Banco Santander Chile

Management Commentary
As of December 31, 2022

Santander

INDEPENDENT PROFESSIONAL REVIEW REPORT
(A free translation from the original in Spanish)

Santiago, February 22, 2023

To the Shareholders and Directors
Banco Santander Chile

We have reviewed the accompanying "Management Commentary" financial report presentation for the 2022 fiscal year of Banco Santander Chile and its subsidiaries, taken as a whole. In conjunction with this review, we have audited, in accordance with chilean generally accepted auditing standards, the annual consolidated financial statements of Banco Santander Chile and its subsidiaries as of and for the years ended December 31, 2022 and 2021 and the related notes to the annual consolidated financial statements. In our auditor's report dated February 22, 2023, we expressed our unmodified opinion on such annual consolidated financial statements and included an emphasis of matter paragraph referring to the scope of our review of the comparative financial information.

Management Responsibility

Management is responsible for the preparation and presentation of the "Management Commentary" of Banco Santander Chile and its subsidiaries in accordance with the standards and instructions of the Financial Market Commission (CMF), established in Chapter C-1 of the Compendium of Accounting Standards for Banks.

Responsibility of the professional

Our review was conducted in accordance with the auditing standards established by the Chilean Association of Accountants. A review consists, mainly, in the application of analytical procedures, making inquiries with those persons responsible for financial and accounting matters. This review is significantly less in scope than that of an examination, the objective of which would be to express an opinion on the "Management Commentary". Consequently, we do not express such kind of opinion.

"Management Commentary" contains non-financial information, such as operational information, commercial information, sustainability indicators, macroeconomic projections and others. While this information may provide additional elements for the analysis of the financial condition and results of operations of Banco Santander Chile and its subsidiaries, our review does not extend to such information.

Conclusion

Based on our review, we are not aware of any material modifications that would need to be made to the presentation of "Management Commentary" of Banco Santander Chile and its subsidiaries in order for such presentation: (i) is in accordance with the elements required by the rules and instructions of the Financial Market Commission (CMF); (ii) the historical financial amounts included in the presentation have been properly derived from the consolidated financial statements of Banco Santander Chile and its subsidiaries; and (iii) the underlying information, determinations, estimates and assumptions of Banco Santander Chile and its subsidiaries are consistent with the basis used for the preparation of the financial information contained in such presentation.

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PricewaterhouseCoopers

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Important information

Banco Santander Chile cautions that this document contains forward looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995. These forward looking statements are found in various places throughout this presentation and include, without limitation, statements concerning our future business development and economic performance. While these forward looking statements represent our judgment and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to: (1) general market, macro-economic, governmental and regulatory trends; (2) movements in local and international securities markets, currency exchange rates, and interest rates; (3) competitive pressures; (4) technological developments; and (5) changes in the financial position or credit worthiness of our customers, obligors and counterparties. The risk factors and other key factors that we have indicated in our past and future filings and reports, including those with the Securities and Exchange Commission of the United States of America, could adversely affect our business and financial performance.

Note: This document was approved for disclosure by the Bank's Audit Committee on February 22, 2023. This report is presented according to accounting rules and instructions as issued by the Financial Markets Commission for banks in Chile which are similar to IFRS, but there are some differences. Please refer to our 2021 20-F filed with the SEC for an explanation of the main differences between accounting rules and instructions as issued by the Financial Markets Commission and IFRS. Nevertheless, the consolidated accounts are prepared on the basis of generally accepted accounting principles in Chile. Please note that this information is provided for comparative purposes only and that this restatement may undergo further changes during the year and, therefore, historical figures, including financial ratios, presented in this report may not be entirely comparable to future figures presented by the Bank.

Section 1: Key information

Summary of results

Net income attributable to shareholders up 3.8% YoY in 12M22, with ROAE of 21.6%. Book value increases 13.6% YoY.

Net income attributable to shareholders in 12M22 increased 3.8% YoY, totaling a historically record high level of Ch$809 billion (Ch$4.29 per share and US$2.01 per ADR) with the Bank's ROAE in 12M22 reaching 21.6%, in line with guidance. These strong yearly results were driven by a strong rise in the net contribution from our business segments. Retail Banking's net contribution increased 6.2% YoY with total revenues increasing 10.1% YoY. The Middle Market segment's net contribution increased 30.6% YoY, with an increase in total revenues of 20.4%. Finally, the Corporate and Investment banking segment's net contribution grew 49.3% YoY, driven by a 43.1% rise in total revenues.

The Bank also finished the year with strong book value growth. The Bank's total shareholders' equity and per share both increased 13.6% YoY. As a result, the Bank's CET1 ratio increased 189 basis points and reached 11.1% at year-end.

In 4Q22, net income totaled Ch$102 billion (Ch$ 0.54 per share and US$ 0.25 per ADR), decreasing 56.2% compared to 4Q21. This lower result in the fourth quarter was mainly due to the impacts on NIMs of decelerating inflation and rising interest rates, which lowered assets yield and increased funding costs and mix.

Key financial information

Balance Sheet (Ch$mn)	**Dec-22**	**Dec-21**	**% Variation**
Total assets	68,164,604	63,635,077	7.1%
Total gross loans[1]	38,871,707	36,628,714	6.1%
Demand deposits	14,086,226	17,900,938	(21.3%)
Time deposits	12,978,790	10,131,055	28.1%
Total shareholders' equity	4,128,808	3,634,917	13.6%
Income Statement (YTD)	**Dec-22**	**Dec-21**	**% Variation**
Net income from interest and readjustment	1,598,346	1,797,981	(11.1%)
Net fee and commission income	407,269	351,116	16.0%
Net financial results	217,652	115,871	87.8%
Total operating income[2]	2,245,340	2,267,693	(1.0%)
Operating expenses[3]	(961,326)	(899,700)	6.8%
Net operating income before credit loss expenses	1,284,014	1,367,993	(6.1%)
Credit loss expenses	(370,727)	(382,951)	(3.2%)
Net operating income before income tax	913,287	985,042	(7.3%)
Income attributable to shareholders	808,651	778,933	3.8%

1. Loans (including interbank loans) at amortized cost and loans at fair value through other comprehensive income.
2. Total operating income: Net income from interest and readjustments + net fee income + net financial results+ income from investments in associates and other companies+ results from non-current assets and non-continued operations+ other operating income
3. Operating expenses: Personnel expenses + administration expenses+ depreciation and amortization+ impairment of non-financial assets + other operating expenses.

Key indicators (non-accounting financial information)

Profitability and efficiency	Dec-22	Dec-21	Variation bp
Net interest margin (NIM) [1]	3.3%	4.2%	(83)
Efficiency ratio[2]	42.8%	39.7%	314
Return on avg. equity[3]	21.6%	22.5%	(82)
Return on avg. assets[4]	1.2%	1.3%	(12)
Return on RWA[5]	2.1%	2.3%	(13)
Asset quality ratios (%)	**Dec-22**	**Dec-21**	**Variation bp**
NPL ratio[6]	1.8%	1.2%	62
Coverage of NPLs ratio [7]	185.3%	270.5%	(8,516)
Cost of credit[8]	1.0%	1.1%	(11)
Capital indicators	**Dec-22**	**Dec-21**	**Variation**
Risk-weighted assets	37,950,107	37,936,312	0.0%
Core capital ratio[9]	11.1%	9.2%	189
Tier I ratio[10]	2.1%	2.6%	(51)
Tier II ratio[11]	4.7%	3.5%	120
BIS ratio[12]	17.8%	15.2%	258
Clients and service channels	**Dec-22**	**Dec-21**	**Variation %**
Total clients	3,910,094	4,116,301	(5.0%)
Active clients	2,195,847	2,036,893	7.8%
Current account holders (including Superdigital)	2,580,051	2,184,012	18.1%
Loyal clients[13]	855,156	832,405	2.7%
Digital clients[14]	1,981,540	2,016,947	(1.8%)
Branches	286	326	(12.3%)
Employees	9,389	9,988	(6.0%)
Market capitalization (YTD)	**Dec-22**	**Dec-21**	**Variation %**
Net income per share (Ch$)	4.29	4.13	3.8%
Net income per ADR (US$)	2.01	1.93	3.8%
Stock price (Ch$/per share)	33.95	34.25	(0.9%)
ADR price (US$ per share)	15.84	16.29	(2.8%)
Market capitalization (US$mn)	7,462	7,674	(2.8%)
Shares outstanding (millions)	188,446.1	188,446.1	--%
ADRs (1 ADR = 400 shares) (millions)	471.1	471.1	--%

1. NIM = Annualized net income from interest and readjustments divided by interest generating assets.
2. Efficiency ratio: Operating expenses including impairment and other operating expenses divided by Operating income.
3. Accumulated Shareholders' net income annualized, divided by annual average shareholders' equity.
4. Accumulated Shareholders' net income annualized, divided by annual average assets.
5. Accumulated Shareholders' net income annualized, divided by risk-weighted assets.
6. Capital + future interest of all loans 90 days or more overdue divided by total loans.
7. Loan loss allowance divided by Capital + future interest of all loans with one installment 90 days or more overdue. Includes additional provisions. Adjusted to include the Ch$16,000 million additional provisions from 4Q19, the Ch$30,000 million established in 2Q20, the Ch$30,000 million established in 3Q20, the Ch$50,000 million established in 4Q20, the Ch$24,000 million established in 1Q21, the Ch$18,000 million established in 2Q21, Ch$30,000 million established in 3Q21, Ch$ 60,000 million established in 4Q21 and the C$ 35,000 million established in 3Q22.
8. Provision expense annualized divided by average loans.
9. Core capital divided by risk-weighted assets, according to BIS III definitions by the FMC.
10. Tier 1 capital by risk-weighted assets, according to BIS III definitions by the FMC.
11. Tier 2 capital by risk-weighted assets, according to BIS III definitions by the FMC.
12. Regulatory capital divided by risk-weighted assets, according to BIS III definitions by the FMC.
13. Individual clients that have 4 products or more with a minimum level of profitability and minimum usage. Companies with a minimum profitability and usage.
14. Clients that use our digital clients at least once a month.

Section 2: Overview of the Bank

Competitive position

We are the largest bank in the Chilean market in terms of loans (excluding loans held by subsidiaries of Chilean banks abroad) and the second largest bank in terms of total deposits (excluding deposits held by subsidiaries of Chilean banks aboard). We have a leading presence in all the major business segments in Chile, and a large distribution network with national coverage spanning across all the country. We offer unique transaction capabilities to clients through our 286 branches and digital platforms. Our headquarters are in Santiago, and we operate in every major region of Chile.

Santander Chile provides a wide range of banking services to its customers, including commercial, consumer and mortgage loans as well as current accounts, time deposits, savings accounts and other transactional products. In addition to its traditional banking operations, it offers financial services, including leasing, factoring, foreign trade services, financial advisory services, acquiring, and brokerage of mutual funds, securities, and insurance.

Market share[1]	**Santander**	**Ranking among Peers**[2]
Total loans	17.3%	1
Commercial loans	14.8%	2
Mortgage loans	21.0%	1
Consumer loans	19.0%	1
Demand deposits	18.0%	2
Time deposits	13.1%	4
Current accounts (#)	28.4%	1
Credit card purchases ($)	25.6%	1
Branches (#)	18.1%	2
Employees (#)	16.1%	3
Indicators[1]	**As of Dec. 2022**	
Efficiency ratio	42.8%	4
ROAE	21.6%	3
ROAA	1.2%	3

1. Source: FMC, as of December 2022, current accounts, credit card purchasesas of October 2022 and credit card purchases are the last twelve months up to October 2022. Branches and employees as of November 2022.
2. Peers: Banco de Chile, BCI, Banco Estado, Itau and Scotiabank

Banco Santander Chile is one of the companies with the highest risk classifications in Latin America with an A2 rating from Moody's, A- from Standard and Poor's, A+ from Japan Credit Rating Agency, AA- from HR Ratings and A from KBRA. All our ratings as of the date of this report have a Stable Outlook. As of December 31, 2022, we employed 9,389 people.

As of December 31, 2022, we had total assets of Ch$ 68,164,604 million (U.S.$ 79,725 million), outstanding loans (including interbank loans) at amortized cost, net of allowances for loan losses of Ch$ 37,692,840 million (U.S.$ 44,085 million), total deposits of Ch$ 27,065,016 million (U.S.$ 31,655 million) and shareholders' equity of Ch$ 4,128,808 million (U.S.$ 4,829 million). The BIS capital ratio as of December 31, 2022, was 17.45%, with a core capital ratio of 11.10%.

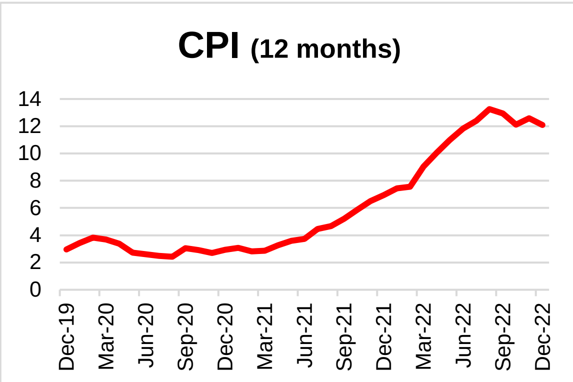
For more information on the constitution of our business please see Section 2 of our Management Commentary for 1Q22.

Operating environment

All of our operations and substantially all of our customers are located in Chile. Consequently, our financial condition and the results of our operations are substantially dependent on the economic conditions prevailing in Chile.

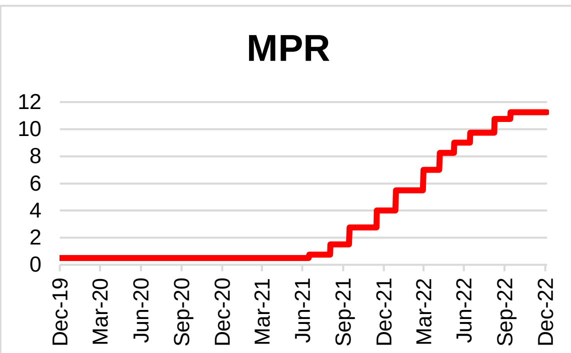
We estimate that GDP grew around 2.5% in 2022, a slight upward adjustment from our expectations in the third quarter. Activity levels are slowing more gradually than anticipated, but we continue to expect a contraction in activity in 2023. Therefore, GDP expectations for 2023 remain at -1.2%.

Employment figures after a strong start in 2022 began to weaken in the second half, especially in the formal job market. The unemployment destroying formal jobs while labor demand continued weak.



During the quarter CPI data was mixed and the UF variation in 2022 reached 13.3% and CPI finished the year at 12.8%. We expect a sharp decline next year, bringing the CPI to a level around 5%.

The exchange rate also strengthened during the quarter, closing at Ch$855/US$. Global factors, such as the weakening of the dollar, the recovery of copper prices, due to the opening of China and local factors, such as the reduction in political uncertainty, have led to an appreciation of the peso. However, the downward trajectory has not been without fluctuations.



The monetary policy rate (MPR) began an upward trend that placed it at 4% in December 2021 and it now stands at 11.25%, with the last increase of 50bp on October 12, 2022. The Central Bank gave a clear signal of bias neutrality, mentioning that this would be its last hike in the monetary policy tightening cycle. At the same time, the government has enforced fiscal discipline with a fiscal surplus of 1.3% expected for 2022. The high monetary policy, lower growth and fiscal austerity should bring down inflation and rates in 2023.

Below a summary of our macroeconomic forecasts:

Summary of economic estimates:

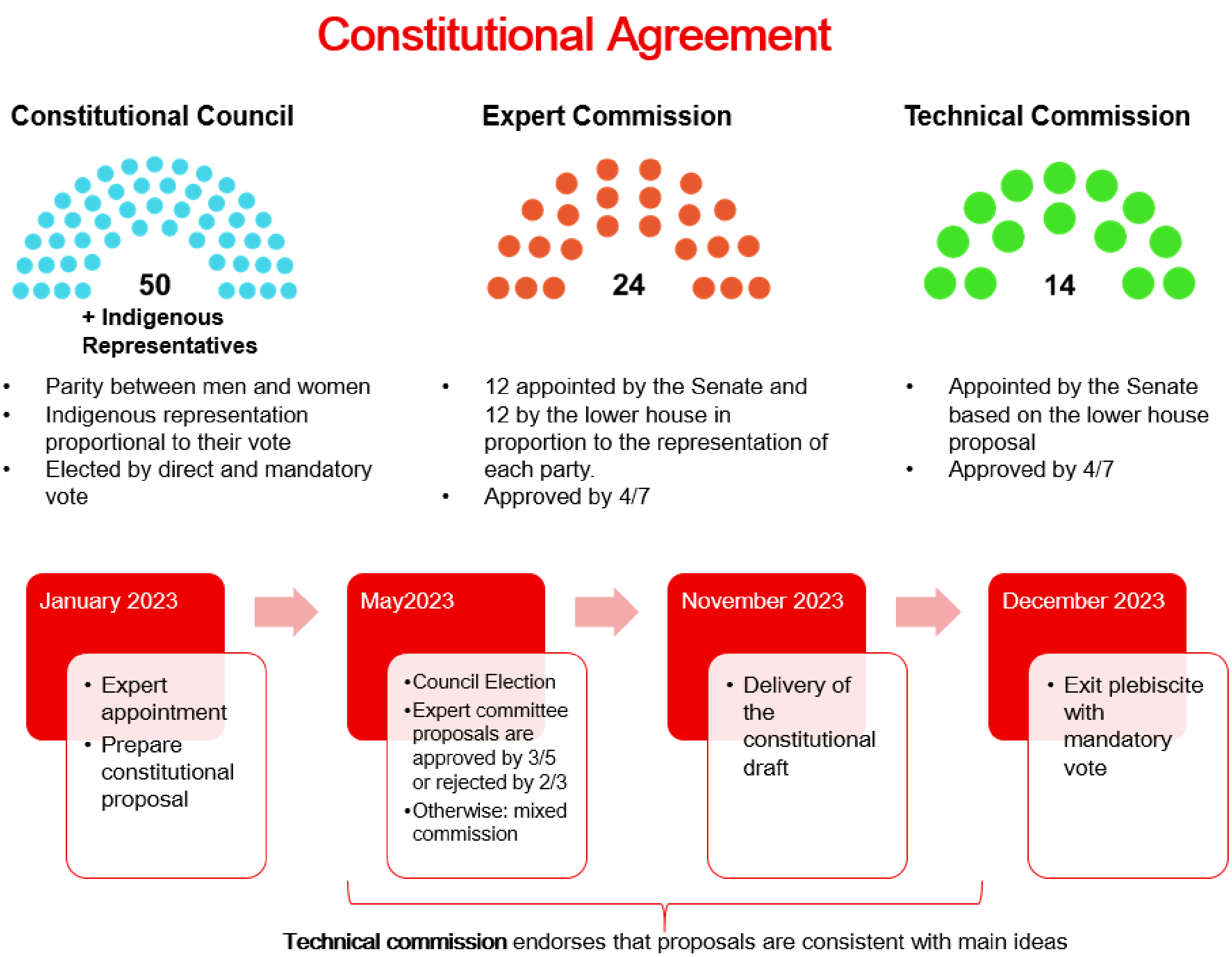
	2020	2021	2022 (E)	2023 (E)
National accounts				
GDP (real var. % YoY)	-6.0%	11.7%	2.7%	-1.25%
Internal demand (real var. % YoY)	-9.3%	21.6%	2.4%	-4.9%
Total consumption (real var. % YoY)	-7.2%	18.2%	3.4%	-3.3%
Private consumption (real var. % YoY)	-8.0%	20.3%	2.8%	-4.7%
Public consumption (real var. % YoY)	-4.0%	10.3%	5.8%	3.2%
Gross fixed capital formation. (Real var. % YoY)	-9.3%	17.6%	3.0%	-5.0%
Exports (real var. % YoY)	-1.1%	-1.5%	1.1%	0.9%
Imports (real var. % YoY	-12.7%	31.3%	0.7%	-9.1%
Currency and Exchange Market				
CPI Inflation	3.0%	7.2%	12.8%	4.75%
UF Inflation	2.7%	6.6%	13.3%	5.25%
CLP/US$ exchange rate (year's exercise)	711	852	850	850
Monetary policy rate (year's exercise, %)	0.5%	4.0%	11.25%	6.5%
Labor market				
Unemployment (%)	10.3%	7.2%	7.9%	8.5%
Fiscal policy				
Public expenditure (real var. % YoY)	11.0%	31.6%	-23.1%	5.0%
Central Government balance (% GDP)	-7.3%	-7.3%	1.1%	-2.5%

(E) Banco Santander Chile estimates

Constitutional convention

After the referendum heed in September 2022 that resulted in the rejection by voters of the proposed constitution, a new political agreement to start a new constitutional process was announced in December 2022 and approved in January 2023. This has led to a moderation of internal political uncertainty.

The new Constitutional agreement that was signed by the different political parties, entails writing a new constitution, but with a defined framework of main ideas that the new constitution should include. There will be a Constitutional council of 50 people plus indigenous representatives, an expert commission of 24 people and a technical commission of 14 people. Both commissions appointed by the Senate and the Lower house. The timeline of the new constitutional process will start in January, with the appointment of the expert committees. Then on May 7, the council will be elected and the new text is expected to be ready by November 2023. Finally, there will be a referendum with mandatory participation on December 17, 2023, to accept or reject this new draft.



