maturity	-	-
Subtotal	**(19,888)**	**(31,748)**
Total inflation-indexation expenses	**(131,233)**	**(112,142)**
Net inflation-indexation income	**98,451**	**104,648**

c) As of March 31, 2023 and 2022, income from suspended inflation-indexation is as follows:

	March 31,	
	2023	2022
	MCh$	MCh$
Income from suspended inflation-indexation		
Debts held by banks	-	-
Commercial loans	2,754	358
Mortgage housing loans	40,047	5,516
Consumer loans	40	12
Total	**42,841**	**5,886**

d) As of March 31, 2023 and 2022, income from inflation-indexation received is as follows:

	March 31,	
	2023	2022
	MCh$	MCh$
Income from inflation-indexation received		
Debts held by banks	-	-
Commercial loans	2,152	726
Mortgage housing loans	3,850	1,789
Consumer loans	266	125
Total	**6,268**	**2,640**

NOTE 32 – FEE INCOME AND EXPENSES

a) As of March 31, 2023 and 2022, fee income and expenses are as follows:

	March 31,	
	2023	2022
	MCh$	MCh$
Fee income		
Loan prepayment fees	1,343	1,126
Fes for loans with letters of credit	-	-
Fees for lines of credit and checking account overdrafts	9,183	8,094
Fees for card services	29,339	28,735
Account management fees	15,637	13,930
Fees for collections and payments	18,868	17,679
Fees for securities brokerage and management (Stockbrokers and/or Securities Agency)	1,343	2,282
Fees for administration of mutual funds, investment funds or other	13,775	15,704
Fees for brokerage and insurance advisory services	12,348	13,142
Fees for factoring services	1,273	1,266
Fees for finance lease transaction services	-	-
Fees for securitizations	32	38
Fees for financial advisory services	3,409	3,100
Other fees earned	16,992	20,497
Total fee income	**123,542**	**125,593**
Fee expenses		
Fee for card operation	(14,595)	(11,373)
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	(9,385)	(6,256)
Fees for securities trading	(12,299)	(9,086)
Other commissions for services received	(5,804)	(7,585)
Total commission expenses	**(42,083)**	**(34,300)**
Total net fee income	**81,459**	**91,293**

NOTE 33 – NET FINANCIAL INCOME (EXPENSE)

As of March 31, 2023 and 2022, the net financial income (expense) is as follows:

	March 31,	
	2023	2022
	MCh$	MCh$
Financial assets held for trading at fair value through profit or loss:		
Financial derivative contracts	(61,483)	(41,131)
Debt financial instruments	23,975	24,485
Other financial instruments	(4,593)	204
Equity instruments	12,821	(49,331)
Loans granted and received by the entity	(180)	-
Other	-	-
Subtotal	**(29,460)**	**(65,773)**
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	(6,341)	-
Subtotal	**(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	20	-
Financial assets at fair value through other comprehensive income	-	-
Financial liabilities at amortized costs	-	-
Regulatory capital financial instruments issued	-	-
Subtotal	**20**	-
Financial income (expense) for changes, adjustments, and foreign currency hedge		
Gain (loss) from foreign currency translation	218,357	320,052
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)	(1,758)
Financial assets at amortized cost:		
Debts held by banks	-	-
Commercial loans	-	-
Mortgage housing loans	-	-
Consumer loans	-	-
Other assets	(9,935)	(12,531)
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	(126,645)	(208,601)
Subtotal	**77,964**	**97,162**
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)	**42,183**	**31,389**

NOTE 34 – INCOME FROM INVESTMENTS IN COMPANIES

As of March 31, 2023 and 2022, the income from investment in companies is as follows:

	March 31,					
	2023			2022		
	Profit / Loss	Ownership	Accrued income	Profit / Loss	Ownership	Accrued income
	MCh$	%	MCh$	MCh$	%	MCh$
Investments in associates						
Redbanc S.A.	443	12,71	56	192	12,71	24
Combanc S.A.	134	13,30	18	111	11,74	15
Transbank S.A.	3,054	8,72	266	3,724	8,72	325
Nexus S.A.	-	-	-	1,736	14,81	257
Servicio de Infraestructura de Mercado OTC S.A.	320	13,61	44	238	13,61	32
AFT S.A.	650	20,00	130	411	20,00	82
Centro de Compensación Automatizado S.A.	950	33,33	316	565	33,33	188
Sociedad Interbancaria de Depósitos de Valores S.A.	229	7,03	16	146	7,03	10
Pago y Servicios S.A.	(273)	49,90	(136)	85	49,90	42
Minority investments						
Shares of SWIFT	-	-	-	-	-	-
Shares of BLADEX	-	-	55	-	-	92
Other shares	-	-	1,588	-	-	-
	-	-	-	-	-	-
Investments in joint ventures						
Servipag Ltda.	620	50,00	310	20	50,00	10
Artikos Chile S.A.	267	50,00	133	220	50,00	110
Total	**6,394**		**2,796**	**7,448**		**1,187**

NOTE 35 – INCOME FROM NON-CURRENT ASSETS AND DISPOSAL GROUPS HELD FOR SALE NOT ADMISSIBLE AS DISCONTINUED OPERATIONS

As of March 31, 2023 and 2022, the income from non-current assets and disposal groups held for sale not admissible as discontinued operations are as follows:

	March 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	603	-
Other income from assets received in payment or foreclosed judicial auction	680	886
Provisions for adjustments to the net realizable value of assets received in payment or foreclosed at judicial auction	207	155
Write-offs of assets received in payment or foreclosed at judicial auction	(565)	-
Expenses for maintenance of assets received in payment or foreclosed at judicial auction	(238)	(91)
Subtotal	**687**	**950**
Non-current assets held for sale:		
Investments in companies		
Intangible assets	-	-
Property and equipment	115	94
Assets for recovery of assets under finance lease agreements	1,527	1,654
Other assets	-	-
Subtotal	**1,642**	**1,748**
Disposal group held for sale	-	-
Total	**2,329**	**2,698**

NOTE 36 – OTHER OPERATING INCOME AND EXPENSES

As of March 31, 2023 and 2022, other operating income and expenses are as follows:

	March 31,	
	2023	2022
	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.)	1,560	-
Income from correspondent banks	-	-
Income other than interest and fees from lease agreements	-	-
Income from expense recovery	696	1,316
Other income	6,378	11,297
Total	**8,634**	**12,613**
Other operating expenses		
Insurance premium expense to cover operational risk events	(64)	-
Net loss expense from operational risk events	-	-
Gross loss expense from operational risk events	(2,665)	(2,304)
Recovery of expenses for operational risk events	912	1,306
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	(2,607)	144
Other provisions for other contingencies	10,154	88
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	(5,001)	(13,428)
Total	**729**	**(14,194)**

NOTE 37 – EXPENSES FOR EMPLOYEE BENEFITS

As of March 31, 2023 and 2022, expenses for employee benefit obligations are as follows:

	March 31,	
	2023	2022
	MCh$	MCh$
Short-term employee benefits		
Remuneration	(83,863)	(77,299)
Incentives (performance bonuses)	(29,102)	(32,190)
Legal bonus	(14,738)	(13,179)
Other	(22,642)	(17,734)
Subtotal	**(150,345)**	**(140,402)**
Post-employment benefits		
Post-employment employee benefits	-	-
Subtotal	**-**	**-**
Long-term employee benefits		
Remuneration	-	-
Incentives (performance bonuses)	-	-
Other	-	-
Subtotal	**-**	**-**
Termination benefits		
Severance indemnity	(3,362)	(3,756)
Other	-	(246)
Subtotal	**(3,362)**	**(4,002)**
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	(3,915)	(3,293)
Subtotal	**(3,915)**	**(3,293)**
Total	**(157,622)**	**(147,697)**

NOTE 38 – ADMINISTRATIVE EXPENSES

As of March 31, 2023 and 2022, administrative expenses are as follows:

	March 31,	
	2023	2022
	MCh$	MCh$
Administrative expenses	**(59,993)**	**(64,712)**
Expenses for short-term leases	-	-
Expenses for leases of low-value assets	(10,201)	(2,347)
Other expenses for lease liabilities	-	-
Maintenance and repair of property and equipment	(3,517)	(3,673)
Insurance premiums except for those intended to cover operational risk events	(4,159)	(3,014)
Office supplies	(689)	(839)
IT and communications expenses	(18,947)	(29,248)
Lighting, heating, and other services	(2,200)	(2,200)
Surveillance services and transportation of securities	(3,638)	(3,400)
Staff representation and travel expenses	(1,625)	(815)
Legal and notary expenses	(517)	(638)
Fees for review and audit of the financial statements by the external auditor	(1,367)	(1,236)
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	(5,635)	(1,390)
Fines by the CMF	-	-
Fines by other agencies	(12)	(12)
Other general administrative expenses	(7,486)	(15,900)
Outsourced services	**(18,144)**	**(4,289)**
Board Expenses	**(1,928)**	**(1,600)**
Board Remuneration	(1,789)	(1,483)
Other expenses of the Board of Directors	(139)	(117)
Advertising	**(12,471)**	**(7,681)**
Taxes, property taxes and other legal charges	**(11,561)**	**(9,751)**
Property taxes	(1,015)	(651)
Municipal patents	(697)	(595)
Other taxes other than income tax	(4,685)	(4,142)
Control contributions to the regulator	(5,164)	(4,363)
Other legal fees	-	-
Total	**(104,097)**	**(88,033)**

NOTE 39 – DEPRECIATION AND AMORTIZATION

As of March 31, 2023 and December 31, 2022, depreciation and amortization are detailed as follows:

	March 31,	December 31,
	2023	2022
	MCh$	MCh$
Amortization of intangible assets	(16,419)	(15,733)
Depreciation of property and equipment	(5,717)	(5,831)
Depreciation and amortization of right-of-use assets under lease agreements	(5,718)	(6,382)
Total	**(27,854)**	**(27,946)**

NOTE 40 – IMPAIRMENT OF NON-FINANCIAL ASSETS

As of March 31, 2023 and 2022, the bank has no impairment of non-financial assets.

