

# Banco Santander Chile

## 2Q22 Results

July 29, 2022



# Important information

Banco Santander Chile caution that this presentation 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: the information contained in this presentation is not audited and is presented in Chilean Bank GAAP which is similar to IFRS, but there are some differences. Please refer to our 2021 20-F filed with the SEC for an explanation of the differences between Chilean Bank GAAP and IFRS. Nevertheless, the consolidated accounts are prepared on the basis of generally accepted accounting principles. All figures presented are in nominal terms. Historical figures are not adjusted by inflation. 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.

### Román Blanco new CEO



On August 1, Román Blanco will take over as country head and CEO of the Bank. Román has 18 years of experience in the Group, which he joined in 2004 as Vice President of Banco Santander Banespa in Sao Paulo, Brazil, where he was assigned the task of strengthening the Group's presence in this market. In 2007, he was appointed president and CEO of Santander in Colombia, whose strategy led to significant value creation for Santander in that country. In 2012, he assumed the same responsibilities in Puerto Rico, and later was appointed as the CEO of Santander Bank, NA and Santander Holdings in Boston, United States. He was currently responsible for the Santander Group's operations in the Andean region and Uruguay. He is also a member of the Board of Directors of Santander Uruguay, Santander Peru and Santander Colombia.

# Agenda



Macro Update

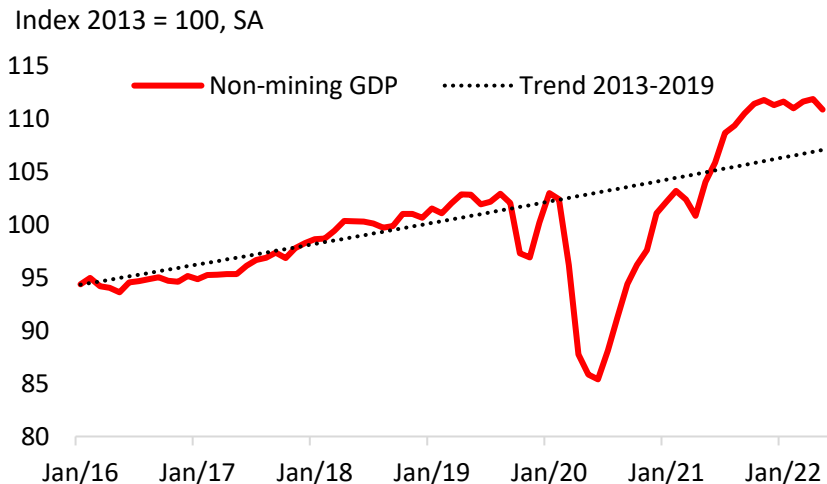
Strategic Initiatives

Balance Sheet and Results

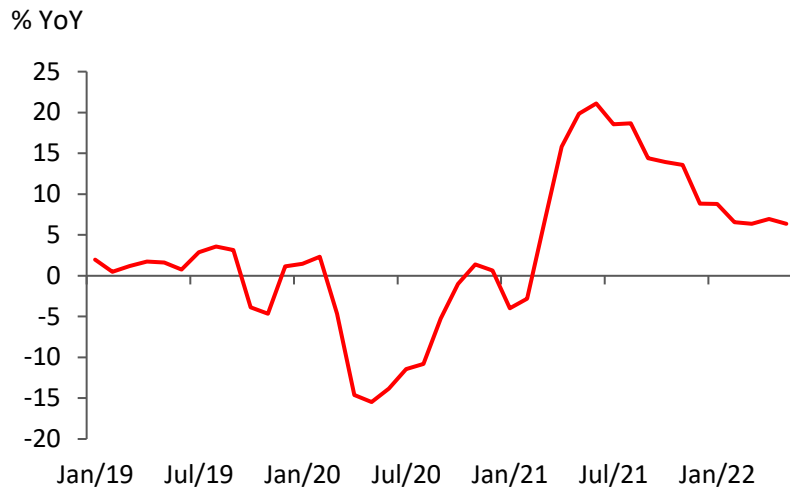
# Macroeconomic environment

## Slowdown in activity with higher inflation

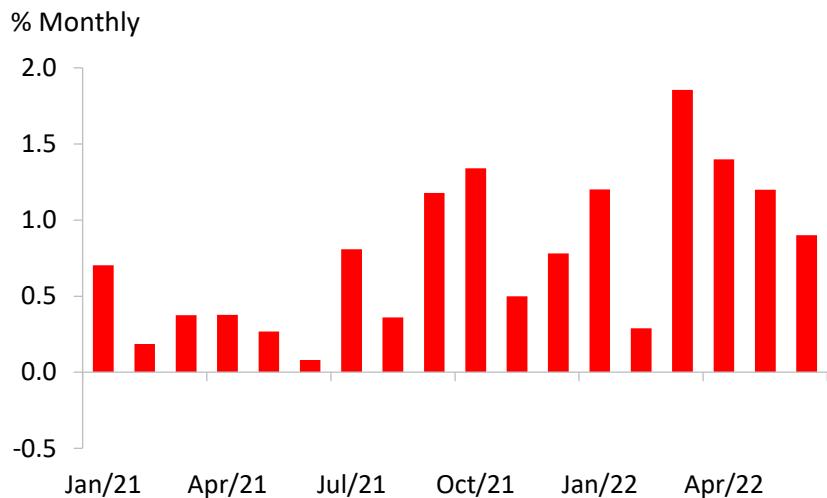
### Monthly activity and trend



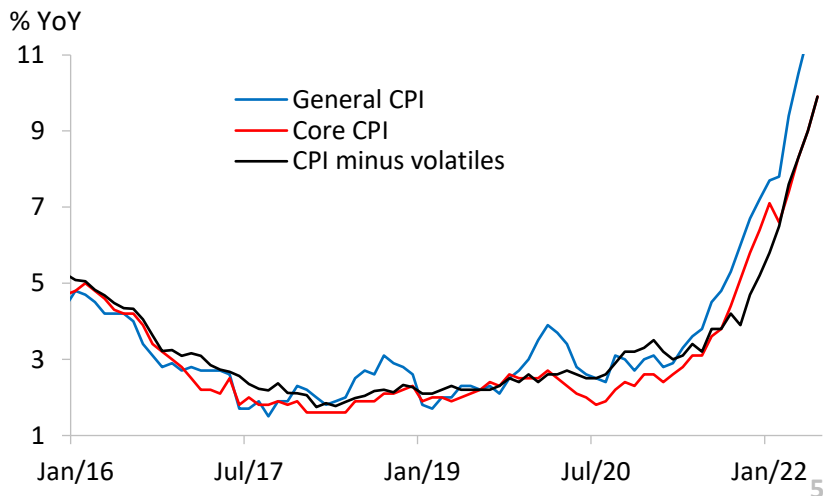
### Monthly growth



### Inflation



### Inflation

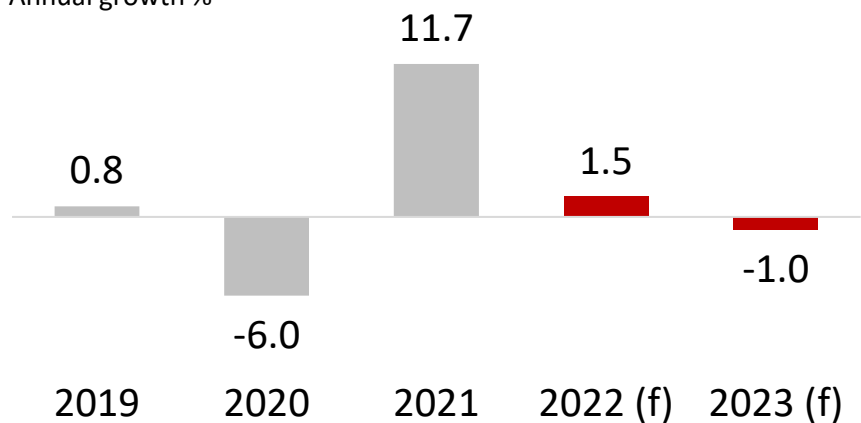


## Macroeconomic environment

**GDP will moderate to 1.5% in 2022 with higher inflation and interest rates**

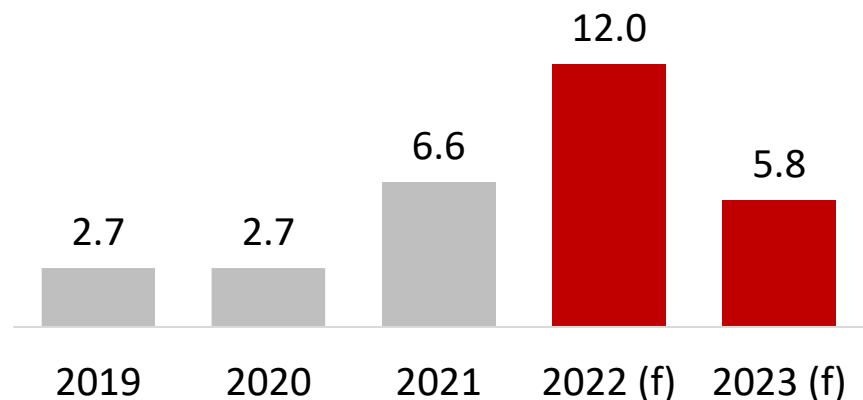
### GDP growth

Annual growth %



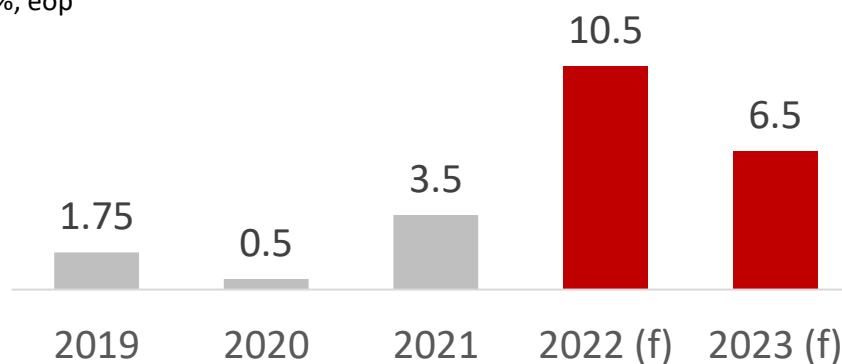
### Inflation

Annual change in UF inflation, %



### Monetary Policy Rate

%, eop



# Agenda

Macro Update

Strategic Initiatives

Balance Sheet and Results



## Strategic initiatives

*Maintain a high level of consumer satisfaction, increase the productivity of all channels, and be more efficient and profitable.*