Tax reform

The Chilean Finance Ministry presented a tax reform proposal with four legislative initiatives: (i) Restructure income tax system: introduce a semi-dual system for corporate income tax to further de-coupling the taxation of companies from the taxation of shareholders; increase the tax rates for higher income individuals; introduce a new wealth tax and a new capital income regime (ii) Reducing tax exemptions: elimination of loopholes that facilitates tax avoidance and strength ability to combat tax evasion; (iii) Mining royalty: a two-component tax considering a basic ad-valorem tax and profitability tax with higher sliding-scale rates for copper producers; and (iv) Corrective taxes: to foster ESG programs and regional development. The first three proposals were presented to Congress in July, and the last in 4Q22.

The government expects to collect US$12.000mn (4.1% of GDP) with this reform to fund social expenditure. The proposal has raised several criticism and doubts from both the private and the political sectors, in particular, regarding to those aspects that could impact the country`s competitiveness and investment levels. It is expected that there will be further discussions in Congress with various amendments to the final law.

Pension reform

In November 2022, the Chilean government presented a new bill for pension reform to Congress. The new proposal creates a Mixed Pension System, maintains the individual capitalization system and complements it with a contributory pillar with social security logic. The 6% additional contribution charged to the employer is allocated to social security, whose benefits are distributed among pensioners using social security criteria, better diversifying idiosyncratic risks among people. Also, a new institutional structure is created where public and private entities coexist. The Executive has proposed the creation of the Autonomous Pension Administrator, which will be in charge of the collection of individual and social security contributions, pension payments and other operational functions. In addition, there will be a public institution that, together with private institutions, will take charge of the financial management of the pension funds. People will have the right to choose which type of institution invests the individual capitalization savings. Additionally, all pensions will be paid out as annuities and the programmed withdrawal option will be eliminated. Lastly, the Universal Guaranteed Monthly Pension (PGU) will be increased to Ch$250,000/month (US$300). This bill has yet to be approved by Congress.

Fintech Law

On the 4th of January of 2023 the new Fintech Law was published in the Official Gazette and became officially a law. It updates the regulation of the financial industry due to the recognition of the existence of new business models based on technology. The project incorporates new technological players into the regulatory perimeter of the CMF, such as crowdfunding, alternative transaction systems, credit or investment advice, and the intermediation of financial instruments, among others. In addition, the rules of open finance are established. Consumers will be the owners of their financial information, and it is defined as an obligation for financial institutions to share said data -with the prior consent of the client- in an expeditious, standardized and secure manner, multiplying the possibilities of developing new products and services tailored to each person.

Fintech companies must permanently have a minimum equity, equal to or greater than the greater of:

a) 5,000 UF or

b) 3% of the entity's financial and operational risk-weighted assets, calculated according to the method established by the CMF through a general rule. In the case of entities that present deficiencies in their risk management, said percentage may be increased up to 6% by the Commission in attention to the evaluation of the quality of risk management that it carries out.

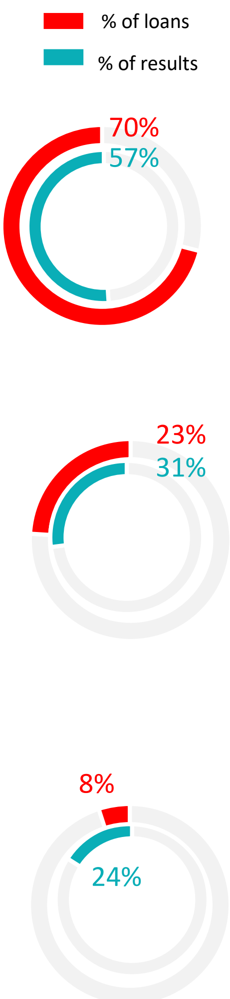
Regulation and supervision

In Chile, only banks may maintain checking accounts for their customers, conduct foreign trade operations, and, together with regulated non-banking financial institutions, such as cooperatives and *Cajas de Compensación*, accept time deposits. The principal authorities that regulate financial institutions in Chile are the FMC and the Central Bank. Chilean banks are primarily subject to the General Banking Law, and secondarily subject, to the extent not inconsistent with this statute, to the provisions of the Chilean Companies Law governing public corporations, except for certain provisions which that expressly excluded.

For more information on the regulation and supervision of our Bank please see Section 2 of our Management Commentary for 1Q22.
For more information on the General Banking Law click here.
For more information about the FMC, see the following website: www.cmfchile.cl
For more information on the Central Bank, see the following website: www.bcentral.cl

Section 3: Segment information

Segment information is based on financial information presented to upper management and the Board. The Bank has aligned segment information in a manner consistent with the underlying information used internally for management reporting purposes and with that presented in the Bank's other public documents. The Bank's senior management has been determined to be primarily responsible for the Bank's operational decision-making. The Bank's operating segments reflect the organizational and management structures. Top management reviews internal information based on these segments to assess performance and allocate resources.



Description of segments

Retail Banking (Individuals and SMEs)
This segment consists of individuals and small to medium-sized entities (SMEs) with annual sales less than Ch$3,000 million (U.S.$3.5 million). This segment gives customers a variety of services, including consumer loans, credit cards, auto loans, commercial loans, foreign exchange, mortgage loans, debit cards, checking accounts, savings products, securities brokerage, and insurance brokerage. Additionally, the SME clients are offered government-guaranteed loans, foreign trade services, leasing, factoring, and transactional services.

Middle-market
This segment serves companies and large corporations with annual sales exceeding Ch$3,000 million (U.S.$3.5 million). It also serves institutions such as universities, government entities, local and regional governments and companies engaged in the real estate industry who carry out projects to sell properties to third parties and annual sales exceeding Ch$800 million (U.S.$0.9 million) with no upper limit. The companies within this segment have access to many products including commercial loans, leasing, factoring, foreign trade, credit cards, mortgage loans, checking accounts, transactional services, treasury services, financial consulting, savings products, securities brokerage, and insurance brokerage. Also, companies in the real estate industry are offered specialized services to finance projects, chiefly residential, with the aim of expanding sales of mortgage loans.

Corporate Investment Banking (CIB)
This segment consists of foreign and domestic multinational companies with sales over Ch$10,000 million (U.S.$11.6 million). The companies within this segment have access to many products including commercial loans, leasing, factoring, foreign trade, project finance, credit cards, mortgage loans, checking accounts, transactional services, treasury services, financial consulting, investments, savings products, securities brokerage and insurance brokerage. This segment also consists of a Treasury Division which provides sophisticated financial products, mainly to companies in the Middle-market segment and Corporate Investment Banking. These include products such as foreign exchange services, derivatives, securitization and other tailor-made products. The Treasury Division may act as broker to transactions and manages the Bank's trading fixed income portfolio.

Corporate Activities ("Other")
This segment mainly includes our Financial Management Division, which develops global management functions, including managing inflation rate risk, foreign currency gaps, interest rate risk, liquidity risk and capital levels. Liquidity risk is managed mainly through wholesale deposits, debt issuances and the Bank's available-for-sale portfolio. This segment also manages capital allocation by unit. These activities, with the exception of our inflation gap, usually result in a negative contribution to income. In addition, Corporate Activities encompasses all the intra-segment income and all the activities not assigned to a given segment or product with customers.

Results by segment

As of December 31, 2022

Accounting financial information:

	Retail Banking	Middle market	CIB	Total Sub-segments	Corporate Center	Total Segments
Net interest income[1]	1,129,553	389,297	143,575	1,662,426	(64,079)	1,598,346
Change YoY	9.2%	19.0%	49.1%	14.0%	(118.8%)	(11.1%)
Net fee and commission income	312,706	62,644	37,300	412,651	(5,381)	407,269
Change YoY	15.1%	25.6%	19.8%	17.0%	225.0%	16.0%
Total financial transactions, net	34,721	22,979	158,268	215,968	1,685	217,653
Change YoY	(1.7%)	31.1%	44.4%	33.0%	(103.6%)	87.8%
Core revenues	**1,476,980**	**474,920**	**339,143**	**2,291,044**	**(67,775)**	**2,223,268**
Change YoY	**10.1%**	**20.4%**	**43.1%**	**16.1%**	(123.2%)	(1.8%)
Provision for loan losses	(270,454)	(63,988)	(11,297)	(345,739)	(24,988)	(370,727)
Change YoY	**43.9%**	**(2.6%)**	**472.3%**	**35.3%**	**(80.4%)**	**(3.2%)**
Net operating profit from business segments	**1,206,526**	**410,933**	**327,846**	**1,945,305**	(92,763)	1,852,541
Change YoY	**4.6%**	**24.9%**	**39.5%**	**13.3%**	**(156.3%)**	**(1.6%)**
Operating expenses[2]	**(635,991)**	**(105,160)**	**(91,926)**	**(833,077)**	(21,943)	(855,020)
Change YoY	**3.2%**	**11.0%**	**19.3%**	**5.7%**	**85.9%**	**6.9%**
Net contribution from business segments	**570,535**	**305,772**	**235,920**	**1,112,228**	**(114,706)**	**997,521**
Change YoY	**6.2%**	**30.6%**	**49.3%**	**19.7%**	**(175.0%)**	**(7.8%)**

1. Includes net income from interest and readjustments
2. Includes personnel expenses, administrative expenses and depreciation.

Retail banking

Accounting financial information:

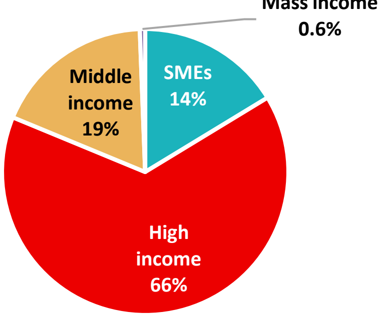
ACTIVITY

Ch$ million	Dec-22	Dec-22/ Dec-21	QoQ
Loans	27,081,897	5.0%	1.3%
Deposits	13,553,898	-8.3%	0.3%

RESULTS

Ch$ million	Dec-22	YoY	4Q22	QoQ
Net income from interest and readjustments	1,129,553	9.2%	281,926	0.4%
Fees	312,706	15.1%	72,666	-21.2%
Financial transactions	34,721	-1.7%	8,324	-12.3%
Total income	**1,476,980**	**10.1%**	**362,916**	**-5.1%**
Provisions	-270,454	43.9%	-71,068	17.9%
Net operating income	**1,206,526**	**4.6%**	**291,848**	**-9.4%**
Expenses	-635,991	3.2%	-159,633	-2.2%
Net contribution	**570,535**	**6.2%**	**132,216**	**-16.8%**

LOANS COMPOSITION



Business activity:

Santander seeks to grow in retail banking in a responsible manner, with a focus on sustainability for our customers with the highest levels of client service and through an efficient and productive phygital distribution strategy. 85% of loans to individuals go to high-middle income earners, yet the Bank has an innovative strategy for mass income. Santander Life continues to be the main contributor in new client growth due to the success of the Meritolife program of this product and the digital onboarding process of current account openings. The total number of Life clients as of December 2022 increased 22.0% YoY and in the fourth quarter 2022 Life opened 27,849 current accounts reaching a total of 1,097,966 clients. In the fourth quarter of this year, 57,671 current accounts were opened, an increase of 3.6% QoQ. Santander Life clients are quickly monetized and have a high NPS score throughout the incorporation process.

The total number of clients decreased YoY, but more importantly active and loyal clients grew 7.8% and 2.7% YoY respectively. Total clients are decreasing as the Bank is actively closing unused accounts in line with regulatory guidelines to minimize cyber fraud.

Retail Banking loans grew 5.0% compared to December 31, 2021, and 1.3% compared to the previous quarter. Mortgage loans continued to increase 3.0% QoQ, driven by the increase in the value of the UF, while the origination of new mortgages is down as a result of high rates and high inflation. Auto loans continue to grow, increasing 3.4% in the quarter and credit card loan volumes started to pick up, with a 15.1% increase QoQ, after several quarters decreasing due to high liquidity of households. The foregoing is offset by less dynamism in the rest of other consumer products and a drop in loans to SMEs.

On the other hand, deposits in this segment decreased 8.3% compared to December 31, 2021, and a slight increase of 0.3% QoQ. Demand deposits fall during 2022 as a result of a switch to higher yielding time deposits and consumption of the excess liquidity following strong inflow during the pandemic due to state aid and withdrawals from pension funds.

Results:

The net contribution of retail banking increased 6.2% YoY. The margin increased 9.2% YoY due to a better mix of funding and loan growth. Fees in this segment strongly increased by 15.1% YoY, led by card fees due to higher usage and an increased customer base, as well as fees generated by Getnet. Provisions increased 43.9% YoY, not including additional provisions, due to the growth of the portfolio in the year, slowing economic growth and the normalization of asset quality of our retail loans after historically low levels of non-performing loans due to the increase in liquidity of our clients during the pandemic. Operating costs increased in a controlled manner by 3.2% YoY as the Bank continues its digital transformation, generating greater operating efficiencies.

Compared to 3Q22, the net contribution of retail banking decreased 16.8% QoQ. The margin increased by 0.4% QoQ mainly due to the pressure from the transfer of demand deposits to time deposits, where we have seen a strong interest from customers for this product given the high rates. Commissions in this segment decreased 21.2% in the quarter as a result of lower demand for insurance related to credits and also other insurance products. Provisions increased 17.9% QoQ, which do not include additional provisions, due to portfolio growth in the year and the normalization of asset quality for loans in this segment after historically low levels of the NPL portfolio during recent periods as described above. Operating costs decreased by 2.2% QoQ despite strong inflationary pressures, due to efficiencies generated by the reduction of branches and the creation of new Work Cafes.

Middle market

Accounting financial information:

ACTIVITY

Ch$ million	Dec-22	Dec-22/ Dec-21	QoQ
Loans	8,641,652	1.5%	-6.8%
Deposits	6,110,529	-2.0%	2.7%

RESULTS

Ch$ million	Dec-22	YoY	4Q22	QoQ
Net income from interest and readjustments	389,297	19.0%	99,768	0.1%
Fees	62,644	25.6%	16,753	6.7%
Financial transactions	22,979	31.1%	6,384	-0.8%
Total income	**474,920**	**20.4%**	**122,905**	**0.9%**
Provisions	(63,988)	-2.6%	(26,754)	103.5%
Net operating income	**410,933**	**24.9%**	**96,150**	**-11.5%**
Expenses	(105,160)	11.0%	(25,318)	-2.2%
Net contribution	**305,773**	**30.6%**	**70,832**	**-12.6%**

Business activity:

The loan portfolio of this segment grew 1.5% compared to December 31, 2021, driven by greater economic activity, the positive translation gains from loans denominated in UF and US$. In the last quarter of the year these trends shifted with a slowdown in activity and an appreciation of the peso. Demand and time deposits decreased 2.0% from December 31, 2021, due to the high liquidity levels that these customers had in 2021. During the 4Q, deposits increased 2.7% QoQ mainly in time deposits, due to high rates. The main strategic objective of this segment is to focus on the client's total profitability, in lending and non-lending activities. Green financing has also been a focus, with Ch$ 47 billion in green loans disbursed in 2022 (as of September 2022).

Results:

Net contribution from the Middle Market increased 30.6% YoY, with an increase in total revenues of 20.4% due to a 19.0% growth in net interest income as a result of a better loan and deposit spread and volume growth. Additionally, commissions increased by 25.7% in line with the greater activity of clients in payments and foreign trade, as well as leasing, factoring and structuring of operations. Provisions in this segment decreased 2.6% YoY due to higher recovery of written-off debt despite an increase in risk in sectors such as construction. Expenses increased 11.0% mainly due to higher technological expenses that are affected by the depreciation of the Chilean peso.

In the quarter, Middle Market net contribution decreased 12.6% QoQ, due to higher provision expense of 103.5% QoQ. This was due to higher NPL's that are returning to pre-pandemic levels and an increase in provisions in the construction sector that has been the most affected by the higher monetary policy rate. Operating expenses decreased 2.2% QoQ due to lower administration expenses product of the appreciation of the Chilean peso in the quarter.

Corporate Investment Banking (CIB)

Accounting financial information:

ACTIVITY

Ch$ million	Dec-22	Dec-22/ Dec-21	QoQ
Loans	2,978,420	31.8%	2.9%
Deposits	6,636,113	10.4%	-15.3%

RESULTS

Ch$ million	Dec-22	YoY	4Q22	QoQ
Net income from interest and readjustments	143,575	49.1%	35,690	-3.0%
Fees	37,300	19.8%	9,522	-17.3%
Financial transactions	158,268	44.4%	39,239	-9.0%
Total income	**339,143**	**43.1%**	**84,450**	**-7.6%**
Provisions	(11,297)	472.3%	(3,095)	430.8%
Net operating income	**327,846**	**39.5%**	**81,355**	**-10.4%**
Expenses	(91,926)	19.3%	(25,802)	13.5%
Net contribution	235,920	49.3%	55,553	-18.4%

Business activity:

During the quarter, the demand for loans continued to grow despite the beginning of an economic contraction, mainly due to a local fixed income market that remains more illiquid compared to pre-pandemic levels. The depreciation of the peso and the higher inflation rate also drove loan growth due to translation gains. With this, the portfolio grew 31.8% from December 31, 2021 and 2.9% QoQ. Deposits increased 10.4% from December 31, 2021, due to higher demand for time deposits in UF considering higher rates and the value of the UF, but this last quarter this trend started to reverse, where deposits, mainly time deposits, fell 15.3% QoQ as the Bank focused on controlling funding costs while obtaining longer maturity funding as the yield curve is inverted.

Results:

Total income from this segment increased 49.3% YoY, driven by an overall increase in business from this segment. Net income from interest and readjustments increased 49.1% YoY due to the increase in loans, particularly foreign trade, and a better margin from its financing sources. Also noteworthy is the year-on-year increase in customer treasury income of 44.4% and 19.8% in commissions in line with this segment´s focus on non-lending income. Provisions increased 472.3% YoY due to abnormally low levels of provisions in 2021 and the increase in loan volumes. This was offset by a better payment behavior of a particular client and the sale of some loans which freed up provisions. Expenses increased 19.3% YoY due to higher investment in the technologies that serve this segment and higher commercial activity, added to a year of very high inflation.

Compared to 3Q22, total revenues from this segment decreased 7.6% driven by lower margins, commissions, and treasury revenues as activity slowed down in the last quarter. Provisions in the quarter increased 430.8% due to a general deterioration in payment behavior, compared to the previous quarters levels that were historically low. Expenses in the quarter increased 13.5% due to an increase in administration, mainly higher marketing costs.

Corporate center / Financial Management

Accounting financial information:

RESULTS

Ch$ million	**Dec-22**	**YoY**	**4Q22**	**QoQ**
Net income from interest and readjustments	(64,074)	--%	(140,441)	163.6%
Fees	(5,381)	225.0%	9,369	-175.0%
Financial transactions	1,683	(103.6%)	2,974	21.7%
Total income	**(67,774)**	**(123.2%)**	**(128,099)**	**102.3%**
Provisions	(24,988)	(80.4%)	(16,367)	-2.6%
Net operating income	**(92,761)**	**(156.3%)**	**(144,465)**	**80.3%**
Expenses	(21,943)	85.9%	(6,689)	-4.0%
Net contribution	**(114,706)**	**--%**	**(151,155)**	**73.5%**

Results:

The Bank's results from corporate activities and ALM contributed with a loss of Ch$-114 billion to results in the twelve-month period ended December 31, 2022. This was mainly due to a lower margin. During the period we received lower income from interest and readjustments due to an increase in the cost of funding managed by the ALCO as short-term rates increased and the lower carry earned over the held to collect investment portfolio. The held to collect portfolio mainly includes Central Bank bonds held as collateral by the Central Bank against the FCIC financing lines that were offered to banks during the pandemic to keep loan growth flowing. Both the collateral and the FCIC lines come due in 2024.

In 4Q22, the net loss of the corporate center reached Ch$151.2 billion mainly due to negative net interest income. This was due to lower inflation compared to the previous quarter, as well as an environment with higher rates, which produces lower readjustment income and a rise in market funding costs.

Section 4: Balance sheet and results

Balance sheet

Loan growth led by corporates and credit cards

Total loans decreased 0.4% QoQ and increased 5.9% from December 31, 2021. The slight decrease in loans in the quarter is mainly due to translation loss produced by the appreciation of the Chilean peso against the US$ (-11.8% QoQ) for loans denominated in foreign currency. Approximately 20% of our commercial loan portfolio is denominated in foreign currency, mainly US dollars, especially in the Middle Market of corporates segment. On the other hand, high yielding credit cards loans increased 15.1% QoQ.

