

# Banco Santander Chile

## 4Q22 results

February 3, 2023



# 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.

# Agenda

Macro Update

Business segments

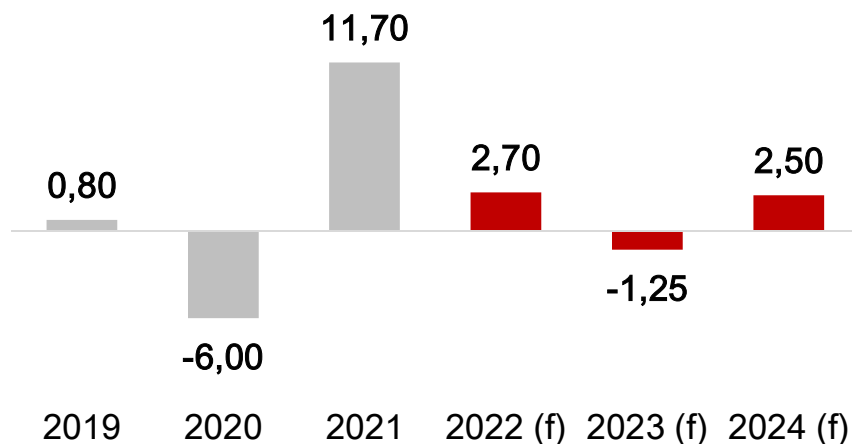
Balance Sheet and Results

# Macroeconomic environment

## Soft landing in 2023 / rate hikes should be finished

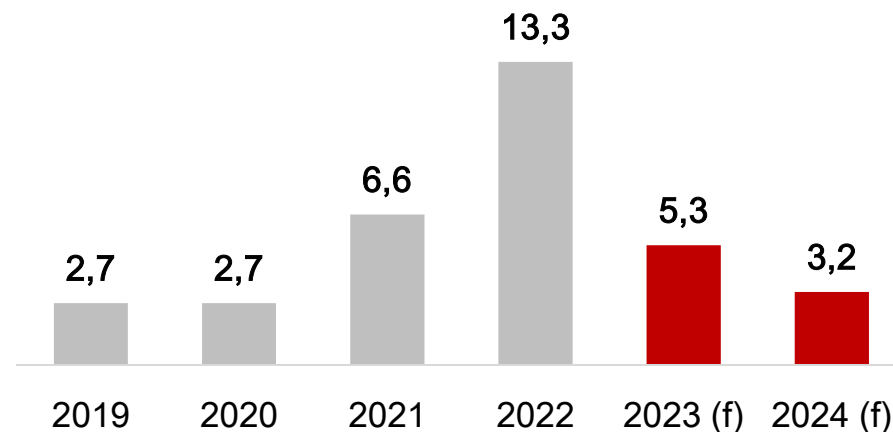
### GDP growth

Annual growth %



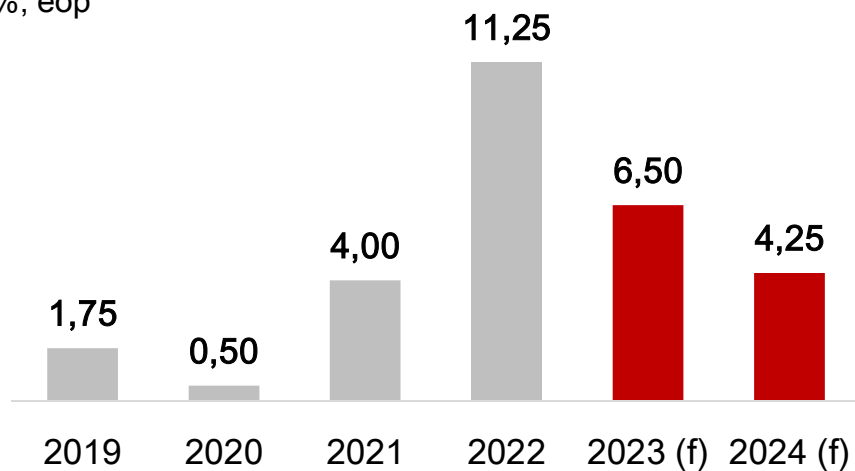
### Inflation

Annual change in UF inflation, %



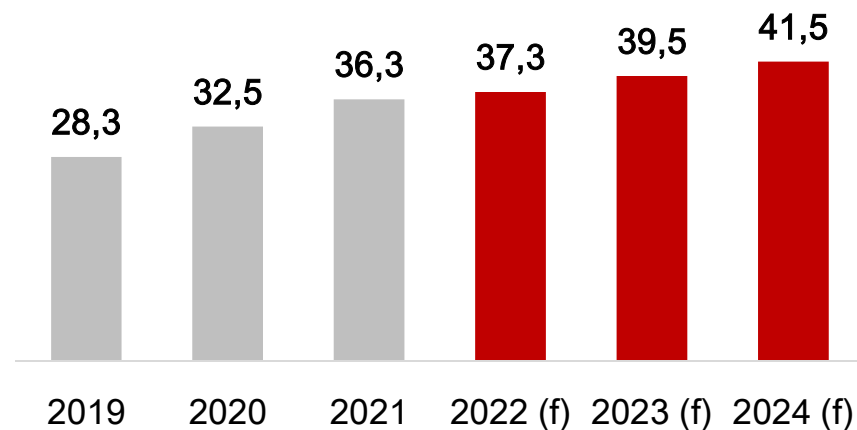
### Monetary Policy Rate

%, eop



### Fiscal debt

% GDP



# Reforms advance but with moderation

## Tax & Pension reform

### **Tax reform:**

- The proposal includes: (i) Restructure income tax system; (ii) Reducing tax exemptions; (iii) Mining royalty, and (iv) Corrective taxes.
- The government expects to collect 3.6% of GDP with this reform to fund social expenditure.

### **Pension reform**

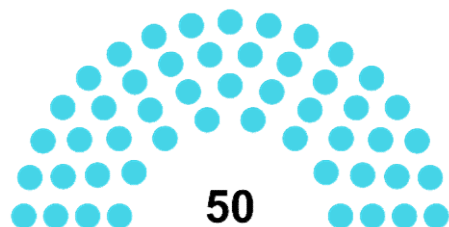
- Not-contributive pillar: Guaranteed Universal Pension (PGU) M\$250 (USD\$280). Contributive pillar: 10,.% from employees to individual savings accounts and 6% from employers to a collective savings scheme
- Public agency will play the operational role (ISP). Public and private investment management companies will compete for AUM.

### **Fintech law**

- On the 4th of January of 2023, the new Fintech Law became officially a law. It updates the regulation of the financial industry, recognizing the existence of new business models based on technology.
- Fintechs will be under the regulatory perimeter of the CMF and capital requirements
- Regulates open banking establishing that consumers are the owners of their financial information.

# Constitutional Agreement

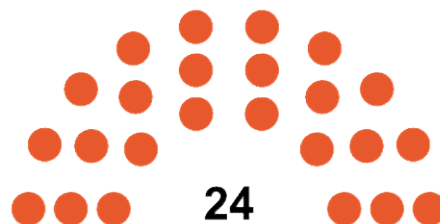
## Constitutional Council



+ Indigenous Representatives

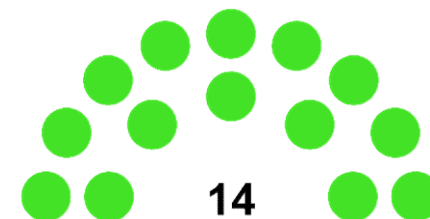
- Parity between men and women
- Indigenous representation proportional to their vote
- Elected by direct and mandatory vote

## Expert Commission

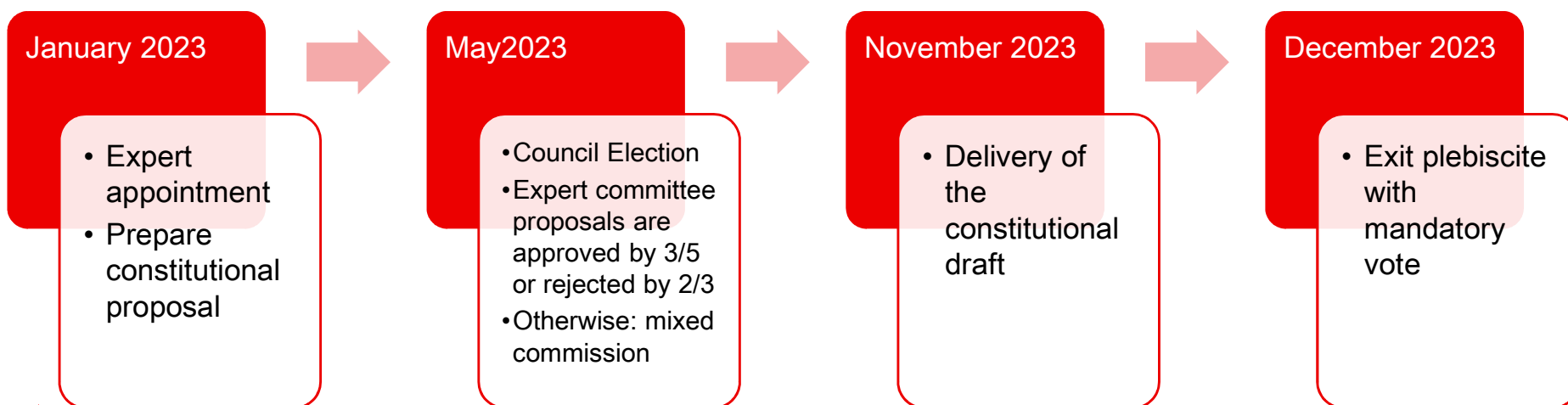


- 12 appointed by the Senate and 12 by the lower house in proportion to the representation of each party.
- Approved by 4/7

## Technical Commission



- Appointed by the Senate based on the lower house proposal
- Approved by 4/7



## Macroeconomic environment

# Main ideas to be included in new constitution

Chile is a democratic Republic, whose sovereignty resides in the people.

Single and decentralized state.

Sovereignty is limited by the dignity of the human person and human rights.

Indigenous peoples are recognized as part of the Chilean nation, which is one and indivisible. The State will respect and promote their rights and cultures.

Social and democratic state of law; recognizes fundamental freedoms; social rights subject to fiscal responsibility via state and private institutions.

National emblems: the flag, the shield and the national anthem.

Three separate and independent powers: executive with exclusive spending initiative, bicameral legislature, and judiciary with jurisdictional unity.

Autonomous bodies: Central Bank, electoral justice, Public Ministry and Comptroller General of the Republic.

Rights and fundamental freedoms: to life; equality before the law; proprietary; freedom of conscience and worship; best interest of the children; freedom of education and the preferential duty of families in education.