Reactive loan growth in mass segment, rewarding positive financial behavior



Encourage bankerization of SMES and support micro entrepreneurs



More efficient and digital branches

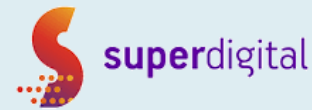


Become more sustainable through eco-friendly initiatives (i.e. Carbon footprint compensation)



RUN THE BANK

*Transform the Bank into a platform allowing clients to use the bank as a channel or as a software provider to develop business.*



Give access to digital economy



Increase SME access to banks and to the digital economy



First insurtech in Chile, platform to compare and purchase insurance



Comparison platform for auto insurance

CHANGE THE BANK



# Santander Life: rapid growth and monetization

## Surpassing 1 million clients!



Digital product for unbanked population that seeks to be part of a Bank, receiving merits for positive financial behavior (through credit and savings)

**US\$950 million**

In demand deposits

**US\$316 million**

In consumer credit<sup>1</sup>

**+68%**

Gross operational income  
Jun.22/Jun.21

**+30%**

Active clients

**+46%**

Loyal clients

### Life Clients

**86% are new clients**

**▲ 56%**

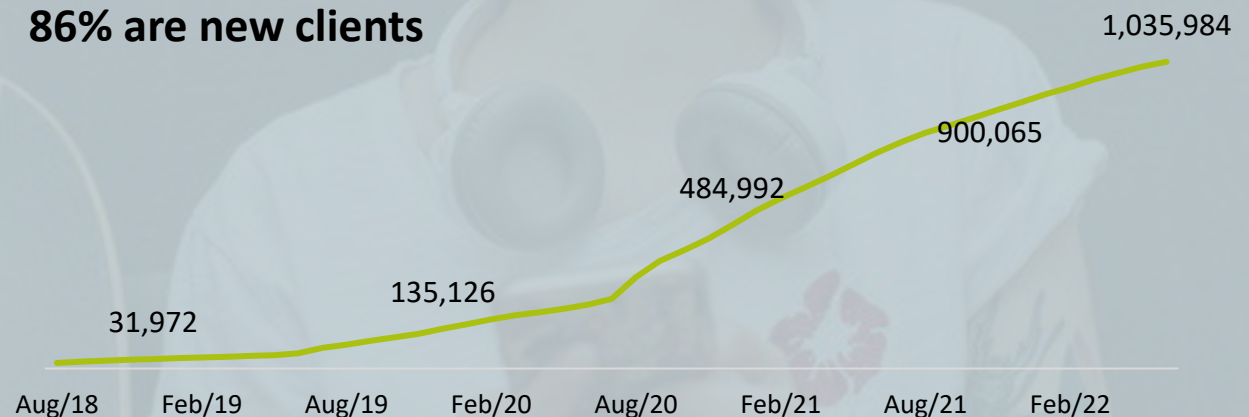
Consumer credit growth<sup>2</sup>

**▲ 44%**

Mutual funds growth<sup>2</sup>

**▲ 203%**

Time deposit growth<sup>2</sup>



1. Includes consumer, credit card 2. YoY growth in balance of each product, as of June 2022

# Superdigital: rapid growth among previously unbanked population

## Superdigital

Prepaid digital product for the unbanked population seeking a low-cost bank account

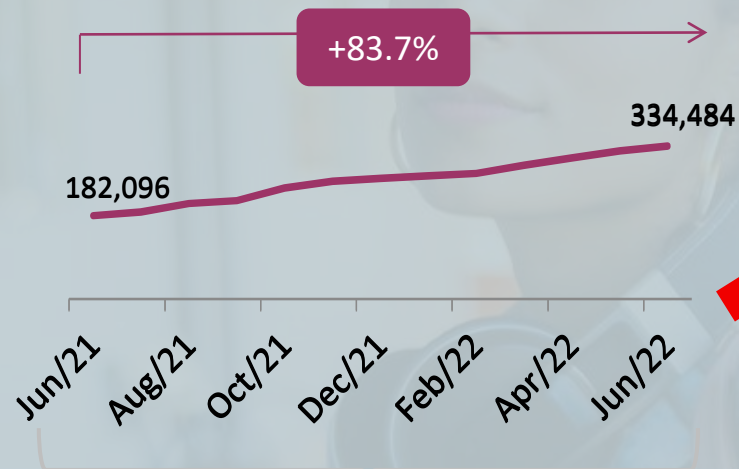
### Underserved population

4.5 million people with income < Ch\$400 thousand (U.S.\$ 7 thousand a year)

Traditional credit market 3.2 million people



### Superdigital clients



334,484  
Total SD clients

### ALLIANCES



Cornershop

Uber



UN Women, Mastercard & Microsoft to give digital tools for women entrepreneurs

# Getnet's success continues

Acquiring network that uses the four-part model to operate, offering a payments solution to businesses



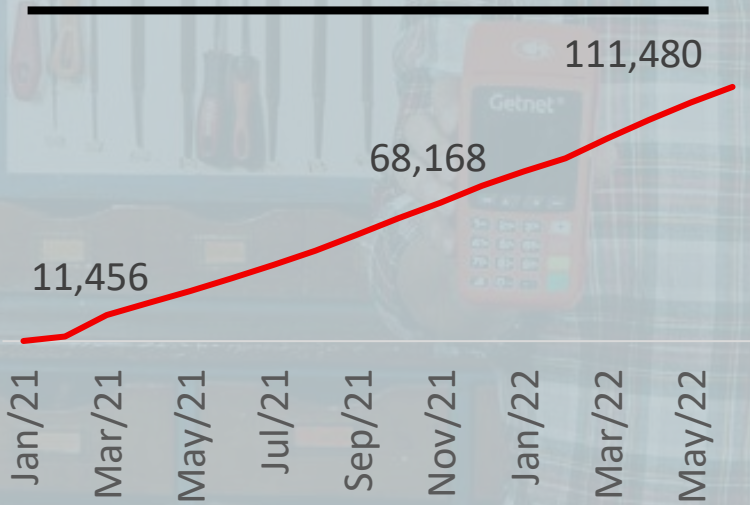
- Ecommerce launched in 1H22
- Market share of 14% of POS as market expands
- Breaking even in 2Q22.

By Santander



Imágenes de POS referenciales

## Total POS



**~111k**

POS sold

**94%**

Of clients are SMEs

**Ch\$318 billion**

Monthly sales through Getnet

**99%**

POS sold through the Bank's network

**Ch\$9 billion**

Fees during 6M22

Accepts all cards, with following brands:



## Supporting Micro entrepreneurs



Ch\$2,500 (monthly) +  
Ch\$ 19,990  
one-off for mPOS

For individuals that want a current account for their business

Includes:

- Debit card
- Digital platform
- Full use of domestic ATMs free-of-charge
- Unlimited free transfers
- No requirement of prior relationship with Santander or minimum sales
- No limit to balances of monthly deposits.

### mPOS

- Same-day sales deposit
- Collect payments from mobile phone
- Accepts all cards and payments in installments



First six months free  
and Ch\$10,000  
(monthly)

For companies that want a current account for their business



Government program which enables anyone to open a company in one day online.

These companies seek to open a no-fuss, 100% digital account that does not need any sales history.

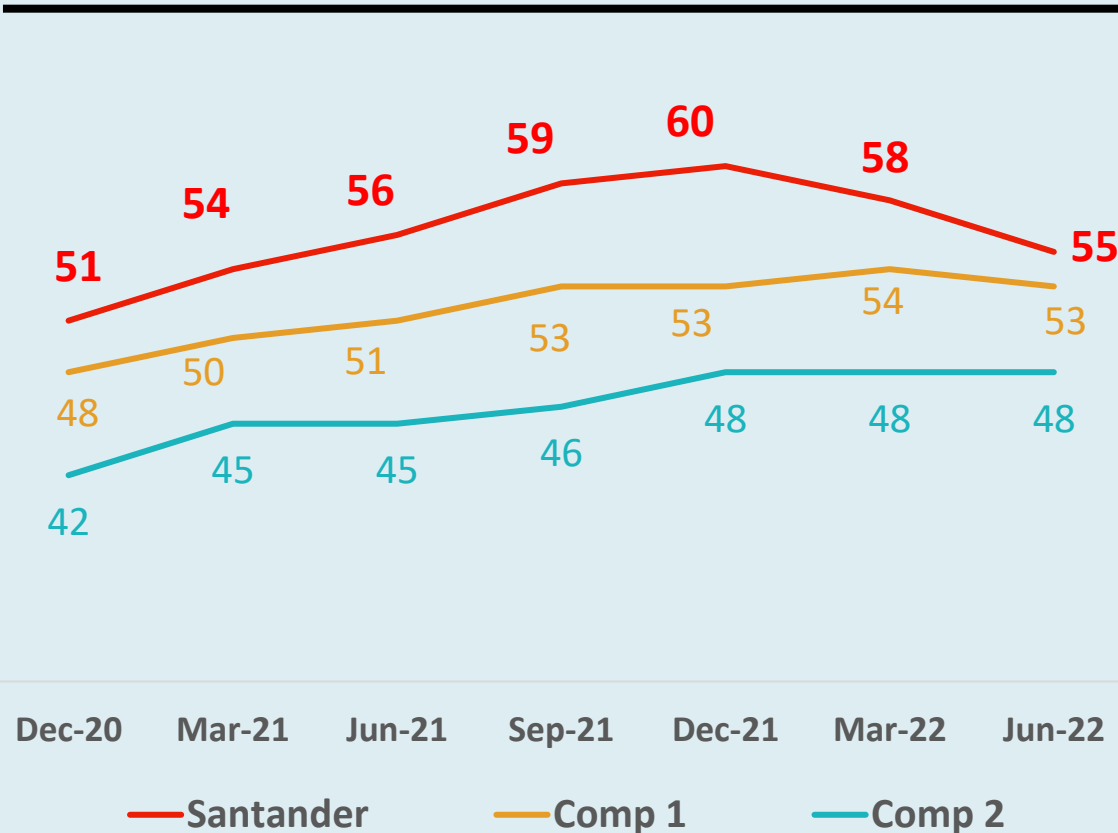
Includes:

- Current account with unlimited transfers and balance
- Use of Office Banking APP
- No requirement of prior relationship with Santander or minimum sales