NOTE 41 – EXPENSES FOR CREDIT LOSSES

a) As of March 31, 2023 and 2022, expenses for credit losses are as follows:

	March 31,	
	2023	2022
	MCh$	MCh$
Expense for provisions for credit loss of loans	(140,831)	(91,781)
Expense for special provisions for credit loss	861	(56,948)
Recovery of written-off loans	19,424	18,639
Impairment due to credit risk of other financial assets not measured at fair value through profit or loss	(8,287)	(8,410)
Total	**(128,833)**	**(138,500)**

b) The summary of credit risk allowance expense and credit loss expense, as of March 31, 2023 and 2022 is as follows:

As of March 31, 2023	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	-	-	-	-	-	**-**	-	**-**
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**

As of March 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	38	-	-	-	-	**38**	-	**38**
Provisions used	-	-	-	-	-	**-**	-	**-**
Subtotal	**38**	**-**	**-**	**-**	**-**	**38**	**-**	**38**
Commercial loans								
Provisions recorded	-	744	9,089	9,271	15,187	**34,291**	-	**34,291**
Provisions used	(6,388)	-	-	-	-	**(6,388)**	(1,221)	**(7,609)**
Subtotal	**(6,388)**	**744**	**9,089**	**9,271**	**15,187**	**27,903**	**(1,221)**	**26,682**
Mortgage loans								
Provisions recorded	-	896	-	-	1,737	**2,633**	-	**2,633**
Provisions used	-	-	-	-	-	**-**	-	**-**
Subtotal	**-**	**896**	**-**	**-**	**1,737**	**2,633**	**-**	**2,633**
Consumer loans								
Provisions recorded	-	25,649	-	-	36,779	**62,428**	-	**62,428**
Provisions used	-	-	-	-	-	**-**	-	**-**
Subtotal	**-**	**25,649**	**-**	**-**	**36,779**	**62,428**	**-**	**62,428**
Expense of provisions recorded for loan credit risk: (A)	**(6,350)**	**27,289**	**9,089**	**9,271**	**53,703**	**93,002**	**(1,221)**	**91,781**
Recovery of written-off loans: (B) (ii)								
Loans and advances to banks								-
Commercial loans								4,513
Mortgage loans								1,553
Consumer Loans								12,573
Subtotal	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**18,639**
Expense for loan losses: (AB) (ii)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**73,142**

c) The summary of the expense for special provisions for credit loss As of March 31, 2023 and 2022, is as follows:

	March 31,	
	2023	2022
	MCh$	MCh$
Expense of provisions for credit loss for contingent loans	**1,096**	**3,991**
Loans and advances to banks	-	-
Commercial loans	330	3,230
Consumer Loans	766	761
Expense of provisions for country risk for operations with debtors domiciled abroad	**(513)**	**257**
Expense of special provisions for loans abroad	**-**	**-**
Expense of additional provisions for loans	**(1,988)**	**(57,519)**
Additional provisions for commercial loans	(1,988)	(52,519)
Additional provisions for mortgage loans	-	(5,000)
Additional provisions for consumer loans	-	-
Expense of provisions for adjustments to the minimum provision required for normal portfolio with individual evaluation	**2,266**	**(3,677)**
Expense of provisions constituted for credit risk as a result of complementary prudential requirements	**-**	**-**
Total	**861**	**(56,948)**

NOTE 42 – PROFIT OR LOSS FROM DISCONTINUED OPERATIONS

The Bank has no results from discontinued operations as of March 31, 2023 and 2022.

NOTE 43 – RELATED PARTIES DISCLOSURES

a) As of March 31, 2023 and December 31, 2022 the assets and liabilities for transactions with related parties are as follows:

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$
ASSETS					
Financial assets held for trading at fair value through profit or loss:	-	-	-	1,693	1,693
Financial derivative contracts	-	-	-	1,693	1,693
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:	-	-	5,316	228,854	234,170
Rights for reverse repurchase agreements and securities lending	-	-	-	553	553
Debt financial instruments	-	-	-	-	-
Loans and receivables from customers - Commercial	-	-	832	150,659	151,491
Loans and receivables from customers - Mortgage	-	-	4,099	69,388	73,487
Loans and receivables from customers - Consumption	-	-	390	8,920	9,310
Provisions for credit loss	-	-	(5)	(666)	(671)
Other assets	8	1,821	-	4,189	6,018
Contingent loans	26	75,724	1,273	43,478	120,501
LIABILITIES					
Financial liabilities held for trading at fair value through profit or loss	-	-	-	1,693	1,693
Financial derivative contracts	-	-	-	1,693	1,693
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-
Financial derivative contracts for accounting hedge	-	-	-	-	-
Financial liabilities at amortized cost:	14	284	9,346	262,622	272,266
Deposits and other on-demand deposits	14	284	550	77,658	78,506
Deposits and other term deposits	-	-	8,796	184,239	193,035
Obligations for repurchase agreements and securities lending	-	-	-	550	550
Bank borrowings	-	-	-	-	-
Debt financial instruments issued	-	-	-	175	175
Other financial obligations	-	-	-	-	-
Lease liabilities	-	-	-	-	-
Other liabilities	-	408	1	4,690	5,099

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

b) As of March 31, 2023 and 2022 , income and expenses from related party transactions, is as follows:

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)**

March 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	-	-	-	213	**213**
Inflation-indexation income	-	-	-	-	**-**
Fee income	-	8,277	26	59,961	**68,264**
Net financial result	-	-	-	-	**-**
Other income	-	-	-	260	**260**
Total income	**-**	**8,277**	**26**	**60,434**	**68,737**
Interest expense	-	-	-	-	**-**
Inflation-indexation expense	-	-	-	-	**-**
Commission expense	-	-	-	-	**-**
Credit loss expense	-	-	-	-	**-**
Expenses for employee benefit obligations	-	-	-	14	**14**
Administrative expenses	-	1,326	-	1,307	**2,633**
Other expenses	-	-	-	108	**108**
Total expenses	**-**	**1,326**	**-**	**1,429**	**2,755**

c) As of March 31, 2023 and 2022 , related-party transactions in the period are as follows:

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	
							Income	Expense	Cuentas por cobrar	Cuentas por pagar
		Type of service	Term	Renewal Conditions		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
		Brand use	Annual	Annual Contracting	Yes	400	-	-	-	400
		Use of channels	Annual	Annual Contracting	Yes	133	-	-	-	133
		Subordinated bond	Annual	Annual Contracting	Yes	-	13	-	-	447
		Financial Bond	Annual	Annual Contracting	Yes	-	119	-	-	8,188
		Forward transaction	Annual	Annual Contracting	Yes	-	111	-	-	111
		Fees for collection Financial Services and Commercial Credit Administration S.A.	Annual	Annual Contracting	Yes	601	-	-	-	744
		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
		Channel usage	Annual	Annual Contracting	Yes	133	-	-	-	133
		Marketing	Annual	Annual Contracting	Yes	159	-	-	-	159
		Commissions Channel Usage	Annual	Annual Contracting	Yes	138	-	-	-	164
		Forward Transaction	Annual	Annual Contracting	Yes	-	347	-	-	347
		Time Deposits	Annual	Annual Contracting	Yes	220	-	-	-	13,586
		Financial Bond	Annual	Annual Contracting	Yes	-	94	-	-	5,684
		Insurance contracted	Annual	Annual Contracting	Yes	-	456	-	-	535
		Brokerage commissions SSFF Corredores de Seguros y Gestión Financiera Ltda.	Annual	Annual Contracting	Yes	510	-	-	-	606
		Brokerage commissions BCI CCSS	Annual	Annual Contracting	Yes	7,536	7,536	-	-	-
Zenit Seguros Generales S.A.	Common parent	Inversiones a Valor Razonable, Bono Financiero	Annual	Not applicable	No	1,549	-	36	-	-
		Inversiones a Valor Razonable, Depósitos a Plazo Fijo	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	-	-
Conexxion Spa	Other	Postal mail service	Undefined	Automatic renewal every 1 year	Yes	65	-	65	-	-
DCV Registros S.A.	Other	Shareholder registration administration	Undefined	Automatic renewal	Yes	25	-	25	-	-
Demos una Oportunidad al Menor	Other	Corporation	Defined	52 Meses (4 años y 4 meses)	Yes	258	-	258	-	-
Depósitos Central de Valores S.A.	Other	Custody of financial instruments	Undefined	Automatic renewal	Yes	165	-	165	-	-
Digitech Solutions S.A.	Other	Digitization of documents	Undefined	Automatic renewal	Yes	38	-	38	-	-
Inmobiliaria Anya S.A.	Other	Real estate projects	8 years	Automatic renewal for equal periods	Yes	38	-	38	-	-
Inmobiliaria JY S,P,A	Other	Real estate projects	Undefined	Automatic renewal	Yes	69	-	69	-	-
Inmobiliaria SB SPA	Other	Office leasing	Undefined	Automatic renewal	Yes	41	-	41	-	-
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	-	-
Salcobrand S.A.	Common controller	Lease of space for ATM's	Undefined	Automatic renewal every 1 year	Yes	64	-	64	-	-
Servicio de Infraestructura de Mercado OTC S.A.	Other	Electronic signature platform	Undefined	Automatic renewal	Yes	19	-	19	-	-
Servipag Ltda.	Joint venture	Collection and payment of services	Undefined	Automatic renewal	Yes	1,070	-	1,070	-	-
Viña Morandé S.A.	Other	Wine sales	Undefined	Automatic renewal	Yes	-	-	-	-	-
Transbank S.A.	Other	Credit card administration and income from credit card use	Undefined	Automatic renewal every 2 years	Yes	771	205	566	-	-

As of March 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	Cuentas por cobrar	Cuentas por pagar
						MCh$	MCh$	MCh$	MCh$	MCh$
Artikos Chile S.A.	Joint venture	Procurement service	Undefined	Automatic renewal every 1 year	Yes	322	-	322	-	-
BCI Seguros de Vida S.A.	Other	Collection service and use of channels, pouch, etc.	Annual	Annual Contracting	Yes	564	564	-	-	-
		Brand use				357	357	-	-	-
		Channel usage				119	119	-	-	-
		Claims management				270	270	-	-	-
		Subordinated bond				532	-	21	-	-
		Financial bond				6,946	-	112	-	-
		Forward transaction				2,609	-	222	-	-
		Fees for collection Financial Services and Commercial Credit Administration S.A.				3,256	2,736	-	-	-
		Brokerage commissions BCI CCSS				2,455	2,455	-	-	-
BCI Seguros Generales S.A.	Other	Use of brand name	Annual	Annual Contracting	Yes	357	357	-	-	-
		Use of channels				119	119	-	-	-
		Forward Transaction				1,790	-	52	-	-
		Time deposits				1,454	-	17	-	-
		Financial Bond				11,527	-	97	-	-
		Insurance contracted				2,855	-	2,400	-	-
		Brokerage commissions SSFF Corredores de Seguros y Gestión Financiera Ltda.				2,895	2,434	-	-	-
		Brokerage commissions BCI CCSS				6,492	6,492	-	-	-
Zenit Seguros Generales S.A.	Other	air Value Investments, Financial Bond	Annual	Annual Contracting	Yes	1,471	-	6	-	-
Centro de Compensación Automatizado S.A.	Other	Electronic banking transactions	Undefined	Automatic renewal every 1 year	Yes	376	-	376	-	-
Combanc S.A.	Affiliate	High Value Clearing and Payments	Undefined	Automatic renewal	Yes	114	-	114	-	-
Comder Contraparte Central S.A.	Affiliate	Bank processing	Undefined	Automatic renewal	Yes	332	-	332	-	-
Depósitos Central de Valores S.A.	Other	Custody of financial instruments	Undefined	Automatic renewal	Yes	147	-	147	-	-
Digitech Solutions S.A.	Other	Document scanning	Undefined	Automatic renewal	Yes	65	-	65	-	-
Jordan (Chile) S.A.	Common controller	Forms printing	Undefined	Automatic renewal every 1 year	Yes	516	-	516	-	-
Operadoras de Tarjetas de Crédito Nexus S.A.	Affiliate	Card processing	Undefined	Automatic renewal every 3 years	Yes	2,321	-	2,321	-	-
Redbanc S.A.	Affiliate	ATM operation	Undefined	Automatic renewal every 3 years	Yes	1,949	-	1,949	-	-
Servipag Ltda.	Joint venture	Collection and payment of services	Undefined	Automatic renewal	Yes	1,162	-	1,162	-	-
Boston Consulting Group	Other	Strategic consulting	Defined	Defined	Yes	832	-	832	-	-
Transbank S.A.	Other	Credit card administration and credit card revenue collection	Undefined	Automatic renewal every 2 years	Yes	547	155	392	-	-

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d) As of March 31, 2023 and December 31, 2022 , the compensation of the key personnel of the Bank and its subsidiaries is as follows:

	March 31,	
	2023	2022
	MCh$	MCh$
Directors:		
Payment of salaries and expenses of the Board of Directors - Bank and Bank Subsidiaries	1,789	1,483
Key personnel of the Management of the Bank and its Subsidiaries:	**1,789**	**1,483**
Payment for short-term employee benefits	18,132	15,684
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:	**18,132**	**15,684**
TOTAL	**19,921**	**17,167**

e) As of March 31, 2023 and December 31, 2022, the Bank presents Number of key management personnel members of the Bank and its Subsidiaries:

	March 31,	
	2023	2022
	No. of Executives	
Directors:		
Directors - Bank and Bank Subsidiaries	89	87
Key personnel of the Management of the Bank and its Subsidiaries:		
General Manager - Bank	1	1
General managers - Bank subsidiaries	11	10
Division/Area Managers - Bank	11	11
Division/Area Managers - Bank Subsidiaries	52	56
Subtotal	**75**	**78**
TOTAL	**164**	**165**

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, 2023		As of December 31, 2022	
	Carrying amount	Fair Values	Carrying amount	Fair Values
	MCh$	MCh$	MCh$	MCh$
ASSETS				
Cash and bank deposits	4,540,584	4,540,584	4,256,396	4,256,396
Transactions in course of collection	883,029	883,029	404,209	404,209
Financial assets held for trading at fair value through profit or loss	7,652,580	7,652,580	7,680,615	7,680,615
Financial assets not held for trading mandatorily measured at fair value through profit or loss	60,604	60,604	71,282	71,282
Financial assets designated at fair value through profit or loss	-	-	-	-
Financial assets at fair value through other comprehensive income	10,367,898	10,367,898	10,477,361	10,477,361
Financial derivative contracts for accounting hedge	1,730,864	1,730,864	1,788,851	1,788,851
Financial assets at amortized cost	49,149,285	53,927,036	49,830,891	54,297,122
Total assets	**74,384,844**	**79,162,595**	**74,509,605**	**78,975,836**
LIABILITIES				
Financial liabilities held for trading at fair value through profit or loss	1,054,684	1,054,684	330,138	330,138
Financial liabilities designated at fair value through profit or loss	6,372,313	6,372,313	6,584,736	6,584,736
Financial liabilities designated at fair value through profit or loss	-	-	-	-
Financial derivative contracts for accounting hedge	2,744,407	2,744,407	2,590,468	2,590,468
Financial liabilities at amortized cost	58,684,715	64,335,742	59,760,444	63,862,236
Total Liabilities	**68,856,119**	**74,507,146**	**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 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 March 31, 2023			
	Total	Level 1	Level 2	Level 3
	MCh$	MCh$	MCh$	MCh$
Assets				
Financial assets at amortized cost	53,927,036	-	53,927,036	-
Total	**53,927,036**	**-**	**53,927,036**	**-**
Liabilities				
Financial liability at amortized cost	64,335,742	-	64,335,742	-
Total	**64,335,742**	**-**	**64,335,742**	**-**

	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 March 31, 2023 and December 31, 2022.

	As of March 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:	**787,260**	**6,865,070**	**250**	**7,652,580**
Financial derivative contracts	-	6,865,070	250	**6,865,320**
Debt instruments	707,142	-	-	**707,142**
Other Financial Instruments	80,118	-	-	**80,118**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	**60,604**	**-**	**-**	**60,604**
Financial assets designated at fair value through profit or loss	**-**	**-**	**-**	**-**
Financial assets at fair value through other comprehensive income:	**10,291,535**	**-**	**76,363**	**10,367,898**
Debt financial instruments	10,291,535	-	76,363	**10,367,898**
Other Financial Instruments	-	-	-	**-**
Financial derivative contracts for accounting hedge	**-**	**1,730,864**	**-**	**1,730,864**
Total financial assets	**11,139,399**	**8,595,934**	**76,613**	**19,811,946**
FINANCIAL LIABILITIES				
Financial liabilities held for trading at fair value through profit or loss	**-**	**6,372,313**	**-**	**6,372,313**
Financial derivative contracts	-	6,372,313	-	**6,372,313**
Other	-	-	-	**-**
Financial liabilities designated at fair value through profit or loss	**-**	**-**	**-**	**-**
Financial derivative contracts for hedging	**-**	**2,744,407**	**-**	**2,744,407**
Total financial liabilities	**-**	**9,116,720**	**-**	**9,116,720**

	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 March 31, 2023 and 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 Interim 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 March 31, 2023						
Reconciliation level 3	Opening balance	Gain (loss) recognized in profit or loss	Gain (loss) recognized in Equity	Net of purchases, sales, and agreements	fers from level 1 and 2	Closing balance
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Assets						
Derivative Contracts						
Forwards	-	-	-	-	-	-
Swaps	303	(53)	-	-	-	250
Call Options	-	-	-	-	-	-
Put Options	-	-	-	-	-	-
Total	**303**	**(53)**	**-**	**-**	**-**	**250**
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 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	-	-	-	-	-	-

NOTE 45 – MATURITY OF FINANCIAL ASSETS AND LIABILITIES AS PER THEIR REMAINING TERMS

a) As of March 31, 2023 and December 31, 2022, the new contractual maturities according to remaining terms of financial assets and liabilities, are as follows:

As of March 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	4,540,584	-	-	-	-	-	-	**4,540,584**
Transactions in course of collection	-	883,029	-	-	-	-	-	**883,029**
Financial assets held for trading at fair value through profit or loss	-	667,324	825,180	2,056,060	2,217,507	862,356	1,024,153	**7,652,580**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	27,266	5,636	6,810	9,597	519	10,776	**60,604**
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	**-**
Financial assets at fair value through other comprehensive income	-	4,664,588	964,187	1,165,064	1,641,787	88,799	1,843,473	**10,367,898**
Financial derivative contracts for hedge accounting	-	13,178	124,883	166,596	590,748	376,011	459,448	**1,730,864**
Financial assets at amortized cost	-	10,388,136	3,338,453	5,403,299	8,428,587	4,472,990	17,117,820	**49,149,285**
Total assets	**4,540,584**	**16,643,521**	**5,258,339**	**8,797,829**	**12,888,226**	**5,800,675**	**20,455,670**	**74,384,844**
LIABILITIES								
Transactions in course of payment	-	1,054,684	-	-	-	-	-	**1,054,684**
Financial liabilities held for trading at fair value through profit or loss	-	576,974	712,857	1,771,777	1,695,306	745,483	869,916	**6,372,313**
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	**-**
Financial derivative contracts for accounting hedge	-	26,058	202,481	281,872	937,894	558,717	737,385	**2,744,407**
Financial liabilities at amortized cost	-	23,060,089	6,147,539	6,095,386	7,891,409	2,345,457	13,144,835	**58,684,715**
Lease liabilities	-	1,607	4,058	13,843	46,459	62,873	11,306	**140,146**
Issued regulatory capital financial instruments	-	-	11,542	15,284	58,619	56,793	1,382,874	**1,525,112**
Total Liabilities	**-**	**24,719,412**	**7,078,477**	**8,178,162**	**10,629,687**	**3,769,323**	**16,146,316**	**70,521,377**
Net mismatch between financial assets and liabilities	**4,540,584**	**(8,075,891)**	**(1,820,138)**	**619,667**	**2,258,539**	**2,031,352**	**4,309,354**	**3,863,467**

As of 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 March 31, 2023 and December 31, 2022, financial and non-financial assets and liabilities by currency are detailed as follows:

As of March 31, 2023	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	1,666,261	-	-	2,727,851	-	11,513	75,080	1,274	19,931	11,410	27,264	**4,540,584**
Transactions in course of collection	279,891	-	-	500,910	-	247	101,728	107	28	44	74	**883,029**
Financial assets held for trading at fair value through profit or loss	7,219,937	343,636	-	89,002	5	-	-	-	-	-	-	**7,652,580**
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	-	-	60,604	-	-	-	-	-	-	-	**60,604**
Financial assets designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	**-**
Financial assets at fair value through other comprehensive income	4,159,945	1,884,909	-	4,191,155	-	-	117,256	-	-	-	14,633	**10,367,898**
Financial derivative contracts for hedge accounting	1,288,596	61,841	-	2,610	-	-	77	376,096	75	-	1,569	**1,730,864**
Financial assets at amortized cost:	12,132,901	15,578,085	130,745	21,097,277	-	210	79,602	-	7,036	870	122,559	**49,149,285**
Investments in companies	36,174	-	-	102,074	-	-	-	-	-	-	-	**138,248**
Intangible Assets	201,129	-	32,394	152,673	-	-	-	-	-	-	9,235	**395,431**
Property and equipment	193,512	-	-	49,823	-	-	-	-	-	-	1,474	**244,809**
Right-of-use assets	18,383	84,029	-	50,821	-	-	-	-	-	-	1,293	**154,526**
Current tax assets	186,896	-	-	-	-	-	-	-	-	-	164	**187,060**
Deferred tax assets	366,539	-	-	100,498	-	-	-	-	-	-	1,838	**468,875**
Other assets	431,175	51	38,393	1,218,352	-	-	(575)	-	1	-	7,960	**1,695,357**
Non-current assets and disposal groups held for sale	37,225	-	-	-	-	-	-	-	-	-	-	**37,225**
Total assets	**28,218,564**	**17,952,551**	**201,532**	**30,343,650**	**5**	**11,970**	**373,168**	**377,477**	**27,071**	**12,324**	**188,063**	**77,706,375**
LIABILITIES												
Transactions in course of payment	614,321	-	-	330,582	-	-	108,297	-	-	1,479	5	**1,054,684**
Financial liabilities held for trading at fair value	6,340,823	40	-	31,450	-	-	-	-	-	-	-	**6,372,313**
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-	-	**-**
Financial derivative contracts for accounting hedge	894,916	1,428,682	-	420,240	-	-	-	569	-	-	-	**2,744,407**
Financial liabilities at amortized cost	22,629,880	6,147,099	6	28,703,760	-	10,766	112,303	818,393	63,195	10,607	188,706	**58,684,715**
Lease liabilities	-	97,683	-	41,200	-	-	-	-	-	-	1,263	**140,146**
Issued regulatory capital financial instruments	-	1,525,112	-	-	-	-	-	-	-	-	-	**1,525,112**
Provisions for contingencies	105,262	-	-	45,814	-	-	-	-	-	-	284	**151,360**
Provisions for dividends, payment of interest and revaluation of regulatory capital financial instruments issued	297,519	-	-	-	-	-	-	-	-	-	-	**297,519**
Special provisions for credit loss	453,366	-	-	33,867	-	-	255	17	6	-	-	**487,511**
Current tax	2,043	-	-	27,219	-	-	-	-	-	-	-	**29,262**
Deferred tax	2,364	-	-	-	-	-	-	-	-	-	-	**2,364**
Other liabilities	349,306	180,739	2,549	902,204	-	-	88	-	-	-	2,495	**1,437,381**
Liabilities included in disposal groups held for sale	-	-	-	-	-	-	-	-	-	-	-	**-**
Total liabilities	**31,689,800**	**9,379,355**	**2,555**	**30,536,336**	**-**	**10,766**	**220,943**	**818,979**	**63,201**	**12,086**	**192,753**	**72,926,774**
Mismatches by currency as of March 31, 2023	**(3,471,236)**	**8,573,196**	**198,977**	**(192,686)**	**5**	**1,204**	**152,225**	**(441,502)**	**(36,130)**	**238**	**(4,690)**	**4,779,601**

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 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.

