Consolidated Financial Statements

QUIÑENCO S.A. AND SUBSIDIARIES

Santiago, Chile
As of December 31, 2023 and 2022 and for the years then ended

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Report of the Independent Auditor
(Translation of financial statements originally issued in Spanish - See Note 2)

To the Shareholders and Directors of
Quiñenco S.A.:

Opinion

We have audited the consolidated financial statements of Quiñenco S.A. and its subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the years then ended, and the corresponding notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Quiñenco S.A. and its subsidiaries as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended, in accordance with instructions and standards of preparation and presentation of financial information issued by the Chilean Commission for the Financial Market ("CMF") as described in Note 2 (b) to the consolidated financial statements.

We did not audit the financial statements of Compañía Sud Americana de Vapores S.A. and SM SAAM S.A., controlled subsidiaries, whose financial statements reflect total assets that represent respectively 13.04% and 13.50%, of total consolidated assets as of December 31, 2023 and 2022, and total revenues representing 8.64% and 8.26%, respectively, of total consolidated revenues for the years then ended. We did not audit the financial statements of the associates companies Inversiones y Rentas S.A. and Nexans S.A., investments reflected in the consolidated financial statements under the equity method, which represent assets of ThCh$656,475,938 and ThCh$804,777,748 as of December 31, 2023 and 2022, and accrued net income of ThCh$69,170,330 and ThCh$91,386,540 for the years then ended. These financial statements were audited by other auditors, whose reports have been provided to us and our opinion, regarding the included amounts of the subsidiaries and affiliates mentioned above, is only based on the reports of those auditors.

Basis for Opinion

We conducted our audits in accordance with generally accepted auditing standards in Chile. Our responsibilities under those standards are further described in the "Auditor's Responsibility for the Audit of the consolidated Financial Statements" section of our report. We are required to be independent of Quiñenco S.A. and its subsidiaries and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Emphasis on a matter - Accounting Basis

The subsidiary Banco de Chile (controlled through LQ Inversiones Financieras S.A.) is regulated by the Chilean Commission for the Financial Market ("CMF"), and therefore, it is required to apply the accounting standards for banking entities in the preparation of their consolidated financial statements. This regulator has instructed that companies that maintain investments in bank subsidiaries may use, for the purposes of preparing their consolidated financial statements, the information provided directly by bank subsidiaries without being subject to conversion adjustments. Consequently, the Company has consolidated the Bank's financial statements without any translation adjustment. In accordance with the foregoing, the Company has chosen to consolidate the financial statements of the subsidiary Banco de Chile, without making any conversion adjustments to International Financial Reporting Standards.

Responsibility of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate that raise substantial doubt about the ability of Quiñenco S.A. and its subsidiaries, to continue as a going concern for at least the twelve months following the end of the reporting period, but not limited to that period.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with the generally accepted auditing standards in Chile will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards in Chile, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of the internal control relevant to an audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of Quiñenco S.A. and its subsidiaries. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the ability of Quiñenco S.A. and its subsidiaries to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies and material weaknesses in internal control that we identified during the audit.

Eduardo Rodríguez B.
EY Audit Ltda.

Santiago, March 28, 2024

QUIÑENCO S.A. AND SUBSIDIARIES

Consolidated financial statements
As of December 31, 2023 and 2022
and for the years then ended
(Thousands of Chilean pesos - ThCh$)

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QUIÑENCO S.A. AND SUBSIDIARIES

As of December 31, 2023 and 2022
and for the years then ended

(Thousands of Chilean pesos - ThCh$)