Accounting financial information:

Loans by segment

		YTD		Change %	
(Ch$ million)	**Dec-22**	**Sep-22**	**Dec-21**	**Dec-22/Dec-21**	**Dec-22/Sep-22**
Consumer loans	**5,282,812**	**5,044,757**	**4,999,248**	**5.7%**	**4.7%**
Santander Consumer (auto)	887,555	858,391	723,075	22.7%	3.4%
Credit Cards	1,544,176	1,341,748	1,280,325	20.6%	15.1%
Other consumer loans	2,851,081	2,844,618	2,995,848	-4.8%	0.2%
Residential mortgage loans	15,729,009	15,270,088	13,876,175	13.4%	3.0%
SME	**3,688,979**	**3,913,048**	**4,645,806**	**-20.6%**	**-5.7%**
Retail banking[1]	**27,081,897**	**26,651,591**	**25,784,719**	**5.0%**	**1.6%**
Middle-market	8,641,652	9,270,889	8,511,500	1.5%	-6.8%
Corporate Investment banking (CIB)	2,978,420	2,893,236	2,160,377	37.9%	2.9%
Others[2]	-5,559	33,726	72,272	-107.7%	-116.5%
Total loans[3 4]	**38,696,410**	**38,849,442**	**36,528,868**	**5.9%**	**-0.4%**

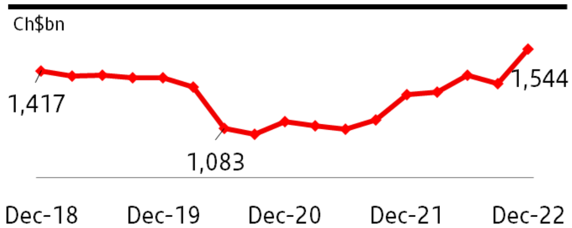
1. Includes consumer loans, residential mortgage loans and SME loans. See note 13 of the financial statements
2. Others includes other non-segmented loans, interbank loans. See note 6 of the financial statements.
3. Total gross loans, includes loans at fair value through other comprehensive income. See notes 11 and 13 of the financial statements
4. The clients included in each business segment are constantly revised and reclassified if a client no longer meets the criteria for the segment, they are in. Therefore, variations of loan volumes and profit and loss items reflect business trends as well as client migration effects.

During the quarter, the CIB segment continued to grow by 2.9% QoQ and 37.9% since December 31, 2021 due to various successful large loan operations with a pair of clients and the fact that large companies continued seeking short-term financing through corporate loans because the local fixed income market remains illiquid after the withdrawals from pension funds. The YoY growth was also influenced by translation gains caused by the high inflation and the depreciation of the peso in the year.

The loan growth in our middle market segment (BEI) was 1.5% from December 31, 2021, but was offset by a 6.8% decrease QoQ. This was the segment most affected by the translation loss from dollar denominated loans as described above as the peso reappreciated in 4Q22. Our strategy with these segments continues to focus on overall profitability of these clients, concentrating on non-lending activities such as cash management and treasury products.

Retail banking loans grew 1.6% QoQ and 5.0% since December 31, 2021. Consumer loans increased 4.7% QoQ and 5.7% compared to the closing of 2021. This was driven by an increase of 22.7% in the year by Santander Consumer, our subsidiary that sells auto loans and a 20.6% increase in credit cards.

Credit Cards loans



Between the end of 2019 and 2021 credit card loans decreased 7.0% as clients reduced large purchases such as travel and hotels which fuels credit card loans. At the same time many clients paid off credit card debt with the liquidity obtained from government transfers and pension fund withdrawals. In 4Q22, as household liquidity levels returned to normal and holiday travel resumed credit card loans began to grow again.

Origination of new mortgage loans has fallen as inflation and rates remain high. As for SMEs, the demand for new loans remains moderate after a strong increase in 2020 and 2021 for the Fogape and Fogape Reactiva loan programs. Given the above, the SME segment loan book decreased 5.7% QoQ and 20.6%, in the year as SMEs repaid FOGAPE loans.

Financial investments

Accounting financial information:

Financial investments

	YTD			Change %	
(Ch$ million)	**Dec-22**	**Sep-22**	**Dec-21**	**Dec-22/Dec-21**	**Dec-22/Sep-22**
Financial assets held for trading at fair value through profit or loss (Trading)	154,046	224,328	73,347	110.0%	(31.3%)
Financial assets at fair value through other comprehensive income (Available for sale)	6,023,039	5,745,250	5,900,796	2.1%	4.8%
Financial assets at amortised cost (Held-to-maturity)	4,867,591	4,821,429	4,691,730	3.7%	1.0%
Total	**11,044,677**	**10,791,007**	**10,665,873**	**3.6%**	**2.4%**

During the quarter, the Bank has continued to buy promissory notes from the Central Bank, taking advantage of the rise in the rate to improve the profitability of the investment portfolio. This explains the 2.4% QoQ rise in our financial investment portfolio. It is important to point out that our financial investment portfolio is only comprised of HQLA such as Central Bank bonds and notes, Chile sovereign bonds and U.S. treasuries.

Moreover, the utilization of the Central Bank Credit lines also requires us to set aside collateral. The instruments used as collateral for the Central Bank lines have been highly rated loans and Central Bank bonds. As a result of these factors, in 2021, in Chilean GAAP and in line with IAS 39, the Bank reclassified Ch$4.7 billion of assets available for sale (AFS) to the investment portfolio Held to Maturity (HTM). The instruments included as HTM are being used as collateral for the Central Bank Credit Lines with similar maturity. As these lines approach maturity, the Central Bank requires banks to gradually replace the loans designated as collateral with Central bank bonds. Currently the Bank has around two-thirds of the collaterals required in Central Bank bonds, higher than the industry average which is 45%.

Total deposits decrease 4.3% QoQ as Bank takes advantage of inverted yield curve

Accounting financial information:

Funding

	YTD			Change %	
(Ch$ million)	**Dec-22**	**Sep-22**	**Dec-21**	**Dec-22/Dec-21**	**Dec-22/Sep-22**
Demand deposits	14,086,226	14,512,729	17,900,938	(21.3%)	(2.9%)
Time deposits	12,978,790	13,776,219	10,131,055	28.1%	(5.8%)
Total Deposits	**27,065,015**	**28,288,948**	**28,031,993**	**(3.4%)**	**(4.3%)**
Mutual Funds brokered[1]	8,162,924	8,362,061	7,891,967	3.4%	(2.4%)
Bonds[2]	9,490,009	9,288,174	8,989,528	5.6%	2.2%
Central Bank lines	5,584,090	5,302,180	5,611,439	(0.5%)	5.3%
Liquidity coverage ratio[3]	175.2%	198.6%	148.9%		
Net stable funding ratio[3]	116.0%	115.6%	110.8%		

1. Banco Santander Chile is the exclusive broker of mutual funds managed by Santander Asset Management S.A. Administradora General de Fondos, a subsidiary of SAM Investment Holdings Limited. This figure does not form part of the Consolidated Financial Statements of the Bank.
2. Includes regulatory capital financial instruments (AT1 and Tier 2).
3. Calculated according to Chilean regulations

The Central Bank in October continued to raise the monetary policy rate (MPR) from 10.75% to 11.25%. We estimate that the cycle of increases in the MPR has ended. This rate increase had a direct impact on our funding mix. The Bank's total deposits decreased 4.3% QoQ and 3.4% compared to December 31, 2021. Also, demand deposits decreased 2.9% QoQ and 21.3% compared to December 31, 2021, due to the fact that the increase in rates led our clients to switch to more attractive time deposits that grew 28.1% compared to December 31, 2021. In the last quarter, the Bank actively sought to lower time deposit costs and increase other longer-term funding sources as the yield curve currently has a negative slope. This affected time deposits which decreased 5.8% QoQ mainly in the SCIB segment and other wholesale time deposits.

Bonds increased 5.6% compared to December 31, 2021 and 2.2% for the quarter. In 2022, the Bank has issued bonds for UF13 million, US$30 million, Ch$ 182,200 million and JPY 3,000 million, taking advantage of attractive opportunities in the various fixed income markets locally and abroad.

The Bank's Liquidity Coverage Ratio (LCR), which measures the percentage of Liquid Assets over Net Cash Outflows as of December 31, 2022 was 175.2%, above the minimum. At the same date, the Bank's Net Stable Funding Ratio (NSFR), which measures the percentage of illiquid assets financed through stable funding sources, reached 116.0%, also well above the current legal minimum set for this ratio.

BIS ratio at 17.8%. Core capital ratio reaches 11.1% and ROE of 21.6% in 12M22.

Accounting financial information:

Equity

	YTD			Change %	
(Ch$ million)	**Dec-22**	**Sep-22**	**Dec-21**	**Dec-22/Dec-21**	**Dec-22/Sep-22**
Capital	891,303	891,303	891,303	--%	--%
Reserves	2,815,170	2,815,170	2,557,816	10.1%	--%
Valuation adjustment	(167,147)	(370,585)	(354,364)	(52.8%)	(54.9%)
Retained Earnings:					
Retained earnings prior periods	28,339	42,837	0	--%	(33.8%)
Income for the period	808,651	706,849	778,933	3.8%	14.4%
Provision for dividends, payments of interests and reappreciation of issued regulatory capital financial instruments	(247,508)	(223,141)	(238,771)	3.7%	10.9%
Equity attributable to equity holders of the Bank	**4,128,808**	**3,862,433**	**3,634,917**	**13.6%**	**6.9%**
Non-controlling interest	109,564	106,569	94,360	16.1%	2.8%
Total Equity	**4,238,372**	**3,969,002**	**3,729,277**	**13.7%**	**6.8%**

Total equity reached Ch$4,238,372 million as of December 31, 2022, an increase of 6.8% QoQ and 13.7% compared to December 31, 2021, mainly due to the increase in net income and a lower loss of the valuation accounts, decreasing by 54.9% in the quarter due to a better result of inflation hedges as inflation breakeven levels descended. The Bank's ROAE was 10.1% in 4Q22 compared to 20.4% in 3Q22 and reached a YTD ROAE of 21.6% compared to a YTD ROAE of 22.5% in 2021.

Non-accounting financial information:

CET1 increases 6.1% QoQ and 20.6% YoY

Capital adecuacy and ROAE

	YTD			Change %	
(Ch$ million)	**Dec-22**	**Sep-22**	**Dec-21**	**Dec-22/Dec-21**	**Dec-22/Sep-22**
Core Capital (CET1)	4,212,916	3,969,002	3,494,580	20.6%	6.1%
AT1	779,997	1,064,596	956,730	(18.5%)	(26.7%)
Tier I	**4,992,914**	**5,033,598**	**4,451,310**	12.2%	(0.8%)
Tier II	1,766,133	1,546,571	1,310,419	34.8%	14.2%
Regulatory capital	**6,759,047**	**6,580,169**	**5,776,831**	**17.0%**	**2.7%**
Market risk weighted assets	5,554,604	6,077,533	3,316,895	67.5%	(8.6%)
Operational risk weighted assets	4,070,594	4,004,663	29,019,932	(86.0%)	1.6%
Credit risk weighted assets	28,401,718	29,070,996	5,599,484	407.2%	(2.3%)
Risk weighted assets	**38,026,916**	**39,153,192**	**37,936,312**	**0.2%**	**(2.9%)**
Core Capital ratio	**11.1%**	**10.1%**	**9.2%**		
Tier I ratio	**13.1%**	**12.9%**	**11.8%**		
Tier II ratio	**4.6%**	**4.0%**	**3.5%**		
BIS ratio	**17.8%**	**16.8%**	**15.2%**		
Leverage[1]	**6.9%**	**6.3%**	**5.7%**		
Quarterly ROAE	**10.1%**	**20.4%**	**26.7%**		
YTD ROAE	**21.6%**	**25.9%**	**22.5%**		

[1] Leverage: Core Capital / Regulatory total assets, according to FMC standards.

Risk-weighted assets (RWA) were flat compared to December 31, 2021 and decreased 2.9% QoQ. We are actively seeking to lower our market risk through netting and novation of our derivatives portfolio leading to an 8.6% QoQ decline in market risk weighted assets. At the same time, core capital increased 20.6% YoY and 6.1% QoQ due to higher results and an improvement in valuation adjustments. As a result, our CET1 ratio reached 11.1% and the total BIS III ratio reached 17.8% at the end of December 2022.

Results

Income from interests and readjustments in 12M22 decreased 11.1% YoY

Accounting financial information:

Income from interest and readjustment

	YTD		Chg %	Quarterly			Chg %	
Ch$ million	**Dec-22**	**Dec-21**	**Dec-22/ Dec-21**	**4Q22**	**3Q22**	**4Q21**	**4Q22/ 4Q21**	**4Q22/ 3Q22**
Net interest income[1]	**602,367**	**1,404,056**	**(57.1%)**	**130,093**	**119,138**	**303,005**	**(57.1%)**	**9.2%**
Net readjustment income[2]	**995,979**	**393,925**	**152.8%**	**146,845**	**244,717**	**200,331**	**(26.7%)**	**(40.0%)**
Total net income from interest and readjustment	**1,598,346**	**1,797,981**	**(11.1%)**	**276,938**	**363,855**	**503,336**	**(45.0%)**	**(23.9%)**

1. Net interest income from all interest earning assets and liabilities that are not linked to inflation (UF) and financial cost of cash flow hedges.
2. Net interest income from assets and liabilities indexed to inflation (UF) and financial cost of inflation hedge accounting

Non-accounting financial information:

Net interest margin indicators

	YTD		Chg %	Quarterly			Chg %	
Ch$ million	**Dec-22**	**Dec-21**	**Dec-22/ Dec-21**	**4Q22**	**3Q22**	**4Q21**	**4Q22/ 4Q21**	**4Q22/ 3Q22**
Average interest-earning assets	48,005,535	43,178,746	11.2%	49,690,494	48,869,125	45,605,926	9.0%	1.7%
Average loans	37,996,831	35,121,516	8.2%	38,961,907	38,313,718	36,193,345	7.6%	1.7%
Avg. net gap in inflation indexed (UF) instruments[1]	7,849,329	6,266,901	25.3%	6,119,459	7,777,343	6,676,629	(8.3%)	(21.3%)
Interest earning asset yield[2]	8.5%	5.5%		8.9%	9.2%	6.6%		
Cost of funds[3]	5.4%	0.9%		7.1%	6.4%	2.1%		
Net interest margin (NIM) [4]	3.3%	4.2%		2.2%	3.0%	4.4%		
Inflation rate[5]	13.3%	6.6%		2.5%	3.5%	3.0%		
Central Bank reference rate	11.3%	4.0%		11.3%	10.8%	4.0%		

1. The average gap between assets and liabilities indexed to Unidades de Fomento (UF), an inflation-indexed unit.
2. Interest income divided by average interest earning assets.
3. Interest expense divided by the sum of interest bearing liabilities and demand deposits.
4. Net interest income divided by average interest earning assets.
5. Inflation measured as the variation in the UF in the period.

Year to date net interest income and readjustments (NII) as of December 2022 decreased by 11.1% compared to the same period in 2021. This decrease in NII was mainly due to higher funding costs due to the higher MPR and a lower carry earned over our fixed rate financial investments. This was partially offset by a higher rate earned over average generating assets due to higher inflation and higher spread earned over deposits.

For the twelve-month period ended December 31, 2022, the variation in the UF reached 13.3% compared to 6.6% for the same period in 2021. Given these conditions, the Bank actively increased the difference between assets generators of interest indexed to the UF and liabilities indexed to the UF, which reached Ch$ 7,849,329 million on average as of December 2022. This drives the net income from readjustments, with an increase of 152.8% at the end of December 2022 compared to same period of the previous year.

This was offset by the higher interest rate environment. In the fourth quarter of 2022, the Central Bank continued to tighten monetary policy, increasing the MPR from 10.75% to 11.25% in October 2022, compared to 4.0% in December 2021. The Bank has a shorter duration of interest-bearing liabilities than interest-bearing assets, and therefore, when rates rise sharply, our liabilities re-price faster than our assets, pushing margins down. Net interest income, which excludes the portion of assets and liabilities linked to inflation, decreased 57.1% in 12M22 compared to 12M21. Given all of the above, the NIM reached 3.3%, lower than the 4.2% as of December 2021.

In 4Q22, total NII decreased 23.9% QoQ and 45.0% YoY. The variation of inflation measured by the variation of the UF was 2.5% in the quarter compared to 3.5% in 3Q22 and 3.0% in 4Q21. Given the lower inflation coupled with higher short-term rates the NIM decreased to 2.2% in 4Q22.

We expect inflation to continue to slow down in coming quarters and consequently for the Central Bank to start to lower the MPR during 2023. For this reason, our NIM expectation for 2023 is 3.0%, starting the year below this level at a rate similar to 4Q levels, and rising as short-term interest rates fall.

Cost of credit at 1.0% YTD and coverage at 185.3% as asset quality starts to normalize

Accounting financial information:

Provisions

	YTD		% Chg.	Quarterly			% Chg.	
Ch$ million	**Dec-22**	**Dec-21**	**Dec-22/ Dec-21**	**4Q22**	**3Q22**	**4Q21**	**4Q22/ 4Q21**	**4Q22/ 3Q22**
Provisions for credit risk for interbank loans and loans[1]	(418,066)	(321,824)	29.9%	(137,148)	(78,223)	(83,401)	64.4%	75.3%
Special provisions for credit risk[2]	(42,717)	(137,389)	(68.9%)	(4,657)	(33,263)	(58,576)	(92.0%)	(86.0%)
Gross provisions	**(460,783)**	**(459,213)**	**0.3%**	**(141,806)**	**(111,486)**	**(141,977)**	**(0.1%)**	**27.2%**
Recovery of written-off loans	90,577	76,999	17.6%	24,688	20,643	21,312	15.8%	19.6%
Impairment for credit risk for other financial assets at amortized cost and financial assets at fair value through other comprehensive income	(521)	(737)	(29.4%)	(166)	1	(80)	(107.7%)	(16715.5%)
Provisions for credit risk	**(370,727)**	**(382,951)**	**(3.2%)**	**(117,284)**	**(90,842)**	**(120,745)**	**(2.9%)**	**29.1%**

1. Includes write-offs.
2. Includes additional voluntary provisions and provisions for contingent loans.

Non- accounting financial information:

Asset quality indicators and cost of credit

	YTD		Quarterly		
	Dec-22	Dec-21	4Q22	3Q22	4Q21
Cost of credit[1]	**0.98%**	**1.09%**	**1.20%**	**0.95%**	**1.33%**
Expected loss ratio (LLA / total loans)	**2.7%**	**2.6%**	**2.7%**	**2.6%**	**2.6%**
NPL ratio (90 days or more overdue/ total loans)	**1.8%**	**1.2%**	**1.8%**	**1.7%**	**1.2%**
Impaired loan ratio (impaired loans / total loans)	**4.8%**	**4.5%**	**4.8%**	**4.4%**	**4.5%**
Coverage of NPLs[2]	**185.3%**	**270.5%**	**185.3%**	**199.6%**	**270.5%**

1. Annualized provision expense divided by average loans.
2. Balance sheet provisions include additional provisions over non-performing loans

During the Covid-19 pandemic, asset quality benefited from state aid and the pension fund withdrawals leading to a positive evolution of asset quality. As the economy slows down and excess household liquidity returns to normal levels, asset quality levels are gradually returning to pre-pandemic levels. This was visible in the 4Q and the non-performing loan (NPL) ratio increased from 1.7% in 3Q22 to 1.8% in 4Q22. The impaired loan ratio, which includes loans that are 90 days or more overdue and loans that have been renegotiated increased from 4.5% in 4Q21 and 4.4% in 3Q22 to 4.8% in 4Q22. As a result, the expected loss ratio (credit risk provisions divided by total loans) increased slightly to 2.7% in 4Q22.

Provisions for credit risks totaled Ch$370,727 million in the twelve-month period ended December 31, 2022, a decrease of 3.2% compared to the same period in 2021, while the cost of credit decreased slightly from 1.1% in 12M21 to 1.0% in 12M22. This decrease is explained by the lower constitution of voluntary additional loan loss provisions from Ch$ 132,000 million in 12M21 compared to Ch$35,000 million in the same period of 2022.

In the quarter, provisions for credit risk decreased 2.9% compared to 4Q21 and increased 29.1% compared to 3Q22. Provisions for credit risk for banks and loans and accounts receivable from customers increased 64.4% YoY and 75.3% QoQ as the economy slowed. Higher provisions mainly affected loans in the retail segment and companies in the construction sector in the Middle Market segment. With these results, the cost of credit in 4Q22 reached 1.2% compared to 0.95% in 3Q22 and 1.3% in 4Q21. The coverage ratio of NPLs, including voluntary provisions reached 185.3% in 4Q22, including Ch$293 billion in voluntary provisions set aside by our Board in 2020-2022.

Accounting financial information:

Provisions for credit risk by product

	YTD		% Chg.	Quarterly			% Chg.	
Ch$ million	**Dec-22**	**Dec-21**	**Dec-22/ Dec-21**	**4Q22**	**3Q22**	**4Q21**	**4Q22/ 4Q21**	**4Q22/ 3Q22**
Consumer loans	(301,682)	(80,409)	275.2%	(158,218)	(88,129)	(34,579)	357.6%	79.5%
Commercial loans	(16,172)	(283,682)	(94.3%)	48,041	10,394	(82,495)	(158.2%)	362.2%
Residential mortgage loans	(52,872)	(18,861)	180.3%	(7,107)	(13,107)	(3,671)	93.6%	(45.8%)
Total Provision for loan losses	**(370,727)**	**(382,952)**	**(3.2%)**	**(117,284)**	**(90,842)**	**(120,745)**	**(2.9%)**	**29.1%**

Provisions for credit losses for consumer loans increased 275.2% in 12M22 compared to the same period in 2021. The consumer NPL ratio increased from 0.9% in December 2021 to 1.6% in December of 2022, which resulted in a decrease in coverage from 666.6% to 514.7%. The rise in NPLs in consumer lending is mainly related to household liquidity levels gradually returning to post-pandemic levels and a weaker economy. This has mainly affected clients who were already impaired pre-pandemic. Meanwhile, the total consumer's impaired ratio reached 3.4% in December 2022, up from 3.1% in December 2021 as more clients demanded loan restructuring. Following the Board's approval, in 2022, Ch$8 billion of voluntary provisions were established to bolster coverage in the consumer loan book in light of weaker expected economic trends in 2023. In addition, in September 2022, the Board of Directors approved transferring the amount of Ch$120,000 million from voluntary provisions of the commercial portfolio to voluntary provisions of the consumer portfolio, in four equal installments of Ch$30,000 million, starting with the first one in September 2022. This was done in order to cover for the expected rise in consumer loan loss provisions as result of the new standardized provisioning model being formulated by the CMF, which should be effective in the second half of 2023.