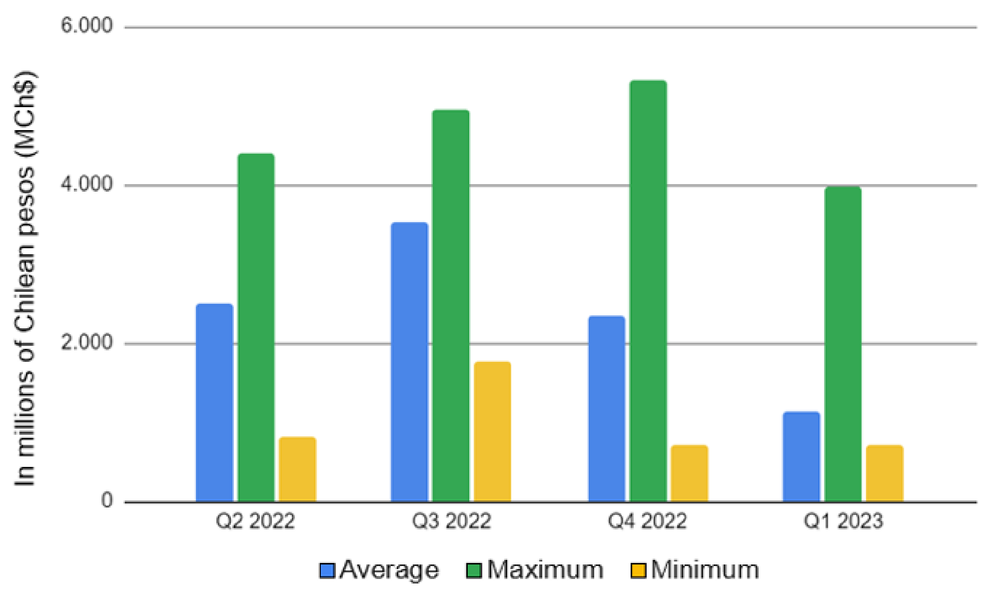
VaR tables by Portfolio: annual comparison as of March 31, 2023

Figures in millions of Chilean pesos, with a 1-day time horizon.

VaR	2023	2022	Variance
	MCh$	MCh$	MCh$
Trading	**1,573**	**1,771**	**(198)**
Maximum	3,981	5,312	(1,331)
Minimum	636	303	333
Average	1,138	2,307	(1,169)
Balance	**381**	**800**	(419)
Maximum	809	1,517	(708)
Minimum	381	247	134
Average	541	727	(186)
BCI Corredor de Bolsa	**954**	**1,421**	**(467)**
Maximum	1,950	1,855	95
Minimum	701	213	488
Average	1,097	666	431
BCI Asset Management	**124**	**187**	**(63)**
Maximum	718	323	395
Minimum	107	114	(7)
Average	140	212	(72)

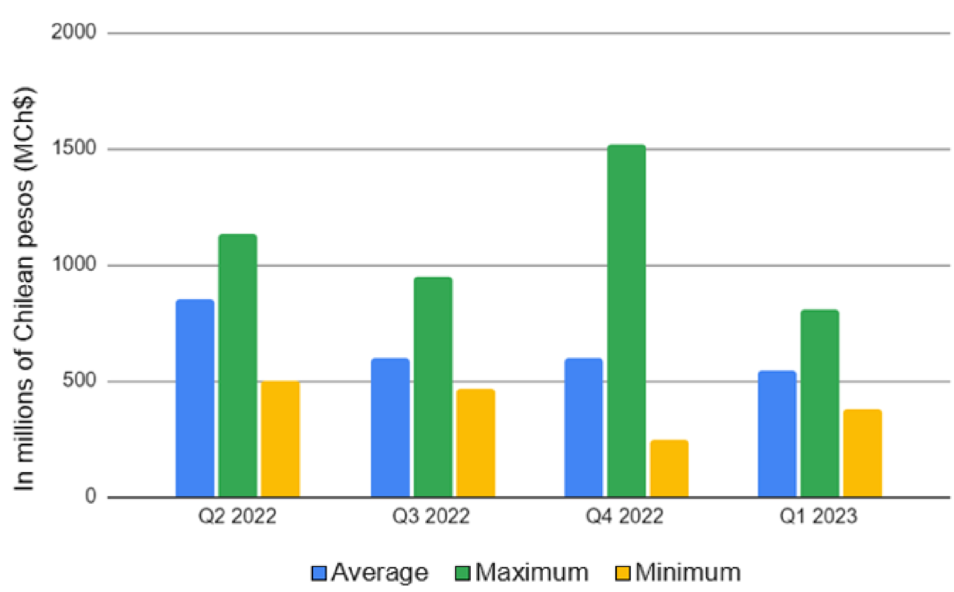
VaR Trading: Quarterly graphic comparison as of March 31, 2023

Amounts in millions of Chilean pesos, with a 1-day time horizon.



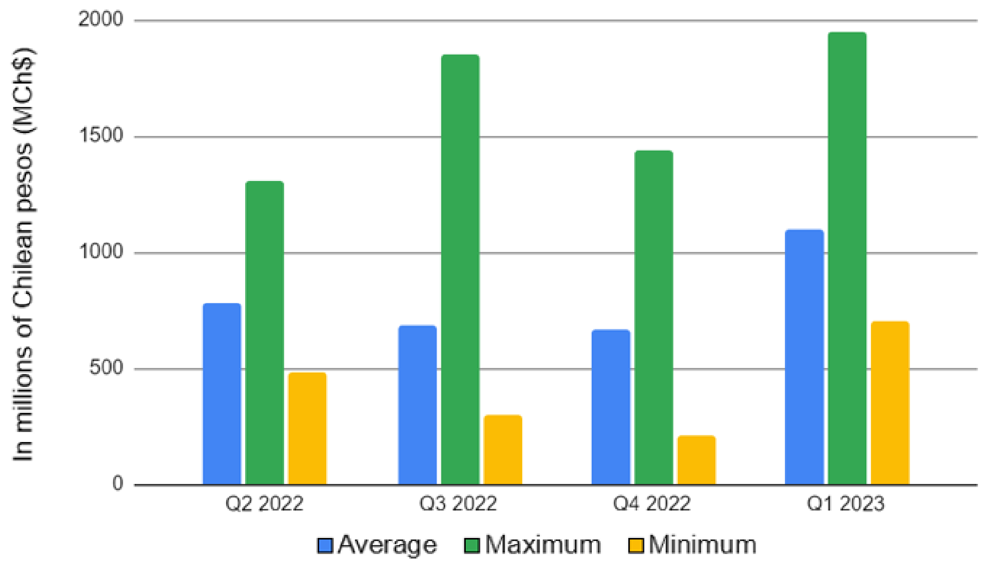
VaR Balance: quarterly graphic comparison as of March 31, 2023

Amounts in millions of Chilean pesos, with a 1-day time horizon.



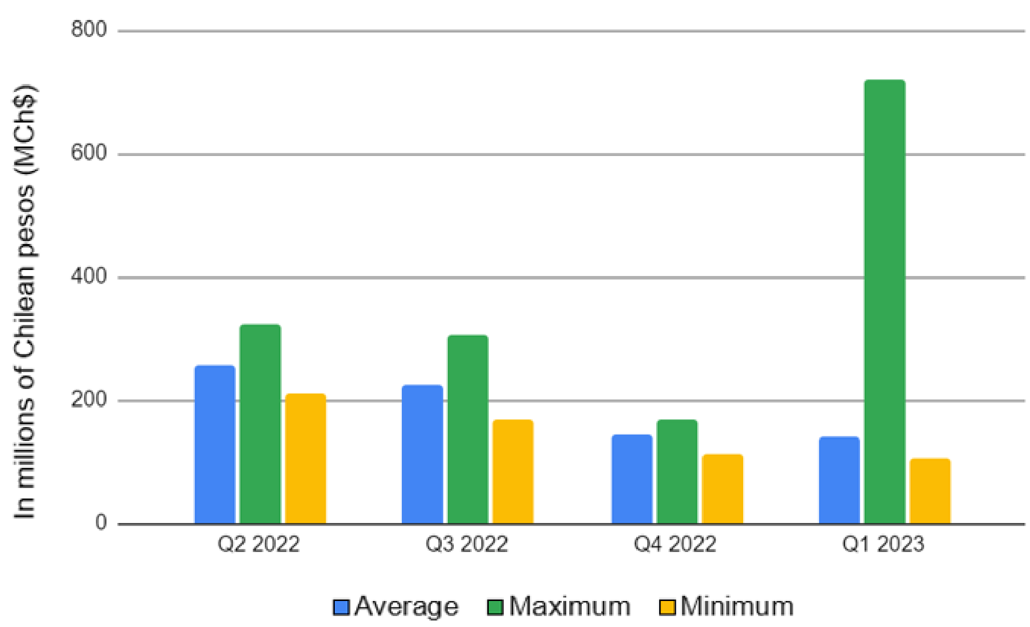
VaR Bci Corredora de Bolsa: quarterly graphic comparison as of March 31, 2023

Amounts in millions of Chilean pesos, with a 1-day time horizon.



VaR Bci Asset Management: quarterly graphic comparison as of March 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: comparative table as of March 31, 2023 v/s December 31, 2022

Amounts in millions of Chilean pesos.

Value at Risk	2023	2022	Variance
	MCh$	MCh$	MCh$
Total	**1,573**	**1,771**	**(198)**
Interest rate	1,301	1,580	(279)
Foreign currency	346	271	75
Optionality	17	15	2

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: annual comparison as of March 31, 2023

Figures in millions of Chilean pesos, with a 1-day time horizon.

STRESS VaR	2023	2022	Variance
	MCh$	MCh$	MCh$
Total	**3,130**	**3,130**	**-**
Maximum	9,988	8,844	1,144
Minimum	2,797	2,366	431
Average	3,955	4,657	(702)

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

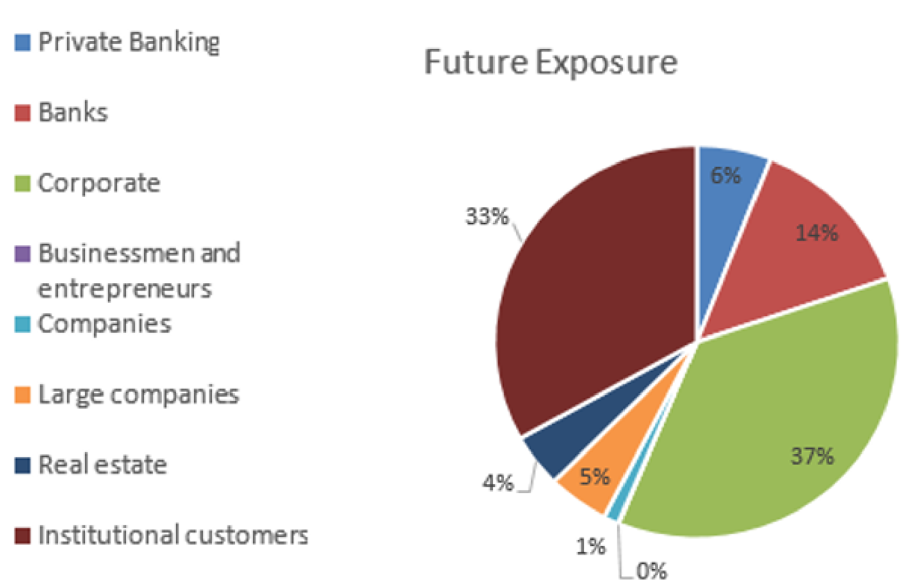
a) **Future Exposures:** The future exposure of an *over-the-counter (OTC) derivative* is directly related to the credit exposure generated by this type of product for BCI. The risk from such contracts exists when the valuation or *mark-to-market (MTM)* is positive in favor of BCI. These contracts are 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 March 31, 2023, and December 31, 2022.