Opened 100% online  
Both launched during 1Q2022

## Leading our competitors in NPS improvements

Net Promoter Score (NPS)<sup>1</sup>



**66**  
points  
Contact center

**69**  
points  
Web page

**69**  
points  
App



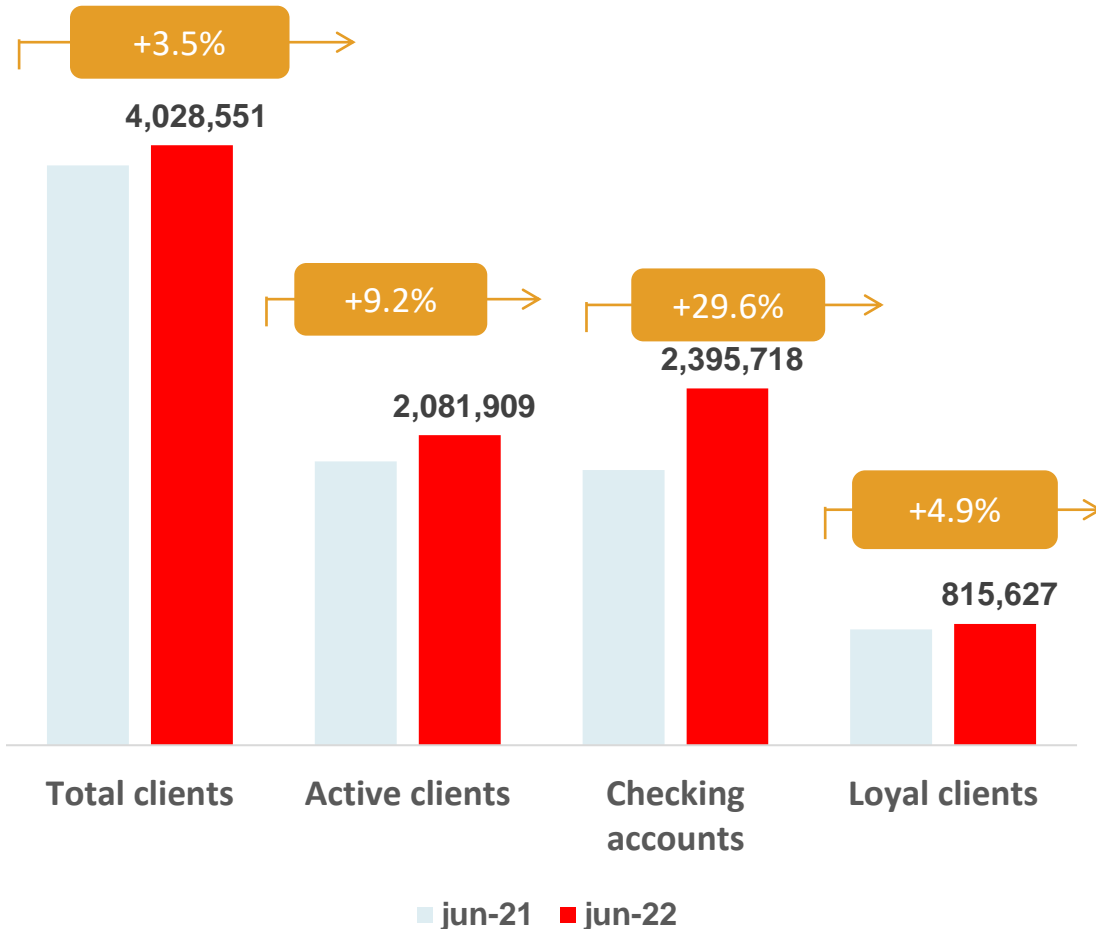
1.. Source: Study by Activa for Santander with a scope of 60,000 surveys to our own clients and over 1,200 surveys to each competitor's clients. Measures the Net Global Satisfaction and Net Promoter Score in three main aspects: service quality, product quality, and brand image. % of clients that value with grade 9 and 10 subtracted by clients that value with grade 1 through 6. Audited by an external provider.

## Strategic initiatives

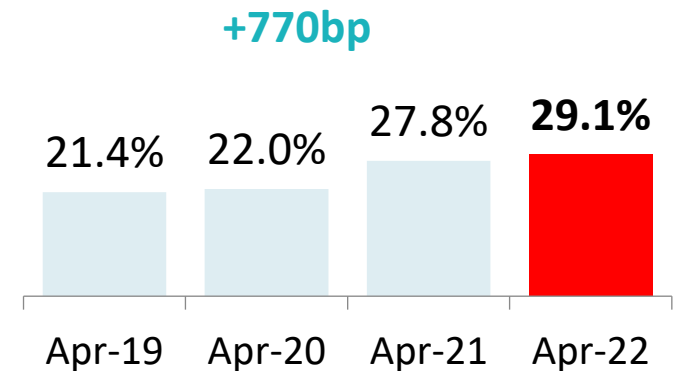
# Strong momentum in current account openings continues

### Evolution of client base<sup>1</sup>

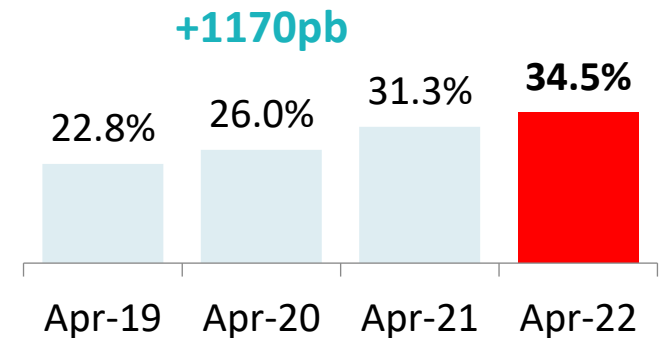
% chg Jun 2022/Jun 2021



### Current account market share Santander Chile<sup>2</sup>



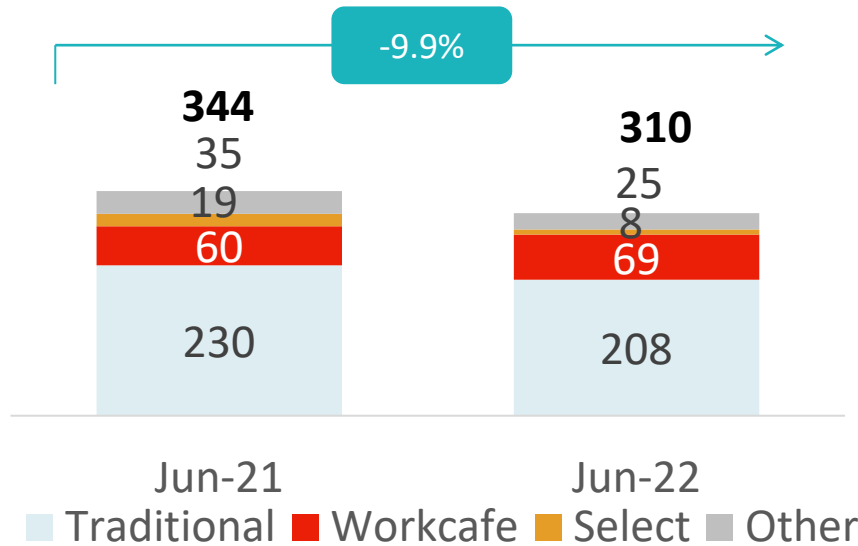
### US\$ Current account market share Santander Chile<sup>2</sup>



- Active clients: Clients that have a minimum average balance and/or transactionality. Checking accounts: Number of current account + Superdigital accounts. Loyal clients : Customers with 4 products plus a minimum profitability level and a minimum usage indicator, all differentiated by segment. SME +Middle-market cross-selling differentiated by client size using a point system that depends on number of products, usage of products and income net of risk.
- Source: CMF as of last available information as of April 2022.

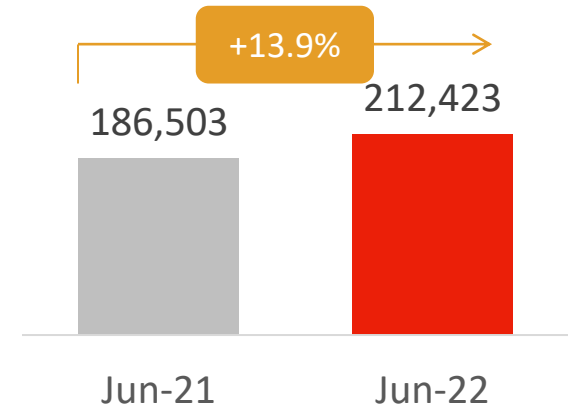
# Digital initiatives & Workcafé drives rise in productivity indicators

## Branches



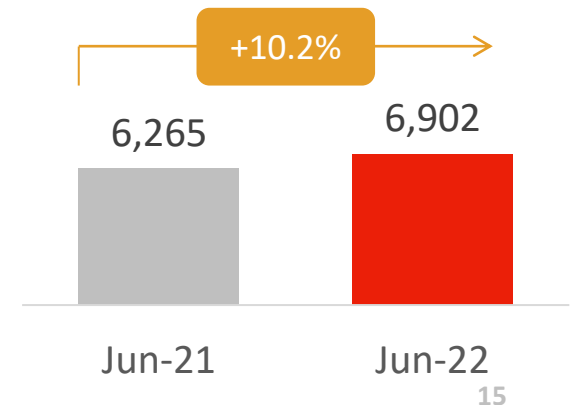
## Productivity per point of sale

Volumes<sup>1</sup> per point of sale, Ch\$mn



## Productivity per employee

Volumes<sup>1</sup> per point of sale, Ch\$mn



Work Café /   
Santander

COMUNIDAD



- Market place with over 6000 shops
- Job search facilities
- Work Café school
- Business tools- website design
- Informative talks
- No tellers
- Cash-less
- 3 x 1 ratio Front vs back personnel

1. Volumes= loans + deposits



# Progress with our 10 commitments of responsible banking

## Our commitments

1. Best Company to work for in Chile
2. Women in managerial positions
3. Eliminate gender pay gap
- 4. People financially empowered**
5. Sustainable financing
- 6. Energy from renewable sources**
7. Carbon neutral
8. Eliminate single-use plastics
9. Scholarships, internships, entrepreneurship programs
10. Support people through our community contribution programs

2,052,547 since 2019  
Target of 4 million by 2025

Our first solar plant will initiate operations in September, generating some 300kw. 3 more plants scheduled to start operations in 2022