Consolidated Statements of Financial Position as of December 31, 2023 and 2022

Assets	Note	12/31/2023	12/31/2022
Non-banking sector		**ThCh$**	**ThCh$**
Current assets			
Cash and cash equivalents	4	1,659,443,687	672,577,057
Other financial assets, current	5	177,308,642	55,283,939
Other non-financial assets, current	6	60,688,127	82,709,143
Trade and other receivables, current	7	331,455,406	295,621,128
Related party receivables, current	8	60,876,930	58,743,586
Inventory, current	9	224,968,123	227,263,353
Current tax assets	10	1,371,838,118	475,701,000
Total current assets other than assets or disposal groups classified as held for sale or held for distribution to owners		**3,886,579,033**	**1,867,899,206**
Non-current assets or disposal groups held for sale	11	10,450,008	623,661,039
Total current assets other than assets or disposal groups classified as held for sale or held for distribution to owners		**10,450,008**	**623,661,039**
Total current assets		**3,897,029,041**	**2,491,560,245**
Non-current assets			
Other financial assets, non-current	12	55,349,390	61,079,719
Other non-financial assets, non-current	13	16,405,582	14,599,706
Receivables, non-current	7	498,361	605,628
Related party receivables, non-current	8	-	-
Inventory, non-current	9	2,903,267	3,453,395
Equity method investments	14	6,345,176,285	8,705,835,958
Intangible assets other than goodwill	15	273,904,987	250,075,082
Goodwill	16	1,074,574,545	1,002,398,197
Property, plant and equipment	19	1,458,810,716	1,115,818,017
Right-of-use assets	20	319,550,604	289,468,966
Investment properties	21	25,028,571	15,644,124
Non-current tax assets		-	-
Deferred tax assets	22	93,700,111	527,250,284
Total non-current assets		**9,665,902,419**	**11,986,229,076**
Total non-banking sector assets		**13,562,931,460**	**14,477,789,321**
Banking sector assets			
Cash and due from banks	42.5	2,464,647,680	2,764,883,901
Transactions in the course of collection	42.5	415,505,444	772,195,964
Financial instruments held for trading at fair value through profit and loss	42.6	5,808,328,099	6,651,098,959
Financial assets held at fair value through other comprehensive income	42.9	3,786,525,412	3,967,391,895
Financial derivative contracts for hedging purposes	42.10	49,064,753	27,076,908
Financial assets at amortized cost	**42.11**	40,846,852,138	38,896,848,570
Rights under resale agreements and securities borrowing	42.11	71,822,359	54,061,245
Debt financial instruments	42.11	1,431,082,669	902,355,480
Loans and advances to banks	42.11	2,519,180,030	2,174,114,579
Customer loans and receivables - commercial	42.11	19,617,940,705	19,721,414,901
Customer loans and receivables – residential mortgage	42.11	12,269,147,875	11,386,851,763
Customer loans and receivables - consumer	42.11	4,937,678,500	4,658,050,602
Investments in other companies	42.12	76,993,670	62,210,577
Intangible assets	42.13	137,204,233	106,620,458
Property, plant and equipment	42.14	201,657,431	210,123,866
Right-of-use assets	42.15	108,889,287	94,921,318
Current taxes	42.16	141,194,035	187,401,200
Deferred taxes	42.16	539,817,717	539,509,352
Other assets	42.17	1,186,008,710	814,111,682
Non-current assets and disposal groups held for sale	42.18	22,890,965	10,867,929
Total banking sector assets		**55,785,579,574**	**55,105,262,579**
Total assets		**69,348,511,034**	**69,583,051,900**