Future Exposure by Banks: as of March 31, 2023

Amounts in millions of Chilean pesos.

	Future Exposure	
Banking	March 31, 2023 MCh$	December 31, 2022 MCh$
BCI Bank	**2,421,484**	**2,421,646**
Private Banking	144,078	162,221
Banks	334,511	263,355
Corporate	884,919	1,078,829
SMEs	1,166	1,364
Business	29,120	31,526
Large Corporations	118,769	132,170
Real Estate	106,296	109,839
Institutional	802,988	893,342
Total	**2,421,848**	**2,672,646**

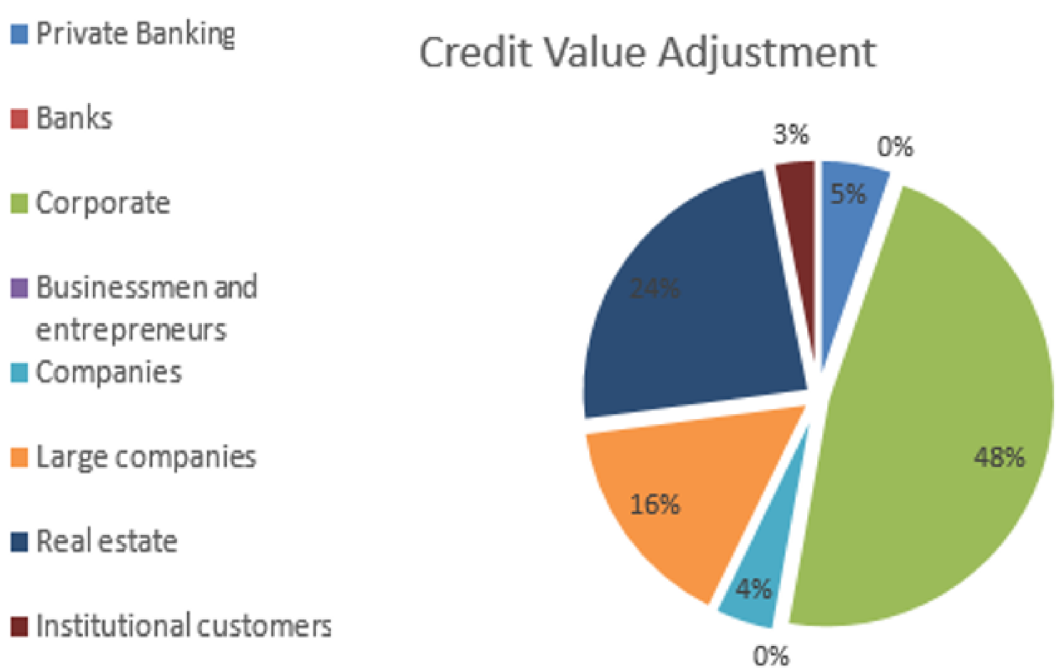


b) **Derivative credit valuation adjustment (CVA):** The objective is to determine the expected losses due to counterparty risk in OTC derivative contracts. The CVA of a derivative is defined as the difference between the market value free of credit risk (without risk of default by the counterparty) 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 for the periods ended March 31, 2023 and December 31, 2022.

CVA (Credit Value Adjustment): as of March 31, 2023

Amounts in millions of Chilean pesos.

Credit Value Adjustment (CVA)			
Banking	March 31, 2023	December 31, 2022	Variation
	MCh$	MCh$	MCh$
BCI Bank	**12,864**	**13,016**	**(152)**
Private Banking	675	666	9
Banks	7	7	(1)
Corporate	6,116	6,044	72
SMEs	3	12	(9)
Business	564	569	(6)
Large Corporations	2,017	1,944	74
Real Estate	3,079	3,284	(205)
Institutional	403	489	(86)
City National Bank	**851**	**1,736**	**(885)**
BCI CdB	**2,09**	**0,48**	**1,61**
Total	**13,718**	**14,753**	**(1,035)**



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:

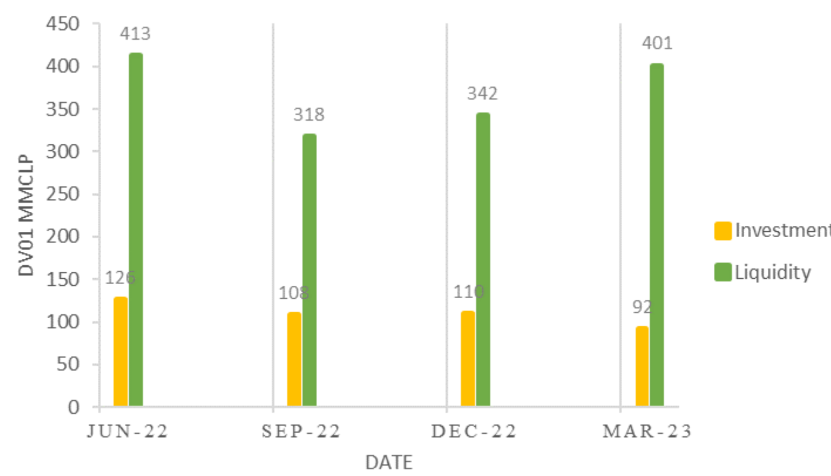
➔ Interest rate sensitivity limits. It is the maximum amount by which the market value of the investment portfolio can change due to a one basis point increase in discount rates.

➔ 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.

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.

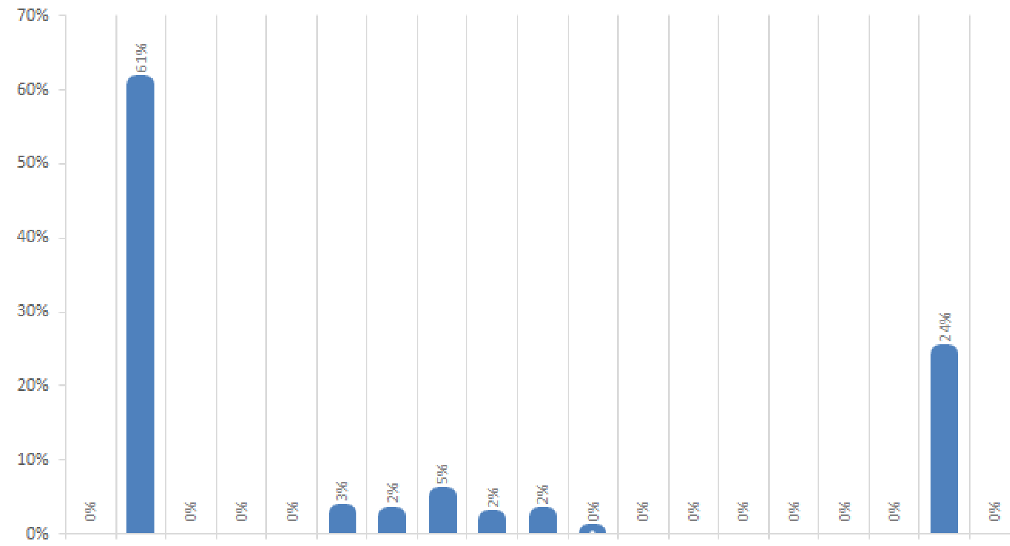
Financial assets at fair value with changes in other comprehensive income
Fair value as of March 31, 2023 (MCh$)
Banco de Crédito e Inversiones and City National Bank

	CLP	UF	USD	EUR	OTHER
Sovereign bonds	1,929,039	432,135	794,227	-	-
Corporate bonds	-	10,624	229,468	45,623	-
Financial institutions bonds	6,428	882,302	3,330,726	-	-
Mortgage-funding notes	-	22,309	-	-	-
Time deposits	624,272	52,592	-	-	-
Investments funds	-	-	30,574	-	-
Shares	-	-	113,206	-	-
Total	**2,559,739**	**1,399,962**	**4,498,202**	**45,623**	**-**

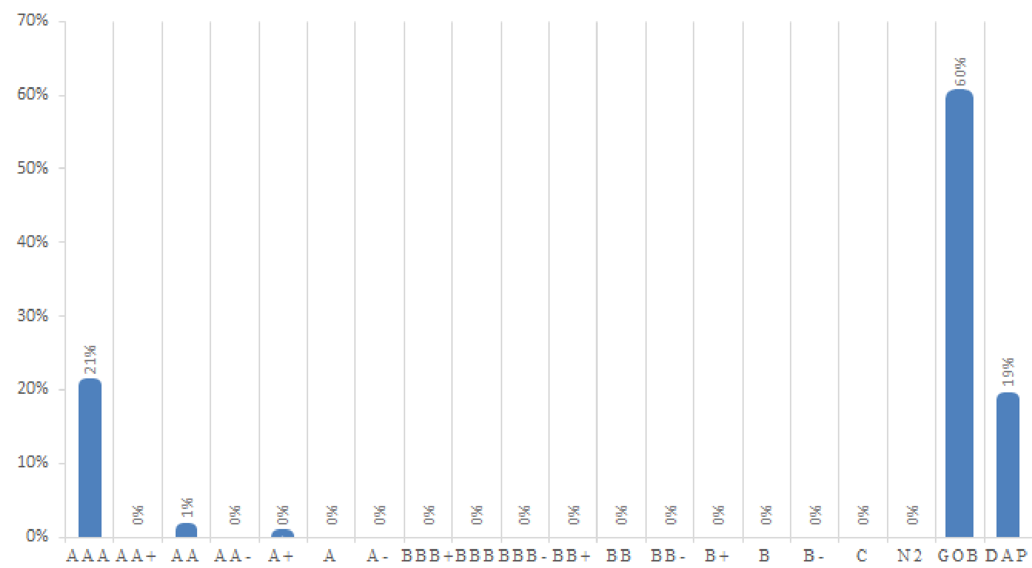
Financial assets at fair value with changes in other comprehensive income
Fair value as of March 31, 2023 (MCh$)
Banco de Crédito e Inversiones and City National Bank

	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**	**-**

Financial assets at fair value with changes in other comprehensive income
International bond portfolio risk rating as of March 31, 2023 (%)
Banco de Crédito e Inversiones and City National Bank



Financial assets at fair value with changes in other comprehensive income
Risk rating of bond portfolio and LCH of national issue as of March 31, 2023 (%)
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.

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.

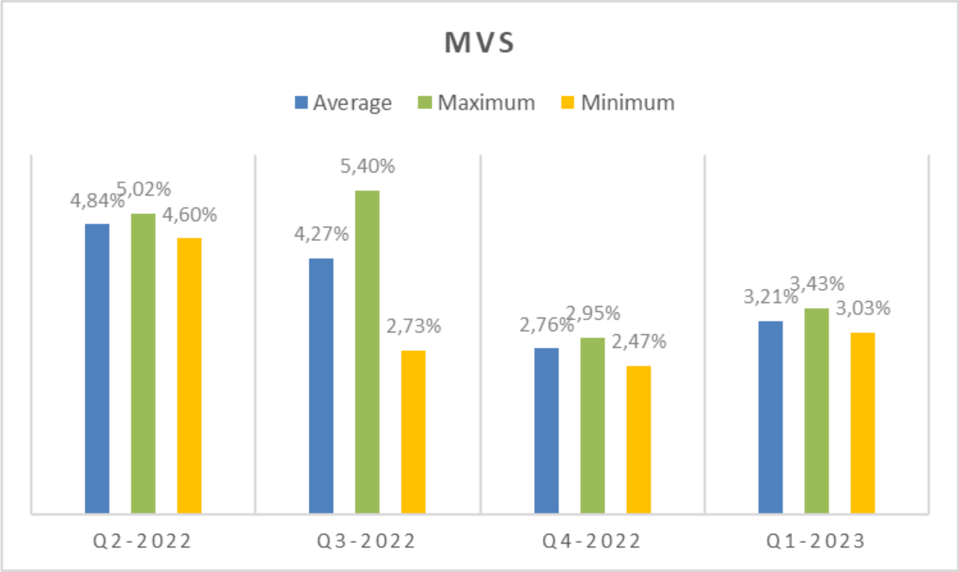
Economic Value (Market Value Sensitivity, *MVS*)

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.