Constitutional consecration of the Armed Forces; and the Order and Security Forces subordinated to the civil power.

Four states of constitutional exception: state of assembly, state of siege, state of catastrophe and state of emergency.

Care and conservation of nature and its biodiversity.

# Agenda

Macro Update

Business activity

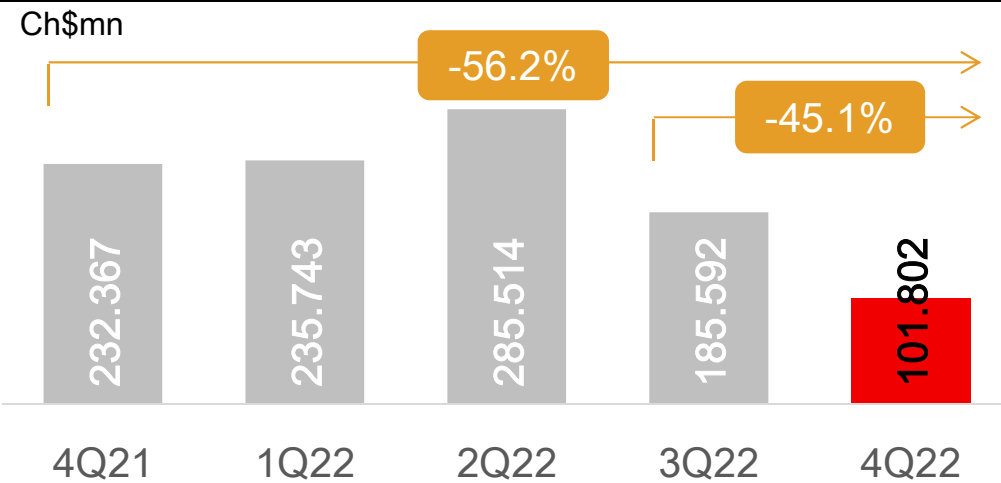
Balance Sheet and Results



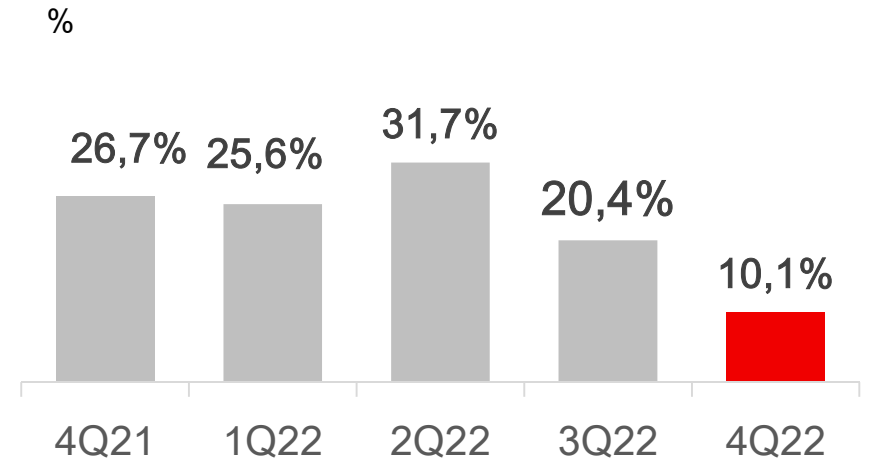
## Business activity

**ROE at 21.6% in 2022 in line with guidance**

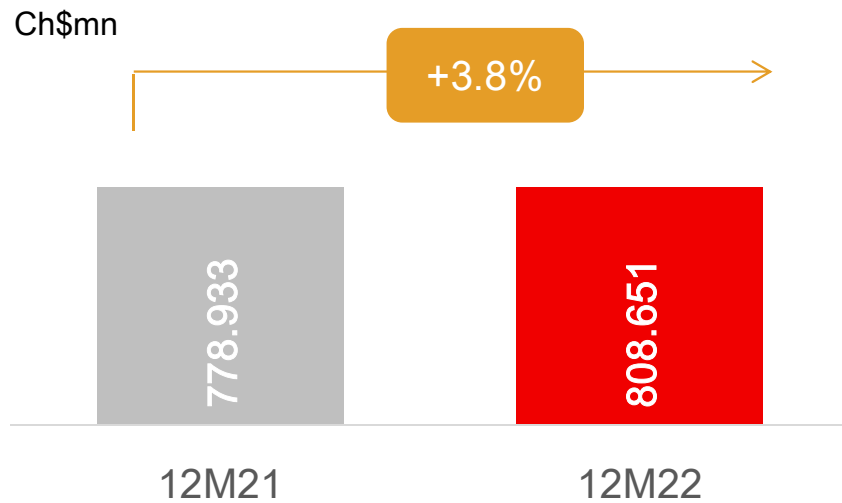
### Quarterly net income attributable to shareholders



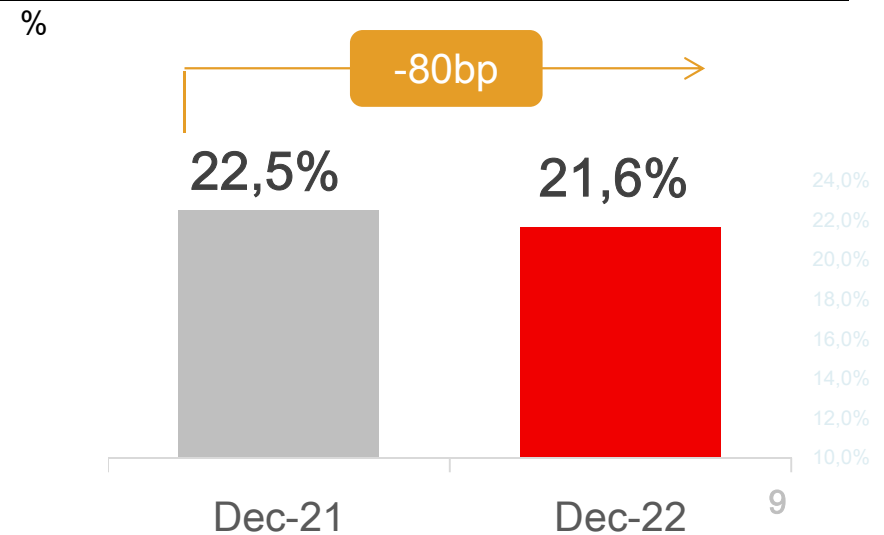
### Quarterly ROE



### YTD Net income attributable to shareholders

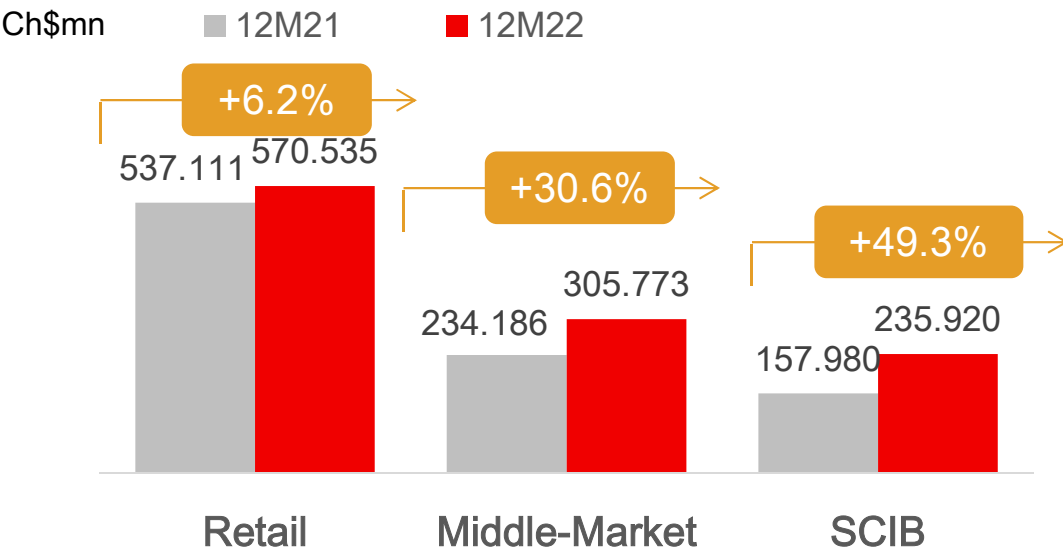


### YTD ROE

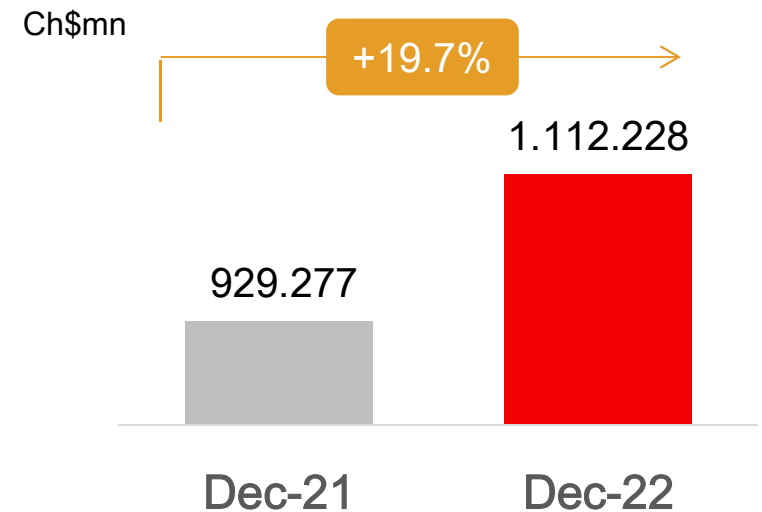


## Solid results from business segments in 2022

YTD Net contribution by segment



YTD Net contribution from segments



All business segments with a significant rise in profitability

## Strong results from SCIB & Middle Market

### Net contribution from SCIB

Ch\$ bn	12M22	YoY
Net interest income	144.5	49.1%
Fees	37.3	19.8%
Financial trx	158.3	44.4%
<b>Total income</b>	<b>339.1</b>	<b>43.1%</b>
Provisions	(11.3)	472.3%
<b>Net op. profit</b>	<b>327.8</b>	<b>39.5%</b>
Op. expenses	(91.9)	19.3%
<b>Total contribution</b>	<b>235.9</b>	<b>49.3%</b>