Liabilities	Note	12/31/2023	12/31/2022
Non-banking sector liabilities		ThCh$	ThCh$
Current liabilities			
Other financial liabilities, current	23	359,950,965	602,648,715
Lease liabilities, current	20	33,734,912	33,281,609
Trade and other payables, current	24	405,057,011	394,285,967
Related party payables, current	8	8,995,225	1,279,511
Other provisions, current	25	24,881,559	48,220,135
Current tax liabilities	10	132,072,977	45,369,761
Provisions for employee benefits, current	26	38,589,835	34,625,253
Other non-financial liabilities, current	27	338,297,825	1,559,511,338
Total current liabilities other than liabilities included in disposal groups classified as held for sale		**1,341,580,309**	**2,719,222,289**
Liabilities included in disposal groups classified as held for sale	11	-	233,706,267
Total current liabilities		**1,341,580,309**	**2,952,928,556**
Non-current liabilities			
Other financial liabilities, non-current	23	2,089,995,653	2,002,642,527
Lease liabilities, non-current	20	280,626,360	256,721,693
Trade and other payables, non-current	24	112,271	134,370
Related party payables, non-current	8	3,116,408	-
Other provisions, non-current	25	46,602,268	39,328,274
Deferred tax liabilities	22	261,677,372	190,147,003
Provisions for employee benefits, non-current	26	18,912,462	19,126,759
Other non-financial liabilities, non-current	28	2,075,266	56,487
Total non-current liabilities		**2,703,118,060**	**2,508,157,113**
Total non-banking sector liabilities		**4,044,698,369**	**5,461,085,669**
Banking sector liabilities			
Transactions in the course of payment	42.5	356,870,828	681,791,990
Financial liabilities held for trading at fair value through profit and loss	**42.19**	2,199,226,005	3,107,752,904
Financial derivative contracts	42.19	2,196,921,116	3,101,481,878
Others	42.19	2,304,889	6,271,026
Financial derivative contracts for hedging purposes	42.10	160,602,210	223,015,559
Financial liabilities at amortized cost	**42.20**	43,783,122,863	42,756,546,698
Current accounts and other demand deposits	42.20	13,203,069,270	13,378,131,424
Savings accounts and time deposits	42.20	15,362,795,144	14,152,498,508
Repurchase agreements and securities lending	42.20	157,173,490	216,263,788
Borrowings from financial institutions	42.20	5,360,715,116	5,397,675,856
Debt instruments issued	42.20	9,360,065,185	9,267,947,051
Other financial liabilities	42.20	339,304,658	344,030,071
Lease liabilities	42.15	101,479,915	89,369,310
Regulatory capital financial instruments	42.21	1,039,813,847	1,010,905,166
Provisions for contingencies	42.22	192,151,767	176,025,668
Provisions for dividends, interest payments and reappraisal of regulatory capital financial instruments	42.23	298,265,186	253,526,063
Special provisions for credit risk	42.24	769,147,164	765,765,518
Current taxes	42.16	808,220	931,565
Deferred taxes	42.16	-	-
Other liabilities	42.25	1,218,627,018	1,054,921,771
Total banking sector liabilities		**50,120,115,023**	**50,120,552,212**
Total liabilities		**54,164,813,392**	**55,581,637,881**
Equity			
Issued capital	30	1,223,669,810	1,223,669,810
Retained earnings		6,145,831,191	5,558,459,930
Share premium	30	31,538,354	31,538,354
Other reserves	30	646,521,032	515,839,806
Equity attributable to owners of the controller		**8,047,560,387**	**7,329,507,900**
Non-controlling interests		7,136,137,255	6,671,906,119
Total equity		**15,183,697,642**	**14,001,414,019**
Total liabilities and equity		**69,348,511,034**	**69,583,051,900**

The accompanying notes 1 to 43 form an integral part of these consolidated financial statements.

Consolidated Statements of Net Income for the years ended
December 31, 2023 and 2022

QUIÑENCO

Statements of Income	**Note**	**12/31/2023**	**12/31/2022**
Non-banking sector		**ThCh$**	**ThCh$**
Revenue	31 a)	5,258,858,720	4,891,034,721
Cost of sales		(4,663,363,392)	(4,275,093,289)
Gross margin		595,495,328	615,941,432
Other revenue by function		5,137,595	4,706,038
Distribution costs		-	-
Administrative expenses	31 b)	(526,203,142)	(508,956,007)
Other expenses by function	31 c)	(7,783,510)	(10,521,789)
Other gains (losses)	31 d)	121,327,479	(12,873,331)
Operating income		**187,973,750**	**88,296,343**
Finance income		110,623,595	33,927,661
Finance costs	31 e)	(128,623,572)	(109,198,285)
Impairment losses according to IFRS 9		-	-
Share of income of associates and joint ventures accounted for using the equity method	14	834,874,609	4,775,368,960
Exchange differences		4,758,314	(8,240,084)
Loss from indexation adjustments		(68,054,521)	(160,727,179)
Net income before taxes		941,552,175	4,619,427,416
Income tax expense	22	(569,366,385)	164,108,838
Net income from continuing operations		372,185,790	4,783,536,254
Gain (loss) from discontinued operations	11	359,327,383	19,660,749
Non-banking sector net income		**731,513,173**	**4,803,197,003**
Banking sector			
Net interest income	42.27	1,547,393,766	1,281,305,904
Net indexation income	42.28	343,744,355	955,879,766
Net fee income	42.29	545,277,879	531,619,440
Net gain (loss) from financial transactions	42.30	467,765,755	303,384,518
Income from investments in other companies	42.31	14,432,141	13,579,908
Income from non-current assets and disposal groups held for sale not admissible as discontinued operations	42.32	3,146,133	2,004,084
Other operating income	42.33	75,995,933	29,658,404
Payroll and personnel expenses	42.34	(582,684,445)	(528,226,066)
Administrative expenses	42.35	(408,844,366)	(355,273,576)
Depreciation and amortization	42.36	(92,308,241)	(84,205,252)
Impairment of non-financial assets	42.37	(1,761,648)	(77,123)
Other operating expenses	42.33	(32,905,216)	(27,701,396)
Operating income before credit loss expense		1,879,252,046	2,121,948,611
Credit loss expense	42.38	(361,252,097)	(435,117,020)
Net income before taxes		1,517,999,949	1,686,831,591
Income tax expense	42.16	(273,887,366)	(275,756,597)
Net income from continuing operations		1,244,112,583	1,411,074,994
Banking sector net income		1,244,112,583	1,411,074,994
Consolidated net income		**1,975,625,756**	**6,214,271,997**
Net income attributable to:			
Owners of the controller		841,966,856	3,535,321,747
Non-controlling interests		1,133,658,900	2,678,950,250
Net income for the year		**1,975,625,756**	**6,214,271,997**