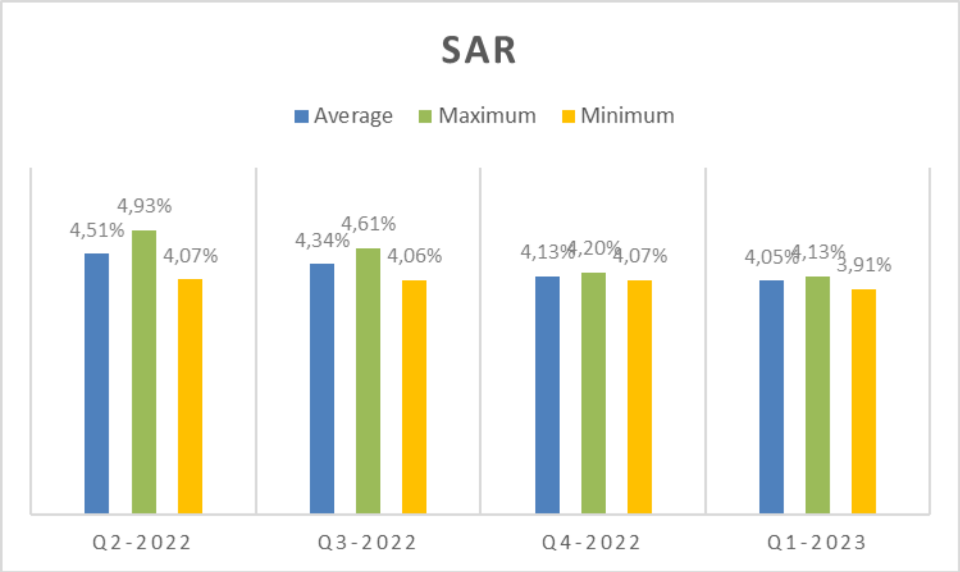
As the economic value considers the potential impact of changes in interest rates on the present value of future cash flows, it provides a better view of the potential long-term effects of changes in interest rate structures.

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 March 31, 2023

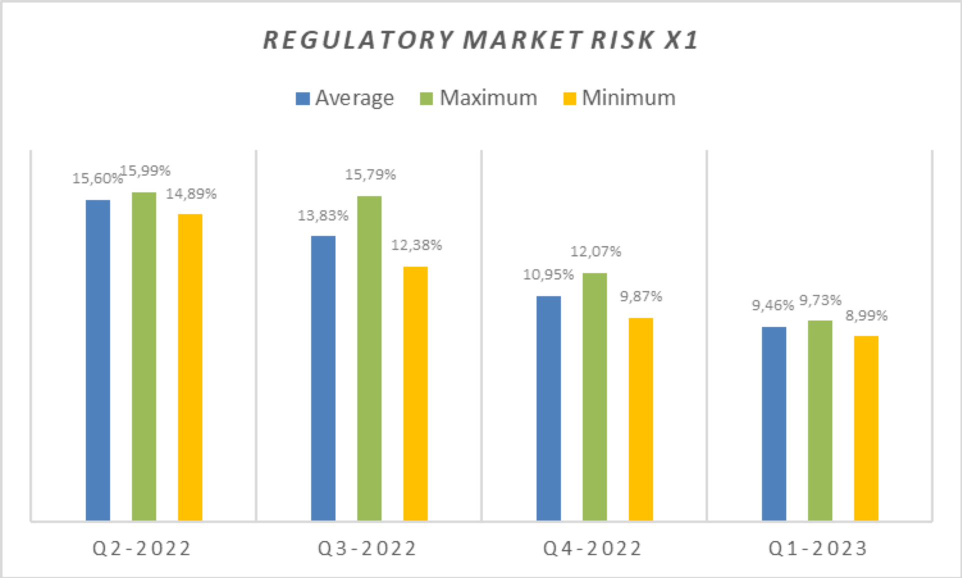


SaR
As of March 31, 2023

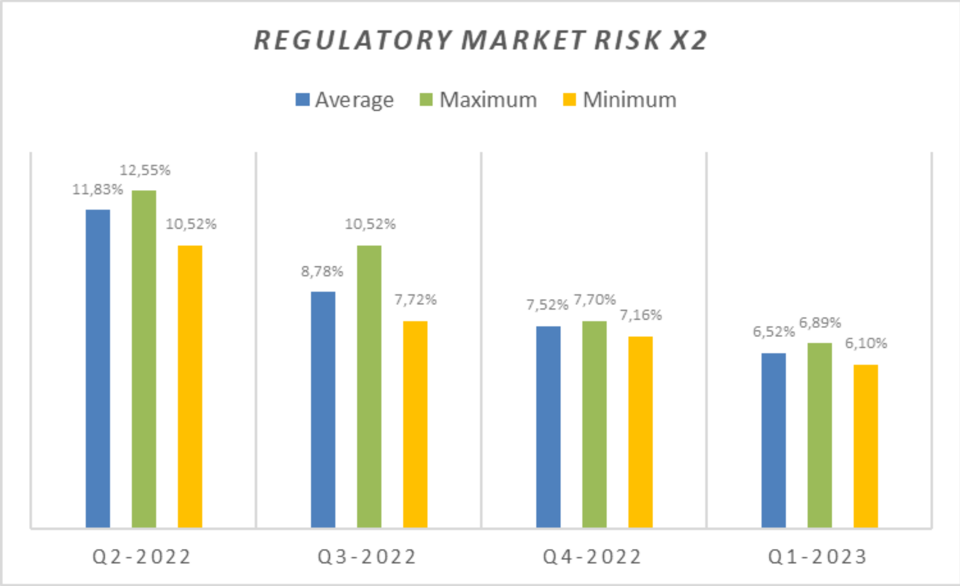


The evolution of regulatory indices X1 (exposure to short-term market risk) and X2 (exposure to long-term market risk) registered slack with respect to the limits so far in 2023, mainly explained by the management of the balance sheet with accounting hedges.

Regulatory Market Risk X1
Banco de Crédito e Inversiones and City National Bank
As of March 31, 2023



Regulatory Market Risk X2
Banco de Crédito e Inversiones and City National Bank
As of March 31, 2023



5. LIQUIDITY RISK

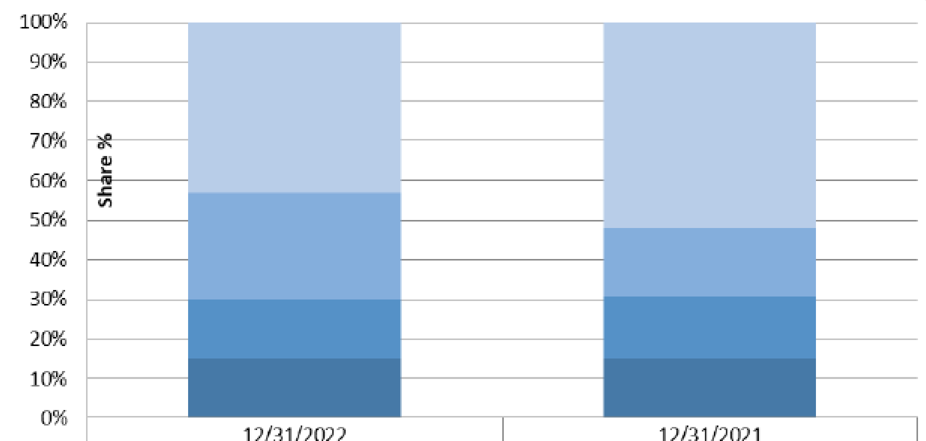
Liquidity management is a strategic activity, it must be aligned at all times at the corporate level in terms of its objectives, guidelines and resources assigned in the commercial line, risk control, financial operations, and technology, among other areas.

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 funding
As of March 31, 2023 and December 31, 2022
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.

5.1 Metrics

Liquidity barrier

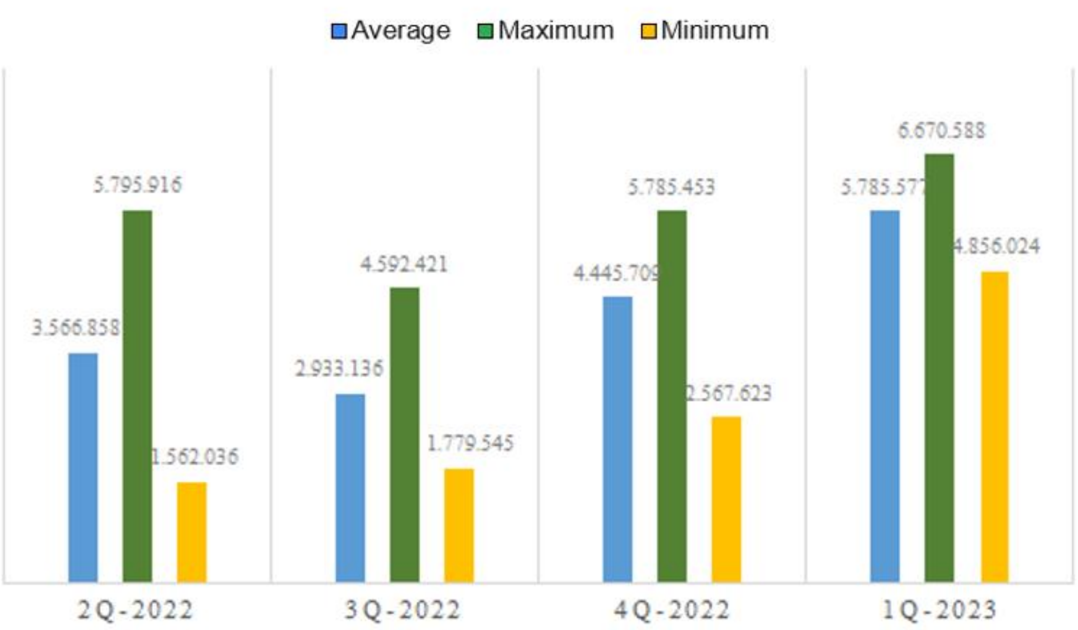
The liquidity barrier established in BCI consists of a minimum *buffer* of highly liquidity and credit quality assets, of a counter-cyclical nature in relation to liquidity, whose purpose is to support the ability to cover short-term obligations.
The measurement of the level of requirement of the barrier 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 March 31, 2023 and December 31, 2022, the liquidity barrier is as follows:

	As of March 31, 2023				As of December 31, 2022			
	Average	Maximum	Minimum	Close	Average	Maximum	Minimum	Close
Liquidity Threshold (*)	5,785,577	6,670,588	4,856,024	4,856,0242	3,417,225	5,795,916	1,562,036	5,167,482

(*) Amounts in millions of pesos.