### Net contribution from the Middle Market

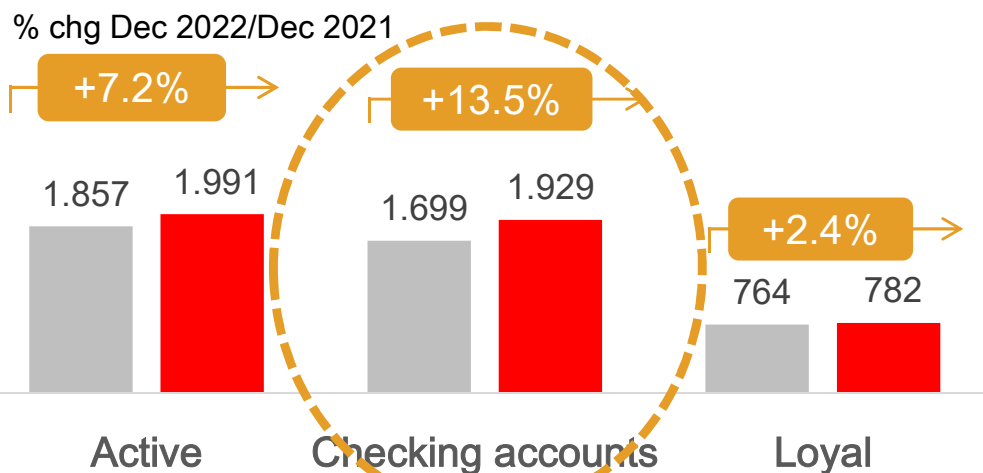
Ch\$ bn	12M22	YoY
Net interest income	389.3	19.0%
Fees	62.6	25.6%
Financial trx	23.0	31.1%
<b>Total income</b>	<b>474.9</b>	<b>20.4%</b>
Provisions	(64.0)	(2.6%)
<b>Net op. profit</b>	<b>410.9</b>	<b>24.9%</b>
Op. expenses	(105.1)	11.0%
<b>Total contribution</b>	<b>305.8</b>	<b>30.6%</b>

Focus on non-lending has driven profitability in these two segments

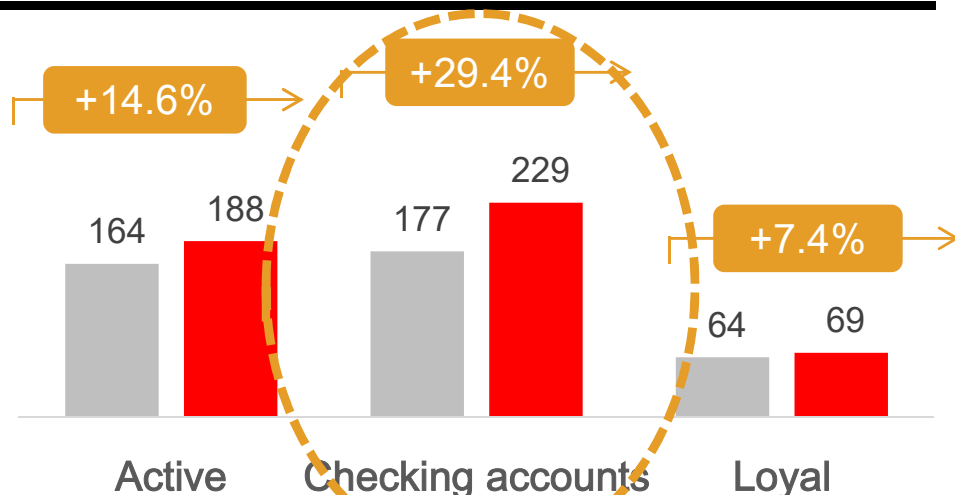
## Business activity

# Retail banking results up 6.2% YoY driven by strong client growth

### Evolution of Individuals clients (ths)<sup>1</sup>



### Evolution of SME clients<sup>1</sup>



### Net contribution Retail banking

Ch\$ bn	12M22	YoY
Net interest income	1,129.6	9.2%
Fees	312.7	15.1%
Financial trx	34.7	(1.7%)
<b>Total income</b>	<b>1,477.0</b>	<b>10.1%</b>
Provisions	(270.5)	43.9%
Net op. profit	1,206.5	4.6%
Op. Expenses	(636.0)	3.2%
<b>Total</b>	<b>570.5</b>	<b>6.2%</b>

**Santander Life client's total income up 44% YoY**



1. 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 cross-selling differentiated by client size using a point system that depends on number of products, usage of products and income net of risk.

# Santander Life: Expanding from individuals into the SME market



For persons, with no monthly wage or credit history needed

## Products:

- Checking account
- Debit card
- Credit card

## Benefits:

- Merits
- 100% digital
- No deposit minimums or maximums
- Make and receive payments at no charge.
- Access to online banking and App Santander Chile.
- Online purchases.
- Access to all retail products / distribution



For companies that want a current account for their business



Government program open a company in one day online.

## Characteristics:

- 100% digital account that does not need any sales history.
- 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

# Santander Life: rapid growth and monetization

## Over 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\$931 million**

In demand deposits

**US\$278 million**

In consumer credit<sup>1</sup>

**+44%**

Total income  
Dec.22/ Dec.21

**+13%**

Active clients

**+21%**

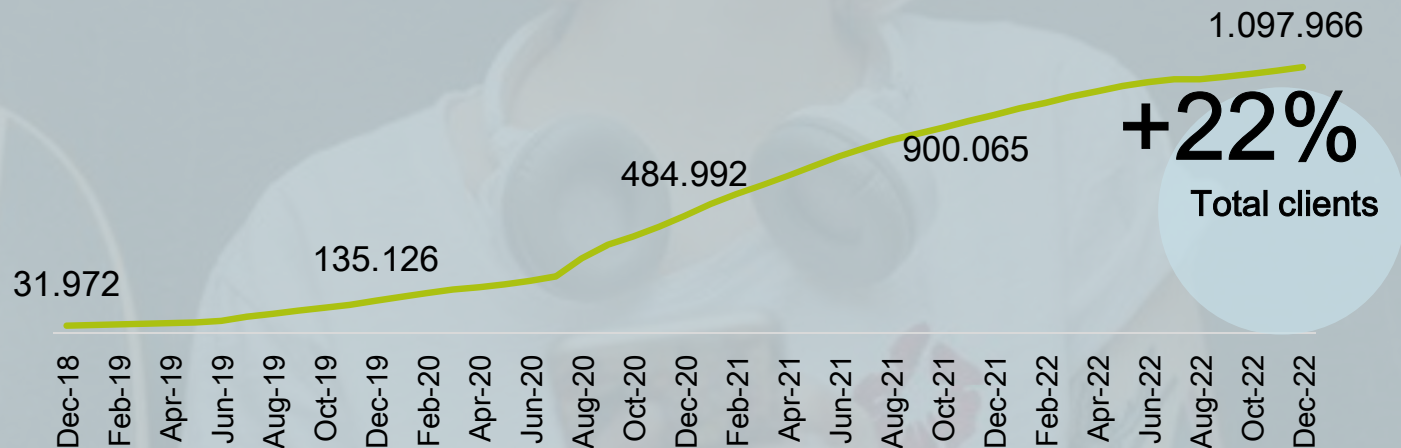
Loyal clients

### Life Clients

**▲ 47%** Consumer credit growth<sup>2</sup>

**▲ 44%** Mutual funds growth<sup>2</sup>

**▲ 153%** Time deposit growth<sup>2</sup>



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

# Getnet's success continues

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

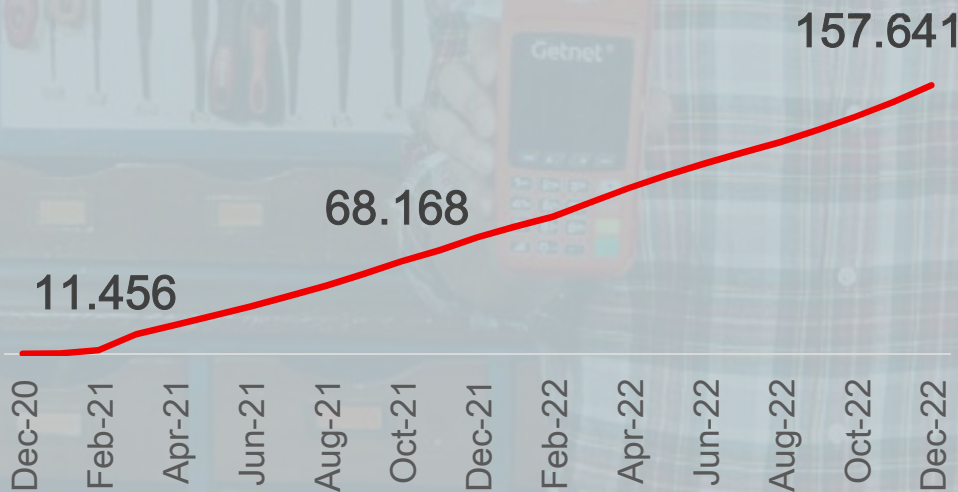


- Ecommerce launched in 1H22.
- Breaking even in 2Q22.

By Santander



## Total POS



Accepts all cards, with following brands:



### ~157k

POS sold

### 91%

Of clients are SMEs

### Ch\$580 billion

Monthly sales through Getnet

### 99%

POS sold through the Bank's network

### Ch\$27 billion

Fees during 2022

# Launch of Work Café StartUp



Building on the success of our Work Café branches, in 4Q22 we launched this Work Café specifically to support the development and growth of Start ups in Chile and Latin America.

## 3 Strategic Pillars:

- Financial products: current accounts, cards and financing etc.
- Collaboration with a team of experts .
- Partnership: Support the growth of fintechs with high potential.