Statements of Comprehensive Income	12/31/2023	12/31/2022
	ThCh$	ThCh$
Net income for the year	**1,975,625,756**	**6,214,271,997**
Components of other comprehensive income that will not be reclassified to the income statement for the year		
Other comprehensive income (loss) from revaluation of defined-benefit pension plans	(3,176,393)	18,459,080
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method, which will not be reclassified to the income statement for the year	3,305,054	20,766,354
Total other comprehensive income that will not be reclassified to the income statement for the year	**128,661**	**39,225,434**
Components of other comprehensive income that will be reclassified to the income statement for the year		
Currency translation differences		
Gain (loss) on currency translation differences	94,085,786	(61,071,871)
Other comprehensive income (loss) on currency translation differences	94,085,786	(61,071,871)
Financial assets held for sale		
Gain (loss) on revaluation of financial assets held for sale	2,657,385	25,825,265
Other comprehensive income from financial assets held for sale	2,657,385	25,825,265
Cash flow hedges		
Gains (losses) on cash flow hedges	9,579,239	(35,995,105)
Other comprehensive income (loss) from cash flow hedges	9,579,239	(35,995,105)
Total other comprehensive income (loss) that will be reclassified to the income statement for the year	**106,322,410**	**(71,241,711)**
Other components of other comprehensive income (loss)	106,451,071	(32,016,277)
Total comprehensive income	**2,082,076,827**	**6,182,255,720**
Comprehensive income attributable to:		
Owners of the controller	**948,417,927**	**3,503,305,470**
Non-controlling interests	**1,133,658,900**	**2,678,950,250**
Total comprehensive income	**2,082,076,827**	**6,182,255,720**