Liquidity barrier evolution as of March 31, 2023
Amounts in millions of Chilean pesos



Liquidity Coverage Ratio (LCR)

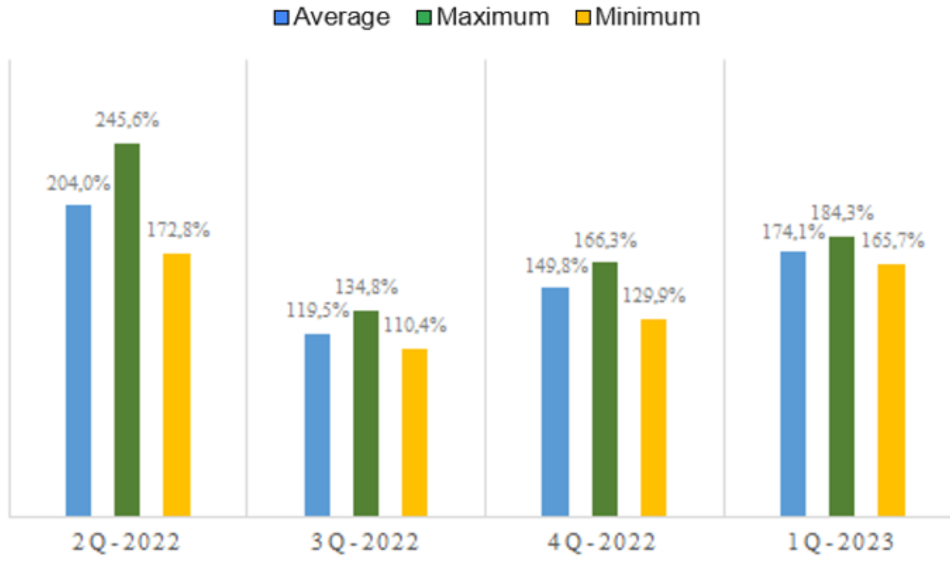
This ratio is within the Basel III standards and aims to ensure that banks have an adequate fund of High-Quality Assets (ALAC), which can be easily and immediately converted into cash, to meet their obligations in a 30-day liquidity stress scenario. This ratio has a regulatory limit and will increase to 100% as of June 2022. Its form of measurement is ALAC on net expenses, where the different items have different weights.

As of March 31, 2023, BCI had a Global consolidation LCR of 165.7%, well above the required limit, given the current regulation.

	As of March 31, 2023				As of December 31, 2023			
	Average	Maximum	Minimum	Close	Average	Maximum	Minimum	Close
LCR	174.1%	184.3%	165.7%	165.7%	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 March 31, 2023



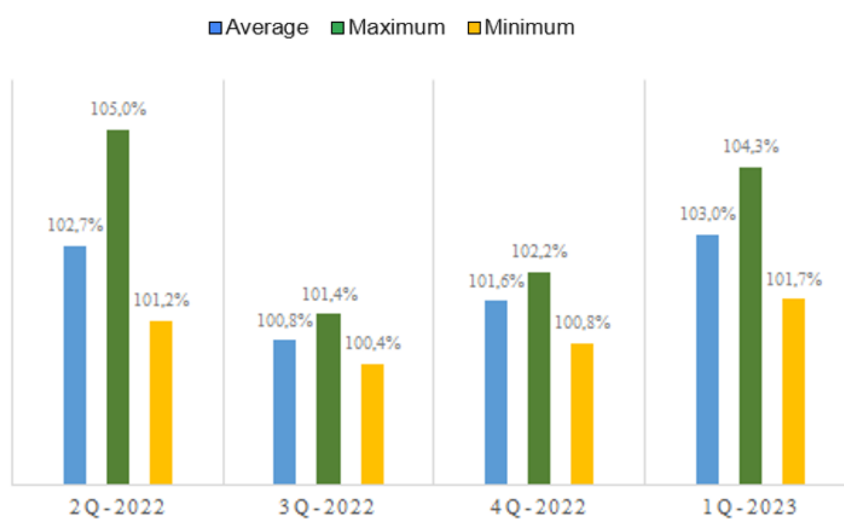
Net Stable Funding Ratio (*NSFR*)

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 indicator has a regulatory limit of 60%, however, the Bank has decided to consider an incremental internal limit, which it expects to reach an NSFR requirement of 100% in 2025. As of March 2023, the Bank's NSFR for global consolidation was 101.7%.

	As of March 31, 2023				As of December 31, 2022			
	Average	Maximum	Minimum	Close	Average	Maximum	Minimum	Close
NSFR	103.0%	104.3%	101.7%	101.7%	101.6%	105.6%	100.4%	102.2%

NSFR evolution (global consolidated) as of March 31, 2023



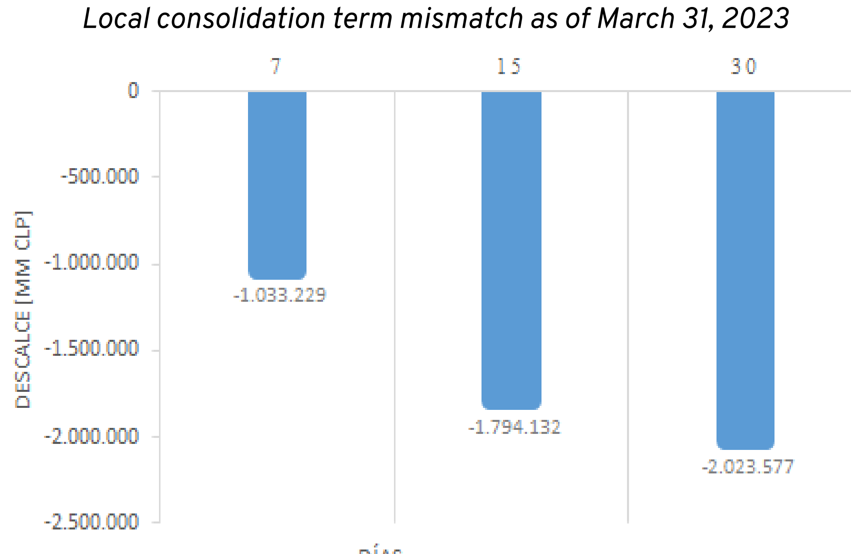
Liquidity early warning ratios

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.

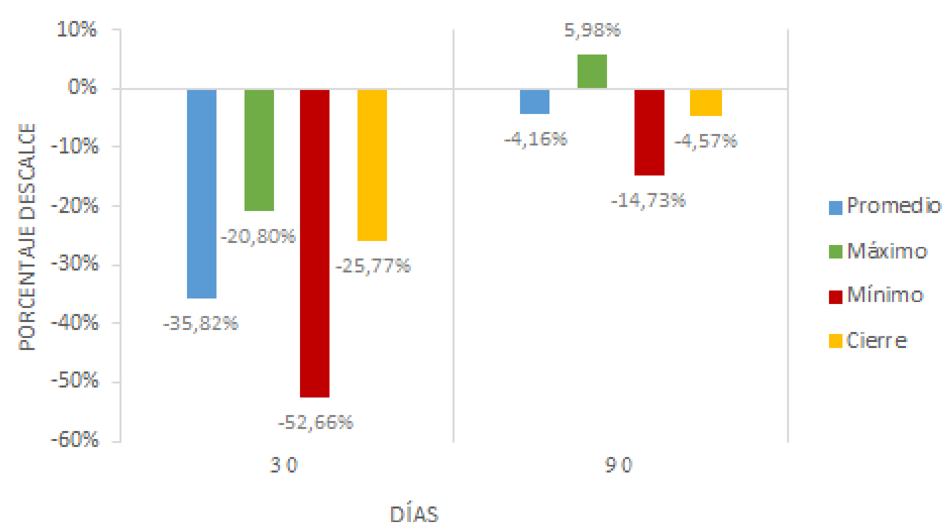
Mismatch of deadlines

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 March 31, 2023

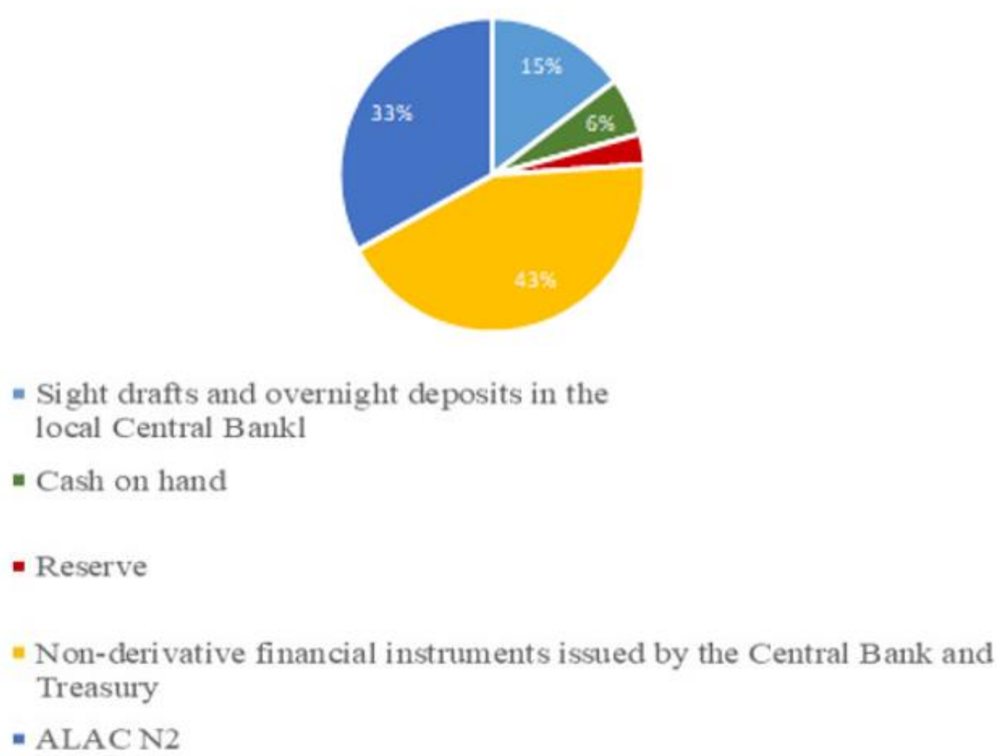


Additionally, the relevant metrics for mismatching at 30 and 90 days for the individual version are presented.



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.