## It is directed at:

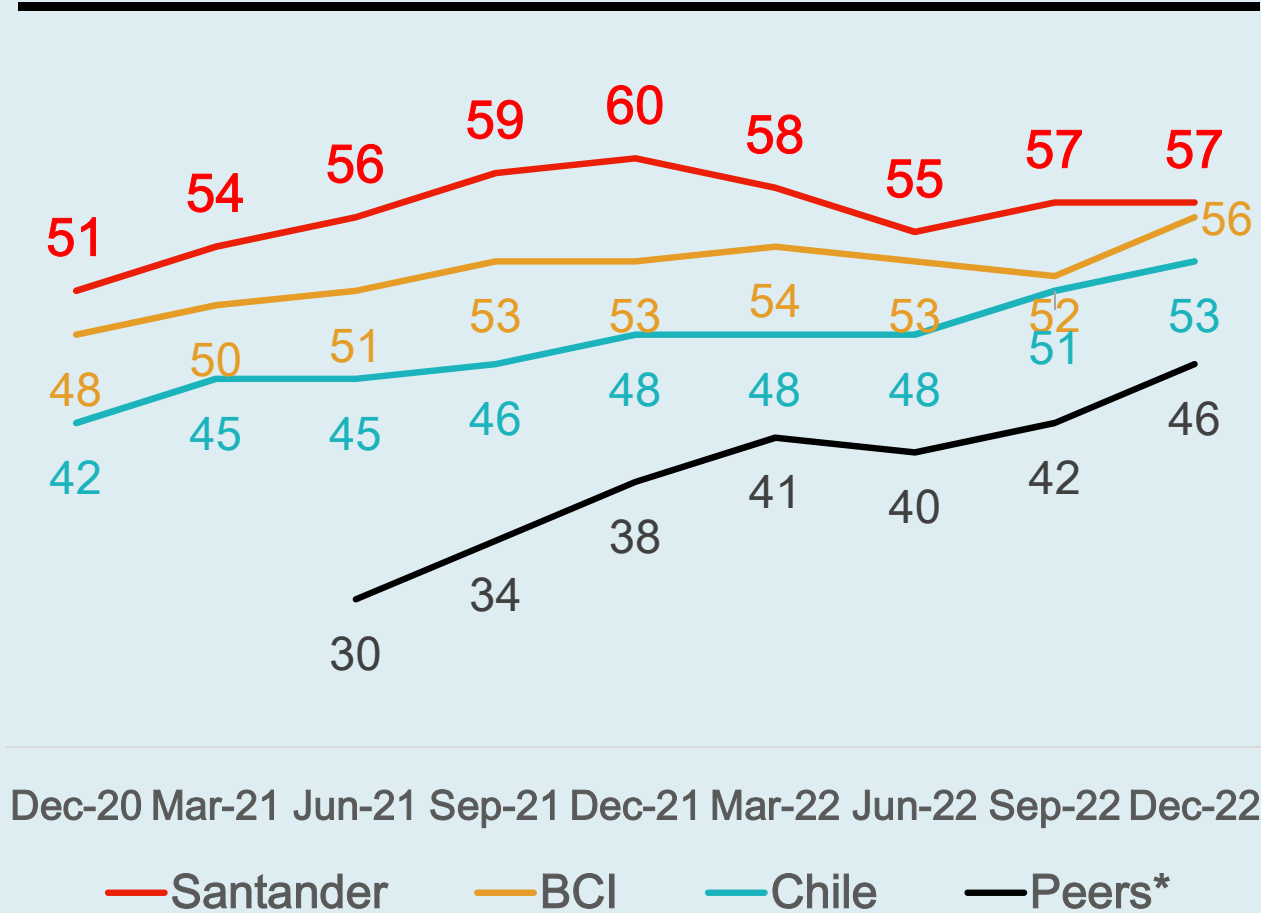
- Businesses that are initiating activities and presenting an accelerated growth.
- Where technology is part of the value proposal.
- And where the proposals will be scalable to a real problem.





# Leading our main competitors in NPS

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



67 points  
Life

68 points  
Contact center

72 points  
Web page

72 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. \*Peer group: BCI, Banco de Chile, Banco Estado, Itau, Scotiabank



# Fulfilled all 10 Responsible Banking Targets for 2022

## Santander Chile:

- 1. Among the best top 10 companies to work for in Chile (#)
- 2. Women in managerial positions (%)
- 3. Eliminate gender pay gap (%)
- 4. People financially empowered (k) <sup>1</sup>
- 5. Sustainable financing (US\$ million) <sup>1</sup>
- 6. Energy from renewable sources (%)
- 7. Eliminate single-use plastics (% achieved)
- 8. Scholarships, internships, entrepreneurship programs (#) <sup>1</sup>
- 9. Support people through our community contribution programs (k) <sup>1</sup>
- 10. Be Carbon neutral 100% since 2019 ✔

2020	2021	2022	Goal 2022	Goal 2025
<i>GPTW #1</i>	<i>Top Employer</i>	<i>Top Employer</i>	<i>Top Employer</i>	<i>Top Employer</i>
25%	28%	31%	✔ 28%	30%
3.1%	2.5%	2.4%	✔ 2.0%	0%
921.8	1,693.3	2,716.0	✔ 2,404.1	4,000
	267.3	700*	✔ -	-
28%	28%	28%	✔ 28%	100%
-	100%	100%	✔ 100%	100%
4,087	9,663	15,881	✔ 11,966	13,541
172.7	281.2	394.4	✔ 360.2	493.9

<sup>1</sup> Figures accumulated since 2019.

## New recognitions

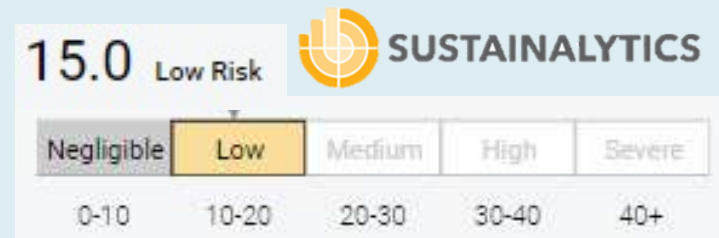
### Top Employer

- For fifth consecutive year we received the Top Employer certification
- We reached a 96%, an increase of 2.41 pp
- This positions us as one of the companies with the best labor conditions for the country.



### SUSTAINALYTICS

- 15.0 low risk, reaching the best score within Chilean banking sector.