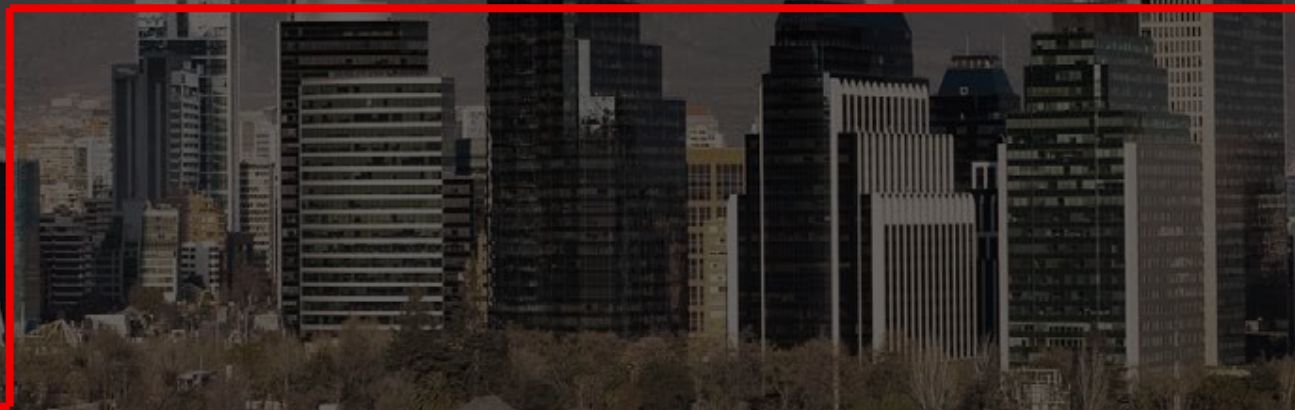


# Agenda

Macro Update

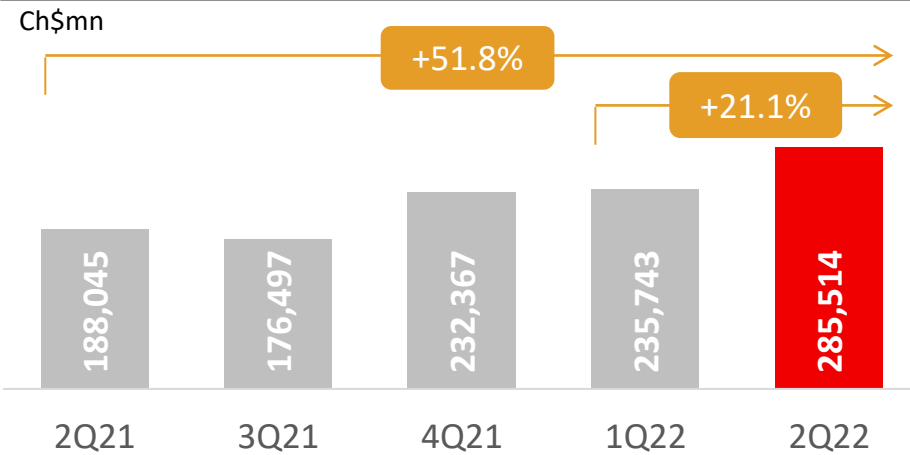
Strategic Initiatives

**Balance Sheet and Results**

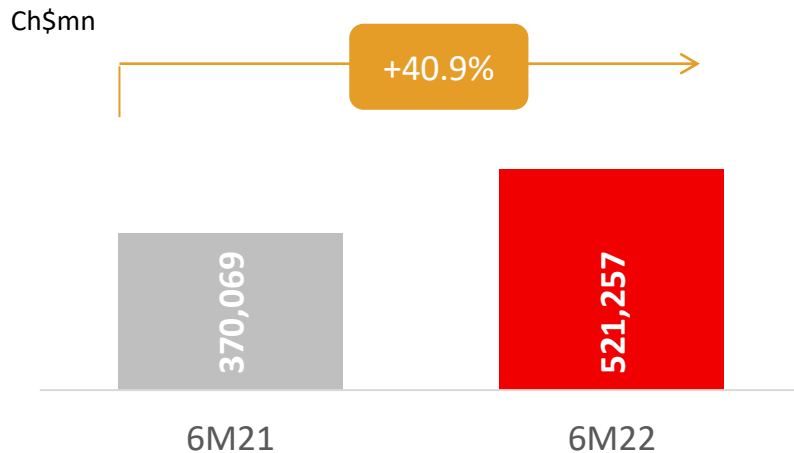


## Strong results in 2Q22 and 6M22

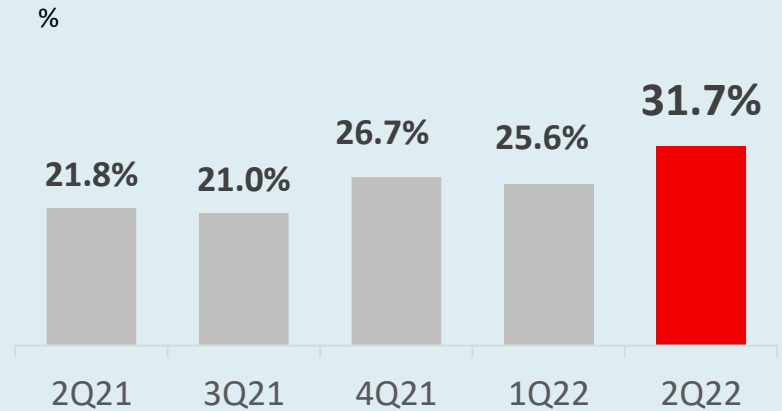
### Quarterly net income attributable to shareholders



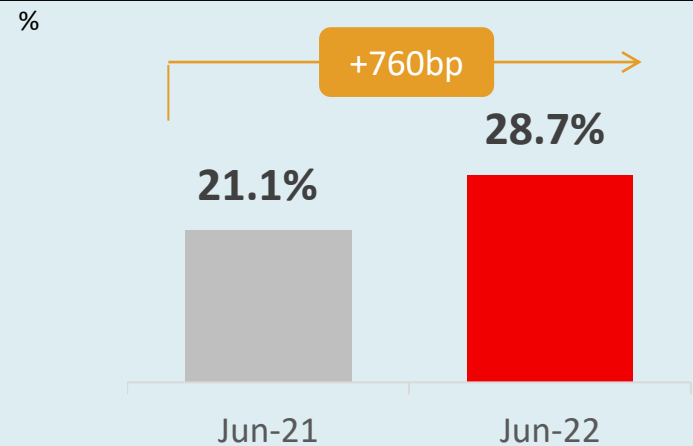
### YTD Net income attributable to shareholders