Compared to 4Q21, net provisions for consumer loans increased 357.6% in 4Q22 and 79.5% compared to 3Q22. Loan loss provisions for consumer loans were impacted in the quarter by the additional provisions describe above.

Commercial loan provision expense decreased 94.3% in the twelve months ended December 31, 2022, compared to the same period in 2021 with the commercial NPL ratio increasing from 1.7% in 12M21 to 2.5% in 12M22 and the commercial loan impaired ratio increased from 6.2% in 12M21 to 7.0% in 12M22. In addition, in 12M21, some Ch$132,000 million were made in voluntary provisions, while in 12M22 a net transfer of Ch$120,000 million of voluntary provisions to the consumer loan book was reflected in the net provision expenses for the commercial portfolio. With this, the coverage ratio of NPLs of this portfolio reached 173.6% as of December 2022.

In 4Q22, total provisions for loan losses for commercial loans totaled a reversal of Ch$48,041 million compared to a reversal of Ch$10,394 million in 3Q22. This was mainly due to the reclassification of voluntary commercial loan loss reserves to the consumer loan book, as described above. The commercial NPL rate increased from 2.2% in 3Q22 to 2.5% in 4Q22, while the impaired portfolio rate increased from 6.4% to 7.0% in the quarter as the economy slowed down.

Net provisions for the mortgage portfolio increased by 180.3% in 12M22 compared to the same period in 2021. Compared to 4Q21, net provisions for mortgage loans increased 93.6% in 4Q22. As household liquidity levels have normalized, the mortgage NPL rate increased from 0.8% in 12M21 to 1.2% in 12M22. On the other hand, the impaired ratio of mortgage loans improved from 2.8% in 12M21 to 2.7% in 12M22. Compared to 3Q22, net provisions for mortgage loans decreased 45.8% in the quarter. In 3Q22, the Board approved setting aside Ch$7,000 million in voluntary provisions for this portfolio considering the expected slowdown in economic activity forecast for 2023. The coverage ratio of mortgage NPLs was 64.4% as of December 31, 2022.

For more information on credit risk and asset quality see Section 6: Risk.

Fees increase 16.0% compared to the same period in 2021 driven by growth in client base and higher usage

Fee income increased 16.0% in the twelve months ended December 31, 2022 compared to the same period in 2021 and increased 1.2% in 4Q22 compared to 3Q22 and 11.0% compared to 4Q21. Fees in the quarter continued to show healthy signs of growth driven by increased customer base and higher product usage. By product, the evolution of fees was the following:

Accounting financial information:

Fees by product

	YTD		% Chg.	Quarterly			% Chg.	
Ch$ million	**Dec-22**	**Dec-21**	**Dec-22/ Dec-21**	**4Q22**	**3Q22**	**4Q21**	**4Q22/ 4Q21**	**4Q22/ 3Q22**
Card fees	105,695	92,738	14.0%	30,019	26,749	23,526	27.6%	12.2%
Asset management	56,543	49,178	15.0%	14,647	14,755	14,075	4.1%	(0.7%)
Insurance brokerage	52,568	43,815	20.0%	13,459	14,209	11,867	13.4%	(5.3%)
Guarantees, pledges and other contingent op.	35,935	29,426	22.1%	8,679	9,890	7,880	10.1%	(12.2%)
Collections	54,060	46,234	16.9%	13,986	13,408	17,000	(17.7%)	4.3%
Current accounts	52,226	39,513	32.2%	14,339	13,817	10,761	33.3%	3.8%
Getnet	27,060	7,119	280.1%	9,987	7,903	3,899	156.2%	26.4%
Prepayment of loans	11,348	16,266	(30.2%)	2,449	2,115	2,868	(14.6%)	15.8%
Others	11,834	26,827	(55.9%)	744	4,144	5,705	(87.0%)	(82.1%)
Total fees	**407,269**	**351,116**	**16.0%**	**108,309**	**106,991**	**97,580**	**11.0%**	**1.2%**

Fees and commissions from credit and debit cards increased 14.0% in 12M22 compared to the same period in 2021, and 12.2% in the quarter compared to 3Q22 and 27.6% compared to 4Q21 due to the growth of our Santander Life and Superdigital cards, as well as increased use by all our card-using customers. It is important to note that in February of this year the new maximum interchange rates were published: 1.48% for credit cards, 0.6% for debit cards and 1.04% for prepaid cards. The Bank estimated that the implementation of these maximum rates had a negative impact on this commission line of approximately Ch$29 billion in 2022, however, this has been mitigated by the increase in cards and their usage.

Getnet, our new acquisitions business that was launched in 1Q21, has continued to grow, reaching more than 157,641 POS machines and providing Ch$9,987 million in fee income in the quarter and Ch$27,060 million in 2022. From the second quarter of 2022, Getnet already generates a net profit.

Checking account fees increased by 32.2% in 12M22 compared to the same period in 2021 and 33.3% in 4Q22 compared to 4Q21 and 3.8% compared to 3Q22. Growth in account openings continued to grow strongly during the quarter. As of October 2022 (latest data available), in the last twelve months, Santander Chile registered net account openings of 452,912 compared to 1,259,007 net openings in the rest of the banking system. This indicates that until October 2022, Santander Chile represented 26.5% of all account openings in Chile. The overall current account market share of current accounts as of October 2022 was 28.4%. Additionally, this includes a strong increase in customer demand for US dollar current accounts. Customers can now digitally open a US dollar checking account through our Santander Life platform in a few easy steps. We have opened some 126,218 accounts in the last 12 months to reach a total of 188,108 checking accounts in dollars, reaching a total market share of 39.9% in these accounts.

Collection fees grew 16.9% in 12M22 compared to the same period of the previous year and 4.3% compared to 3Q22 due to higher commissions for transfers and payment orders and customer collection. Insurance brokerage increased 20.0% in the twelve months ended December 31, 2022 compared to the same period in 2021 and 13.4% in 4Q22 compared to 4Q21 driven by an increase in sales of car and life insurance primarily due to the advances of our digital platforms that enable clients to search for and purchase these products online more easily. Compared to 3Q22, insurance fees decreased 5.3% due to less demand for credit related insurance and non-credit related insurance for individuals.

Commissions for prepayment of loans decreased 30.2% in 12M22 compared to the same period in 2021 and decreased 14.6% in 4Q22 compared to 4Q21 due to lower levels of prepayments due to lower household liquidity levels. In 4Q22, these fees increased 15.8% compared to 3Q22 due to higher prepayments for commercial loans.

Solid client treasury income with net financial results increasing 87.8% YTD.

Accounting financial information:

Net financial results

	YTD		Chg. %	Quarterly			Chg. %	
Ch$ million	**Dec-22**	**Dec-21**	**Dec-22/ Dec-21**	**4Q22**	**3Q22**	**4Q21**	**4Q22/ 4Q21**	**4Q22/ 3Q22**
Financial assets and liabilities for trading	78,191	(28,602)	--%	100,797	36,007	(8,130)	--%	179.9%
Result from derecognition of financial assets and liabilities at amortized cost and of financial assets at fair value with changes in other comprehensive income	(1,628)	22,199	--%	(18,443)	701	4,612	--%	--%
Changes, readjustments and hedge accounting in foreign currency	141,090	122,274	15.4%	(25,433)	24,767	25,189	--%	--%
Net financial results	**217,652**	**115,871**	**87.8%**	**56,922**	**61,475**	**21,671**	**162.7%**	**(7.4%)**

Net financial results recorded a gain of Ch$217,652 million in 12M22, an increase of 87.8% compared to 12M21, mainly due to higher gains from readjustments and accounting hedges in foreign currency and again from financial assets and liabilities for trading. In 4Q22, net financial results increased 162.7% compared to 4Q21 and decreased 7.4% compared to 3Q22, mainly due to strong gains in trading financial assets and liabilities. For a better understanding of these lines, they are presented by business area in the following table:

Net financial results by business

	YTD		Chg. %	Quarterly			Chg. %	
Ch$ million	**Dec-22**	**Dec-21**	**Dec-22/ Dec-21**	**4Q22**	**3Q22**	**4Q21**	**4Q22/ 4Q21**	**4Q22/ 3Q22**
Client	219,112	183,980	19.1%	53,866	61,002	49,404	9.0%	(11.7%)
Non- client[1]	(1,460)	(68,109)	(97.9%)	3,055	472	(27,790)	--%	547.2%
Net financial results	**217,652**	**115,871**	**87.8%**	**56,922**	**61,474**	**21,614**	**163.4%**	**(7.4%)**

1. Non client treasury income. These results include interest income and the mark-to-market of the Bank's trading portfolio, realized gains from the Bank's available for sale portfolio and other results from our Financial Management Division.

Income from customer treasury services reached a profit of Ch$ 219,112 million as of 12M22, a YoY increase of 19.1%. Compared to 3Q22, customer treasury service income totaled Ch$ 53,866 million, an increase of 9.0% YoY. These better results reflect greater client demand for treasury products such as spot foreign exchange purchases, forward contracts, and derivatives due to high market volatility and the increases in the monetary policy rate. With the intervention of the Central Bank in 3Q22 to support the Chilean Peso, customer treasury service income decreased 11.7% QoQ. Non-customer treasury totaled a loss of Ch$ 1,460 million in 12M22 compared to a loss of Ch$68,109 million in 12M21 due to higher gains from hedging management and lower losses from liability management operations.

Operating expenses increased 6.8% YTD, below inflation and with an efficiency ratio of 42.8%.

Operating expenses increased 6.8% in 12M22 compared to the same period in 2021 and in 4Q22 increased 5.7% compared to 4Q21 reflecting the effect of sustained high inflation, however operating expenses decreased 5.7% compared to 3Q22 as the Bank continues to improve its productivity levels. The Bank's efficiency ratio reached 42.8% in 12M22 and 52.4% in 4Q22 as income growth was below cost growth. On the other hand, the ratio of costs to assets improved from 1.4% in 2021 to 1.3% in 2022. The Bank continues to advance in the execution of its investment plan of US$260 million for the years 2022-2024 with a focus on digital initiatives both on the front and back-end.

Accounting financial information:

Operating expenses

	YTD		Chg. %	Quarterly			Chg. %	
Ch$ million	**Dec-22**	**Dec-21**	**Dec-22/ Dec-21**	**4Q22**	**3Q22**	**4Q21**	**4Q22/ 4Q21**	**4Q22/ 3Q22**
Personnel expenses	(414,808)	(397,675)	4.3%	(99,876)	(106,135)	(98,703)	1.2%	(5.9%)
Administrative expenses	(310,219)	(280,134)	10.7%	(83,751)	(82,366)	(77,091)	8.6%	1.7%
Depreciation and amortization	(129,993)	(122,055)	6.5%	(33,816)	(32,094)	(31,590)	7.0%	5.4%
Other operating expenses	(106,305)	(99,836)	6.5%	(18,772)	(29,999)	(16,027)	17.1%	(37.4%)
Impairment	-	-	--%	-	-	-	--%	--%
Operating expenses	**(961,326)**	**(899,700)**	**6.8%**	**(236,214)**	**(250,594)**	**(223,411)**	**5.7%**	**(5.7%)**

Non- accounting financial information:

Other indicators of productivity and efficiency

	YTD		Chg. %	Quarterly			Chg. %	
Ch$ million	**Dec-22**	**Dec-21**	**Dec-22/ Dec-21**	**4Q22**	**3Q22**	**4Q21**	**4Q22/ 4Q21**	**4Q22/ 3Q22**
Branches	**286**	**326**	**(12.3%)**	**286**	**306**	**326**	(12.3%)	(6.5%)
Traditional	182	220	(17.3%)	182	202	220	(17.3%)	(9.9%)
WorkCafé	74	63	17.5%	74	71	63	17.5%	4.2%
Middle market centers	7	7	-%	7	7	7	-%	-%
Select	6	14	(57.1%)	6	8	14	(57.1%)	(25.0%)
Employees	**9,389**	**9,988**	(6.0%)	**9,389**	**9,417**	**9,988**	**(6.0%)**	**(0.3%)**
Efficiency ratio[1]	**42.8%**	**39.7%**	**-315bp**	**52.4%**	**46.2%**	**35.9%**	**-1,645bp**	**-612bp**
Volume per branch (Ch$ million)[2]	230,548	198,346	16.2%	230,548	219,650	198,346	16.2%	5.0%
Volume per employee (Ch$ million)[3]	7,023	6,474	8.5%	7,023	7,137	6,474	8.5%	(1.6%)
Costs / Assets[4]	1.4%	1.5%	+10bp	1.3%	1.4%	1.4%	+7bp	+7bp

1. Operating expenses divided by operating income
2. Loans + Deposits divided by branches (point of sale).
3. Loans + Deposits divided by employees

4. Annualized operating expenses / average total assets

Personnel expenses increased 4.3% in 12M22 compared to the same period in 2021. In 4Q22, these expenses increased 1.2% compared to 4Q21. These rises were mainly due to the impact of higher inflation on fixed salaries. This has been offset by greater productivity and a lower headcount. Total employees fell 6.0% compared to 4Q21 and 0.3% compared to 3Q22. Volumes (loans plus deposits) per branch increased 16.2% YoY and volumes per employee grew 8.5% YoY. This increase in productivity is a reflection of the strength of our digital channels and a higher level of automation in the different cost centers. Personnel expenses decreased 5.9% in the quarter compared to 3Q22 due to lower severance expenses.

Administrative expenses increased 10.7% in 12M22 compared to the same period of 2021 and increased 8.6% in 4Q22 compared to 4Q21 and 1.7% compared to 3Q22. During the quarter, the Bank had higher expenses related to short term rental contracts and an increase in spending on IT and communications, and publicity as it continues to focus on improving digital platforms for our customers and employees. The strong increase in the client base also influenced the increase in administrative expenses as well as the increase in inflation and the volatility of the Chilean peso with the exchange rate fluctuating between Ch$777.10 and Ch$1,042.97 per US$. This affected a significant percentage of outsourced IT, communications and data processing expenses that are denominated in dollars.

Amortization expense increased 6.5% in 12M22 compared to the same period in 2021 and increased 7.0% compared to 4Q21 and 5.4% compared to 3Q22. This increase is explained by higher software amortization due to digital banking developments as part of our plan to improve productivity.

Other operating expenses increased 6.5% in 12M22 compared to the same period in 2021 and increased 17.1% in 4Q22 compared to 4Q21. This increase was mainly due to higher expenses in cybersecurity insurance as the Bank increases its client base. In the quarter, other operating expenses decreased 37.4% compared to 3Q22, mainly due to a lower insurance expense for operational risk.

Other operating income, income from investments in companies and taxes

In these items we highlight the higher result from investments in companies due to the better results of Transbank in the quarter. As a reminder, we have a 25% stake in Transbank, and the Bank is in the process of selling their stake in this company. Our investment in Transbank was recognized as a discontinued operation since June 2019, but because the sale has been delayed, in 4Q21 the Bank re-recognized Transbank's results as Income from investments in associates.

Accounting financial information:

Other operating income and taxes

	YTD		Chg. %	Quarterly			Chg. %	
Ch$ million	**Dec-22**	**Dec-21**	**Dec-22/ Dec-21**	**4Q22**	**3Q22**	**4Q21**	**4Q22/ 4Q21**	**4Q22/ 3Q22**
Other operating income	5,539	1,662	233.3%	2,920	1,378	606	814.0%	301.9%
Income from investment in associates	10,310	(475)	--%	4,062	1,856	(1,915)	(638.4%)	455.4%
Results from non-current assets and non-continued operations	6,223	1,538	304.6%	1,896	6,280	739	742.1%	(0.9%)
Income tax	**(89,430)**	**(196,148)**	**(54.4%)**	**7,248**	**(10,533)**	**(42,530)**	**110.3%**	**749.1%**

Effective tax rate	**9.8%**	**19.9%**		**-7.4%**	**5.3%**	**15.3%**	

Income tax expense in 12M22 totaled Ch$89,430 million, a decrease of 54.4% compared to the same period in 2021. In 4Q22, income tax totaled a gain of Ch$ 7,248 million mainly due to reduction in income earned in the quarter and effect of the price level restatement of our capital base, which unlike net income, expanded 6.1% QoQ. For tax purposes, our capital must be updated by the CPI, therefore, when the CPI is high, the effective tax rate tends to be lower.

Non-accounting financial information:

Taxes YTD[1]

Ch$ million	**Dec-22**	**Dec-21**	**Change %** **Dec-22/Dec-21**
Income before tax	913,287	985,042	**(7.3%)**
Price level restatement of capital[1]	(630,904)	(324,797)	94.2%
Other permanent differences, deferred taxes	48,838	66,230	(26.3%)
Adjusted income before tax	**331,221**	**726,475**	**(54.4%)**
Tax rate	27.0%	27.0%	+0bp
Income tax	(89,430)	(196,148)	**(54.4%)**
Effective tax rate	**9.8%**	**19.9%**	**-1,012bp**

1. For tax purposes, capital is indexed to CPI inflation. The statutory tax rate is applied on income before tax after monetary correction of capital. For more information see Note 18 of the Consolidated Interim Financial Statements.

Section 5: Guidance

Given the above, the expectations of the Bank for volume growth, capital and income for 2023 are as follows:

Indicator	Guidance	Key factor
Loans	Approx. 5% growth	Economic growth and employment levels
NIM	2.8% NIM under current macro assumptions for rates and inflation. First half of the year below, to later recover in the second half.	Inflation rate and speed of MPR increases. Loan and funding mix.
Non- NII	15% growth.	Client growth and product usage
Costs	Increasing below inflation, 2% Approx.	Inflation, headcount, exchange rate, productivity and investment plans.
Cost of credit	A cost of risk of 1.1%-1.2% with asset quality normalizing to pre-pandemic levels.	Increase in provisions and growth of loans. Evolution of economy and unemployment.
ROE	ROE of 18% Approx.	Growth of income and equity. Dividend policy.
CET1	Finishing the year > 10.5%	ROE, growth of equity and risk-weighted assets and dividend policy.

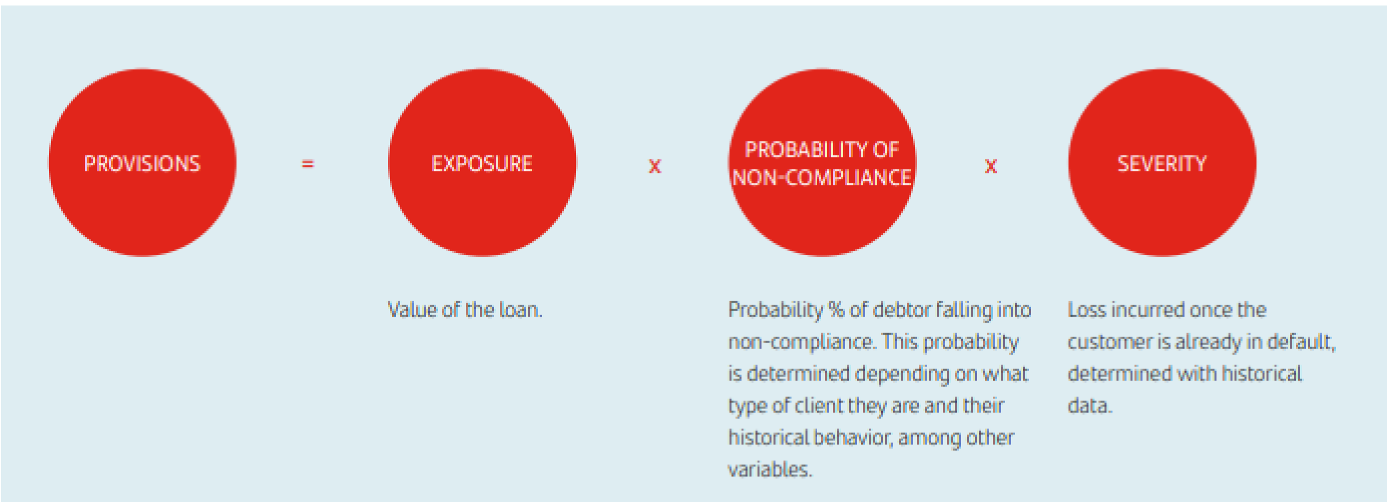
Section 6: Risks

The management of risks in 2022 has centered on preparing our risk structure for an expected slowdown in economic activity in 2023.