Statements of Cash Flow

Cash flow provided by (used in) operating activities	Note	12/31/2023 ThCh$	12/31/2022 ThCh$
Non-banking sector			
Proceeds from operating activities			
Proceeds from selling goods and providing services		6,179,291,034	5,479,492,380
Proceeds from premiums and claims, annuities and other policy benefits		1,005,198	-
Other proceeds from operating activities		71,748,234	141,232,646
Payments for operating activities			
Payments to suppliers for goods and services		(5,738,102,294)	(5,165,909,433)
Payments to and on behalf of employees		(262,785,845)	(233,336,169)
Payments for premiums and claims, annuities and other policy obligations		-	(3,249,595)
Other payments for operating activities		(104,708,961)	(116,714,650)
Net operating cash flow		146,447,366	101,515,179
Income taxes refunded (paid)		(382,005,181)	(41,667,439)
Other proceeds (payments)		(205,334,922)	1,331,169
Net cash flow provided by (used in) non-banking sector operating activities		**(440,892,737)**	**61,178,909**
Banking sector			
Consolidated net income for the year		1,244,112,583	1,411,074,994
Charges (credits) not affecting cash flow			
Depreciation and amortization		94,069,889	84,282,375
Provisions for loan losses		423,517,985	499,625,177
Market value adjustment of investments held for trading		2,317,973	(5,721,298)
Net income from investments in other companies with significant influence		(13,408,485)	(13,030,768)
Net income on the sale of assets received in lieu of payment		(1,628,859)	(3,824,936)
Net income on the sale of property, plant and equipment		(2,970,581)	(1,043,061)
Write-off of assets received in lieu of payment		5,251,991	6,838,141
Other charges (credits) not involving cash flow		(11,936,448)	5,590,575
Net changes in accrued interest, indexation and commission on assets and liabilities		202,435,489	(773,680,619)
Changes in assets and liabilities that affect operating cash flow			
Net (increase) decrease in loans and advances to banks		(340,368,801)	(640,681,937)
Net (increase) decrease in customer loans and receivables		(1,154,141,482)	(1,008,927,582)
Net (increase) decrease in instruments held for trading		(323,474,727)	(16,271,249)
Increase (decrease) in current accounts and other demand deposits		(141,278,392)	(4,835,821,798)
Increase (decrease) in repurchase agreements and securities lending		(59,971,613)	143,986,463
Increase (decrease) in savings accounts and time deposits		1,289,902,655	5,161,196,133
Increase (decrease) in bank borrowing		(201,288,216)	74,608,793
Increase (decrease) in other financial obligations		(4,646,027)	94,145,796
Loans from Chilean Central Bank (long-term)		2,023,000,000	3,548,413,611
Loans repaid to the Chilean Central Bank (long-term)		(2,023,000,000)	(3,548,427,778)
Foreign loans received (long-term)		1,217,112,809	545,857,864
Foreign loans repaid (long-term)		(1,058,303,915)	(93,439,994)
Repayments of other long-term borrowings		-	(107,289)
Others		(3,680,865)	(104,453,762)
Net cash flow from non-banking sector operating activities		**1,161,622,963**	**530,187,851**
Total net cash flow provided by operating activities		**720,730,226**	**591,366,760**

Cash flow provided by (used in) investing activities	Note	12/31/2023 ThCh$	12/31/2022 ThCh$
Non-banking sector			
Proceeds from the loss of control of subsidiaries or other businesses		-	1,123,749
Payments to acquire control of subsidiaries or other businesses		(36,586,805)	(29,059,674)
Proceeds from the sale of non-controlling interests		302,173,861	72,910,714
Payments to acquire non-controlling interests		-	(18,143,696)
Proceeds from the sale of interests in joint ventures		-	-
Payments to acquire interests in joint ventures		-	(15,983,748)
Loans to related parties		(1,037,542)	(5,255,804)
Proceeds from the sale of property, plant and equipment		13,570,922	10,194,491
Purchases of property, plant and equipment		(298,236,803)	(183,697,292)
Proceeds from the sale of intangible assets		1,594,891	4,605
Purchases of intangible assets		(1,101,304)	(938,807)
Dividends received		3,018,424,043	1,292,887,275
Interest received		106,501,268	32,289,469
Other proceeds (payments)		309,733,670	(114,682,744)
Net cash flow provided by non-banking sector investing activities		**3,415,036,201**	**1,041,648,538**
Banking sector			
Net (increase) decrease in investment instruments held for sale		257,613,268	(748,524,897)
Lease contract payments		(1,992,598)	(2,543,164)
Purchases of property, plant and equipment		(24,751,509)	(18,705,966)
Sale of property, plant and equipment		3,626,453	1,332,378
Investments in other companies		-	-
Dividends received from investments in other companies		5,698,541	4,170,719
Sale of assets received in lieu of payment		14,227,056	18,771,944
Net (increase) decrease in other assets and liabilities		(116,852,760)	(97,868,764)
Others		(553,585,615)	(50,634,089)
Net cash flow used in banking sector investing activities		**(416,017,164)**	**(894,001,839)**
Total net cash flow provided by investing activities		**2,999,019,037**	**147,646,699**

Consolidated Statements of Cash Flow for the years ended
December 31, 2023 and 2022