### Quarterly ROE

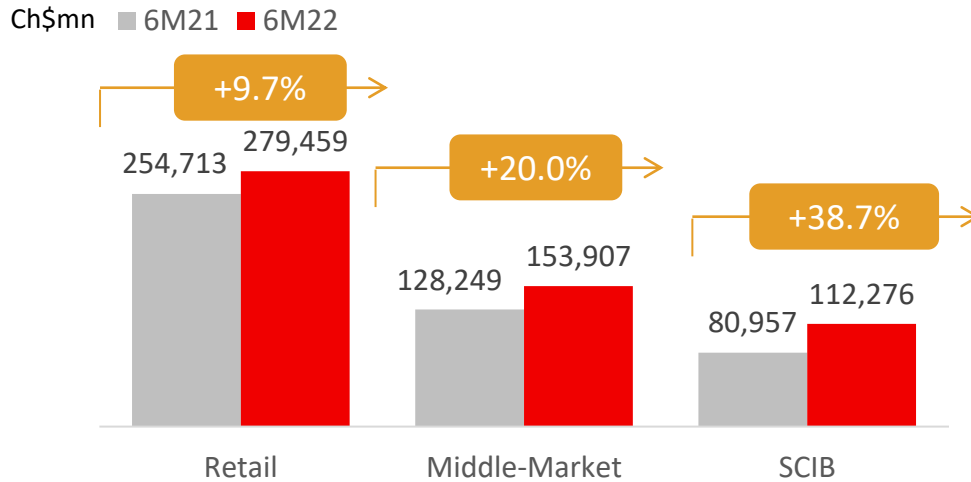


### YTD ROE

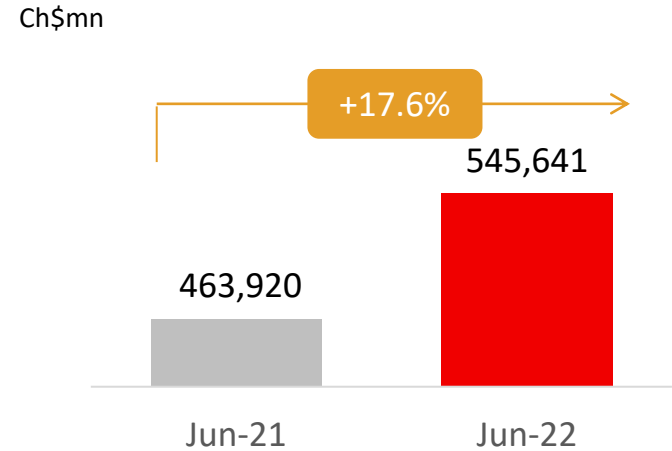


## Solid client results in 6M22

### YTD Net contribution by segment

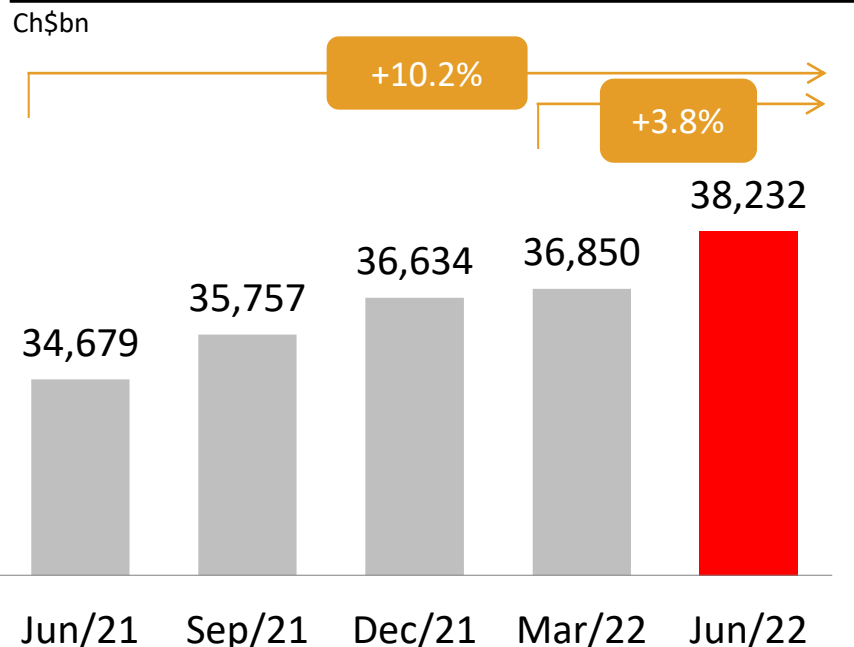


### YTD Net contribution from segments



## Loan growth led by corporates and consumer

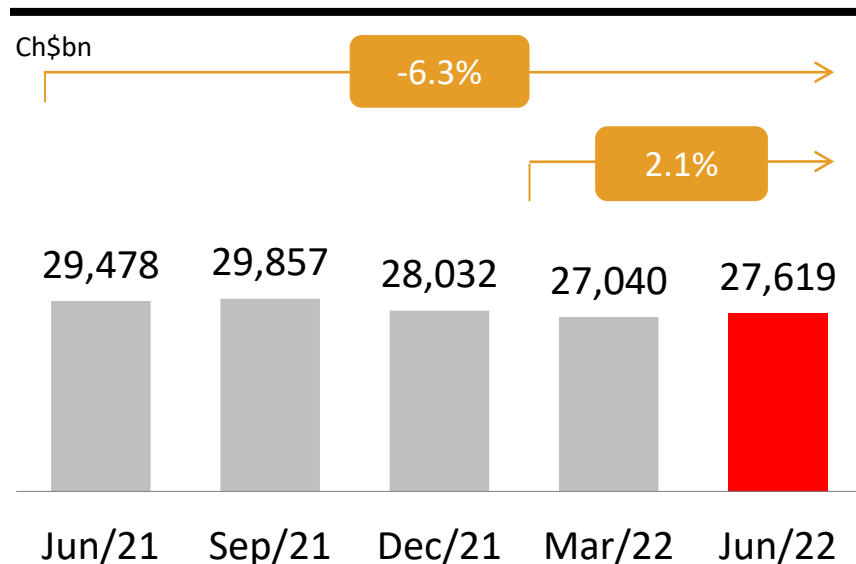
### Total Loans



Ch\$ bn	6M22	YoY	QoQ
Individuals <sup>1</sup>	22,249	11.8%	3.3%
Consumer	5,101	6.9%	1.5%
Auto loans <sup>2</sup>	836	51.0%	5.2%
Mortgages	14,723	13.5%	4.0%
SMEs	4,080	(17.2%)	(2.9%)
<b>Retail</b>	<b>26,329</b>	<b>6.0%</b>	<b>2.3%</b>
<b>Middle Market</b>	<b>9,077</b>	<b>10.2%</b>	<b>4.7%</b>
<b>Corporate (SCIB)</b>	<b>2,714</b>	<b>77.0%</b>	<b>12.8%</b>
<b>Total<sup>3</sup></b>	<b>38,232</b>	<b>10.2%</b>	<b>3.8%</b>

## As MPR increases clients begin to shift to time deposits

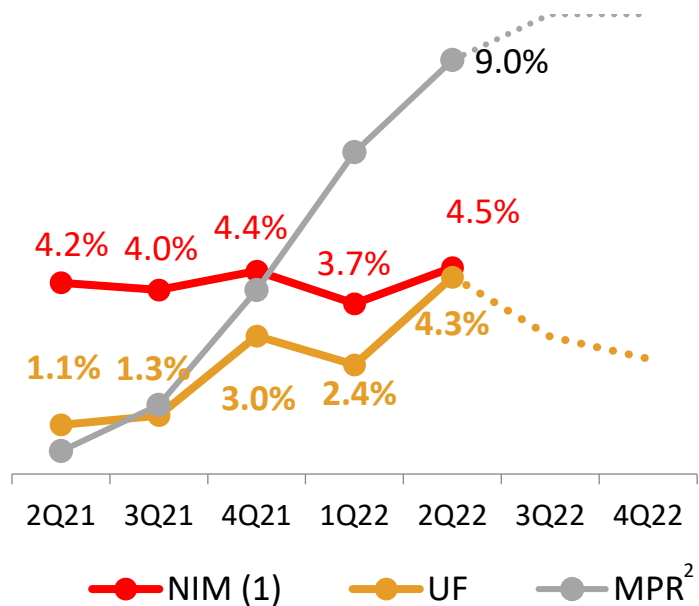
### Total Deposits



Ch\$ bn	6M22	YoY	QoQ
Demand deposits	15,726 (11.3%)		(6.8%)
Time deposits	11,893	1.2%	17.1%
<b>Total Deposits</b>	<b>27,619 (6.3%)</b>		<b>2.1%</b>
Mutual funds <sup>1</sup>	8,013 (3.5%)		3.1%
<b>LCR<sup>2</sup></b>	<b>153.3%</b>		

## NIM of 4.5% in the quarter despite increase in funding costs

### NIM<sup>1</sup> & Inflation



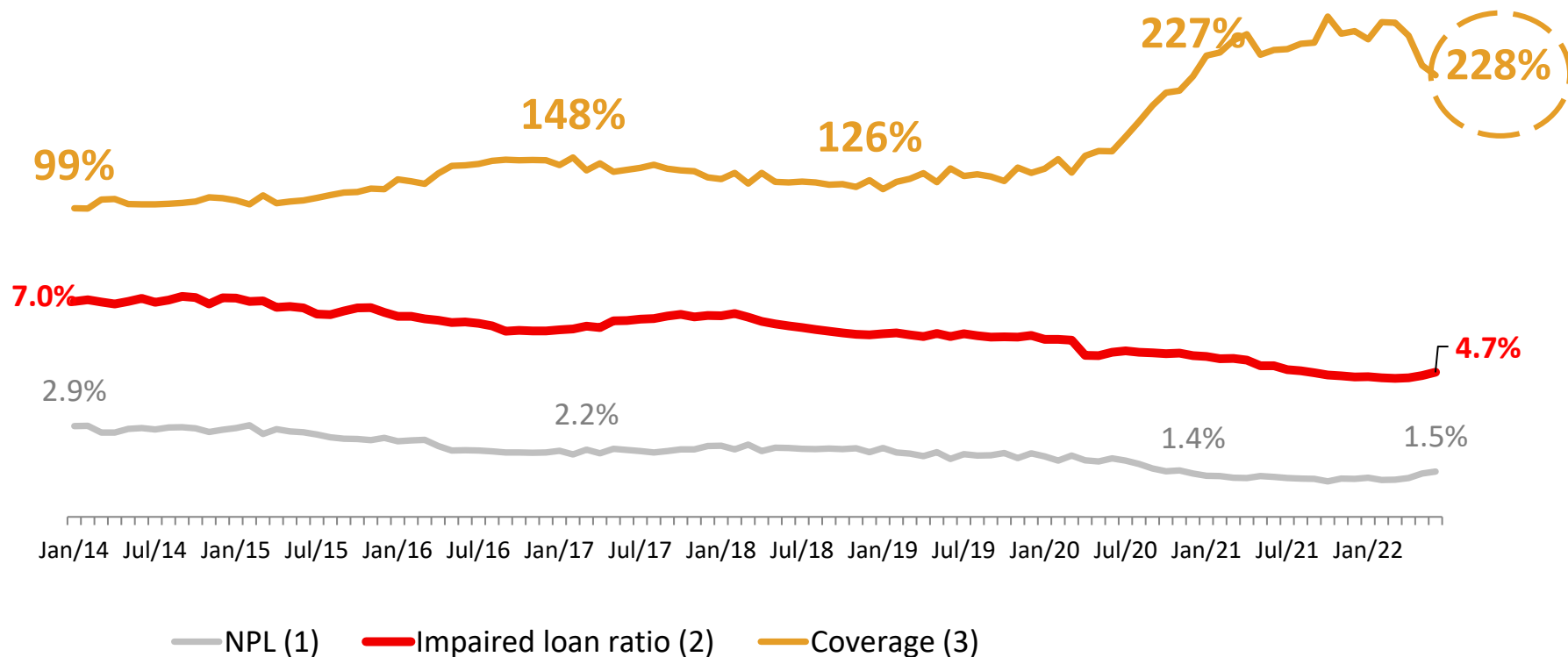
### Net interest income

Ch\$ bn	6M22	YoY	QoQ
<b>Net income from interest and readjustments</b>	958	11.7%	24.0%
Avg. Int. earning assets	46,858	12.7%	2.3%
Average loans	37,264	8.4%	2.3%
Int. earning asset yield <sup>3</sup>	7.9%	+287bp	+289bp
Cost of funds <sup>4</sup>	4.0%	+330bp	+218bp
<b>NIM YTD</b>	4.1%	-9bp	+78bp

1. Annualized Net interest income divided by average interest earning assets. 2. MPR: Monetary Policy Rate. 3. Annualized gross interest income divided by average interest earning assets. 4. Annualized interest expense divided by sum of average interest bearing liabilities, including non-interest bearing demand deposits.

## Asset quality remains at historically low levels

### NPLs, Impaired and coverage of NPLs

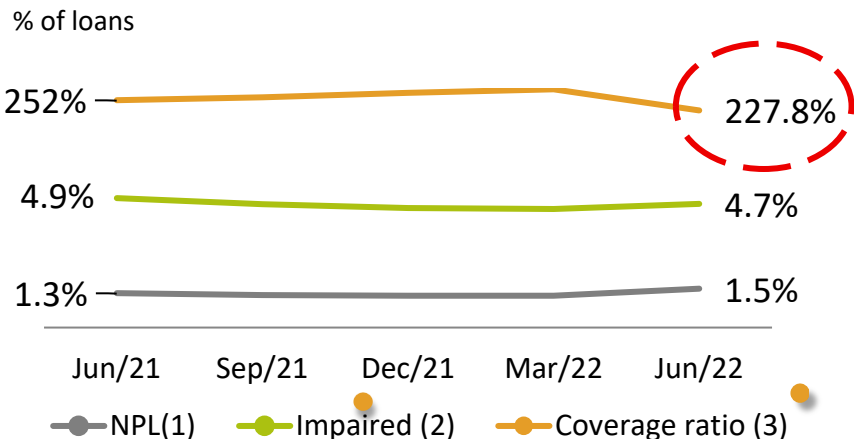


1. 90 days or more NPLs. 2. NPLs + restructured loans. 3. Loan loss reserves over NPLs, includes additional provisions of Ch\$16 billion in 4Q19, Ch\$110 billion 2020, Ch\$24 billion for 1Q21, Ch\$18 billion for 2Q21, Ch\$30 billion for 3Q21 and Ch\$60 billion for 4Q21. During the 1H22 there were no additional provision constituted.