A. Credit risk

Estimation of expected loss:

The estimation of provisions is based on models of expected loss, in line with Chapter B1 of the FMC's Accounting Standards Compendium. The loan portfolio is divided into individually and collectively analyzed loans. Within each group, there are different provision models for consumer loans, mortgages, and commercial loans. The provisions of the majority of loans are determined, in simple terms, through the following formula of expected loss.



Provisions for individual assessments

According to the FMC, an individual assessment of commercial debtors is necessary for companies that, due to their size, complexity, or level of exposure, must be analysed in detail. The debtors' analysis is primarily focused on their creditworthiness. Therefore, they are classified in the corresponding risk category and by their respective credit transactions and contingent loans before being assigned to one of the following portfolio categories: Normal, Substandard, and Impaired portfolio. For this assignation, several risk factors are considered: the industry or economic sector, their business, partners and management's situation, financial situation, payment ability, and payment performance. Thus, the portfolio assignations are:

- **Normal Portfolio:** it considers debtors whose payment ability enables them to meet their obligations and commitments and in which there is no foreseeable alteration regarding their economic and financial situation. The classifications assigned to this portfolio are categories from A1 to A6.
- **Substandard Portfolio:** it includes debtors with financial difficulties or significant deterioration in their payment ability and of which there is reasonable doubt concerning their future reimbursement of the principal and interests within the contractual terms, displaying a limited ability to meet short-term financial obligations. The classifications assigned to this portfolio are categories from B1 to B4.
- **Impaired Portfolio:** it includes debtors and related loans where recovery is considered remote, as they display a reduced or null repayment capacity. This portfolio encompasses debtors who have

stopped paying their loans or show clear signs they will stop paying, as well as those who require forced debt restructuring, reducing the due obligation or delaying their principal repayment or interests; and any other debtor who is beyond 90 days overdue in their payment of interests or principal. The classifications assigned to this portfolio are categories from C1 to C6.

As part of the individual assessment of debtors, the Bank classifies them into the following categories, assigning them a percentage for the probability of default and loss given default (severity), which results in percentages of expected loss.

Portfolio	Debtor's Category	Probability of Default (%)	Severity (%)	Expected Loss (%)
Normal Portfolio	A1	0.04	90.0	0.03600
	A2	0.10	82.5	0.08250
	A3	0.25	87.5	0.21875
	A4	2.00	87.5	1.75000
	A5	4.75	90.0	4.27500
	A6	10.00	90.0	9.00000
Substandard Portfolio	B1	15.00	92.5	13.87500
	B2	22.00	92.5	20.35000
	B3	33.00	97.5	32.17500
	B4	45.00	97.5	43.87500

To calculate the provisions to cover an impaired portfolio, firstly, an expected loss rate is determined by calculating the amounts recoverable through financial guarantees and deducting the present value of recoveries obtained through collection services after related expenses. Once the expected loss range is determined, the corresponding provision percentage is applied over the exposure amount, which encompasses loans and contingent loans of the same debtor. The provision rates applied over the calculated exposure are as follows:

Classification	Estimated range of loss	Provision
C1	Up to 3%	2%
C2	3% to 20%	10%
C3	20% to30%	25%
C4	30% to 50%	40%
C5	50% to 80%	65%
C6	Above 80%	90%

All debtors' loans are to be maintained in the impaired portfolio until their payment ability or performance is normalised, irrespective of penalty procedures for each loan, particularly those that meet the conditions of Title II of Chapter B-2 of the CNC.

Provisions for group assessments

Group assessments are appropriate to address a large volume of transactions that have small individual balances belonging to individuals or small companies. To determine their provisions, group assessments require the clustering of debtors with similar characteristics in terms of debtor type and loan commitments in order to determine both the group's payment behaviour and the recovery of defaulted loans, using technically substantiated estimates and prudential criteria. The model used is based on the debtor's characteristics, payment history, outstanding loans, and defaults, among other relevant factors.

The Bank uses methodologies to determine credit risk based on internal and/or standard models to estimate the provisions of the group assessment portfolio. This considers commercial loans for debtors that are not assessed individually, mortgage and consumer loans (including instalment loans, credit cards and overdraft lines). Such methodology allows the Bank to independently identify the portfolio's performance in the year and thus determine the provision required to cover losses manifested within one year starting from the balance date.

The customers are segmented according to their internal and external characteristics into clusters or profiles to differentiate each portfolio's risk in a more appropriate and orderly manner (customer-portfolio model). This is known as the profile allocation method, which is based on a statistical construction model that, through logistic regression, establishes relations between variables –such as default, external performance, and socio-demographic data, among others – and a response variable that determines the client's risk, in this case a default equal or beyond 90 days. After this, common profiles are defined and assigned a Probability of Non Performance (PNP) and a recovery rate based on a historical analysis known as Severity (SEV). Once the customers have been profiled and assigned a PNP and a SEV in terms of their loan's profile, the exposure of default is calculated. This estimation includes the customer's book value of loans and accounts receivables added to contingent loans, minus any recoverable amount through collateral enforcement (for credits other than consumer loans).

Notwithstanding the above, to constitute provisions concerning commercial and housing loans, the Bank must establish minimum provisions adhering to the standard method set by the FMC for these types of loans. While such standard model constitutes a minimum prudential baseline, it does not relieve the Bank of its responsibility to have its own internal methodologies for determining sufficient provisions protecting this portfolio's credit risk.

The impaired portfolio includes all current and contingent loans of those debtors who are more than 90 days past due in the payment of any interest or principal. It also includes debtors who have been granted a loan to refinance a loan more than 60 days past due and debtors who have undergone forced debt restructuring or partial debt forgiveness.

On April 27, 2022, in the last amendment to the Compendium of Accounting Standards (CNC) for Banks, it was established that the formation of the group portfolio for commercial exposures, other than student loans, associated with the same counterparty, should not pass a threshold of 20,000 UF and 0.2% of the group portfolio. The Bank has implemented this modification, generating a net impact of Ch$2,344 million in higher provisions for credit risk. During 2022, the FMC published a draft for a new standardized provisioning model for consumer loans for banks. While the final version is yet to be published, we expect it will be implemented in the second semester of 2023. Our initial estimate was a one-time expense of between Ch$ 100,000 million to Ch$ 150,000 million that can be covered with the voluntary provisions that already have been established in previous periods.

a)Loans and accounts receivable from customers December 31, 2022 (Ch$ million)	Assets before allowances						Established allowances					Subtotal	Deductible guarantees FOGAPE Covid-19	Total	Net financial assets
	Normal portfolio		Substandard portfolio	Impaired portfolio		Total	Normal portfolio		Substandard portfolio	Impaired portfolio					
	Assessment		Assessment	Assessment			Assessment		Assessment	Assessment					
	Individual	Group	Individual	Individual	Group		Individual	Group	Individual	Individual	Group				
Commercial loans															
Commercial loans	7,627,519	3,866,928	885,271	585,601	327,078	13,292,397	56,668	65,883	26,801	184,998	161,386	495,736	19,387	515,123	12,777,274
Chilean export foreign trade loans	685,220	8,382	50,006	7,297	1,731	752,636	12,438	212	3,936	5,293	1,432	23,311	-	23,311	729,325
Chilean import foreign trade loans	790,431	41,652	10,309	14,476	1,689	858,557	15,062	1,133	1,049	8,549	1,322	27,115	-	27,115	831,442
Foreign trade between third parties	1,315	-	-	-	-	1,315	17	-	-	-	-	17	-	17	1,298
Checking accounts debtors	72,152	38,402	12,368	2,501	6,838	132,261	1,190	1,237	1,209	1,325	5,098	10,059	-	10,059	122,202
Credi card debtors	29,402	91,021	3,430	1,145	7,679	132,677	754	3,001	400	565	5,610	10,330	-	10,330	122,347
Factoring transactions	819,243	41,255	12,170	3,089	2,633	878,390	7,121	981	690	1,827	1,242	11,861	-	11,861	866,529
Leasing transactions	922,770	203,517	136,773	73,144	9,773	1,345,977	3,767	4,429	2,242	9,416	6,778	26,632	37	26,669	1,319,308
Student loans	-	44,877	-	-	7,956	52,833	-	1,472	-	-	2,078	3,550	-	3,550	49,283
Other loans and accounts receivable	4,188	218,106	390	11,537	3,325	237,546	53	2,833	93	8,116	1,884	12,979	-	12,979	224,567
Subtotal	**10,952,240**	**4,554,140**	**1,110,717**	**698,790**	**368,702**	**17,684,589**	**97,070**	**81,181**	**36,420**	**220,089**	**186,830**	**621,590**	**19,424**	**641,014**	**17,043,575**
Mortgage loans															
Loans with letters of credit	-	1,809	-	-	104	1,913	-	3	-	-	28	31		31	1,882
Mortgage transferable mutual loans	-	2,000	-	-	238	2,238	-	4	-	-	80	84		84	2,154
Mortgage mutual loans financed through mortgage finance bonds	-	85,395	-	-	2,226	87,621	-	139	-	-	241	380		380	87,241
Other mortgage mutual loans	-	15,141,159	-	-	416,536	15,557,695	-	29,302	-	-	75,640	104,942		104,942	15,452,753
Mortgage financial leasing	-	-	-	-	-	-	-	-	-	-	-	-		-	-
Other loans and accounts receivable	-	76,582	-	-	2,960	79,542		145	-	-	1,009	1,154		1,154	78,388
Subtotal	-	**15,306,945**	**-**	**-**	**422,064**	**15,729,009**	**-**	**29,593**	**-**	**-**	**76,998**	**106,591**		**106,591**	**15,622,418**
Consumer loans															
Installment consumer loans	-	3,429,217	-	-	150,143	3,579,360	-	119,050	-	-	97,598	216,648	-	216,648	3,362,712
Current account debtors	-	149,167	-	-	6,489	155,656	-	8,402	-	-	5,107	13,509	-	13,509	142,147
Credit card debtors	-	1,521,922	-	-	22,254	1,544,176	-	40,587	-	-	17,536	58,123	-	58,123	1,486,053
Consumer leasing transactions	-	2,652	-	-	0	2,652	-	34	-	-	0	34	-	34	2,618
Other loans and accounts receivable	-	261	-	-	707	968	-	46	-	-	560	606	-	606	362
Subtotal	-	**5,103,219**	**-**	**-**	**179,593**	**5,282,812**	**-**	**168,119**	**-**	**-**	**120,801**	**288,920**	**-**	**288,920**	**4,993,892**
TOTAL	**10,952,240**	**24,964,304**	**1,110,717**	**698,790**	**970,359**	**38,696,410**	**97,070**	**278,893**	**36,420**	**220,089**	**384,629**	**1,017,101**	**19,424**	**1,036,525**	**37,659,885**

Credit quality of debtors

At the end of December 2022, the NPL ratio continued to increase after historically low levels of 1.2% as of December 2021 to 1.7% as of September 2022 to 1.8% as of December 2022. At the same time, the impairment ratio ended at 4.8% in December 2022, up from 4.4% in September 2022 and 4.5% in December 2021. As household liquidity normalizes following withdrawals from pension funds and emergency family income in 2021 and the economy begins to slowdown, asset quality is expected to return to pre-pandemic levels. The coverage ratio, including additional provisions, reached 185.3% in December 2022 and the expected loss ratio (credit risk provisions divided by total loans) remained stable at 2.7%.

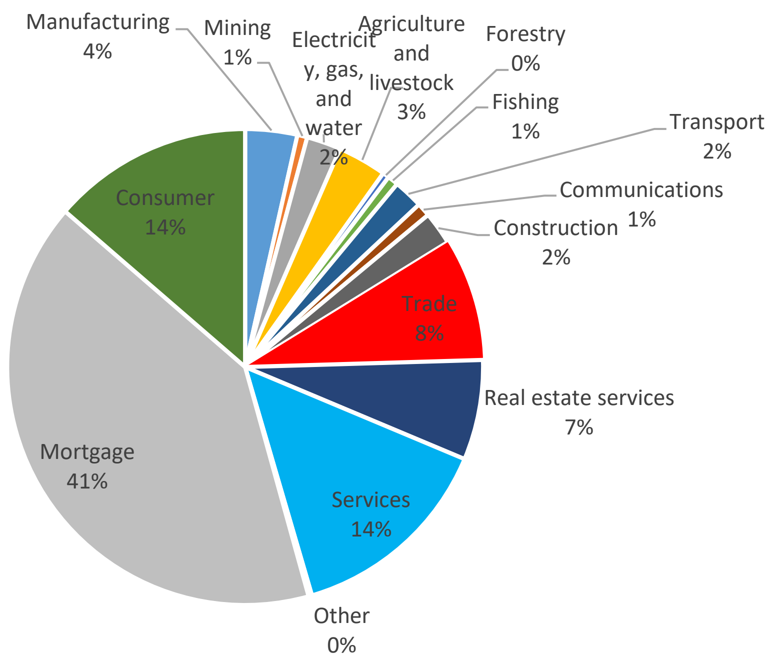
Asset credit quality

				Var %	
Ch$ million	**Dec-22**	**Sep-22**	**Dec-21**	**Dec- 22/ Dec-21**	**Dec-22/ Sep-22**
Total loans[1]	38,729,401	38,849,497	36,529,286	6.0%	(0.3%)
Loan loss allowances (LLAs)[2]	(1,036,561)	(1,014,351)	(958,761)	8.1%	2.2%
Non-Performing Loans[3] (NPLs)	**707,642**	**655,007**	**449,835**	**57.3%**	**8.0%**
Consumer NPLs	85,418	78,301	43,626	95.8%	9.1%
Commercial NPLs	431,103	413,582	301,984	42.8%	4.2%
Mortgage NPLs	191,121	163,124	104,225	83.4%	17.2%
Impaired loans[4]	**1,847,333**	**1,728,314**	**1,652,788**	**11.8%**	**6.9%**
Consumer impaired loans	179,593	163,329	154,722	16.1%	10.0%
Commercial impaired loans	1,245,676	1,183,079	1,105,110	12.7%	5.3%
Mortgage impaired loans	422,064	381,906	392,956	7.4%	10.5%
Expected loss ratio[5] (LLA / total loans)	**2.7%**	**2.6%**	**2.6%**		
NPL ratio (NPL / total loans)	**1.8%**	**1.7%**	**1.2%**		
Consumer NPL ratio	1.6%	1.6%	0.9%		
Commercial NPL ratio	2.4%	2.2%	1.7%		
Mortgage NPL ratio	1.2%	1.1%	0.8%		
Impaired loan ratio (impaired / total loans)	**4.8%**	**4.4%**	**4.5%**		
Consumer impaired ratio	3.4%	3.2%	3.1%		
Commercial impaired ratio	7.0%	6.4%	6.2%		
Mortgage impaired ratio	2.7%	2.5%	2.8%		
NPL coverage ratio[6]	**185.3%**	**199.6%**	**270.5%**		
Coverage ratio without mortgages[7]	229.5%	241.6%	327.8%		
Consumer coverage ratio[8]	514.7%	428.1%	666.6%		
Commercial coverage ratio[9]	173.6%	206.3%	278.8%		
Mortgage coverage ratio[10]	64.4%	73.0%	80.6%		

1. Includes interbank loans.
2. Adjusted to include Ch$ 293.000 million in additional provisions.
3. Amount includes gross loans with at least one installment 90 days overdue.
4. Impaired loans include: (A) for loans individually evaluated for impairment, (i) the carrying amount of all loans to clients that are rated C1 through C6 and (ii) the carrying amount of loans to an individual client with a loan that is non-performing, regardless of category, excluding residential mortgage loans, if the past-due amount on the mortgage loan is less than 90 days; and (B) for loans collectively evaluated for impairment, (i) the carrying amount of total loans to a client, when a loan to that client is non-performing or has been renegotiated, excluding performing residential mortgage loans, and (ii) if the loan that is non-performing or renegotiated is a residential mortgage loan, all loans to that client.
5. LLA / total loans. Measures the percentage of loan the bank has provisions given internal models and FMC regulations. Adjusted to include Ch$ 293,000 million in additional provisions.
6. LLA / NPLs. Adjusted to include Ch$ 293,000 million in additional provisions.
7. LLA of commercial and consumer loans / NPLs of commercial and consumer loans. Includes additional provision of Ch$122,000 billion in commercial and Ch$154,000 million in consumer portfolio.
8. LLA of consumer loans/consumer NPLs. Adjusted to include the additional provision of Ch$154,000 for consumer portfolio.
9. LLA of commercial loans/ commercial NPLs. Adjusted to include the additional provision of Ch$122,000 million for commercial portfolio.
10. LLA of mortgage loans/mortgage NPLs. Adjusted to include the additional provision of Ch$17,000 million for mortgage portfolio.

Distribution by economic sector

The Bank's portfolio is also highly diverse in terms of economic sector, with no particular industry representing a significant portion, therefore increasing the possibility of maintaining a stable loan book through time.



B. Market risk

There are four significant market risks that may affect the Bank: liquidity, exchange rate, inflation, and interest rate. The measure and control of market risks are the responsibility of Market Risk Management, which is part of the Risk Division. The limits are approved by the various committees in charge, with responsibility falling primarily under the Market Committee and the Asset and Liabilities Committee (ALCO). The main market risks are also reviewed by the Comprehensive Risk Committee.

Liquidity Risk

The Finance Division manages the liquidity risk using a liquid assets portfolio to ensure the Bank always keeps enough liquidity to cover short-term fluctuations and long-term financing while adhering to regulatory internal liquidity requirements. It is also the area in charge of managing the Bank's balance sheet, particularly in regards to liquidity and sensitivity analysis. This area has the following functions, which are supervised and controlled by the ALCO and the Risk Division:

- Optimization of the cost of liabilities, seeking the most efficient financing strategies, including the issuance of bonds and bank lines.
- To handle short-and long-term liquidity regulatory limits.
- Management of inflation risk.
- To manage the risk of local and foreign currency rates.

The Financial Management Division receives information from all the business units on the liquidity profile of their financial assets and liabilities, as well as breakdowns of other projected cash flows stemming from future businesses. On the basis of that information, the Financial Management Division maintains a portfolio of liquid short–term assets, comprised mainly of liquid investments, loans and advances to other banks, to make sure the Bank has sufficient liquidity. The business units' liquidity needs are met through short–term transfers from the Financial Management Division to cover any short–term fluctuations and long–term financing to address all the structural liquidity requirements.

The Bank monitors its liquidity position every day, determining the future flows of its outlays and revenues. In addition, stress tests are performed at the close of each month, for which a variety of scenarios encompassing both normal market conditions and conditions of market fluctuation are used. The liquidity policy and procedures are subject to review and approval by the Bank's Board. Periodic reports are generated by the Market Risk Department, providing a breakdown of the liquidity position of the Bank and its subsidiaries, including any exceptions and the corrective measures adopted, which are regularly submitted to the ALCO for review.

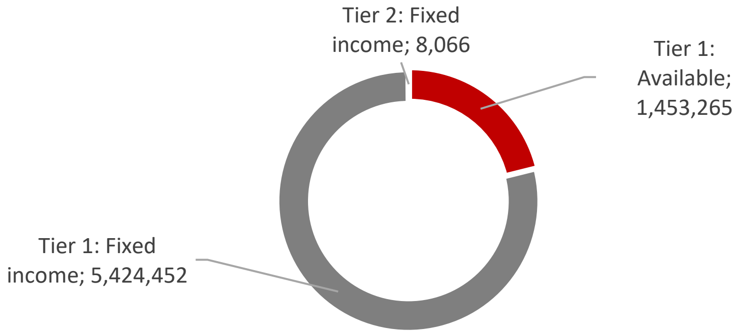
The Bank relies on demand deposits from Retail, Middle-Market and Corporates, obligations to banks, debt instruments, and time deposits as its main sources of funding. Although most obligations to banks, debt instruments and time deposits mature in over a year, customer (retail) and institutional deposits tend to have shorter maturities and a large proportion of them are payable within 90 days. The short–term nature of these deposits increases the Bank's liquidity risk, and hence, the Bank actively manages this risk by continual supervision of the market trends and price management.

High-Quality Liquid Assets

High-Quality Liquid Assets (HQLA) are an essential component in liquidity risk management. They consist of balance sheet assets, mainly comprised of financial investments that are not consigned as collateral, have low credit risk, and have a deep secondary market. According to the Basel III standards, these assets are divided into three levels, with Tier 1 assets being the most liquid and Tier 3 assets being the least liquid.

As of the December 31, 2022 the Bank's HQLA amounted to Ch$ 6,885,783 million and corresponded primarily to Level 1 liquid assets, mainly composed of bonds from the Republic of Chile, the Central Bank of Chile, and the US Treasury.

Liquid Assets (Consolidated Ch$ million)



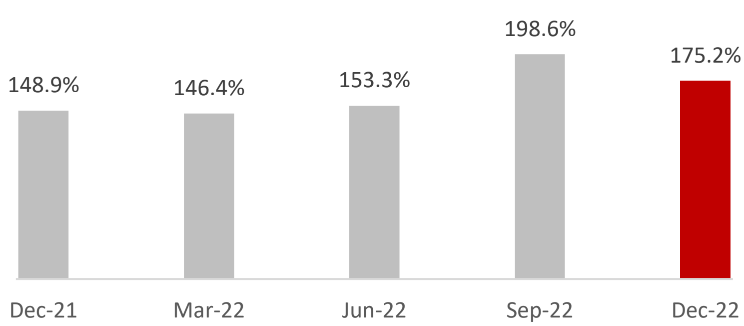
In terms of liquidity, the main metrics that the Bank's Finance Division manages are:

1. Liquidity Coverage Ratio (LCR)
2. Net Stable Finance Ratio (NSFR)

LCR

Liquidity coverage ratio (LCR), which measures the percentage of Liquid Assets over Net Cash Outflows. As of April 2019, Chilean banks began reporting their local LCR figures with a minimum level of 60% in 2020, 80% in 2021 and 100% in 2022. This indicator is required by the Basel III standards and provides a sustainable maturity structure for assets and liabilities, allowing banks to maintain a stable funding profile in relation to their activities. As of December 31, 2022, this indicator for Banco Santander Chile was 175.2%, above the minimum. This is a reflection of the conservative liquidity requirements set by the Board through the ALCO committee.