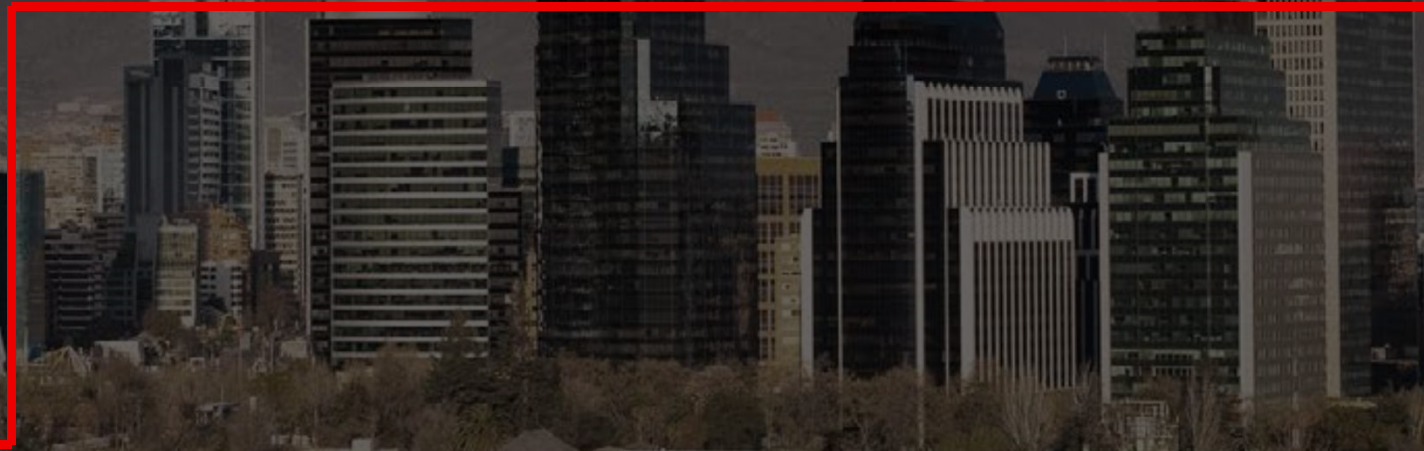


# Agenda

Macro Update

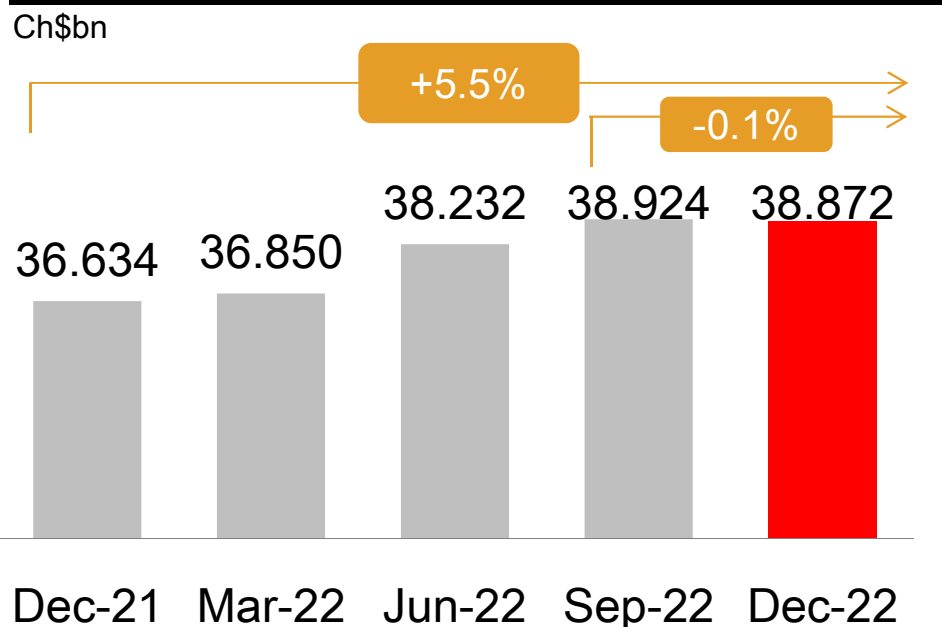
Business activity

Balance Sheet and Results

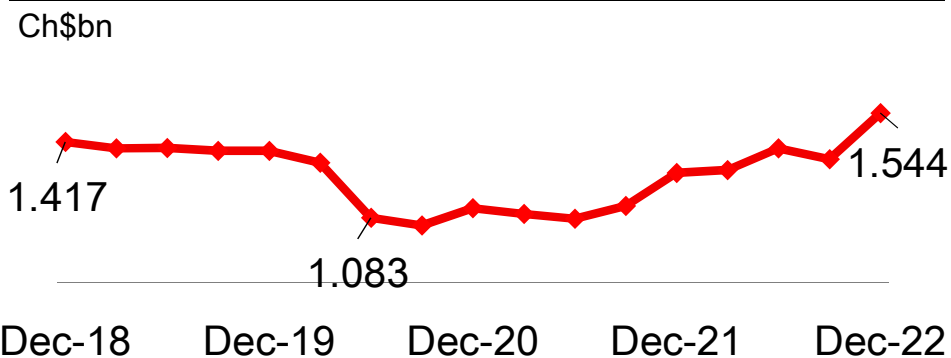


## Loan growth led by SCIB and consumer loans

### Total Loans



### Credit Cards loans



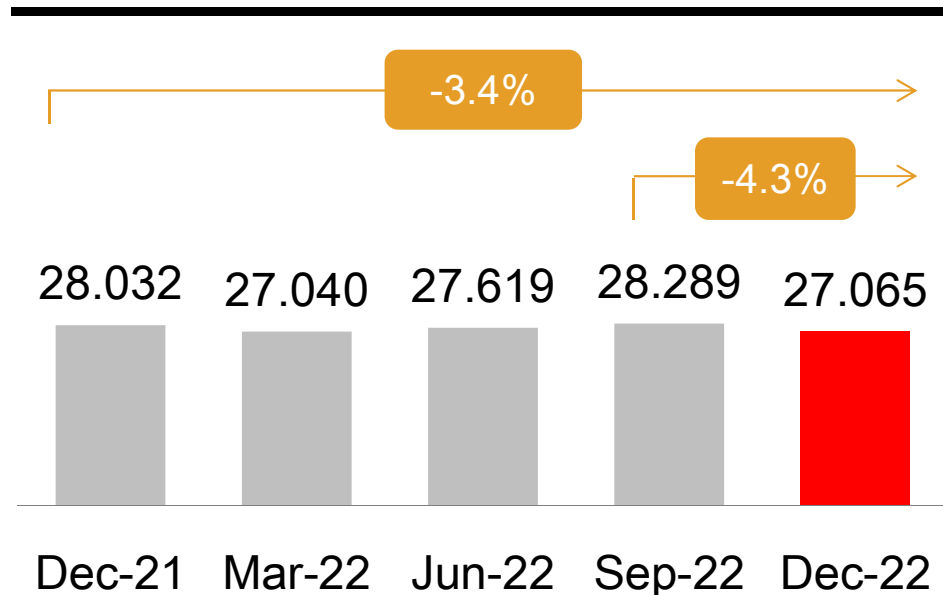
Ch\$ bn	12M22	YoY	QoQ
Individuals <sup>1</sup>	23,523	11.3%	3.1%
Consumer	5,283	5.7%	4.7%
<i>Auto loans</i> <sup>2</sup>	888	22.7%	3.4%
<i>Credit cards</i>	1,544	20.6%	15.1%
Mortgages	15,729	13.4%	3.0%
SMEs	3,689 (20.6%)		(5.7%)
Retail	27,212	5.5%	1.8%
Middle Market	8,828	3.7%	(4.8%)
Corporate (SCIB)	2,991	32.4%	3.4%
<b>Total<sup>3</sup></b>	<b>38,872</b>	<b>5.5%</b>	<b>(0.1%)</b>

- 2023: Focus on loan growth in all segments
- Credit cards resume growth after strong contraction in 2020-2021

## Balance sheet & results

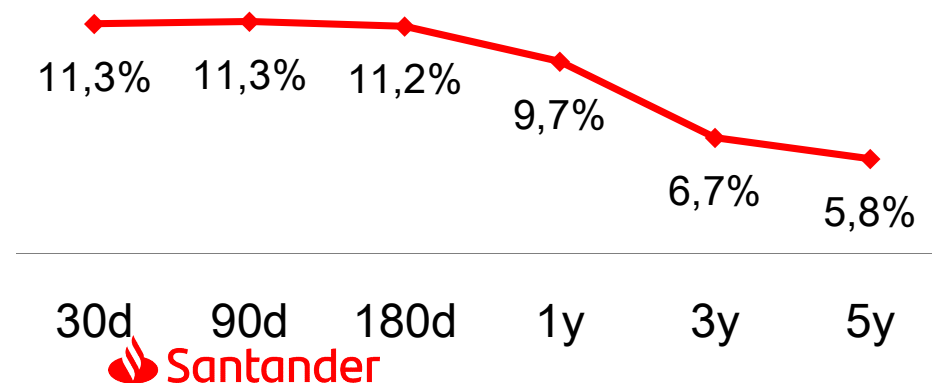
# Full focus on reducing funding costs

### Total Deposits



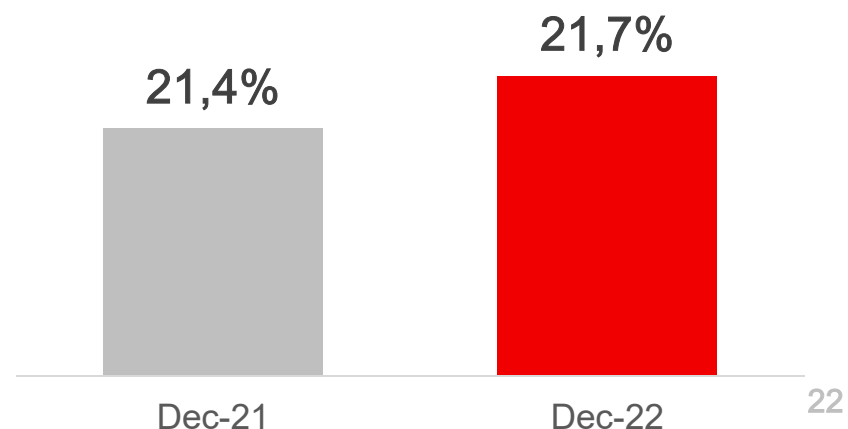
### Nominal Yield Curve

%, annualized, 12/31/2022



Ch\$ bn	12M22	YoY	QoQ
Demand deposits	14,086 (21.3%)	(2.9%)	
Time deposits	12,979 28.1%	(5.8%)	
<b>Total Deposits</b>	<b>27,065 (3.4%)</b>	<b>(4.3%)</b>	
Mutual funds <sup>1</sup>	8,163 3.4%	(2.4%)	
Bonds	9,490 5.6%	2.2%	
LCR <sup>2</sup>	175%		
NSFR <sup>2</sup>	116%		

### Market share demand deposits<sup>3</sup>

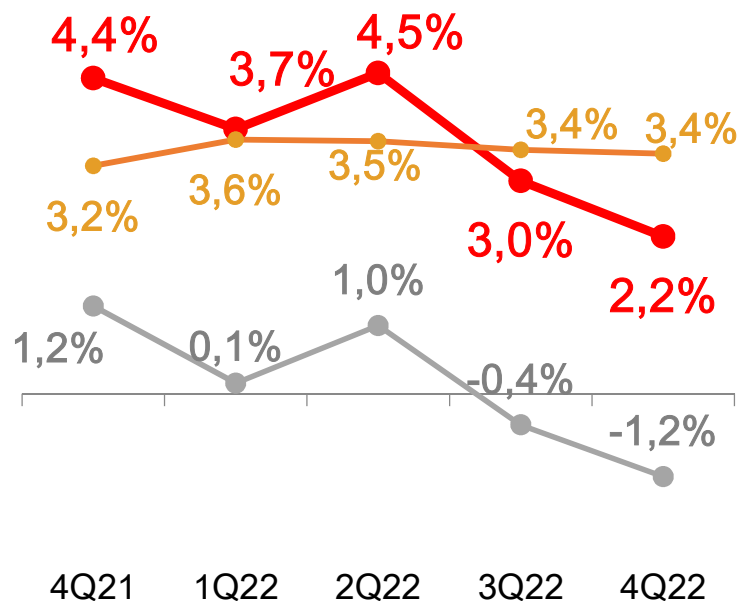


1. Banco Santander Chile is the exclusive broker of mutual funds managed by Santander Asset Management, a subsidiary of SAM Investment Holdings Limited. 2. LCR and NSFR calculated following the new local Chilean models 3. Source: CMF as of December 31, 2022,, excludes demand deposits of competitors in subsidiaries abroad.

## Balance sheet & results

# YTD NIM of 3.3% as inflation decelerates & funding costs increase Client NIMs stable

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



### Net interest income

Ch\$ bn	12M22	YoY	QoQ
Retail	1,130	9.2%	0.4%
Middle market	389	19.0%	0.1%
SCIB	144	49.1%	(3.0%)
Other (Non-client NII)	(64)	--%	163.6%
<b>Net income from interest and readjustments</b>	<b>1,598</b>	<b>(11.1%)</b>	<b>(23.9%)</b>
Avg. Int. earning assets	48,006	11.2%	1.7%
Average loans	37,997	8.2%	1.7%
Int. earning asset yield <sup>4</sup>	8.5%	+304bp	-24bp
Cost of funds <sup>5</sup>	5.4%	+446bp	+68bp
<b>NIM YTD</b>	<b>3.3%</b>	<b>-88bp</b>	<b>-75bp</b>

● NIM (1) ● Client NIM (2) ● Non-Client NIM (3)

4Q 1Q 2Q 3Q 4Q

UF 3.0 2.4 4.3 3.5 2.5

Avg. MPR 2.85 5.13 7.95 9.90 11.25



## NIM 2023: 2.8% under current macro assumptions

NIM 2023e		Avg MPR		
UF inflation 2023		8.2%	9.2%	10.2%
	4.3%	2.9%	2.6%	2.3%
	5.3%	3.1%	2.8%	2.5%
	6.3%	3.3%	3.0%	2.7%

Base case:

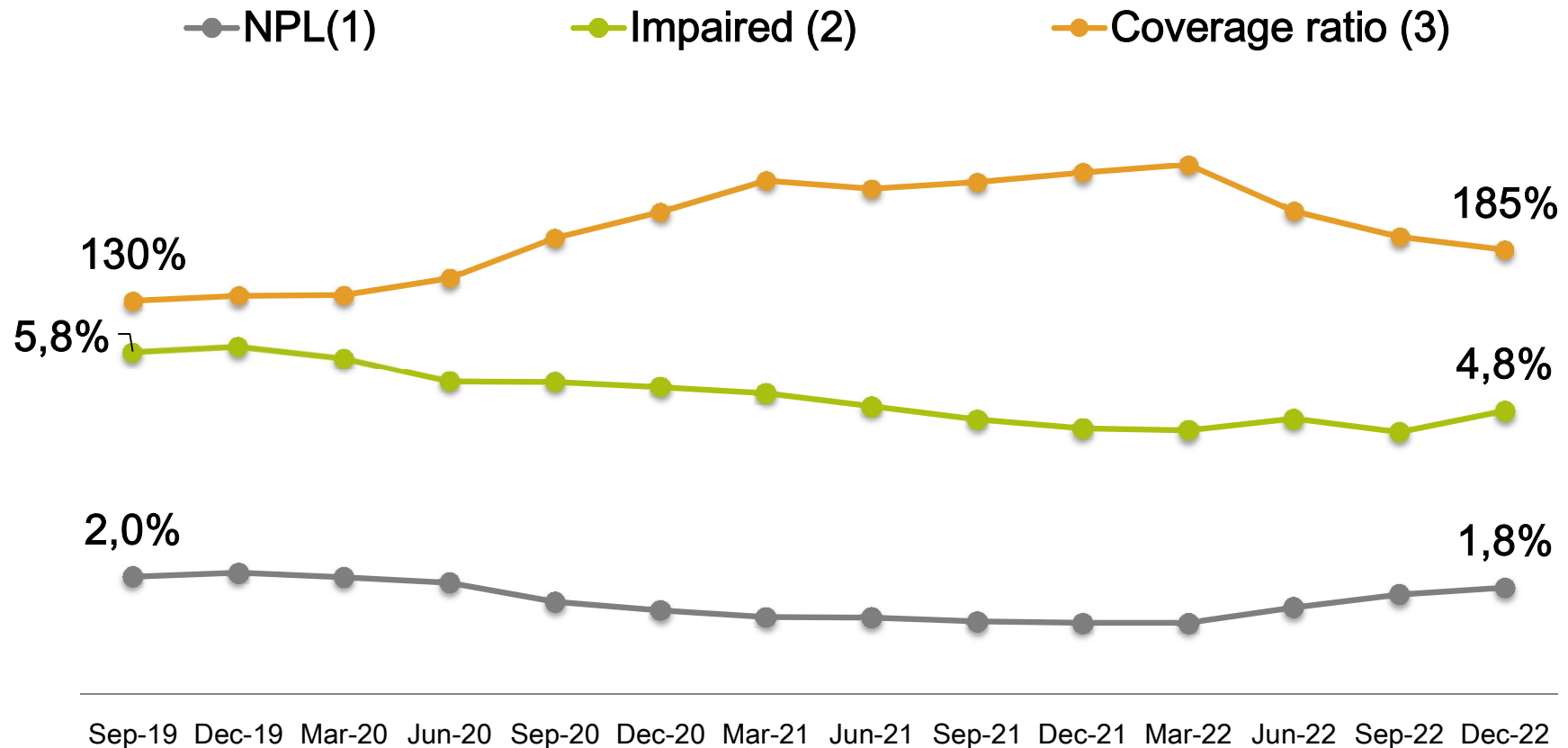
- UF inflation: 5.3%
- Avg MPR: 9.2%

- Sensitivity to inflation  
~+20bp for every +100bp  
(and vice-versa)
- MPR ~-30bp for every  
+100bp in 12M period (and  
vice versa)



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

## NPLs, Impaired and coverage of NPLs

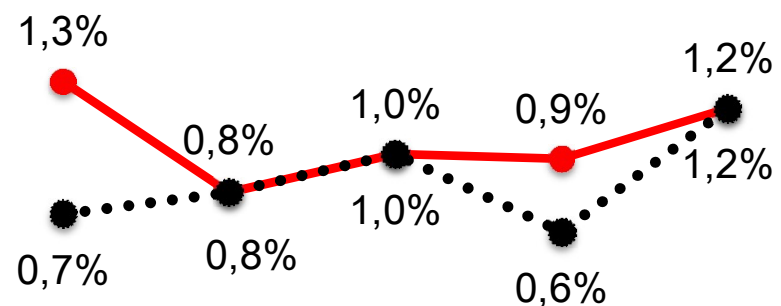


NPLs have been normalizing towards pre-pandemic levels

## Cost of credit at 1.0% YTD

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

%



—●— Cost of risk  
 ••• Adjusted cost of risk

### Provision for loan losses

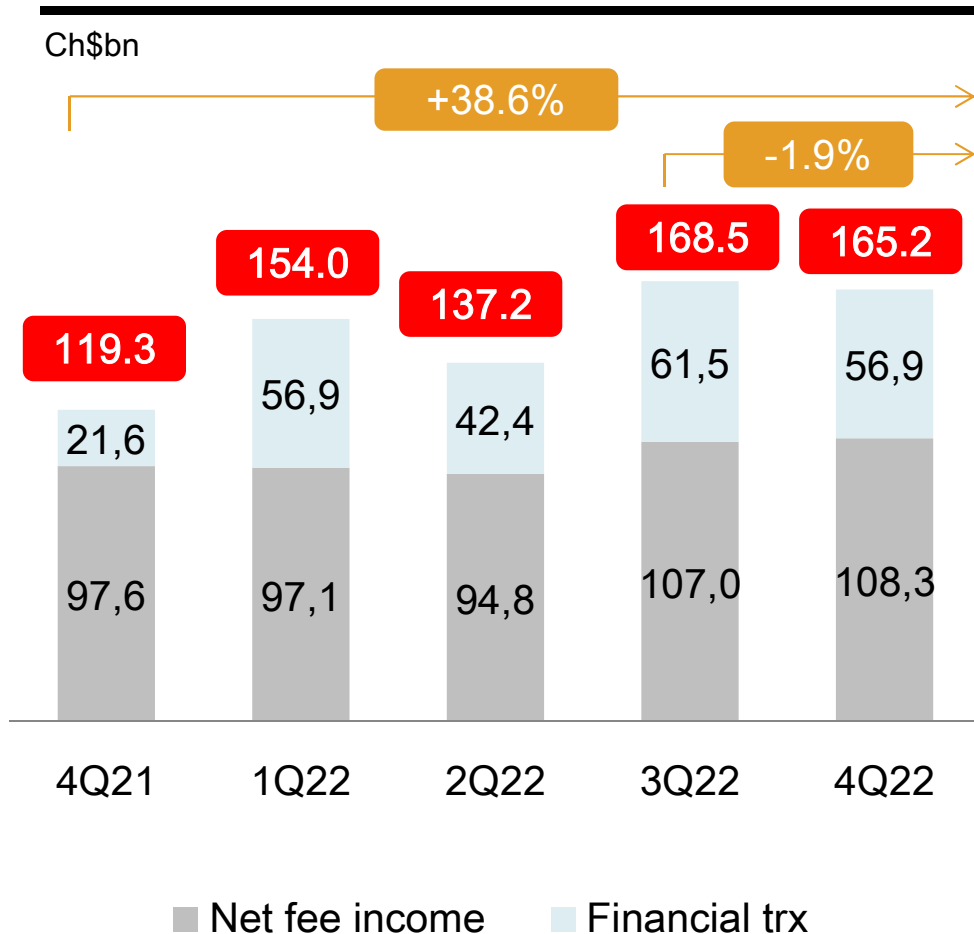
Ch\$ bn	12M22	YoY	QoQ
Gross provisions and write-offs	(461.3)	0.3%	27.3%
Recoveries	90.6	17.6%	19.6%
Provisions	(370.7)	(3.2%)	29.1%
<b>Cost of risk(YTD)</b>	<b>1.0%</b>		

Ch\$35bn of additional voluntary provisions recognized in the year

## Balance sheet & results

# Digital platforms drives client growth and fees

### Fees & financial transaction



### Fees

Ch\$ bn	12M22	YoY	QoQ
Card fees	105.0	5.3%	12.2%
Getnet	27.1	280.1%	26.4%
Asset management	56.5	15.0%	(0.7%)
Collection fees	52.6	20.0%	(5.3%)
Insurance brokerage	35.9	22.1%	(12.2%)
Checking accounts	52.2	32.2%	3.8%
Guarantees, cont. op.	54.1	37.7%	4.3%
Others	50.9	0.4%	(6.9%)
<b>Total</b>	<b>407.3</b>	<b>16.0%</b>	<b>1.2%</b>

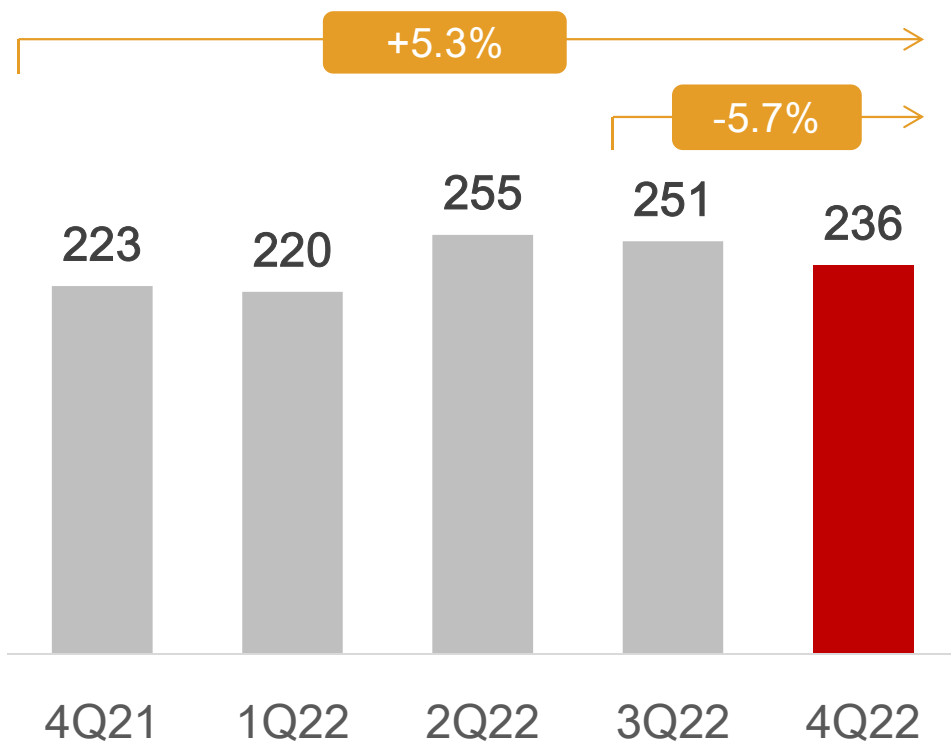
### Financial transactions, net

Ch\$ bn	12M22	YoY	QoQ
Client	219.1	19.1%	(11.7%)
Non-Client	-1.5	--%	--%
<b>Total</b>	<b>217.7</b>	<b>87.8%</b>	<b>(7.4%)</b>

# Strong focus on cost control. Costs growing below inflation

## Operating expenses

Ch\$bn



Ch\$ bn	12M22	YoY	QoQ
Personnel expenses	414.8	4.0%	(5.9%)
Administrative expenses	310.2	10.7%	1.7%
Investment amortization	130.0	6.5%	5.4%
Other operating expenses	106.3	6.5%	(37.4%)
<b>Operating expenses<sup>1</sup></b>	<b>961.3</b>	<b>6.8%</b>	<b>(5.7%)</b>
<b>Efficiency ratio<sup>2</sup></b>	<b>42.8%</b>	<b>+315bp</b>	<b>+721bp</b>
<b>Costs/assets</b>	<b>1.4%</b>	<b>-2.8bp</b>	<b>-7bp</b>

	4Q	1Q	2Q	3Q	4Q
<b>Efficiency</b>	<b>35.9%</b>	<b>37.8%</b>	<b>38.0%</b>	<b>46.2%</b>	<b>52.4%</b>