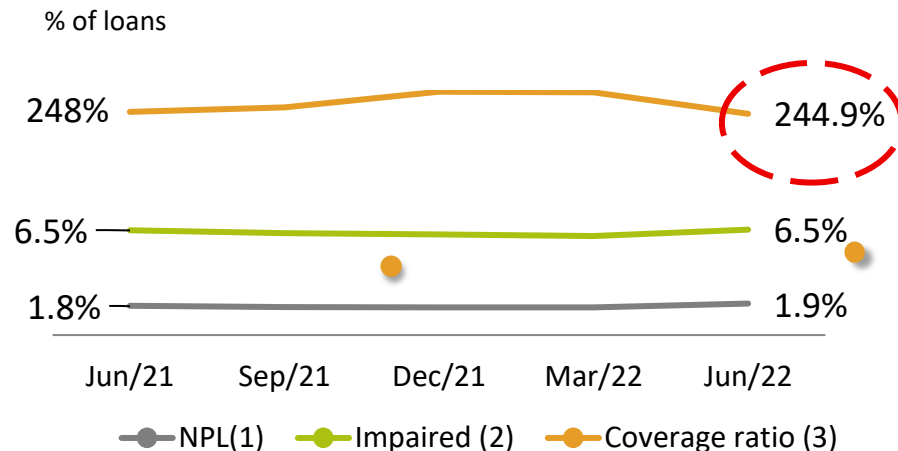
# Balance sheet & results

## Asset quality levels should gradually return to pre-pandemic levels

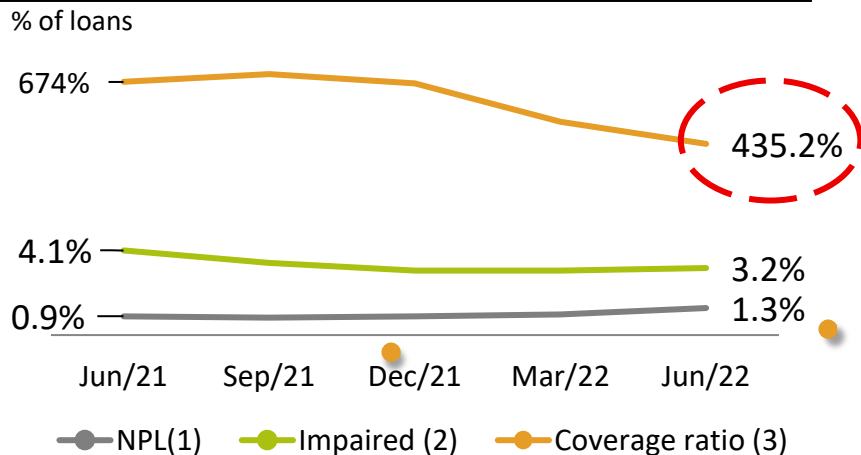
### Total loans



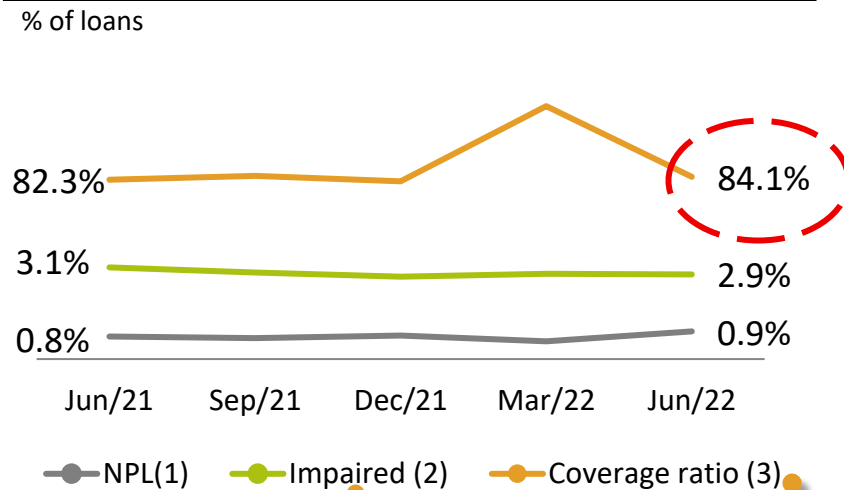
### Commercial loans



### Consumer loans



### Mortgage loans

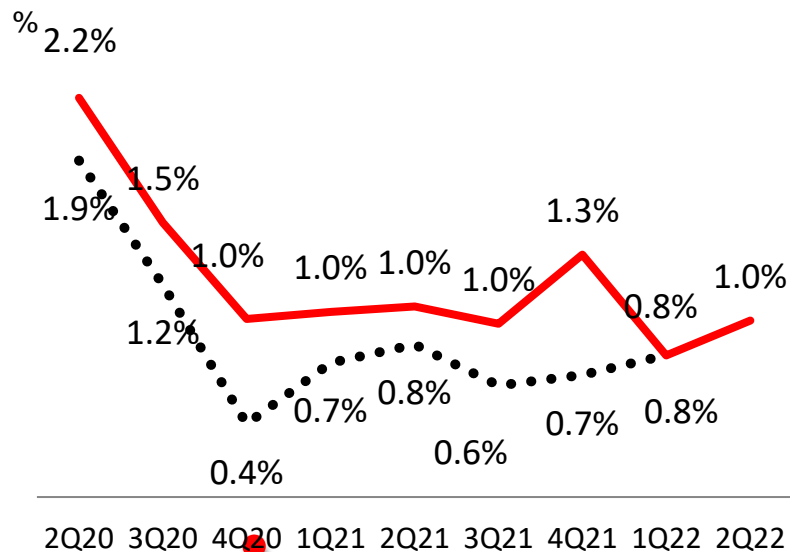


1. 90 days or more NPLs. 2. NPLs + restructured loans. 3. Loan loss reserves over NPLs, includes additional provisions of Ch\$16 billion in 4Q19, Ch\$110 billion 2020, Ch\$24 billion for 1Q21, Ch\$18 billion for 2Q21, Ch\$30 billion for 3Q21 and Ch\$60 billion for 4Q21. During the 1H22 there were no additional provision constituted.



## Cost of credit at 0.9% YTD

### Quarterly cost of risk<sup>1,2</sup>



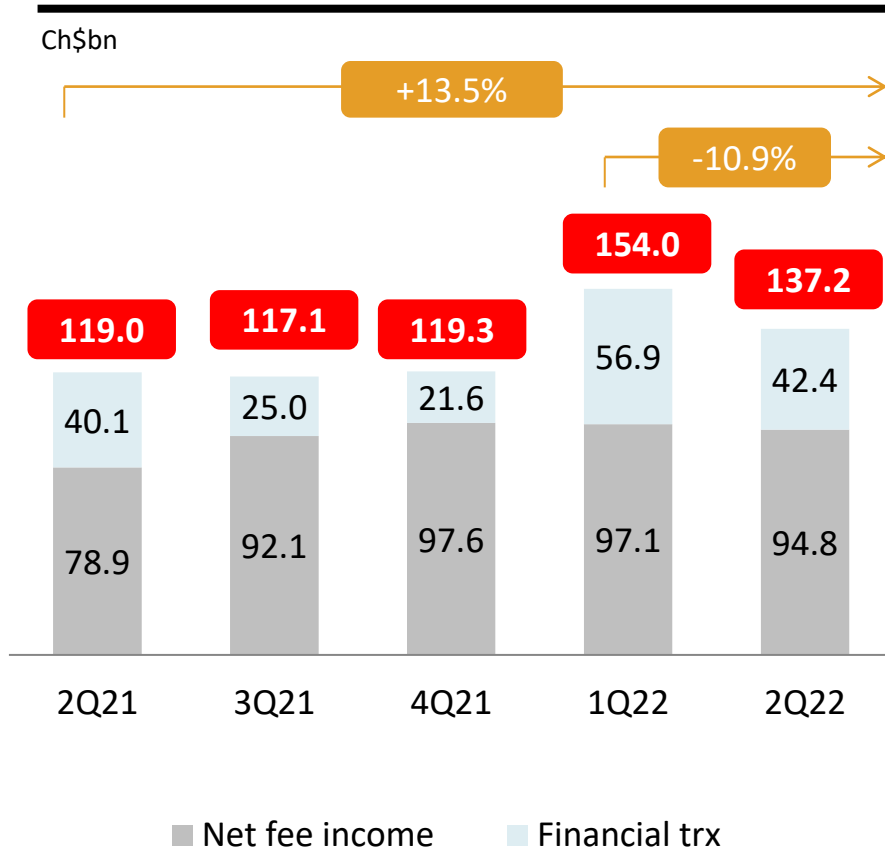
—●— Cost of risk ••• Adjusted Cost of Risk

### Provision for loan losses

Ch\$ bn	6M22	YoY	QoQ
Gross provisions and write-offs	(207.8)	(2.8%)	(74.3%)
Recoveries	45.2	26.8%	(64.7%)
<b>Provisions</b>	<b>(162.6)</b>	<b>(8.7%)</b>	<b>(76.2%)</b>
<b>Cost of risk(YTD)</b>	<b>0.9%</b>		

## Digital platforms drives client growth and fees

### Fees & financial transaction



### Fees

Ch\$ bn	6M22	YoY	QoQ
Card fees	48.2	7.1%	(10.8%)
Getnet	9.2	800.7%	71.0%
Asset management	27.1	20.8%	6.0%
Collection fees	26.7	111.7%	(10.2%)
Insurance brokerage	24.9	19.9%	27.5%
Checking accounts	24.1	29.2%	11.1%
Guarantees, cont. op.	17.4	(3.5%)	8.2%
Others	14.4	(42.5%)	(60.7%)
<b>Total</b>	<b>192.0</b>	<b>17.4%</b>	<b>(2.5%)</b>