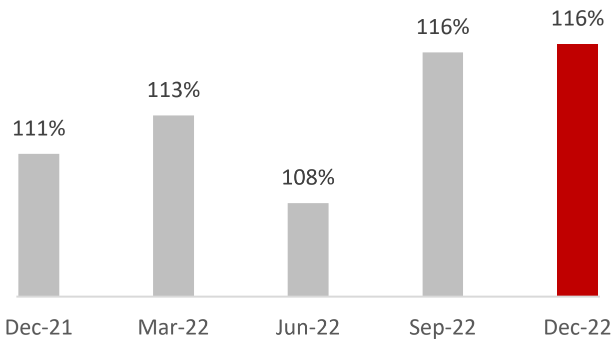
Evolution of the LCR



NSFR

This indicator is a local regulatory version of the NSFR required by Basel III, which provides a sustainable maturity structure for assets and liabilities, so that banks maintain a stable funding profile in relation to their activities. As of December 31, 2022, the NSFR was at 116.0%. The limit for this indicator in 2022 was set at 60%.

Evolution of the NSFR



Interest rate risk: Bank book

For the financial management portfolio (bank book), the Bank has more liabilities than assets exposed to short-term rates, and from this, mismatches occur when there are rate adjustments. To manage this risk, Banco Santander Chile performs a sensitivity analysis with respect to local and foreign currency. Through simulations, limits are set in relation to the maximum loss that rate movements may have on capital and net financial income budgeted for the year.

	December 31, 2022	
	Effect in net interest income	Effect on capital
Financial management portfolio – local currency (in millions of Ch$)		
Loss limit	33,550	95,710
High	23,982	57,176
Low	15,459	39,957
Average	21,366	49,580
Financial management portfolio – foreign currency (in millions of U.S.$)		
Loss limit	38,231	43,329
High	9,713	33,388
Low	255	20,371
Average	3,173	26,310
Financial management portfolio – consolidated (in millions of Ch$)		
Loss limit	33,550	95,710
High	28,699	76,738
Low	16,515	66,098
Average	23,438	71,003

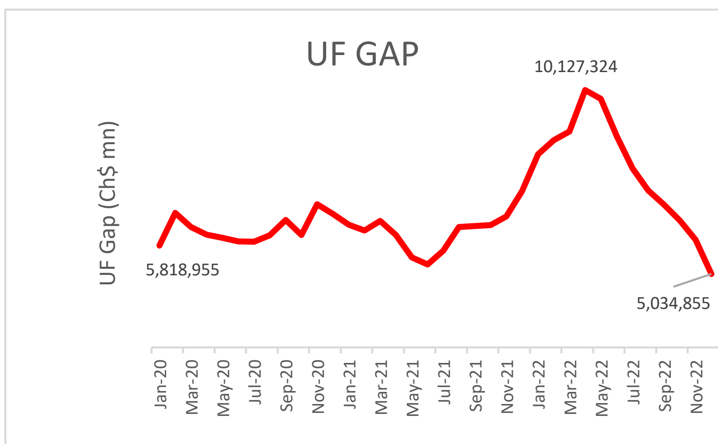
VaR trading portfolio

In the case of the trading portfolio, risk is estimated and managed through Value at Risk (VaR) limits, where it remained within the established risk limits. Due to the rules established by the Assets and Liabilities Committee (ALCO) and the Markets Committee, the Bank must not have a significant exposure to foreign currencies; therefore, all exchange rate risk is included in the trading portfolio and is measured and controlled with Value at Risk (VaR) limits. The following table shows the evolution of the Bank's consolidated VaR of the trading portfolio, which includes the exchange rate risk and the interest rate risk of the trading portfolio.

VAR	As of December 31, 2022 US$ million
Consolidated VAR	
High	6.23
Low	2.73
Average	**4.41**
Fixed-income investments	
High	5.78
Low	2.75
Average	**4.20**
Foreign currency investments	
High	4.82
Low	0.17
Average	**1.14**

Inflation risk

The bank has assets and liabilities that are readjusted according to the variation of the Unidad de Fomento (UF). In general, the Bank has more assets than liabilities in UF and, therefore, moderate rises in inflation have a positive effect on income from readjustments, while a fall in the value of the UF negatively affects the margin of the Bank. To manage this risk, the ALCO establishes a set of limits on the difference between assets and liabilities denominated in UF.



Operational risk

In general, the indicator of operational risk events on operating income has remained stable and below the system average. As of December 31, 2022, operating loss increased 34.4% compared to the same period last year explained by an increase in fraud and labor related losses. A focus has been increased costs of cyberfrauds as the checking account base grows.

Net losses from operational risks

	Dec-22	Dec-21	Dec-22/Dec-21
Fraud	6,409	977	556.0%
Labor related	6,704	3,215	108.5%
Client / product related	116	13	794.3%
Damage to fixed assets	221	228	(3.1%)
Business continuity / systems	979	144	579.8%
Processing	2,815	8,251	(65.9%)
Total	**17,245**	**12,828**	**34.4%**

Section 7: Credit risk ratings

The Bank has the following credit risk ratings:

International ratings

Moody's	Rating
Bank Deposit	A2/P-1
Baseline Credit Assessment	Baa1
Adjusted Baseline Credit	Baa1
Senior Unsecured	A2
Outlook	Stable

Standard and Poor's	Rating
Long-term Foreign Issuer Credit	A-
Long-term Local Issuer Credit	A-
Short-term Foreign Issuer Credit	A-2
Short-term Local Issuer Credit	A-2
Outlook	Stable

JCR	Rating
Foreign Currency Long-term Debt	A+
Outlook	Stable

HR Ratings	Rating
HR	AA-
Outlook	Stable

KBRA	Rating
Senior Unsecured Debt	A
Outlook	Stable

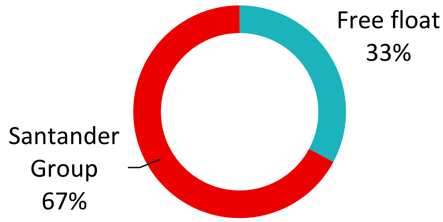
Local ratings

Local ratings	Feller Rate	ICR
Shares	Nivel 1	1CN1
Short-term deposits	N1+	N1+
Long-term deposits	AAA	AAA
Mortgage finance bonds	AAA	AAA
Senior bonds	AAA	AAA
Subordinated bonds	AA+	AA+

Section 8: Share performance

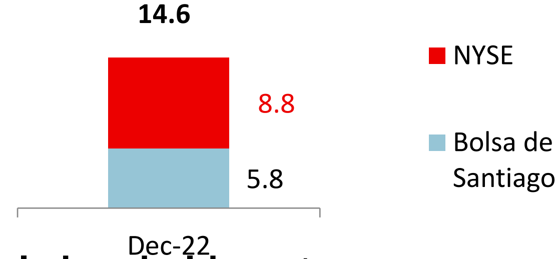
As of December 31, 2022

Ownership Structure



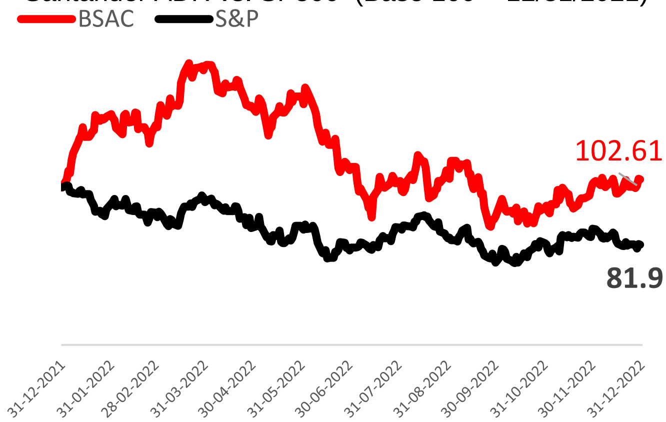
Average daily traded volumes LTM 12M22

US$ million, Last Twelve Months



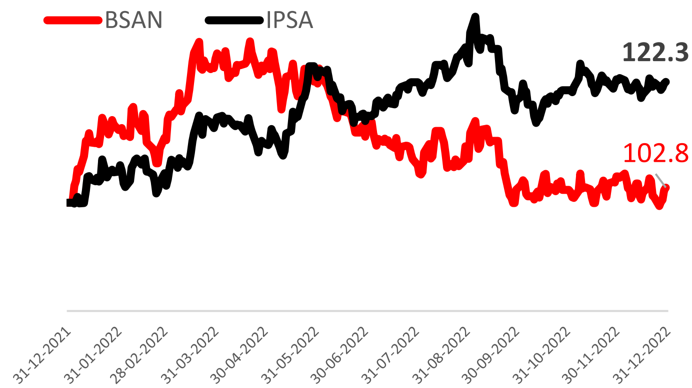
Total shareholder return

Santander ADR vs. SP500 (Base 100 = 12/31/2021)



Total shareholder return

Santander vs. IPSA Index (Base 100 = 12/31/2021)



Share Price

ADR Price (US$) 12M22

12/31/2022:	15.84
Maximum (12M22):	22.72
Minimum (12M22):	13.51

Local Share Price (Ch$) 12M22

12/31/2022	33.95
Maximum (12M22):	45.43
Minimum (12M22):	31.85

Stock Information

Market Capitalization:
US$7,462 million

P/E 12month trailing*:	6.8x
P/BV ((12/31/2022)**:	1.52
Dividend yield***:	5.5%

* Price as of September 30, 2022 / 12mth. earnings

** Price as of September 30, 2022 /Book value as of 09/30/2022

***Based on closing price on record date of last dividend payment

Dividends

Year paid	Ch$/share	% of previous year's earnings
2019	1.88	60%
Apr & Nov 2020	1.76	60%
2021	1.65	60%
2022	2.47	60%

Annex 1: Strategy and Responsible Banking

Our strategy

Our success is based on our clear purpose, mission and style in everything we do.
We are building a more responsible bank.

For six years, The Santander Way has been guiding employees in the organization. This model comprises mission, vision, values, risk culture, and behaviors.

Companies with a solid internal culture attract and retain talent and perform better. Behaviors have, therefore, 'evolved' in The Santander Way, enabling us to face future challenges marked by our attention to the customer.

Purpose

To help people and businesses prosper

Mission

To be the best bank, acting responsibly and gaining the loyalty of its customers, shareholders, employees and communities.

Our style

Simple: To offer customers products that are easy to understand and to be efficient and decisive in providing solutions to their needs. To do this, Santander needs its systems and processes to be simple to operate, enabling its employees to deliver clear answers with the agility that customers require.

Personal: To have differentiated service models, offering each customer a tailor-made service adapted to their individual needs. It is also the commitment with the Bank's collaborators so they can develop their full potential and achieve their professional goals.

Fair: To play fair, respecting and enforcing the rules. It's fairplay. Santander must be transparent in its relations with its stakeholders and fulfil its promises, contributing to the community.

Our seal

Excellence in execution.

The evolved behaviors have been created around a single word: ‘T.E.A.M.S’.

T

Think Customer

- I take care of the relationship with my clients, and I do my best to gain their trust and loyalty.
- Keeping the customer in mind means going above and beyond to gain the loyalty and trust of the people we serve.

E

Embrace Change

- I face new challenges and look for new ways of doing things as an opportunity to grow.
- Change requires effort and will inevitably meet with some resistance. The challenge is to address it with a mindset focused on opportunity.

A

Act Now

- I take the initiative with responsibility and keep things simple.
- Growing companies move as an agile collective, without bureaucracy and complicated processes. That’s the way we should be.

M

Move together

- I promote collaboration and work together with my colleagues to achieve common goals.
- The best teams make the most of each member’s capabilities to achieve their goals.

S

Speak up

- I express my ideas and concerns with respect and no strings attached. Therefore, I feel comfortable receiving and giving feedback.
- We all have to express ourselves. If problems, ideas and solutions are not shared, things will never get better.

Responsible Banking

Santander has determined two fundamental challenges concerning responsible banking:

Challenge 1: New business environment
The development of responsible banking requires a solid and wellfounded culture that can counter the new demands of an increasingly changing and competitive business environment that can foster trust and support from the groups of interest. Accordingly, Santander has learned to assemble these various aspects into a work culture that can be summarised in three words: Simple, Personal and Fair.

Challenge 2: Inclusive and sustainable growth
Santander acknowledges that inclusive growth is more than just satisfying customers' needs. Accordingly, it has always strived to help entrepreneurs create businesses and jobs, strengthen local markets, advance financial inclusion, contribute to people's education, promote individual and collective progress, and develop social investment programs. Likewise, its sustainable growth contributes to environmental care and climate change mitigation, promoting sustainable financing while considering the environment's risks and opportunities.

During 2022 the greatest milestone in Responsible Banking was:

We published the Integrated Annual Report for 2021
We published our Integral Annual Report 2021 which complies with the GRI and SASB standards. We are constantly seeking to publish more financial and nonfinancial information that are important for investment decisions today. Many of these indicators were verified externally by EY. Our latest report can be found in the following link: https://santandercl.gcs-web.com/financials/annual-reports

We received Top Employer Certification 2022
In the first quarter of 2022, for the third consecutive year were awarded as Top Employed by the Top Employer Institute, which recognizes companies with a strong value proposition for its employees as well as the conditions for career development.

The six Responsible Banking Principles define a global standard of what it implies to be a responsable bank and are aligned with the UN Sustainable Development Goals and the Paris Climate Agreement. These are:

Responsible Banking Principles

Alignment

Align the commercial strategy to be coherent with individuals' needs and society's goals.

Impact

To increase the positive impacts while reducing the negative effects of the organisation's activities, products, and services.

Clients

Work responsibly with clients to encourage sustainable practices and enable economic activities that create shared prosperity..

Transparency and responsibility

To periodically review the implementation of these principles and be transparent and responsible for the positive and negative impacts of the organisation. negativos de la organización

Corporate governance and setting of goals

Rely on effective corporate governance and a responsible banking culture.

Interested parties

Refer, participate, and collaborate proactively and responsibly with interested parties.

10 Responsible Banking Goals

Additionally, starting 2019 Santander set goals associated to responsible banking, aligned with people and the community.

Challenge	Goals	Progress
New business environment	1. **Be the best Company to work for in Chile.** We seek to maintain that leadership position.	For the fifth consecutive year, we received the Top Employer certification in January 2023.
	2. **Increase the percentage of women in executive positions:** Achieve that 30% of women are in managerial positions by 2025.	Currently 31% of women are in managerial positions.
	3. **Eliminate the gender pay gap:** Our goal is to eliminate the gender pay gap by 2025. The Seal Iguala Conciliación from the Ministry of Gender and Equity gives us a pathway to advance forward.	We currently have a gender pay gap of 2.4%
Inclusive and sustainable growth	4. **Work to financially empower people:** Through our financial products such as Life we want to empower four million people by 2025.	Between 2019 and December 2022 we have financially empowered 2,715,999 people.
	5. **Grant sustainable financing to clients:** We have a goal for 2025 to finance our own projects and that of our clients for at least US$1.5 billion through our ESG framework.	By September 30, 2022, we have US$684.8 million in sustainable financing. In 2Q22 the Santander Group published our ESG framework, facilitating the issuance of ESG bonds going forward.
	6. **Increase energy from renewable sources**: We are committed to procure that 100% of energy comes from non-conventional renewable energy by 2025.	During this year, the bank will generate its own renewable energy, through a contract with Gasco Luz and Fourtrees Capital to build six solar plants of 300kW each in the regions of Coquimbo, Valparaíso and the Metropolitan region. 28% of our energy comes from renewable sources in 2022.
	7. **Be carbon neutral**: We are part of the Group's goal to be carbon neutral by 2050. Our goal is to be carbon neutral by 2025, without the need to compensate for our carbon footprint through carbon bonds.	Sin 2019 we mitigate 100% of our carbon footprint. Now we are in the process of classifying our loan book in order to measure the carbon footprint of our clients.
	8. **Eliminate single-use plastic waste in corporate buildings and branches.**	In 2021 we eliminated 100% of our single-use plastic waste.
	9. **Bestow scholarships, internships, and programs for entrepreneurs:** We want to grant 13,500 scholarships, internships and entrepreneur programs between 2019 and 2024.	Since 2019 to December 2022 we granted 15,881 education and entrepreneur scholarships in Chile.
	10. **Support people through community aid programs:** In social themes between 2019 and 2024 we want to support more than 500,000 people through our community programs.	Between 2019 and December 2022 we have supported 394,356 people through education programs and other means of support to benefit people in vulnerable situations.

ESG Indicators

As a result of the commitment Santander has to people, the environment and good corporate governance, manifested through the main sustainable development and responsible banking initiatives, Santander has achieved the following ESG indicators:

Dow Jones Sustainability Indexes

Included in Chile, MILA and Emerging Markets
International index that evaluates the sustainable development of the Environmental, Social and Governance aspects. Currently we have 78 points, and in the 96th percentile.

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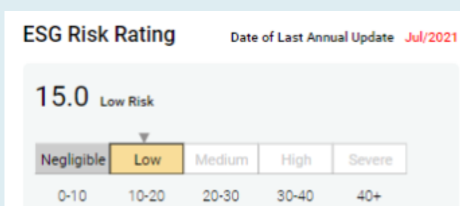
MSCI

SUSTAINALYTICS



FTSE4Good

Included in the Latam Emerging and Global Emerging Indices. Positive evaluation in the Social and Environmental dimension compared to other Banks.

S&P IPSA ESG

SAM

Now a Part of S&P Global

A principio de 2021, la Bolsa de Santiago lanzó un nuevo índice S&P IPSA ESG. Chile es el tercer país latinoamericano en tener un índice que incorpora estas dimensiones y utiliza la misma metodología que el DJSI. De las 30 compañías que forman parte del IPSA, se incluyeron 26 empresas en este índice y Santander tiene el tercer mayor peso.

Strategic pillars

Clients

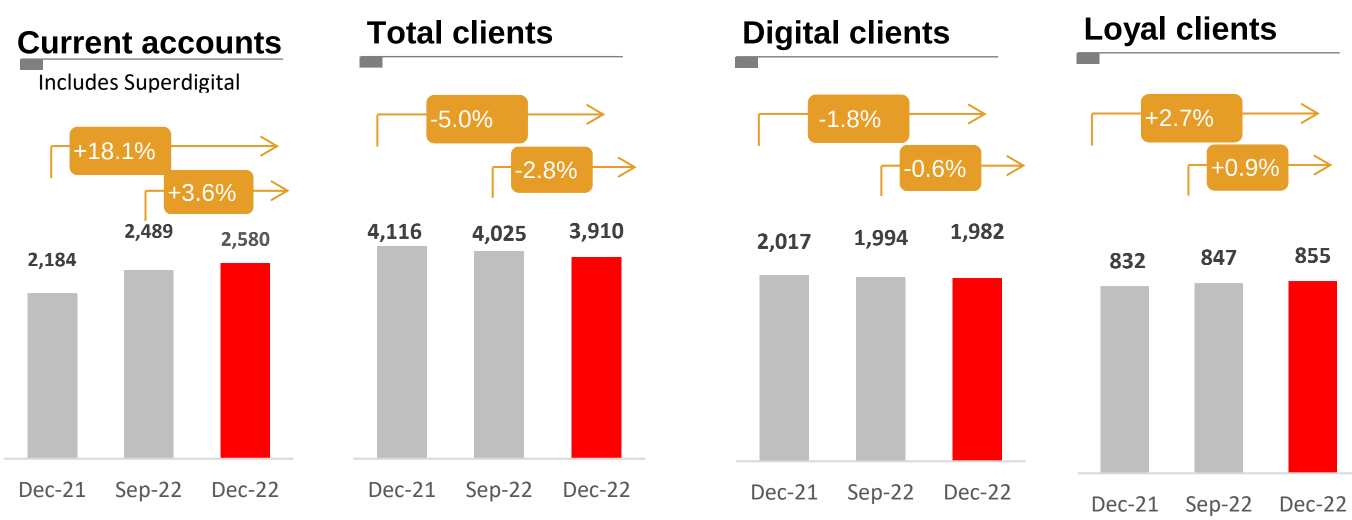
We want to offer innovative, sustainable financial solutions that have purpose and excellence while providing the best experience, earning our clients' loyalty.
Focus: Experience | Consultancy | Digital | Scale

Main KPIs

		2020 Results	2021 Results	December 2022 Results
Clients	NPS	51% Top 1 (Gap of 3 with second place)	60% Top 1 (Gap of 7 with second place)	57% Top 2 (Gap of 1 with first place)
	Total clients	3,607,609 (+5.5%)	4,116,301 (+14.1%)	3,910,094 (- 5.0% YoY)
	Loyal clients	764,407 (+8.6%)	832,405 (+8.9%)	855,156 (+2.7% YoY)
	Digital clients	1,546,524 (+24.0%)	2,016,947 (+30.4%)	1,981,540 (-1.8% YoY)

Note: Comparison and year-on-year growth

During the quarter customers with current accounts (including Superdigital accounts) continued to grow, growing 18.1% YoY and 3.6% QoQ, attracted by our digital product offering. Loyal customers (individual customers who have 4 products or more with a minimum level of profitability and usage and companies with a minimum profitability and usage of products) grew 2.7% YoY. Total clients are decreasing as the Bank is actively closing unused accounts.