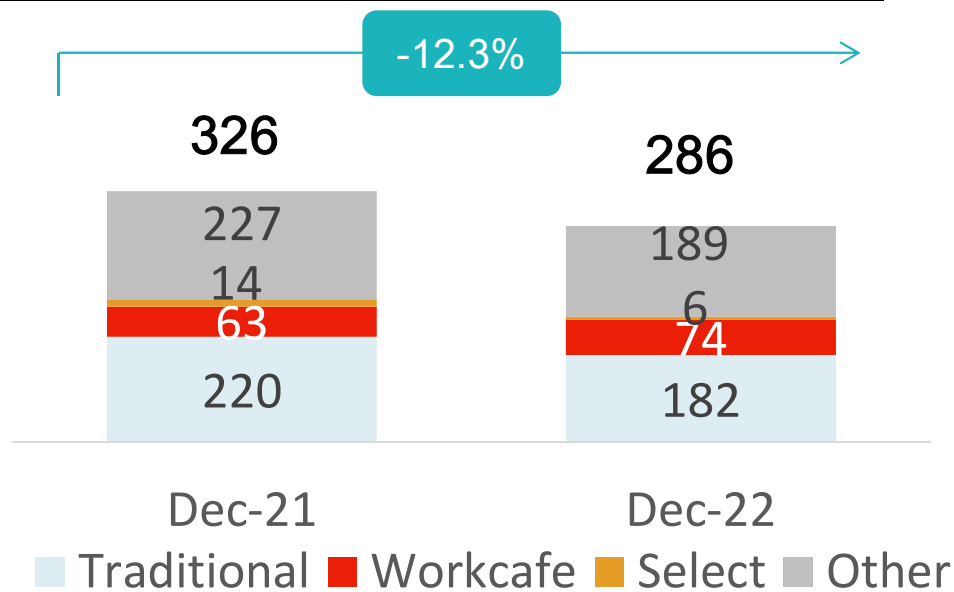
US\$260 million investment plan for the years 2022-2024



1. Operating expenses including impairment and other operating expenses. 2. Efficiency ratio: operating expenses including impairment and other operating expenses/ financial margin + fees+ financial transactions and net other operating income

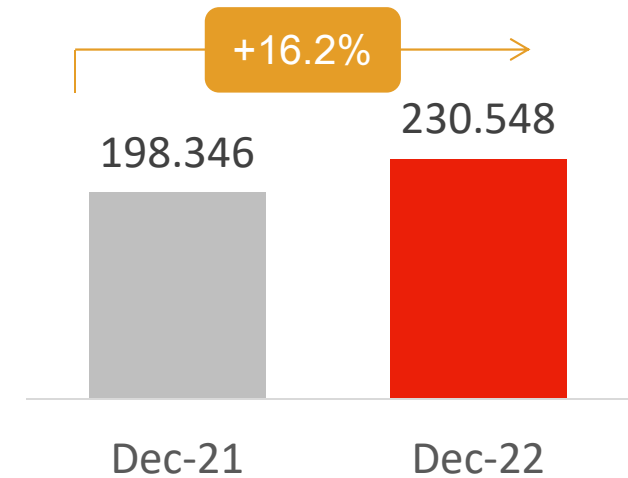
# Digital initiatives & Work Café drive rise in productivity indicators

## Branches



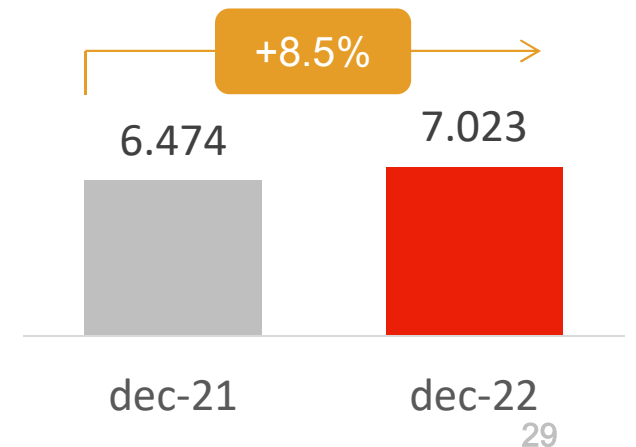
## Productivity per point of sale

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



## Productivity per employee

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



Work Café / Santander

COMUNIDAD

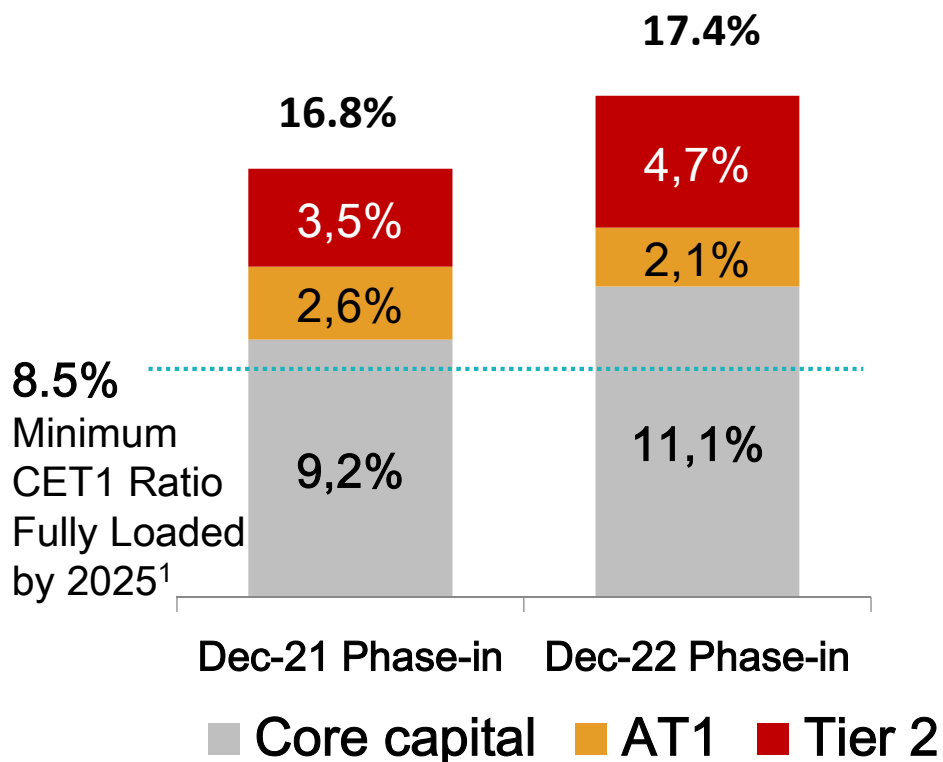


- Market place with over 6,000 shops
- Job search facilities
- Work Café school
- Business tools- website design
- Informative talks
- No tellers
- Cash-less
- 3 x 1 ratio Front vs back personnel

1. Volumes= loans + deposits

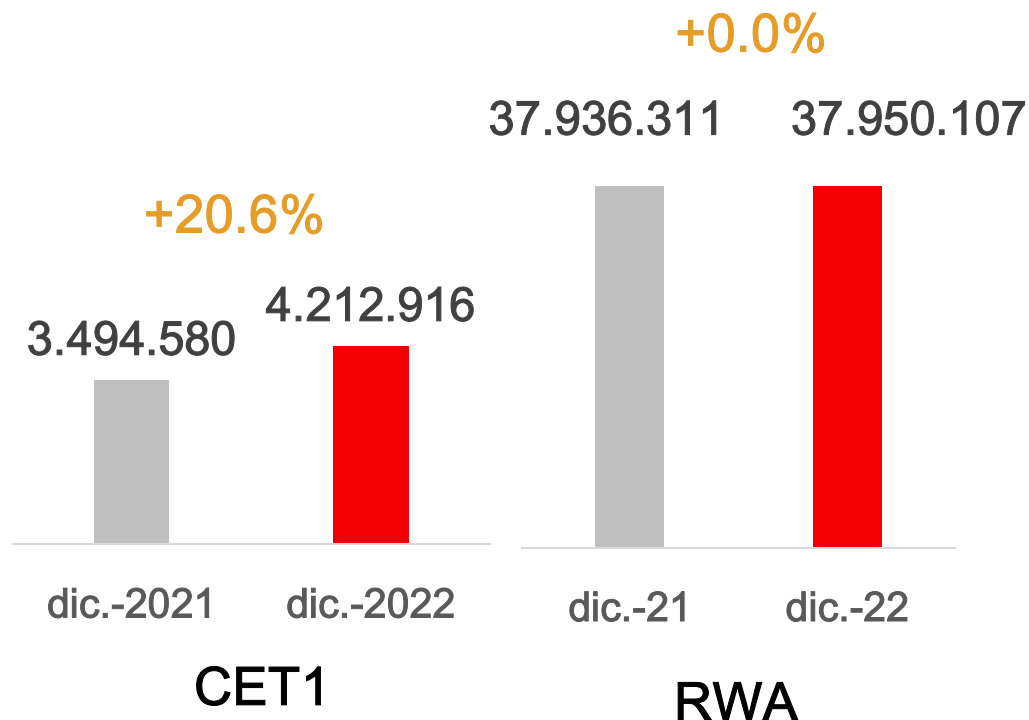
# CET1 increases 21% & CET ratio up 190bp YoY

## Core capital & BIS Ratio



## CET1 / RWA

(Ch\$m)



- › CET1: +20.6% vs. RWA +0% YoY
- › 60% payout highly likely in line with historical levels
- › Dividend yield of 7.8% at current prices

### Outlook for 2023

- Macro outlook: soft recession with interest rate & inflation falling
- Strong focus on client activities:
  - ✓ Strong results expected from our main business segments
  - ✓ Remain fully committed to our US\$260 million investment plan for the years 2022-2024
  - ✓ Continued focus on improving NPS
  - ✓ Santander Life / Getnet to continue driving strong client growth
  - ✓ Loan growth: mid-single digits with focus on all segments
  - ✓ Non-NII: +15% driven by more clients and greater usage
- NIMs: 2.8% with solid client NIMs
- Cost of risk: 1.1%-1.2%
- Costs under control & low single digit growth
- Continued focus on optimizing capital ratios / high dividend yield
- ROE at low teens in 1Q23 and ~18% for full year

# 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





## Balance sheet

Assets	Dec-22	Dec-21	Dec-22/Dec-21
	Ch\$ Million		% Chg.
Cash and deposits in banks	1,982,942	2,881,557	(31.2%)
Cash items in process of collection	843,816	390,272	116.2%
Financial assets for trading at fair value through earnings	11,827,007	9,567,818	23.6%
<i>Financial derivative contracts</i>	11,672,960	9,494,470	22.9%
<i>Financial debt instruments</i>	154,046	73,347	110.0%
Financial assets at fair value through other comprehensive income	6,023,039	5,900,796	2.1%
<i>Financial debt instruments</i>	5,880,733	5,801,378	1.4%
<i>Other financial instruments</i>	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	40,262,247	5.7%
<i>Investments under resale agreements</i>	-	-	--%
<i>Financial debt instruments</i>	4,867,591	4,691,730	3.7%
<i>Interbank loans, net</i>	32,955	428	7606.4%
<i>Loans and account receivables from customers-Commercial</i>	17,043,575	17,033,456	0.1%
<i>Loans and account receivables from customers-Mortgage</i>	15,622,418	13,802,214	13.2%
<i>Loans and account receivables from customers-Consumer</i>	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%
<b>TOTAL ASSETS</b>	<b>68,164,603</b>	<b>63,635,077</b>	<b>7.1%</b>