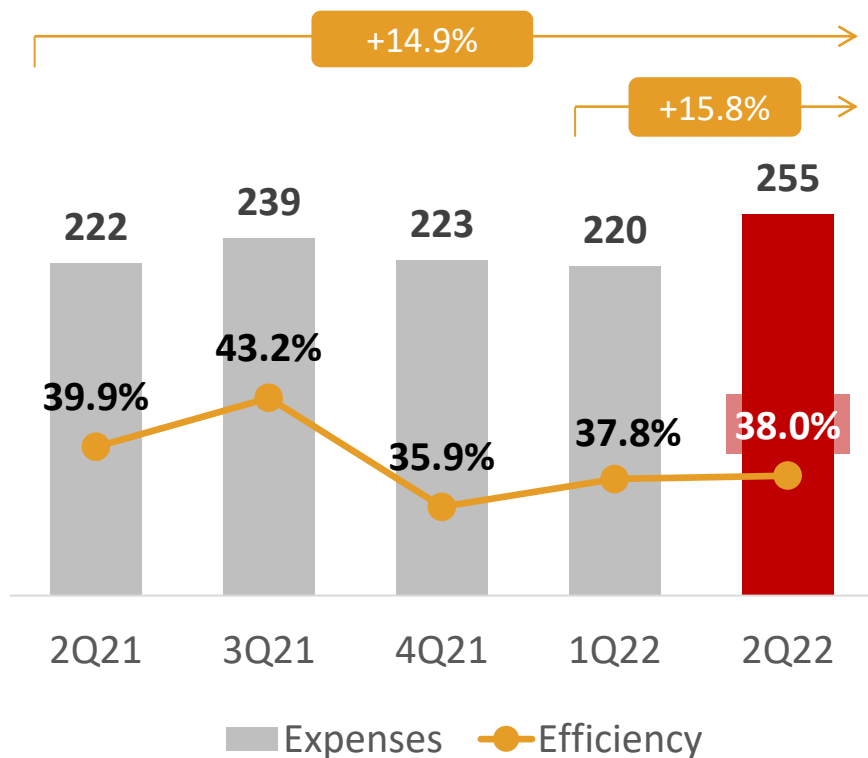
### Financial transactions, net

Ch\$ bn	6M22	YoY	QoQ
Client	104.8	20.3%	(9.6%)
Non-Client	-5.5	(68.9%)	(505.7%)
<b>Total</b>	<b>99.3</b>	<b>43.2%</b>	<b>(25.4%)</b>

## Efficiency at 37.9% YTD

### Operating expenses

Ch\$bn

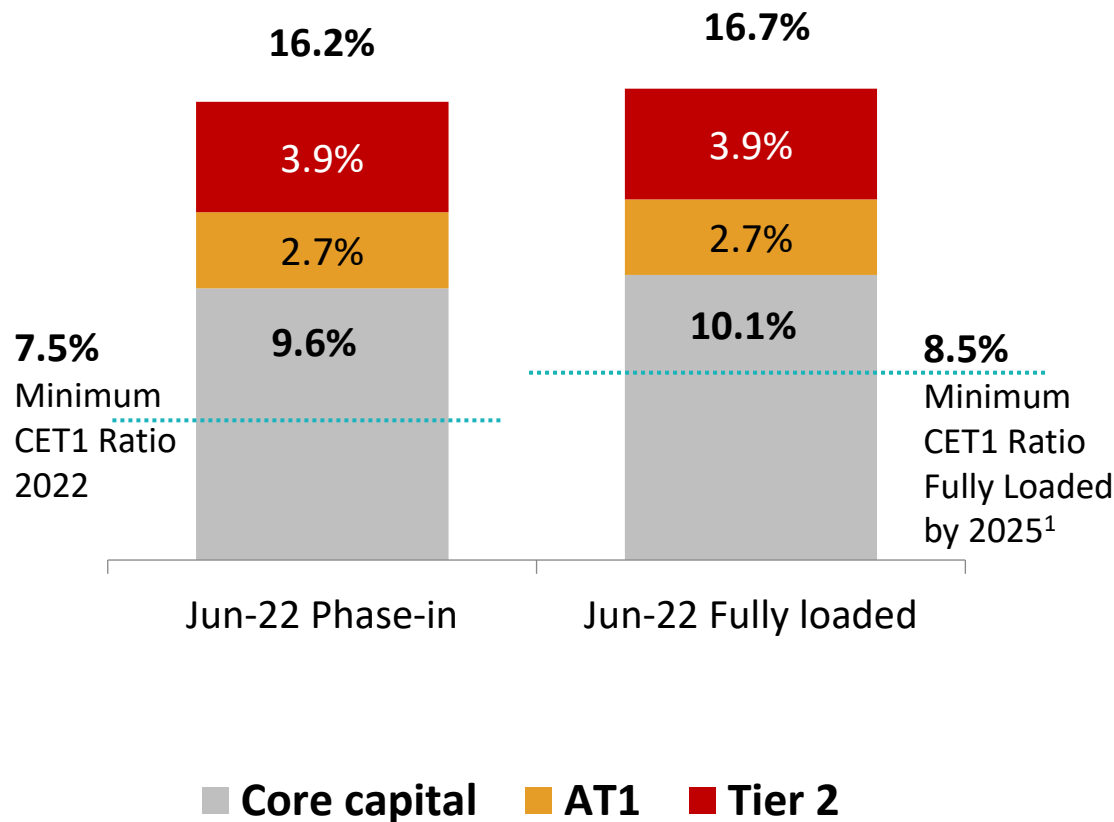


Ch\$ bn	6M22	YoY	QoQ
Personnel expenses	208.8	4.1%	14.1%
Administrative expenses	144.1	6.2%	2.8%
Depreciation	64.1	9.9%	2.7%
Other operating expenses	57.5	34.7%	92.3%
<b>Operating expenses<sup>1</sup></b>	<b>474.5</b>	<b>8.5%</b>	<b>15.8%</b>
<b>Efficiency ratio<sup>2</sup></b>	<b>37.9%</b>	<b>-932bp</b>	<b>+22bp</b>
<b>Costs/assets</b>	<b>1.5%</b>	<b>+5.9bp</b>	<b>+13bp</b>

US\$260 million investment plan for the years 2022-2024

## Healthy outlook for CET1 and total BIS III ratio

### Core capital & BIS Ratio



- › CET1: -60bp in 2Q22 mainly due to the payment of the annual dividend and depreciation of the peso
- › Tier I hedged to FX due to AT1
- › >10% CET1 by year-end
- › 50%-60% payout expected

### Outlook for 2022

- Strong quarter led by client activities and positive effects of higher inflation
- Strong client trends to continue in 2022
- Base assumptions:
  - GDP ~1.5%, Inflation ~ 12.0%, MPR 10.0% at year-end
- Loan growth: 8%-10% & NIMs: 3.5%-3.7%
- Non-NII: ~15% due to greater client activity
- Cost of risk: 0.90%-1.0%
- Costs: below inflation ~7%
- Effective tax rate: ~17%

**ROE expectation for 2022 = 21%-22%**

# Thank you.

Our purpose is to help people  
and business prosper.

Our culture is based on believing  
that everything we do should be:

## Simple Personal Fair



MEMBER OF  
**Dow Jones  
Sustainability Indices**  
In Collaboration with RobecoSAM ●



# Annexes

## Balance sheet

	Jun-22	Dec-21	Jun-22/Dec-21
<b>Assets</b>	<b>Ch\$ Million</b>		<b>% Chg.</b>
Cash and deposits in banks	2,890,381	2,881,557	0.3%
Cash items in process of collection	507,463	390,272	30.0%
Financial assets for trading at fair value through earnings	14,579,153	9,567,818	52.4%
<i>Financial derivative contracts</i>	14,495,254	9,494,470	52.7%
<i>Financial debt instruments</i>	83,899	73,348	14.4%
Financial assets at fair value through other comprehensive income	6,020,627	5,900,278	2.0%
<i>Financial debt instruments</i>	5,945,398	5,800,861	2.5%
<i>Other financial instruments</i>	75,229	99,418	-24.3%
Financial derivative contracts for hedge accounting	894,425	629,136	42.2%
Financial assets at amortized cost	41,722,124	40,262,247	3.6%
<i>Investments under resale agreements</i>	-	-	-%
<i>Financial debt instruments</i>	4,581,663	4,691,730	-2.3%
<i>Interbank loans, net</i>	12	428	-97.2%
<i>Loans and account receivables from customers-Commercial</i>	17,684,096	17,033,448	3.8%
<i>Loans and account receivables from customers-Mortgage</i>	14,617,466	13,802,214	5.9%
<i>Loans and account receivables from customers-Consumer</i>	4,838,886	4,734,428	2.2%
Investments in associates and other companies	41,264	37,695	9.5%
Intangible assets	93,326	95,411	(2.2%)
Property, plant and equipment	173,857	190,291	(8.6%)
Assets with leasing rights	180,136	184,529	(2.4%)
Current taxes	8,304	124,348	(93.3%)
Deferred taxes	321,619	748,574	(57.0%)
Other assets	3,424,991	2,929,997	16.9%
Non-current assets and groups for sale	26,769	22,207	20.5%
<b>TOTAL ASSETS</b>	<b>70,884,440</b>	<b>63,964,359</b>	<b>10.8%</b>