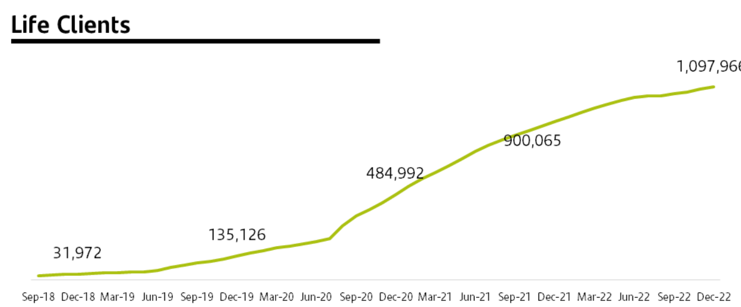
Number of thousands of clients

Launch of Prospera and Cuenta Pyme Life, our initiatives to bancarize SMEs and microentrepreneurs

According to a study by INE in 2019 there were some 745,000 formal microentrepreneurs. In the first quarter of 2022 we launched Prospera Cuenta Pyme Life, both initiatives to foster SME bankarization and supporting micro-entrepreneurs. Prospera is a simple current account to open without any minimum sales prerequisites for people that enables them to do transactions for their business easily. For a single payment of Ch$19,990 they receive a mobile POS that permits them to receive same day sale deposits and receive payments directly on their phone. Cuenta Pyme Life is for people that have a company open. In Chile, there is a government platform designed so any one can open a company in one day, without any hassles or tedious paperwork. These same companies that are opened quickly and digitally also look to open an account in the same manner, just like Cuenta Pyme Life which is 100% digital. The first six months are free and these new companies gain access to a current account and debit card as well as Office Banking, the transactional platform from companies. Both alternatives are unique in the market, focused on micro entrepreneurs that are quickly cross-sold through a current account, debit account and Getnet. In the future, these clients will also have access to loans.

Life and Superdigital driving the opening of digital accounts

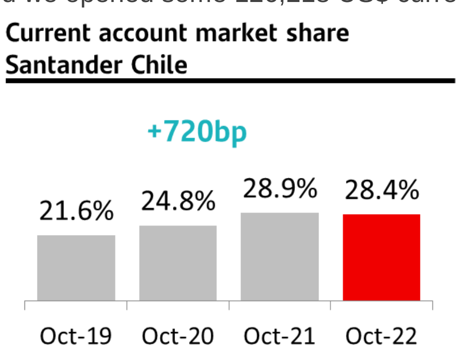
Santander Life continues to be the main contributor in new client growth due to the success of the Meritolife program of this product and the digital onboarding process of current account openings. The total number of Life clients as of December 2022 increased 22.0% YoY and in the fourth quarter 2022 Life opened 27,849 current accounts reaching a total of 1,097,966 clients. Santander Life clients are quickly monetized and have a high NPS score throughout the incorporation process.

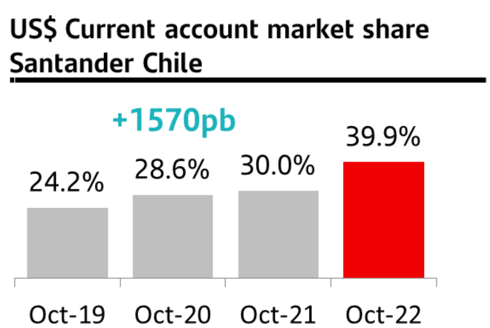


Superdigital continues its acceleration in client acquisition with 32,748 new clients in the quarter, reaching a total of 397,582 clients. This prepaid digital account is an attractive alternative for clients with little access to the banking ecosystem especially during the pandemic when through the pandemic many could receive and manage their money from government initiatives. Additionally, Superdigital has important alliances with companies like Uber and Cornershop, attracting new clients.

Current account market share increases to 28.4%

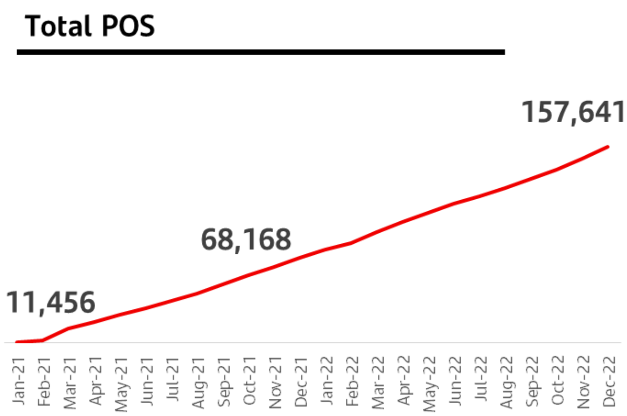
As a result of our efforts, the market share of the Bank in current accounts continues strong. According to the latest information available, as of October 2022, our market share of current accounts reached 28.4% in current accounts. These numbers do not include Superdigital since these are categorized as debit cards. Furthermore, with the volatility in the exchange rate, we have seen increasing demand from clients for US$ current accounts. As of October 2022, we have a market share of 39.9% and we opened some 126,218 US$ current accounts during the year.





Source: FMC, as of October 2022, latest available information.

The success of Getnet continues



The entrance of Getnet in the acquiring market in Chile continues to show good results. The reception of clients has been high with over 157,641 POS installed for 134,897 clients, of which 91% are SMEs. Through Prospera, we have started selling mobile POS, a more compact POS, and currently we have sold over 1,400 of these mPOS.

Furthermore in 2Q22 Getnet launched ecommerce, attracting some 8,500 business with some Ch$ 5,122 million in sales in the month of December. In total Getnet has more than Ch$580 billion in monthly sales through our POS. A key characteristic has been receiving the deposit of sales up to 5 times a day including weekends. Getnet generated fees for about Ch$27,060 million in 2022.

We continue to grow our Work/Café branches

With the pandemic, the Workcafé branch transformation continues. During the last year, we have opened 11 Workcafés, while we have closed 38 branches, including Select branches, aimed at higher income clients and traditional branches. In total, we currently have 286 branches, 12.3% less than last year.

In 4Q22 we launched Work/Café StartUp, an initiative that aims to offer an integrated solution to all the entrepreneurial needs, and especially to increase bank penetration, carry out pilot programs with the Bank and even offer financing. It is directed at companies with that have three main characteristics. Firstly, for them to be initiating activities and presenting an accelerated growth, secondly that technology is part of the value proposal and thirdly that the proposals will be scalable to a real problem.

Employee

We want to be the best company to work in Chile, committed to our SPF culture
Focus: Empathetic, committed, and flexible culture
| Leadership at the service of culture | Cultivate the vocation to learn

Main KPIs

		2020 Results	2021 Results	December 2022 Results
Employees	Commitment index	87% in 2019. During 2020, due to the pandemic a survey was not conducted	94%	This is now being measured through a new survey throughout the year in order to have information in a timelier form. For 2022 this measure was 82%
	Leadership index	87% in 2019. During 2020, due to the pandemic a survey was not conducted	95%	This is now being measured through a new survey throughout the year in

			order to have information in a timelier form. For 2022 this measure was 8.9/10.
Diversity		21.5% in leadership positions 1.2% with disability	31% in leadership positions 1.7% with disability
Gender pay gap		2.5%	2.4%

For more indicators on employees, please see the 10 Responsible Banking commitments.

Shareholders

We want to be a more profitable and sustainable bank with solid capital levels and optimal management of all risks.
Focus: Profitability and sustainability| Risks and capital

Main KPIs

		2020 Results	2021 Results	December 2022 Results
Shareholders	ROE	14.5%	22.7%	21.6%
	Efficiency	40% (Top 1)	40.1% (Top 1)[1]	42.8%[1]
	Asset quality	NPL 1.4% (gap of 2 bps with Peer Group)	NPL 1.2% (gap of 17 bps with Peer Group)	1.8%
	Solvency CET1	10.7%	9.6%	11.1% (Minimum 10% at year-end)

1. Results for 2021 and 2022, efficiency ratio is calculated as operational expenses divided by operational income.

Investor meetings

The Bank maintains constant communication with its analysts and investors. In the quarter, we had around 193 meetings and reached around 1,064 meeting this year so far. We started having once again physical meetings and attending conferences.

Community

We want to be recognized as a responsible bank committed to our community's well-being, encouraging environmental care and sustainable social development.
Focus: Environment | Social | Corporate governance

Main KPIs		2020 Results	2021 Results	December 2022 Results
Community	Financial empowerment	921,779	1,693,277	2,715,999
	Support people through community aid programs.	103,792	281,212	394,356
	Sustainable financing		US$267.3 million	US$648.8 million as of September 2022
	Sustainability index	Percentile 90 DJSI Chile, MILA & Emerging Markets	Percentile 91 DJSI Chile, MILA & Emerging Markets	Percentile 96 DJSI Chile, MILA & Emerging Markets
	BitSight Index	810	800	Index still not available for 2022

For more indicators on communities, please see the 10 Responsible Banking commitments.

Corporate governance

For more information on our corporate governance please see Section 3 of our Management Commentary for 1Q22.

For more information on the composition of our Board of Directors and organizational structure, please see Our Top Management on our IR website.

Latest events and material facts

During 2022 we also received the following awards:

- Euromoney awarded us Best Bank in Chile for 2022.
- Santander was recognized as best bank for Treasury and cash management in Chile by Global finance.
- Global Finance awarded us with a Sustainable finance award for Chile for 2022.
- Best digital bank in Chile for 2022 by Global Banking and Finance.
- Best Bank for SMEs in Chile by Global Finance.
- Bank of the Year for Financial Inclusion in Chile by The Banker.
- Bank of the Year in Chile by Latin Finance.
- First place in Ranking C3 of Creativity and Innovation by Brinca Global and the Universidad de Desarrollo.
- Awarded by "La Voz del Mercado" (Voice of the Market) by EY, the Santiago Stock Exchange and Chilean Institute of Directors.

Also, the Santander Group has announced a new corporate building for Santander Chile to be ready in 2026, involving an investment of US$ 350 million. The building will meet the highest standards of sustainability and energy efficiency.

During 2023, we received the certification of Top Employer for fifth consecutive year, highlighting the excellent labor conditions offered to the employees.

Shareholders' meeting

In the Ordinary Shareholder's Meeting of Banco Santander Chile on April 27, 2022, along with the approval of the 2021 Consolidated Financial Statements, it was agreed to distribute 60% of earnings attributable to shareholders, which were Ch$774,959 million as of December 31, 2021. These earnings correspond to Ch$2.46741747 for each share. The remaining 40% were assigned to the Bank's reserves. In said Meeting, it was also commented on the option that the shareholders had to accept the total or partial amount of the dividend that corresponds to them, to the transitory and optional tax regime contemplated in the transitory article 25 of Law No. 21,210 that modernizes the Tax Legislation , considering the payment of a substitutive tribute of the final taxes for a rate of 30%.

The following was also approved:

- Determination of Board remuneration
- Appointment of external auditors: PricewaterhouseCoopers Consultores Auditores y Compañía Limitada were approved as auditors for the year 2022.
- Designation of local risk rating agencies Feller and ICR.
- Report of the Directors and Audit Committee, determination of the remuneration of its members and the budget of expenses for its operation for 2022.
- Give a report of the related party transactions.

Board of Directors

On March 22, 2022, in a session of the Board of Directors, it was agreed to summon the Ordinary Shareholders' Meeting, for April 27, 2022 in order to propose a distribution of profits and payment of dividends, taking it from 60% of the retained earnings as of December 31, 2021 equivalent to Ch$2.46741747 per share and propose that the remaining 40% of the profits for the year 2021 be used to increase the Bank's reserves.

On July 27, 2022, in an extraordinary session of the Bank's Board of Directors, the appointment of Mr. Román Blanco Reinosa as General Manager of the Bank was approved as of August 1, 2022, replacing Mr. Miguel Mata Huerta.

In an extraordinary session of the Board of Directors dated September 8, 2022, the reclassification of Ch$ 56,602 million from reserves to retained earnings of the Bank was approved, in order to face future payments of the perpetual bond issued in October 2021 and in this way comply with what is established by the CMF. As a reminder this perpetual bond was issued for US$ 700 million with no fixed maturity and not redeemable before five years from the date of issuance. The bond is convertible to shares if the banks CET1 ratio falls below 5.125% in line with the FMC conditions and requirements for the issuance of perpetual bonds and preferred equity.

In a Board meeting held on October 27, 2022, it was approved to transfer the amount of Ch$120,000 million from voluntary provisions of the commercial portfolio to voluntary provisions of the consumer portfolio, in four equal installments of Ch$30,000 million, the first of them as of September 30, 2022.

Subsidiaries

On July 25, 2022, at the Extraordinary Shareholders' Meeting of Santander S.A. Sociedad Securitizadora, an increase in the capital stock currently amounting to Ch$1,216,769,815 was approved, increasing it to the amount of Ch$1,726,769,815 divided into 280 common, nominative shares of the same series and without par value. The proposed capital increase, which reaches the amount of Ch$510,000,000, does not imply an issue of shares.

Bond issuances

In 2022, the Bank issued bonds for UF 13,000,000, USD 30,000,000, JPY 3,000,000,000 and CLP 182,200,000,000. The detail of placements made during this year is included in Note No. 22 of the financial statements.

Series	Currency	Term	Annual Issuance rate	Issuance date	Placed date	Issued amount	Maturity date
USD bond	USD	3	SOFR+ 95 bps	20-04-2022	28-04-2022	30,000,000	28-04-2025
JPY bond	JPY	3	0.65%	08-09-2022	15-09-2022	3,000,000,000	15-09-2025
U6	CLP	5.5	2.95%	20-10-2022	21-10-2022	35,200,000,000	01-04-2026
T20	UF	11.5	2.65%	21-10-2022	24-10-2022	5,000,000	01-02-2034
U7	CLP	5.5	7.00%	15-11-2022	16-11-2022	72,000,000,000	01-04-2026
T17	CLP	10	7.50%	18-11-2022	22-11-2022	75,000,000,000	01-08-2032
W4	UF	10.5	2.65%	07-12-2022	09-12-2022	8,000,000	01-12-2033

On February 4, 2022, the Committee for the Setting of Limits on Interchange Rates resolved that the new limits for interchange rates will be: 0.6% for debit cards, 1.48% for credit cards, and 1.04% for payment cards with provision of funds. The Bank has estimated the effects of the implementation of these limits in relation to the results of the operations of means of payment in approximately Ch$29,000 million for the year 2022.

On January 23, 2023, the Ministry of Finance together with the Association of Banks and Financial Institutions (ABIF) announced a series of measures aimed at supporting individuals and SMEs, as well as strengthening the banking system. This includes encouraging the rescheduling of credits according to the commercial policies dictated by each bank and a commitment from the banks to be participants in the support programs promoted by the State, such as Fogape and the housing construction program. Additionally, in that same instance, it was announced that the Transbank shareholder banks will begin the sale of their ownership in that company within the framework of the so-called four-part model in the payment system.

Material Facts:

22-03-2022	Ordinary meetings, citations, agreements and proposals. Pursuant to the provisions of articles 9 and 10 of Law No. 18,045, it is reported that in today's ordinary session, the Board of Directors of Banco Santander-Chile agreed to call an Ordinary Shareholders' Meeting, to be held solely and exclusively by means of remote communication, for Wednesday, April 27, 2022.
28-04-2022	Ordinary meetings, citations, agreements and proposals. Reports as an essential fact that the Ordinary Shareholders' Meeting was held on April 27, 2022, attaching a copy of the notice published on April 28 in the newspaper El Mercurio, where it communicates the agreement adopted at said meeting to distribute a dividend of $2 .46741747 per share, which is available to shareholders at the bank's headquarters or at any of its branches, both in the Metropolitan Region and in the rest of the country.
27-07-2022	**Changes to organizational structure** In accordance with the provisions of articles 9 or 10 of Law No. 18,045, on the Securities Market, and other pertinent legal regulations, I comply with informing you as an essential fact that Mr. Miguel Mata Huerta

	leaves the position of General Manager of Banco Santander-Chile from next August 1. He will be replaced from that day on by Mr. Román Blanco Reinosa, an executive with vast experience in the Santander Group. Notwithstanding the foregoing, Mr. Mata will continue collaborating for the time necessary to carry out an adequate transition. The foregoing was approved in an extraordinary meeting of the Banco Santander-Chile board of directors held today, thanking Mr. Miguel Mata for his contribution to the bank and Grupo Santander in Chile.
08-09-2022	**Placement of securities in international and/or national markets** On today's date, September 8, 2022, and with a settlement date of September 15, 2022, a bond was issued in Japanese yen through our EMTN program for an amount of JPY 3,000,000,000, with maturity on September 15, 2025 at a placement rate of 0.65%.
09-09-2022	**Essential fact of the company- Others** In accordance with the provisions of articles 9 and 10 of Law No. 18,045, on the Securities Market and the provisions of Chapter 18-10 of the Updated Compilation of Regulations, it is reported that by virtue of Exempt Resolution No. 4949 issued with dated August 4, 2022 by this commission, Banco Santander Chile has been sanctioned with a fine of UF 1,500 for violation of section 1.1.2 of Chapter 12-15 of the Updated Compilation of Regulations in relation to the provisions of article 83 of the General Law of Banks, for exceeding on March 31, 2021, the global regulatory limit for deposits in banks or financial institutions abroad, situation corrected the following day. After having presented a replacement in this regard, said resolution was confirmed by that Commission through Exempt Resolution No. 5625, dated September 2 just last. Finally, we inform you that once the information has been disclosed in the press, we will send that Commission a copy of the publication made.
23-09-2022	**Placement of securities in international and/or national markets** On today's date, September 23, 2022, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, and on September 26, 2022, the settlement will be carried out, charged to the line registered in the Securities Registry of the CMF under number 11-6/2017 dated October 12, 2017. The specific conditions of the aforementioned placement were as follows: • Series U-6 Bonds, for a total amount of $8,500 million pesos, maturing on April 1, 2026. The average placement rate of the securities was 7.95%.
04-10-2022	**Placement of securities in international and/or national markets** On today's date, October 4, 2022, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, charged to the line registered in the Securities Registry of the CMF under number 11 -6/2017 dated October 12, 2017. The specific conditions of the aforementioned placement were as follows: • Series U-6 Bonds, for a total amount of $14,200 million pesos, maturing on April 1, 2026. The average placement rate of the securities was 8.38%.
10-19-2022	**Placement of securities in international and/or national markets** On today's date, October 19, 2022, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, charged to the line registered in the Securities Registry of the CMF under number 11 -6/2017 dated October 12, 2017. The specific conditions of the aforementioned placement were as follows: - Series U-6 Bonds, for a total amount of $11,000 million pesos, maturing on April 1, 2026. The average placement rate of the securities was 7.58%.
20-10-2022	**Placement of securities in international and/or national markets** On today's date, October 20, 2022, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, charged to the line registered in the Securities Registry of the CMF under number 11 -6/2017 dated October 12, 2017. The specific conditions of the aforementioned placement were as follows:

	- Series U-6 Bonds, for a total amount of $2,000 million pesos, maturing on April 1, 2026. The average placement rate of the securities was 7.58%.
21-10-2022	**Placement of securities in international and/or national markets** On today's date, October 21, 2022, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, charged to the line registered in the Securities Registry of the CMF under number 10-2016 dated August 11, 2016. The specific conditions of the aforementioned placement were as follows: - Series T-20 Bonds, for a total amount of UF5 million, maturing on February 1, 2034. The average placement rate of the securities was 3.25%.
25-10-2022	**Placement of securities in international and/or national markets** On today's date, October 25, 2022, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, charged to the line registered in the Securities Registry of the CMF under number 11 -6/2017 dated October 12, 2017. The specific conditions of the aforementioned placement were as follows: - Series U-6 Bonds, for a total amount of $1,000 million pesos, maturing on April 1, 2026. The average placement rate of the securities was 7.58%.
18-11-2022	**Placement of securities in international and/or national markets** On today's date, November 18, 2022, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, charged to the line registered in the Securities Registry of the CMF under number 10-2016 dated August 11, 2016. The specific conditions of the aforementioned placement were as follows: - Series T-17 Bonds, for a total amount of $75,000 million pesos, maturing on August 1, 2032. The average placement rate of the securities was 6.30%.
24-11-2022	**Placement of securities in international and/or national markets** On today's date, November 24, 2022, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, charged to the line registered in the Securities Registry of the CMF under number 11 /2017 dated October 12, 2017. The specific conditions of the aforementioned placement were as follows: - Series U-7 Bonds, for a total amount of $17,000 million pesos, maturing on September 1, 2027. The average placement rate of the securities was 6.38%.
28-11-2022	**Placement of securities in international and/or national markets** On today's date, November 28, 2022, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, charged to the line registered in the Securities Registry of the CMF under number 11 /2017 dated October 12, 2017. The specific conditions of the aforementioned placement were as follows: - Series U-7 Bonds, for a total amount of $16,500 million pesos, maturing on September 1, 2027. The average placement rate of the securities was 6.38%.
29-11-2022	**Placement of securities in international and/or national markets** On today's date, November 29, 2022, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, charged to the line registered in the Securities Registry of the CMF under number 11 /2017 dated October 12, 2017. The specific conditions of the aforementioned placement were as follows: - Series U-7 Bonds, for a total amount of $2,500 million pesos, maturing on September 1, 2027. The average placement rate of the securities was 6.50%.
30-11-2022	**Placement of securities in international and/or national markets** On today's date, November 30, 2022, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, charged to the line registered in the Securities Registry of the CMF under

	number 11 /2017 dated October 12, 2017. The specific conditions of the aforementioned placement were as follows: - Series U-7 Bonds, for a total amount of $3,000 million pesos, maturing on September 1, 2027. The average placement rate of the securities was 6.52%.
07-12-2022	**Placement of securities in international and/or national markets** On today's date, December 7, 2022, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, charged to the line registered in the Securities Registry of the CMF under number 7/2019 dated September 30, 2019. The specific conditions of the aforementioned placement were as follows: - Series W-4 Bonds, for a total amount of UF 8,000,000, maturing on December 1, 2033. The average placement rate of the securities was 2.55%.