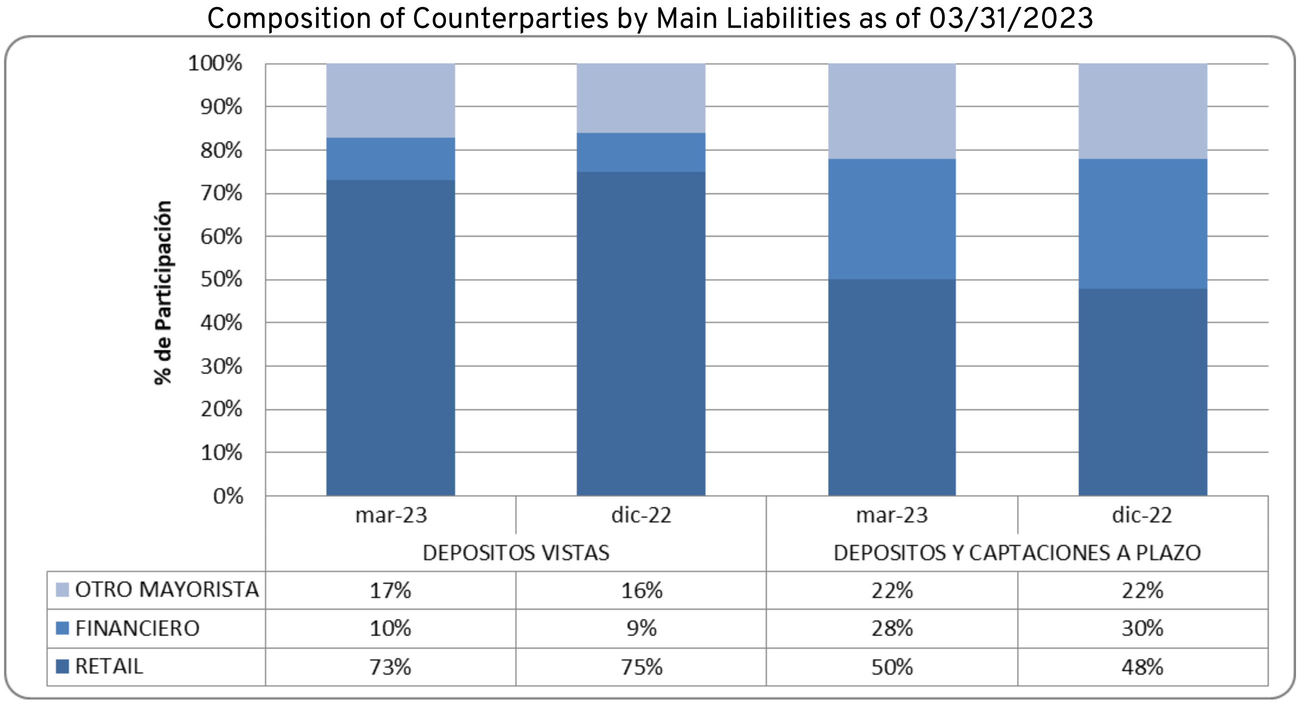
Composition of liquid assets as of 03/31/2023



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 03/31/2023



	DEPOSITOS VISTAS		DEPOSITOS Y CAPTACIONES A PLAZO	
	mar-23	dic-22	mar-23	dic-22
OTRO MAYORISTA	17%	16%	22%	22%
FINANCIERO	10%	9%	28%	30%
RETAIL	73%	75%	50%	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.

I. 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.

II. 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:

III. **Historical**
IV. **Adverse**
V. **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	(9,966)	(4,945)	(6,930)
Adverse	(17,774)	(4,102)	16,978
Dynamic Perc. 1%	(2,361)	7,011	10,057
Dynamic Perc. 99%	(9,522)	(6,923)	(23,555)

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	(994)
Adverse	22,290
Dynamic Perc. 1%	6,752
Dynamic Perc. 99%	(9,154)
Balance Sheet - Trading Book	**PnL**
Historical	(1,751)
Adverse	(2,829)
Dynamic Perc. 1%	(175)
Dynamic Perc. 99%	(270)

Summary results portfolios Financial assets at fair value with changes in other comprehensive income as of March 31, 2023 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	(151,129)	80,498
Adverse	311,685	133,300
Dynamic Perc. 1%	111,186	-
Dynamic Perc. 99%	(126,519)	-

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, 2023, 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	-	(287)	(287)
Adverse	-	49,659	49,659
Dynamic Perc. 1%	-	31,632	31,632
Dynamic Perc. 99%	-	(33,634)	(33,634)

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 32, 2023,
Figures in millions of CLP (Impacts are measured based on the duration of each scenario)

Scenario	P&L	Equity	Total Economic
Historical	(9,675)	(151,129)	(160,804)
Adverse	36,439	311,685	348,123
Dynamic Perc. 1%	16,634	111,186	127,821
Dynamic Perc. 99%	(32,980)	(126,519)	(159,500)
Effect on P&L	**Bank book**	**Trading book**	**Total P&L**
Historical	(6,930)	(2,745)	(9,675)
Adverse	16,978	19,460	36,439
Dynamic Perc. 1%	10,057	6,577	16,634
Dynamic Perc. 99%	(23,555)	(9,425)	(32,980)

Effect on Equity	Bank Portfolio	Total Equity
Historical	(151,129)	(151,129)
Adverse	311,685	311,685
Dynamic Perc. 1%	111,186	111,186
Dynamic Perc. 99%	(126,519)	(126,519)

➔ **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, 2023
(Figures in Billions of CLP)

	Demand for Liquidity 30 days	Demand for Liquidity 90 days	Available Liquid Assets	Liquidity Needs
Historical	1,507	1,204	6,478	-
Adverse	2,073	320	6,567	-
Idiosyncratic	2,118	826	6,111	-

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 mAnnual 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	(5)	1	(4)
External fraud	(2,381)	783	(1,598)
Labor practices and business safety	(243)	-	(243)
Customers, products and business practices	(199)	7	(192)
Damage to physical assets	(84)	79	(5)
Business interruption and system failures	(113)	3	(110)
Process execution, delivery and management	(610)	35	(575)
Totals	**(3,635)**	**908**	**(2,727)**

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.

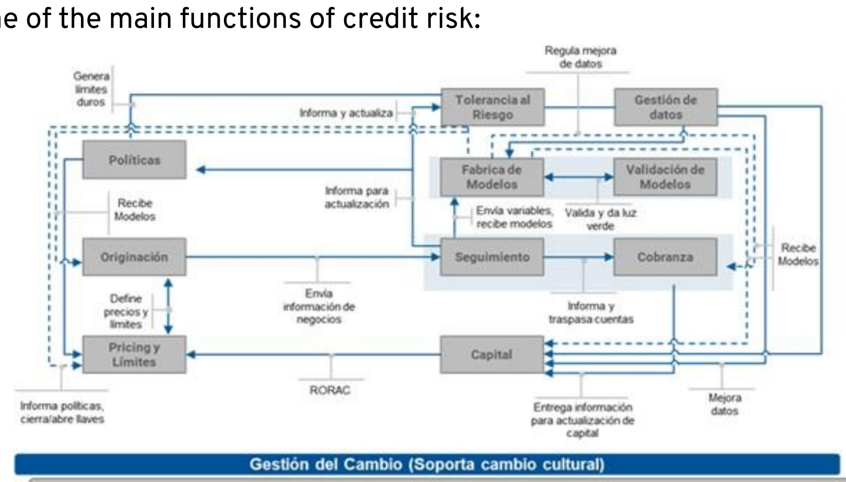
Finance and Corporate Risk Committee: Committee in which the directors participate and whose objective is to monitor and control the credit risk profile and periodically monitor the evolution of adherence to risk tolerance, analyze the proposed measures when they reach critical levels and requests that 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.

d) 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, 2023, is 5.43%.

Indicator Name	Regulatory Limit	March-23 % On Equity	March-23 MCh$
Total exposure related by management or ownership	100%	5.43%	399,680
Maximum group exposure related to management or ownership (Not Collateralized)	5%	1.76%	110,225

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, and 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 additional capital requirements.

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 March 31, 2023 and December 31, 2022, total assets, risk-weighted assets, and components of effective equity are as follows:

N°	Item Description	Global Consolidated 03-31-2023 MCh$	Global Consolidated 12-31-2022 MCh$	Local Consolidated 03-31-2023 MCh$	Local Consolidated 12-31-2022 MCh$
1	Total assets according to the statement of financial position	77,706,374	78,049,118	58,735,858	58,277,063
2	Investment in subsidiaries that are not consolidated	-	-	1,750,552	1,761,674
3	Assets discounted from regulatory capital, other than item 2	456,004	155,234	257,610	306,292
4.a	Financial derivatives	8,596,184	8,559,504	8,545,020	8,485,450
4.b	Credit Equivalents	2,129,212	2,263,520	1,987,342	2,151,182
5	contingent loans	4,675,912	4,949,466	3,681,135	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	75,459,310	76,547,366	53,851,153	53,789,077
8.a	Assets weighted by credit risk, estimated according to the standard methodology (APRC)	40,715,244	41,060,729	28,245,263	28,234,753
8.b	Assets weighted by credit risk, estimated according to internal methodologies (APRC)	-	-	-	-
9	Assets weighted by market risk (APRM)	3,695,007	3,782,050	3,363,677	3,449,848
10	Assets weighted by operational risk (APRO)	3,956,959	3,749,857	3,315,153	3,102,351
11th	= (8.a/ 8.b +9+10) Risk-Weighted Assets (APR)	48,367,210	48,592,636	34,924,093	34,786,952
11.b	= (8.a/ 8.b +9+10) Risk-weighted assets, after applying the output floor (APR)	48,367,210	48,592,636	34,924,093	34,786,952
12	Owners' assets	4,778,300	4,775,478	4,778,300	4,775,478
13	Non-controlling interest	1,301	1,323	2	2
14	Goodwill	145,615	155,234	18,727	19,607
15	Excess minority investments	-	-	-	-
16	= (12+13-14-15) Common Equity Tier 1 Capital (CET1)	4,633,986	4,621,567	4,759,575	4,755,873
17	Additional deductions to ordinary capital level 1, other than item 2	46,651	56,123	35,833	43,003
18	= (16-17-2) Common Equity Tier 1 (CET1)	4,587,335	4,565,444	2,973,190	2,951,196
19	Voluntary provisions (additional) imputed as additional capital level 1 (AT1)	-	-	-	-
20	Subordinated bonds imputed as additional capital level 1 (AT1)	241,836	242,963	174,620	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)	241,836	242,963	174,620	173,935
25	= (18+24) Capital level 1	4,829,171	4,808,407	3,147,810	3,125,131
26	Voluntary provisions (additional) imputed as Tier 2 capital (T2)	416,511	415,022	353,066	352,934
27	Subordinated bonds imputed as Tier 2 capital (T2)	1,094,541	1,071,278	1,161,757	1,140,306
28	Equivalent tier 2 capital (T2)	1,511,052	1,486,300	1,514,823	1,493,240
29	Discounts applied to T2	-	-	-	-
30	= (28-29) Tier 2 capital (T2)	1,511,052	1,486,300	1,514,823	1,493,240
31	= (25+30) Effective equity	6,340,223	6,294,707	4,662,633	4,618,371
32	Additional basic capital required for the constitution of the conservation buffer	604,590	607,408	436,551	130,451
33	Additional basic capital required to set up the countercyclical buffer	-	-	-	-
34	Additional basic capital required for banks qualified as systemic	181,377	182,222	131,416	434,837
35	Additional capital required for the evaluation of the adequacy of effective equity (Pillar 2)	-	-	-	-

No.	Item Description	Global Consolidated 03-31-2023 %	Global Consolidated 12-31-2022 %	Local Consolidated (f) 03-31-2023 %	Local Consolidated (f) 12-31-2022 %
1	Leverage Indicator (T1_I18/T1_I7)	6.079	5.964	5.521	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)	9.484	9.395	8.513	8.484
2.a	Common Equity Tier 1 capital indicator that the bank must meet	4.875	4.875	4.875	4.875
2.b	Capital buffer shortfall	0.000	0.000	0.000	0.000
3	Tier 1 capital indicator (T1_I25/T1_I11.b)	9.984	9.895	9.013	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)	13.109	12.954	13.351	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	9.500	9.500	9.500	9.500
4.c	Effective equity indicator that the bank must meet, considering the minimum requirements, the conservation buffer, and the cyclical buffer	9.250	9.250	9.250	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))	1.023	1.011	1.250	1.250
7	Subordinated bonds imputed in capital level 2 (T2) in relation to basic capital	23.860	23.465	39.074	38.639
8	Tier 1 additional capital (AT1) in relation to basic capital (T1_I24/T1_I18)	5.272	5.322	5.873	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)	0.500	0.500	0.500	0.500

NOTE 49 – SUBSEQUENT EVENTS

Between April 1, 2023, 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
Accounting Officer

Eugenio Von Chrismar Carvajal Chief
Chief Executive Officer