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Cash flow provided by (used in) non-banking sector financing activities	Note	12/31/2023 ThCh$	12/31/2022 ThCh$
Non-banking sector			
Proceeds from share issuances		-	-
Proceeds from issuing other equity instruments		-	-
Payments to acquire or redeem treasury shares		(254,403)	-
Payments for other interests in equity		-	-
Proceeds from long-term loans		258,735,821	128,727,650
Proceeds from short-term loans		947,070,579	1,192,147,336
Total proceeds from loans		1,205,806,400	1,320,874,986
Loans from related parties		1,996,284	224,309
Loan repayments		(1,605,353,196)	(1,252,278,188)
Payments of lease liabilities		(31,892,051)	(26,459,717)
Loan repayments to related parties		-	-
Dividends paid		(1,722,394,842)	(1,303,472,054)
Interest paid		(115,706,152)	(87,506,001)
Other proceeds (payments)		923,831	(9,913,810)
Net cash flow used in non-banking sector financing activities		**(2,266,874,129)**	**(1,358,530,475)**
Banking sector			
Redemption of mortgage bonds		(1,011,967)	(2,100,659)
Bonds issued		1,224,480,193	1,355,816,021
Bonds repaid		(1,865,375,473)	(1,596,741,575)
Dividends paid		(422,544,751)	(263,115,480)
Others		(32,083,506)	(32,374,022)
Net cash flow used in banking sector financing activities		**(1,096,535,504)**	**(538,515,715)**
Total net cash flow used in financing activities		**(3,363,409,633)**	**(1,897,046,190)**
Net increase (decrease) in cash & cash equivalents before effect of changes in exchange rates		356,339,630	(1,158,032,731)
Effect of changes in exchange rates on cash and cash equivalents		69,283,737	2,897,530
Net increase (decrease) in cash and cash equivalents		425,623,367	(1,155,135,201)
Cash and cash equivalents as of the start of the year		6,777,967,123	7,933,102,324
Cash and cash equivalents as of the end of the year	4 c)	**7,203,590,490**	**6,777,967,123**