Subsequent events

06-01-2023	**Placement of securities in international and/or national markets** On today's date, January 6, 2023, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, charged to the line registered in the Securities Registry of the CMF under number 10/2016 dated August 11, 2016. The specific conditions of the aforementioned placement were as follows: • Series T-18 Bonds, for a total amount of $75,200 million pesos, maturing on December 1, 2027. The average placement rate of the securities was 6.52%.
11-01-2023	**Placement of securities in international and/or national markets** On today's date, January 11, 2023, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, charged to the line registered in the Securities Registry of the CMF under number 20220013 dated November 15, 2022. The specific conditions of the aforementioned placement were as follows: • Series AA-3 Bonds, for a total amount of $13,600 million pesos, maturing on September 1, 2030. The average placement rate of the securities was 5.95%.
12-01-2023	**Placement of securities in international and/or national markets** On today's date, January 12, 2023, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, charged to the line registered in the Securities Registry of the CMF under number 20220013 dated November 15, 2022. The specific conditions of the aforementioned placement were as follows: • Series AA-3 Bonds, for a total amount of $1,150 million pesos, maturing on September 1, 2030. The average placement rate of the securities was 5.79%.
17-01-2023	**Placement of securities in international and/or national markets** On today's date, January 17, 2023, the placement of dematerialized and bearer bonds was carried out by the Bank in the local market, charged to the line registered in the Securities Registry of the CMF under number 07/2019 dated September 30, 2019. The specific conditions of the aforementioned placement were as follows: • Series W-5 Bonds, for a total amount of UF 310,000, maturing on March 1, 2028. The average placement rate of the securities was 2.64%.

Annex 2: Balance sheet

Assets	Dec-22	Dec-21	Dec-22/Dec-21
	Ch$ Million		% Chg.
Cash and deposits in banks	1,982,942	2,881,558	(31.2%)
Cash items in process of collection	843,816	390,271	116.2%
Financial assets for trading at fair value through earnings	11,827,007	9,567,818	23.6%
Financial derivative contracts	*11,672,960*	*9,494,470*	*22.9%*
Financial debt instruments	*154,046*	*73,347*	*110.0%*
Financial assets at fair value through other comprehensive income	6,023,039	5,900,796	2.1%
Financial debt instruments	*5,880,733*	*5,801,378*	*1.4%*
Other financial instruments	*142,306*	*99,418*	*43.1%*
Financial derivative contracts for hedge accounting	477,762	629,136	-24.1%
Financial assets at amortized cost	42,560,431	40,262,257	5.7%
Investments under resale agreements	-	-	--%
Financial debt instruments	4,867,591	4,691,730	*3.7%*
Interbank loans, net	*32,955*	*428*	*7606.4%*
Loans and account receivables from customers-Commercial	*17,043,575*	*17,033,456*	*0.1%*
Loans and account receivables from customers-Mortgage	*15,622,418*	*13,802,214*	*13.2%*
Loans and account receivables from customers-Consumer	*4,993,892*	*4,734,429*	*5.5%*
Investments in associates and other companies	46,586	37,695	23.6%
Intangible assets	107,789	95,411	13.0%
Property, plant and equipment	189,364	190,290	(0.5%)
Assets with leasing rights	182,526	184,528	(1.1%)
Current taxes	315	121,534	(99.7%)
Deferred taxes	314,125	418,763	(25.0%)
Other assets	3,578,004	2,932,813	22.0%
Non-current assets and groups for sale	30,896	22,207	39.1%
TOTAL ASSETS	**68,164,603**	**63,635,077**	**7.1%**

LIABILITIES	Dec-22	Dec-21	Dec-22/Dec-21
	Ch$ Million		% Chg.
Cash items in process of being cleared	746,872	379,934	96.6%
Financial liabilities for trading at fair value through earnings	11,319,320	9,507,031	19.1%
Financial derivative contracts	*11,319,320*	*9,507,031*	*19.1%*
Financial derivative contracts for hedge accounting	2,788,794	1,364,210	104.4%
Financial liabilities at amortized cost	43,704,023	44,063,540	(0.8%)
Deposits and other demand liabilities	*14,086,226*	*17,900,938*	*(21.3%)*
Time deposits and other time liabilities	*12,978,790*	*10,131,055*	*28.1%*
Obligations under repurchase agreements	*315,355*	*86,634*	*264.0%*
Interbank borrowings	*8,864,765*	*8,826,583*	*0.4%*
Issued debt instruments	*7,165,893*	*6,935,423*	*3.3%*
Other financial liabilities	*292,995*	*182,907*	*60.2%*
Obligations for leasing contracts	137,089	139,795	(1.9%)
Financial instruments of issued regulatory capital	2,324,116	2,054,105	13.1%
Provisions for contingencies	172,826	165,546	4.4%
Provisions for dividend, payment of interest and re-appreciation of financial instruments of issued regulatory capital	247,508	238,770	3.7%
Special provisions for credit risk	331,519	288,995	14.7%
Current taxes	112,481	-	--%
Deferred taxes	1	91,463	(100.0%)
Other liabilities	2,041,682	1,612,411	26.6%
TOTAL LIABILITIES	**63,926,231**	**59,905,800**	**6.7%**
EQUITY			
Capital	891,303	891,303	0.0%
Reserves	2,815,170	2,557,816	10.1%
Accumulated other comprehensive income	(167,147)	(354,364)	(52.8%)
Elements that will not be reclassified to earnings	597	576	3.7%
Elements that can be reclassified to earnings	(167,744)	(354,940)	(52.7%)
Retained earnings from prior years	28,339	-	64387627.8%
Income from the period	808,651	778,933	3.8%
Provisions for dividend, payment of interest and re-appreciation of financial instruments of issued regulatory capital	(247,508)	(238,771)	3.7%
Total Shareholders' Equity	**4,128,808**	**3,634,917**	**13.6%**
Non-controlling interest	109,564	94,360	16.1%
EQUITY	**4,238,372**	**3,729,277**	**13.7%**
TOTAL LIABILITIES AND EQUITY	**68,164,603**	**63,635,077**	**7.1%**

Annex 3: Income Statement YTD

	Dec-22	Dec-21	Dec-22/Dec-21
	Ch$ Million		% Chg.
Interest income	2,850,175	1,823,973	56.3%
Interest expense	(2,247,808)	(419,917)	435.3%
Net interest income	**602,368**	**1,404,056**	**(57.1%)**
Readjustment income	1,236,481	538,379	129.7%
Readjustment expense	(240,502)	(144,454)	66.5%
Net readjustment income	**995,979**	**393,925**	**152.8%**
Net income from interest and readjustment	**1,598,346**	**1,797,981**	**(11.1%)**
Fee and commission income	729,063	596,969	22.1%
Fee and commission expense	(321,794)	(245,853)	30.9%
Net fee and commission income	**407,268**	**351,116**	**16.0%**
Financial assets not for trading	78,191	(28,602)	(373.4%)
Result from de recognition of financial assets and liabilities at amortized cost and of financial assets at fair value with changes in other comprehensive income	(1,628)	22,199	(107.3%)
Changes, readjustments and hedge accounting in foreign currency	141,090	122,274	15.4%
Net financial result	**217,653**	**115,871**	**87.8%**
Income from investments in associates and other companies	10,310	(475)	(2270.6%)
Results from non-current assets and non-continued operations	6,223	1,538	304.6%
Other operating income	5,539	1,662	233.3%
Total operating income	**2,245,340**	**2,267,693**	**(1.0%)**
Personnel expenses	(414,808)	(397,675)	4.3%
Administrative expenses	(310,219)	(280,134)	10.7%
Depreciation and amortization	(129,993)	(122,055)	6.5%
Impairment of non-financial assets	-	-	--%
Other operating expenses	(106,306)	(99,836)	6.5%
Total operating expenses	**(961,325)**	**(899,700)**	**6.8%**
Operating results before credit losses	**1,284,014**	**1,367,993**	**(6.1%)**
Expense for provisions established for credit risk of loans at amortized cost	(418,066)	(321,824)	29.9%
Expense for special provisions for credit risk	(42,717)	(137,389)	(68.9%)
Recovery of written-off loans	90,577	76,999	17.6%
Impairment for credit risk for other financial assets at amortized cost and financial assets at fair value through other comprehensive income	(521)	(737)	(29.4%)
Credit loss expenses	**(370,727)**	**(382,951)**	**(3.2%)**
Net income from ordinary activities before tax	**913,287**	**985,042**	**(7.3%)**
Income tax	(89,430)	(196,148)	(54.4%)
Consolidated income for the period	823,857	788,893	4.4%
Income attributable to shareholders	**808,651**	**778,933**	**3.8%**
Income attributable to non-controlling interest	15,206	9,961	52.7%

Annex 4: Quarterly results

	4Q22	3Q22	4Q21	4Q22/4Q21	4Q22/3Q22
		Ch$ Million		% Chg.	
Interest income	892,009	780,634	484,502	84.1%	14.3%
Interest expense	(761,916)	(661,496)	(181,497)	319.8%	15.2%
Net interest income	**130,093**	**119,138**	**303,005**	**(57.1%)**	**9.2%**
Readjustment income	215,858	337,679	264,988	(18.5%)	(36.1%)
Readjustment expense	(69,013)	(92,962)	(64,657)	6.7%	(25.8%)
Net readjustment income	**146,845**	**244,717**	**200,331**	**(26.7%)**	**(40.0%)**
Net income from interest and readjustment	**276,938**	**363,855**	**503,336**	**(45.0%)**	**(23.9%)**
Fee and commission income	196,063	186,936	171,527	14.3%	4.9%
Fee and commission expense	(87,754)	(79,945)	(73,947)	18.7%	9.8%
Net fee and commission income	**108,309**	**106,991**	**97,580**	**11.0%**	**1.2%**
Financial assets not for trading	100,797	36,007	(8,130)	(1339.8%)	179.9%
Result from derecognition of financial assets and liabilities at amortized cost and of financial assets at fair value with changes in other comprehensive income	(18,443)	701	4,612	(499.8%)	(2730.6%)
Changes, readjustments and hedge accounting in foreign currency	(25,433)	24,767	25,189	(201.0%)	(202.7%)
Net financial result	**56,921**	**61,475**	**21,671**	**162.7%**	**(7.4%)**
Income from investments in associates and other companies	4,062	1,856	(1,915)	(312.1%)	118.8%
Results from non-current assets and non-continued operations	1,896	6,280	739	156.6%	(69.8%)
Other operating income	2,920	1,378	606	381.9%	111.9%
Total operating income	**451,046**	**541,835**	**622,017**	**(27.5%)**	**(16.8%)**
Personnel expenses	(99,876)	(106,135)	(99,703)	0.2%	(5.9%)
Administrative expenses	(83,751)	(82,366)	(77,091)	8.6%	1.7%
Depreciation and amortization	(33,816)	(32,094)	(31,590)	7.0%	5.4%
Impairment of non-financial assets	-	-	-	--%	--%
Other operating expenses	(18,772)	(29,999)	(16,027)	17.1%	(37.4%)
Total operating expenses	**(236,214)**	**(250,594)**	**(224,411)**	**5.3%**	**(5.7%)**
Operating results before credit losses	**214,831**	**291,241**	**397,606**	**(46.0%)**	**(26.2%)**
Expense for provisions established for credit risk of loans at amortized cost	(137,148)	(78,223)	(83,401)	64.4%	75.3%
Expense for special provisions for credit risk	(4,657)	(33,263)	(58,576)	(92.0%)	(86.0%)
Recovery of written-off loans	24,688	20,643	21,312	15.8%	19.6%
Impairment for credit risk for other financial assets at amortized cost and financial assets at fair value through other comprehensive income	(166)	1	(80)	**107.7%**	**(16715.5%)**
Credit loss expenses	**(117,283)**	**(90,842)**	**(120,745)**	**(2.9%)**	**29.1%**
Net income from ordinary activities before tax	**97,548**	**200,399**	**243539**	**(59.9%)**	**(51.3%)**
Income tax	7,248	(10,533)	(42,530)	**(117.0%)**	**(168.8%)**
Consolidated income for the period	**104,797**	**189,866**	**235,331**	**(55.5%)**	**(44.8%)**
Income attributable to shareholders	**101,802**	**185,592**	**232,368**	**(56.2%)**	**(45.1%)**
Income attributable to non-controlling interest	2,994	4,274	**2,963**	**1.1%**	(29.9%)

Annex 5: Quarterly evolution of main ratios and other information

Ch$ Million	4Q21	1Q22	2Q22	3Q22	4Q22
Loans					
Consumer loans	4,999,247	5,023,362	5,100,573	5,044,757	5,282,812
Residential mortgage loans	13,876,175	14,158,430	14,723,306	15,270,088	15,729,010
Commercial loans	17,752,864	17,667,895	18,408,272	18,609,122	17,826,895
Interbank loans	418	-	12	55	32,991
Total loans (including interbank and FVOCI)	**36,628,704**	**36,849,688**	**38,232,162**	**38,924,022**	**38,871,708**
Allowance for loan losses	(958,761)	(966,603)	(1,016,473)	(1,014,351)	(1,036,561)
Total loans, net of allowances	**35,669,943**	**35,883,085**	**37,215,690**	**37,909,671**	**37,835,147**
Deposits					
Demand deposits	17,900,938	16,880,011	15,725,629	14,512,729	14,086,226
Time deposits	10,131,055	10,159,808	11,893,299	13,776,219	12,978,790
Total deposits	28,031,993	27,039,819	27,618,928	28,288,948	27,065,015
Mutual funds (Off balance sheet)	7,891,967	7,770,152	8,012,866	8,362,061	8,162,924
Total customer funds	35,923,960	34,809,971	35,631,794	36,651,009	35,227,939
Loans / Deposits[1]	**95.2%**	**101.9%**	**101.0%**	**101.2%**	**104.7%**
Average balances					
Avg. interest earning assets	45,605,926	46,154,927	47,228,915	48,869,125	49,690,494
Avg. Loans	36,193,345	36,642,562	37,470,231	38,313,718	38,961,907
Avg. assets	64,009,568	61,608,984	65,505,470	71,982,431	71,541,662
Avg. demand deposits	17,708,228	17,222,806	16,629,112	14,935,651	14,383,079
Avg equity	3,480,832	3,676,692	3,606,745	3,635,859	4,013,043
Avg. free funds (demand plus equity)	21,189,060	20,899,498	20,235,856	18,571,510	18,396,122
Capitalization					
Risk weighted assets	37,936,312	36,483,249	38,370,970	39,153,192	38,026,916
Core capital (CET1)	3,494,580	3,803,709	3,690,712	3,969,002	4,212,916
AT1	971,832	908,830	1,023,706	1,064,596	779,997
Tier I	4,466,412	4,712,539	4,714,419	5,033,598	4,992,913
Tier II	1,310,419	1,426,781	1,499,637	1,546,571	1,766,133
Regulatory capital	5,776,831	6,139,321	6,214,056	6,580,169	6,759,047
Core Capital ratio	**9.2%**	**10.4%**	**9.6%**	**10.1%**	**11.1%**
Tier I ratio	**11.8%**	**12.9%**	**12.3%**	**12.9%**	**13.1%**
Tier II ratio	**3.5%**	**3.9%**	**3.9%**	**4.0%**	**4.6%**
BIS ratio	**15.2%**	**16.8%**	**16.2%**	**16.8%**	**17.8%**
Profitability & Efficiency					
Net interest margin (NIM)[2]	**4.4%**	**3.7%**	**4.5%**	**3.0%**	**2.2%**
Efficiency ratio[3]	35.9%	37.8%	38.0%	46.2%	52.4%
Costs / assets[4]	1.4%	1.4%	1.6%	1.4%	1.3%
Avg. Demand deposits / interest earning assets	38.8%	37.3%	35.2%	30.6%	28.9%
Return on avg. Equity	**26.7%**	**25.6%**	**31.7%**	**20.4%**	**10.1%**
Return on avg. Assets	1.5%	1.5%	1.7%	1.0%	0.6%
Return on RWA	2.5%	2.6%	2.9%	2.2%	1.3%

Ch$ Million	4Q21	1Q22	2Q22	3Q22	4Q22
Asset quality					
Impaired loans[5]	**1,652,788**	**1,646,745**	**1,783,876**	**1,728,314**	**1,847,333**
Non-performing loans (NPLs) [6]	**449,835**	**439,530**	**559,508**	**655,007**	**717,411**
Past due loans[7]	248,902	262,225	274,705	282,369	300,101
Loan loss reserves	(958,761)	(966,603)	(1,016,473)	(1,014,351)	(1,036,561)
Impaired loans / total loans	4.5%	4.5%	4.7%	4.4%	4.8%
NPLs / total loans	1.2%	1.2%	1.5%	1.7%	1.8%
PDL / total loans	0.7%	0.7%	0.7%	0.7%	0.8%
Coverage of NPLs (Loan loss allowance / NPLs)	213.1%	219.9%	181.7%	154.9%	144.5%
Coverage of PDLs (Loan loss allowance / PDLs)	385.2%	368.6%	370.0%	359.2%	345.4%
Risk index (Loan loss allowances / Loans) [8]	2.6%	2.6%	2.7%	2.6%	2.7%
Cost of credit (prov expense annualized / avg. loans)	1.3%	0.8%	1.0%	0.9%	1.2%
Clients and service channels (#)					
Total clients	4,116,301	4,183,188	4,028,551	4,024,633	3,910,094
Digital clients	2,016,947	1,996,386	1,964,191	1,994,206	1,981,540
Current account holders (including Superdigital)	2,184,012	2,282,296	2,395,718	2,489,632	2,580,051
Branches	326	324	310	306	286
ATMs (includes depositary ATMs)	1,338	1,433	1,469	1,483	1,647
Employees	9,988	9,854	9,541	9,417	9,389
Market information (period-end)					
Net income per share (Ch$)	**1.23**	**1.25**	**1.52**	**0.98**	**0.54**
Net income per ADR (US$)	**0.58**	**0.64**	**0.66**	**0.41**	**0.25**
Stock price	34.25	44.31	37.05	33.82	33.95
ADR price	16.29	22.59	16.29	14.01	15.84
Market capitalization (USCh$ million)	7,674.00	10,661.00	7,750.00	6,788.77	7,462.00
Shares outstanding	188,446	188,446	188,446	188,446	188,446
ADRs (1 ADR = 400 shares)	471	471	471	471	471
Other Data					
Quarterly UF inflation rate[9]	3.0%	2.4%	4.3%	3.5%	2.5%
Central Bank monetary policy reference rate (nominal)	4.0%	7.0%	9.0%	10.8%	11.3%
Observed Exchange rate (Ch$/US$) (period-end)	854.48	784.19	922.12	969.28	855.00

1. Ratio = (Net Loans - portion of mortgages funded with long-term bonds) / (Time deposits + Demand deposits)
2. NIM = Net interest income annualized divided by interest earning assets
3. Efficiency ratio =Operating expenses / Operating income
4. Costs / assets = (Personnel expenses + Adm. Expenses + depreciation) / Total assets
5. Impaired loans include: (A) for loans individually evaluated for impairment, (i) the carrying amount of all loans to clients that are rated C1 through C6 and (ii) the carrying amount of loans to an individual client with a loan that is non-performing, regardless of category, excluding residential mortgage loans, if the past-due amount on the mortgage loan is less than 90 days; and (B) for loans collectively evaluated for impairment, (i) the carrying amount of total loans to a client, when a loan to that client is non-performing or has been renegotiated, excluding performing residential mortgage loans, and (ii) if the loan that is non-performing or renegotiated is a residential mortgage loan, all loans to that client.
6. Capital + future interest of all loans with one installment 90 days or more overdue.
7. Total installments plus lines of credit more than 90 days overdue.
8. Based on internal credit models and CMF guidelines. Banks must have a 100% coverage of risk index.
9. Calculated using the variation of the Unidad de Fomento (UF) in the period.