## Balance sheet

	Dec-22	Dec-21	Dec-22/Dec-21
	Ch\$ Million		% Chg.
<b>LIABILITIES</b>			
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%
<i>Financial derivative contracts</i>	<i>11,319,320</i>	<i>9,507,031</i>	<i>19.1%</i>
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%)
<i>Deposits and other demand liabilities</i>	<i>14,086,226</i>	<i>17,900,938</i>	<i>(21.3%)</i>
<i>Time deposits and other time liabilities</i>	<i>12,978,790</i>	<i>10,131,055</i>	<i>28.1%</i>
<i>Obligations under repurchase agreements</i>	<i>315,355</i>	<i>86,634</i>	<i>264.0%</i>
<i>Interbank borrowings</i>	<i>8,864,765</i>	<i>8,826,583</i>	<i>0.4%</i>
<i>Issued debt instruments</i>	<i>7,165,893</i>	<i>6,935,423</i>	<i>3.3%</i>
<i>Other financial liabilities</i>	<i>292,995</i>	<i>182,907</i>	<i>60.2%</i>
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%
<b>TOTAL LIABILITIES</b>	<b>63,926,231</b>	<b>59,905,800</b>	<b>6.7%</b>
<b>EQUITY</b>			
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%)
<i>Elements that will not be reclassified to earnings</i>	<i>597</i>	<i>576</i>	<i>3.7%</i>
<i>Elements that can be reclassified to earnings</i>	<i>(167,744)</i>	<i>(354,940)</i>	<i>(52.7%)</i>
Retained earnings from prior years	28,339	0	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%
<b>Total Shareholders' Equity</b>	<b>4,128,808</b>	<b>3,634,917</b>	<b>13.6%</b>
Non-controlling interest	109,564	94,360	16.1%
<b>EQUITY</b>	<b>4,238,372</b>	<b>3,729,277</b>	<b>13.7%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>68,164,603</b>	<b>63,635,077</b>	<b>7.1%</b>

# Annexes

## 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%
<b>Net interest income</b>	<b>602,368</b>	<b>1,404,056</b>	<b>(57.1%)</b>
Readjustment income	1,236,481	538,379	129.7%
Readjustment expense	(240,502)	(144,454)	66.5%
<b>Net readjustment income</b>	<b>995,979</b>	<b>393,925</b>	<b>152.8%</b>
<b>Net income from interest and readjustment</b>	<b>1,598,346</b>	<b>1,797,981</b>	<b>(11.1%)</b>
Fee and commission income	729,063	596,969	22.1%
Fee and commission expense	(321,794)	(245,853)	30.9%
<b>Net fee and commission income</b>	<b>407,268</b>	<b>351,116</b>	<b>16.0%</b>
<i>Financial assets not for trading</i>	78,191	(28,602)	(373.4%)
<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>	(1,628)	22,199	(107.3%)
<i>Changes, readjustments and hedge accounting in foreign currency</i>	141,090	122,274	15.4%
<b>Net financial result</b>	<b>217,652</b>	<b>115,871</b>	<b>87.8%</b>
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%
<b>Total operating income</b>	<b>2,245,339</b>	<b>2,267,693</b>	<b>(1.0%)</b>
Personnel expenses	(414,808)	(398,675)	4.0%
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	(106,305)	(99,836)	6.5%
<b>Total operating expenses</b>	<b>(961,325)</b>	<b>(899,700)</b>	<b>6.8%</b>
Operating results before credit losses	<b>1,284,014</b>	<b>1,367,993</b>	<b>(6.1%)</b>
<i>Expense for provisions established for credit risk of loans at amortized cost</i>	(418,066)	(321,824)	29.9%
<i>Expense for special provisions for credit risk</i>	(42,717)	(137,389)	(68.9%)
<i>Recovery of written-off loans</i>	90,577	76,999	17.6%
<i>Impairment for credit risk for other financial assets at amortized cost and financial assets at fair value through other comprehensive income</i>	(521)	(737)	(29.4%)
<b>Credit loss expenses</b>	<b>(370,727)</b>	<b>(382,951)</b>	<b>(3.2%)</b>
<b>Net income from ordinary activities before tax</b>	<b>913,287</b>	<b>985,042</b>	<b>(7.3%)</b>
Income tax	(89,430)	(196,148)	(54.4%)
<b>Consolidated income for the period</b>	<b>823,857</b>	<b>788,893</b>	<b>4.4%</b>
<b>Income attributable to shareholders</b>	<b>808,651</b>	<b>778,933</b>	<b>3.8%</b>
Income attributable to non-controlling interest	15,206	9,961	52.7%

# Annexes:

## Quarterly income statement

	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%
<b>Net interest income</b>	<b>130,093</b>	<b>119,138</b>	<b>303,005</b>	<b>(57.1%)</b>	<b>9.2%</b>
Readjustment income	215,858	337,679	264,988	(18.5%)	(36.1%)
Readjustment expense	(69,013)	(92,962)	(64,657)	6.7%	(25.8%)
<b>Net readjustment income</b>	<b>146,845</b>	<b>244,717</b>	<b>200,331</b>	<b>(26.7%)</b>	<b>(40.0%)</b>
<b>Net income from interest and readjustment</b>	<b>276,938</b>	<b>363,855</b>	<b>503,336</b>	<b>(45.0%)</b>	<b>(23.9%)</b>
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%
<b>Net fee and commission income</b>	<b>108,309</b>	<b>106,991</b>	<b>97,580</b>	<b>11.0%</b>	<b>1.2%</b>
<i>Financial assets not for trading</i>	100,797	36,007	(8,130)	(1339.8%)	179.9%
<i>Result from derecognition of financial assets and liabilities at amortized cost and of financial assets at fair value with changes in other comprehensive income</i>	(18,443)	701	4,612	(499.8%)	(2730.6%)
<i>Changes, readjustments and hedge accounting in foreign currency</i>	(25,433)	24,767	25,189	(201.0%)	(202.7%)
<b>Net financial result</b>	<b>56,921</b>	<b>61,475</b>	<b>21,671</b>	<b>162.7%</b>	<b>(7.4%)</b>
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%
<b>Total operating income</b>	<b>451,046</b>	<b>541,835</b>	<b>622,017</b>	<b>(27.5%)</b>	<b>(16.8%)</b>
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%)
<b>Total operating expenses</b>	<b>(236,214)</b>	<b>(250,594)</b>	<b>(224,411)</b>	<b>5.3%</b>	<b>(5.7%)</b>
Operating results before credit losses	<b>214,831</b>	<b>291,241</b>	<b>397,606</b>	<b>(46.0%)</b>	<b>(26.2%)</b>
<i>Expense for provisions established for credit risk of loans at amortized cost</i>	(137,148)	(78,223)	(83,401)	64.4%	75.3%
<i>Expense for special provisions for credit risk</i>	(4,657)	(33,263)	(58,576)	(92.0%)	(86.0%)
<i>Recovery of written-off loans</i>	24,688	20,643	21,312	15.8%	19.6%
<i>Impairment for credit risk for other financial assets at amortized cost and financial assets at fair value through other comprehensive income</i>	(166)	1	(80)	<b>107.7%</b>	<b>(16715.5%)</b>
<b>Credit loss expenses</b>	<b>(117,283)</b>	<b>(90,842)</b>	<b>(120,745)</b>	<b>(2.9%)</b>	<b>29.1%</b>
<b>Net income from ordinary activities before tax</b>	<b>97,548</b>	<b>200,399</b>	<b>243,539</b>	<b>(59.9%)</b>	<b>(51.3%)</b>
Income tax	7,248	(10,533)	(42,530)	<b>(117.0%)</b>	<b>(168.8%)</b>
<b>Consolidated income for the period</b>	<b>104,797</b>	<b>189,866</b>	<b>235,331</b>	<b>(55.5%)</b>	<b>(44.8%)</b>
<b>Income attributable to shareholders</b>	<b>101,802</b>	<b>185,592</b>	<b>232,368</b>	<b>(56.2%)</b>	<b>(45.1%)</b>
Income attributable to non-controlling interest	2,994	4,274	<b>2,963</b>	1.1%	(29.9%)

## Annexes: Key Indicators

<b>Profitability and efficiency</b>	<b>Dec-22</b>	<b>Dec-21</b>	<b>Variation bp</b>
Net interest margin (NIM) <sup>1</sup>	3.3%	4.2%	(83)
Efficiency ratio <sup>2</sup>	42.8%	39.7%	315
Return on avg. equity <sup>3</sup>	21.6%	22.5%	(82)
Return on avg. assets <sup>4</sup>	1.2%	1.3%	(12)
Return on RWA <sup>5</sup>	2.1%	2.3%	(13)
<b>Asset quality ratios (%)</b>	<b>Dec-22</b>	<b>Dec-21</b>	<b>Variation bp</b>
NPL ratio <sup>6</sup>	1.8%	1.2%	62
Coverage of NPLs ratio <sup>7</sup>	185.3%	270.5%	(8,516)
Cost of credit <sup>8</sup>	1.0%	1.1%	(11)
<b>Capital indicators</b>	<b>Dec-22</b>	<b>Dec-21</b>	<b>Variation</b>
Risk-weighted assets	37,950,107	37,936,312	0.0%
Core capital ratio <sup>9</sup>	11.1%	9.2%	189
Tier I ratio <sup>10</sup>	2.1%	2.6%	(51)
Tier II ratio <sup>11</sup>	4.7%	3.5%	120
BIS ratio <sup>12</sup>	17.8%	15.2%	258
<b>Clients and service channels</b>	<b>Dec-22</b>	<b>Dec-21</b>	<b>Variation %</b>
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 <sup>13</sup>	855,156	832,405	2.7%
Digital clients <sup>14</sup>	1,981,540	2,016,947	(1.8%)
Branches	286	326	(12.3%)
Employees	9,389	9,988	(6.0%)
<b>Market capitalization (YTD)</b>	<b>Dec-22</b>	<b>Dec-21</b>	<b>Variation %</b>
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\$m)	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 a total of Ch\$293,000 million in additional provisions.
8. Core capital divided by risk-weighted assets, according to BIS III definitions by the FMC.
9. Tier 1 capital by risk-weighted assets, according to BIS III definitions by the FMC.
10. Tier 2 capital by risk-weighted assets, according to BIS III definitions by the FMC.
11. Regulatory capital divided by risk-weighted assets, according to BIS III definitions by the FMC.
12. Individual clients that have 4 products or more with a minimum level of profitability and minimum usage. Companies with a minimum profitability and usage.
13. Clients that use our digital clients at least once a month.