## Balance sheet

	Jun-22	Dec-21	Jun-22/Dec-21
	Ch\$ Million		% Chg.
<b>LIABILITIES</b>			
Cash items in process of being cleared	426,556	379,935	12.3%
Financial liabilities for trading at fair value through earnings	14,222,893	9,507,032	49.6%
<i>Financial derivative contracts</i>	14,222,893	9,507,032	49.6%
Financial derivative contracts for hedge accounting	2,382,889	1,364,210	74.7%
Financial liabilities at amortized cost	44,989,235	44,063,519	2.1%
<i>Deposits and other demand liabilities</i>	15,725,629	17,900,917	(12.2%)
<i>Time deposits and other time liabilities</i>	11,893,299	10,131,056	17.4%
<i>Obligations under repurchase agreements</i>	811,731	86,635	837.0%
<i>Interbank borrowings</i>	9,243,716	8,826,582	4.7%
<i>Issued debt instruments</i>	7,013,641	6,935,423	1.1%
<i>Other financial liabilities</i>	301,219	182,906	64.7%
Obligations for leasing contracts	140,180	139,794	0.3%
Financial instruments of issued regulatory capital	2,297,706	2,053,589	11.9%
Provisions for contingencies	159,342	165,563	(3.8%)
Provisions for dividend, payment of interest and re-appreciation of financial instruments of issued regulatory capital	161,539	238,770	(32.3%)
Special provisions for credit risk	294,596	288,984	1.9%
Current taxes	1,995	-	--%
Deferred taxes	1,836	421,274	(99.6%)
Other liabilities	2,114,960	1,612,411	31.2%
<b>TOTAL LIABILITIES</b>	<b>67,193,727</b>	<b>60,235,082</b>	<b>11.6%</b>
<b>EQUITY</b>			
Capital	891,303	891,303	0.0%
Reserves	2,871,772	2,557,815	12.3%
Accumulated other comprehensive income	(520,608)	(354,364)	46.9%
<i>Elements that will not be reclassified to earnings</i>	592	576	2.9%
<i>Elements that can be reclassified to earnings</i>	(521,200)	(354,940)	46.8%
Retained earnings from prior years	(13,765)	0	(31274675.1%)
Income from the period	521,257	778,933	(33.1%)
Provisions for dividend, payment of interest and re-appreciation of financial instruments of issued regulatory capital	(161,539)	(238,770)	(32.3%)
<b>Total Shareholders' Equity</b>	<b>3,588,420</b>	<b>3,634,917</b>	<b>(1.3%)</b>
Non-controlling interest	102,293	94,360	8.4%
<b>EQUITY</b>	<b>3,690,712</b>	<b>3,729,277</b>	<b>(1.0%)</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>70,884,440</b>	<b>63,964,359</b>	<b>10.8%</b>

# Annexes

## Income statement YTD

	Jun-22	Jun-21	Jun-22/Jun-21
	Ch\$ Million		% Chg.
Interest income	1,177,532	887,972	32.6%
Interest expense	(824,396)	(147,060)	460.6%
<b>Net interest income</b>	<b>353,136</b>	<b>740,912</b>	<b>(52.3%)</b>
Readjustment income	682,943	166,192	310.9%
Readjustment expense	(78,527)	(49,606)	58.3%
<b>Net readjustment income</b>	<b>604,416</b>	<b>116,586</b>	<b>418.4%</b>
<b>Net income from interest and readjustment</b>	<b>957,551</b>	<b>857,498</b>	<b>11.7%</b>
Fee and commission income	346,064	268,758	28.8%
Fee and commission expense	(154,095)	(105,169)	46.5%
<b>Net fee and commission income</b>	<b>191,969</b>	<b>163,589</b>	<b>17.3%</b>
<i>Financial assets not for trading</i>	(58,613)	7,029	(933.8%)
<i>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</i>	16,113	2,231	622.1%
<i>Changes, readjustments and hedge accounting in foreign currency</i>	141,756	60,029	136.1%
<b>Net financial result</b>	<b>99,256</b>	<b>69,290</b>	<b>43.2%</b>
Income from investments in associates and other companies	4,393	925	375.0%
Results from non-current assets and non-continued operations	(1,953)	841	(332.2%)
Other operating income	1,241	740	67.6%
<b>Total operating income</b>	<b>1,252,458</b>	<b>1,092,883</b>	<b>14.6%</b>
Personnel expenses	(208,797)	(200,659)	4.1%
Administrative expenses	(144,102)	(135,686)	6.2%
Depreciation and amortization	(64,083)	(58,324)	9.9%
Impairment of non-financial assets	-	-	-%
Other operating expenses	(57,534)	(42,712)	34.7%
<b>Total operating expenses</b>	<b>(474,516)</b>	<b>(437,381)</b>	<b>8.5%</b>
Operating results before credit losses	777,942	655,502	18.7%
<i>Expense for provisions established for credit risk of loans at amortized cost</i>	(202,695)	(169,003)	19.9%
<i>Expense for special provisions for credit risk</i>	(4,797)	(44,814)	(89.3%)
<i>Recovery of written-off loans</i>	45,246	35,674	26.8%
<i>Impairment for credit risk for other financial assets at amortized cost and financial assets at fair value through other comprehensive income</i>	(356)	75	(575.1%)
<b>Credit loss expenses</b>	<b>(162,602)</b>	<b>(178,068)</b>	<b>(8.7%)</b>
<b>Net income from ordinary activities before tax</b>	<b>615,340</b>	<b>477,434</b>	<b>28.9%</b>
Income tax	(86,146)	(103,584)	(16.8%)
<b>Consolidated income for the period</b>	<b>529,194</b>	<b>373,850</b>	<b>41.6%</b>
<b>Income attributable to shareholders</b>	<b>521,257</b>	<b>370,069</b>	<b>40.9%</b>
<b>Income attributable to non-controlling interest</b>	<b>7,937</b>	<b>3,781</b>	<b>109.9%</b>

# Annexes

## Quarterly income statement

	2Q22	1Q22	2Q21	2Q22/2Q21	2Q22/1Q22
	\$ Million			% Chg.	
Interest income	662,085	515,447	445,010	48.8%	28.4%
Interest expense	(530,757)	(293,639)	(69,932)	659.0%	80.8%
<b>Net interest income</b>	<b>131,328</b>	<b>221,808</b>	<b>375,077</b>	<b>(65.0%)</b>	<b>(40.8%)</b>
Readjustment income	447,648	235,295	84,109	432.2%	90.3%
Readjustment expense	(48,891)	(29,636)	(25,386)	92.6%	65.0%
<b>Net readjustment income</b>	<b>398,757</b>	<b>205,658</b>	<b>58,723</b>	<b>579.0%</b>	<b>93.9%</b>
<b>Net income from interest and readjustment</b>	<b>530,085</b>	<b>427,466</b>	<b>433,800</b>	<b>22.2%</b>	<b>24.0%</b>
Fee and commission income	173,935	172,129	135,709	28.2%	1.0%
Fee and commission expense	(79,112)	(74,983)	(54,736)	44.5%	5.5%
<b>Net fee and commission income</b>	<b>94,823</b>	<b>97,147</b>	<b>80,973</b>	<b>17.1%</b>	<b>(2.4%)</b>
Financial assets not for trading	(76,319)	17,706	(18,455)	313.5%	(531.0%)
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	2,021	14,092	3,005	(32.7%)	(85.7%)
Changes, readjustments and hedge accounting in foreign currency	116,696	25,060	55,529	110.2%	365.7%
<b>Net financial result</b>	<b>42,398</b>	<b>56,858</b>	<b>40,079</b>	<b>5.8%</b>	<b>(25.4%)</b>
Income from investments in associates and other companies	3,033	1,360	622	387.8%	123.0%
Results from non-current assets and non-continued operations	(1,053)	(900)	594	(277.4%)	17.0%
Other operating income	1,020	221	313	226.3%	361.1%
<b>Total operating income</b>	<b>670,307</b>	<b>582,152</b>	<b>556,380</b>	<b>20.5%</b>	<b>15.1%</b>
Personnel expenses	(111,251)	(97,546)	-103,789	7.2%	14.1%
Administrative expenses	(73,059)	(71,043)	-66,264	10.3%	2.8%
Depreciation and amortization	(32,469)	(31,614)	-30,595	6.1%	2.7%
Impairment of non-financial assets	-	-	-	-%	-%
Other operating expenses	(37,848)	(19,686)	-21,486	76.2%	92.3%
<b>Total operating expenses</b>	<b>(254,628)</b>	<b>(219,889)</b>	<b>(222,134)</b>	<b>14.6%</b>	<b>15.8%</b>
Operating results before credit losses	415,679	362,263	334,246	24.4%	14.7%
Expense for provisions established for credit risk of loans at amortized cost	(116,081)	(86,614)	-88,768	30.8%	34.0%
Expense for special provisions for credit risk	(1,879)	(2,918)	-20,599	(90.9%)	(35.6%)
Recovery of written-off loans	27,146	18,100	18,738	44.9%	50.0%
Impairment for credit risk for other financial assets at amortized cost and financial assets at fair value through other comprehensive income	(341)	(15)	105	(424.9%)	2156.6%
Credit loss expenses	(91,155)	(71,447)	(90,524)	0.7%	27.6%
<b>Net income from ordinary activities before tax</b>	<b>324,525</b>	<b>290,816</b>	<b>243,539</b>	<b>33.3%</b>	<b>11.6%</b>
Income tax	(35,036)	(51,110)	-53970	(35.1%)	(31.5%)
<b>Consolidated income for the period</b>	<b>289,488</b>	<b>239,706</b>	<b>189,569</b>	<b>52.7%</b>	<b>20.8%</b>
<b>Income attributable to shareholders</b>	<b>285,514</b>	<b>235,743</b>	<b>188045</b>	<b>51.8%</b>	<b>21.1%</b>
Income attributable to non-controlling interest	3,974	3,963	1,524	160.7%	0.3%

## Annexes: Key Indicators

Profitability and efficiency	Jun-22	Jun-21	Variation bp
Net interest margin (NIM) <sup>5</sup>	4.1%	4.1%	(5)
Efficiency ratio <sup>6</sup>	37.9%	40.0%	(213)
Return on avg. equity <sup>7</sup>	28.7%	21.1%	757
Return on avg. assets <sup>8</sup>	1.6%	1.3%	31
Return on RWA <sup>9</sup>	2.8%	2.2%	61

Asset quality ratios (%)	Jun-22	Jun-21	Variation bp
NPL ratio <sup>10</sup>	1.5%	1.3%	18
Coverage of NPLs ratio <sup>11</sup>	227.8%	252.2%	(2,444)
Cost of credit <sup>12</sup>	0.9%	1.0%	(16)

Clients and service channels	Jun-22	Jun-21	Variation %
Total clients	4,028,551	3,893,309	3.5%
Current account holders (including Superdigital)	2,395,718	1,848,457	29.6%
Loyal clients <sup>13</sup>	1,964,191	1,867,167	5.2%
Digital clients <sup>14</sup>	815,627	777,664	4.9%
Branches	310	344	(9.9%)
Employees	9,541	10,240	(6.8%)
Market capitalization (YTD)	Jun-22	Jun-21	Variation %
Net Income per share (Ch\$)	2.77	1.96	40.9%
Net Income per ADR (US\$)	1.20	1.07	11.8%
Stock price (Ch\$/per share)	37.05	36.31	2.0%
ADR price (US\$ per share)	16.29	19.87	(18.0%)
Market capitalization (US\$mn)	7,750	9,361	(17.2%)
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.

8. Provision expense annualized divided by average loans.

9. Individual clients that have 4 products or more with a minimum level of profitability and minimum usage. Companies with a minimum profitability and usage.

10. Clients that use our digital clients at least once a month.