QUIÑENCO

	Common shares		Other reserves									
	Issued capital	Share premium	Revaluation surplus	Currency translation reserves	Cash flow hedge reserves	Gains or losses on revaluation of financial assets held for sale reserve	Other miscellaneous reserves	Total other reserves	Retained earnings (accumulated losses)	Equity attributable to owners of the controller	Non-controlling interests	Total equity
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Opening balance as of 01/01/2023	1,223,669,810	31,538,354	1,031,342	636,774,765	(11,124,226)	17,579,662	(128,421,737)	515,839,806	5,558,459,930	7,329,507,900	6,671,906,119	14,001,414,019
Increase (decrease) for changes in accounting policy	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) for prior period adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Restated opening balance	1,223,669,810	31,538,354	1,031,342	636,774,765	(11,124,226)	17,579,662	(128,421,737)	515,839,806	5,558,459,930	7,329,507,900	6,671,906,119	14,001,414,019
Changes in equity												
Total comprehensive income												
Net income	-	-	-	-	-	-	-	-	841,966,856	841,966,856	1,133,658,900	1,975,625,756
Other comprehensive income	-	-	-	94,085,786	9,579,239	2,657,385	128,661	106,451,071	-	106,451,071	-	106,451,071
Total comprehensive income	-	-	-	94,085,786	9,579,239	2,657,385	128,661	106,451,071	841,966,856	948,417,927	1,133,658,900	2,082,076,827
Capital increase	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	(252,590,057)	(252,590,057)	-	(252,590,057)
Increase (decrease) for changes in interests in subsidiaries that do not involve loss of control	-	-	-	-	-	-	(1,700,983)	(1,700,983)	-	(1,700,983)	1,700,983	-
Increase (decrease) for transfers and other changes	-	-	-	38,863,694	1,673,120	(313,236)	(14,292,440)	25,931,138	(2,005,538)	23,925,600	(671,128,747)	(647,203,147)
Total changes in equity	**-**	**-**	**-**	**132,949,480**	**11,252,359**	**2,344,149**	**(15,864,762)**	**130,681,226**	**587,371,261**	**718,052,487**	**464,231,136**	**1,182,283,623**
Closing balance as of 12/31/2023	**1,223,669,810**	**31,538,354**	**1,031,342**	**769,724,245**	**128,133**	**19,923,811**	**(144,286,499)**	**646,521,032**	**6,145,831,191**	**8,047,560,387**	**7,136,137,255**	**15,183,697,642**
Opening balance as of 01/01/2022	1,223,669,810	31,538,354	1,031,342	697,846,636	24,870,879	(11,276,377)	(159,204,262)	553,268,218	3,565,784,533	5,374,260,915	5,346,602,593	10,720,863,508
Increase (decrease) for changes in accounting policy	-	-	-	-	-	15,769,506	2,636,960	18,406,466	(186,999)	18,219,467	(186,999)	18,032,468
Increase (decrease) for prior period adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Restated opening balance	1,223,669,810	31,538,354	1,031,342	697,846,636	24,870,879	4,493,129	(156,567,302)	571,674,684	3,565,597,534	5,392,480,382	5,346,415,594	10,738,895,976
Changes in equity												
Total comprehensive income												
Net income	-	-	-	-	-	-	-	-	3,535,321,747	3,535,321,747	2,678,950,250	6,214,271,997
Other comprehensive income	-	-	-	(61,071,871)	(35,995,105)	25,825,265	39,225,434	(32,016,277)	-	(32,016,277)	-	(32,016,277)
Total comprehensive income	-	-	-	(61,071,871)	(35,995,105)	25,825,265	39,225,434	(32,016,277)	3,535,321,747	3,503,305,470	2,678,950,250	6,182,255,720
Capital increase	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	(1,556,144,708)	(1,556,144,708)	-	(1,556,144,708)
Increase (decrease) for changes in interests in subsidiaries that do not involve loss of control	-	-	-	-	-	-	135,655	135,655	-	135,655	(135,655)	-
Increase (decrease) for transfers and other changes	-	-	-	-	-	(12,738,732)	(11,215,524)	(23,954,256)	13,685,357	(10,268,899)	(1,353,324,070)	(1,363,592,969)
Total changes in equity	**-**	**-**	**-**	**(61,071,871)**	**(35,995,105)**	**13,086,533**	**28,145,565**	**(55,834,878)**	**1,992,862,396**	**1,937,027,518**	**1,325,490,525**	**3,262,518,043**
Closing balance as of 12/31/2022	**1,223,669,810**	**31,538,354**	**1,031,342**	**636,774,765**	**(11,124,226)**	**17,579,662**	**(128,421,737)**	**515,839,806**	**5,558,459,930**	**7,329,507,900**	**6,671,906,119**	**14,001,414,019**

Note 1 – Corporate information

(a) Company information

Quiñenco S.A. (hereinafter "Quiñenco" or "the Company") is a publicly listed corporation, with Taxpayer ID number 91,705,000-7, domiciled at Enrique Foster Sur 20, Floor 14, Las Condes, Santiago. The Company is registered in the Securities Registry under No. 0597 and is subject to the regulatory authority of the Financial Market Commission (hereinafter the "CMF").

These consolidated financial statements have been approved by the Board of the Company at its meeting held on March 28, 2024.

(b) Description of operations and principal activities

The Company mainly has investments in the industrial and financial services sectors in numerous areas of the economy. The Company provides banking and financial services through the indirect subsidiary Banco de Chile (hereinafter "the Bank"); it produces and sells soft drinks, wine, beer and other beverages through the indirect associate company Compañía Cervecerías Unidas S.A. (hereinafter "CCU"), an investment registered under the equity method through Inversiones y Rentas S.A.; it manufactures cables, it distributes and sells fuels and lubricants and provides convenience store products and services through the indirect associate Nexans and the indirect subsidiary Enex PLC (hereinafter "Enex"); it provides maritime cargo transport services, port services (tug boat and air cargo logistics services) through the subsidiaries Compañía Sud Americana de Vapores S. A. (hereinafter "CSAV") and Sociedad Matriz SAAM S.A. (hereinafter "SM SAAM").

The Company's businesses are as follows:

Financial services: Quiñenco has a direct and indirect shareholding in Banco de Chile, through its 50.00% holding of the issued capital, as of December 31, 2023 and 2022, of the subsidiary LQ Inversiones Financieras S.A. (hereinafter "LQIF"). LQIF is a company formed by Quiñenco in 2000 in order to channel its investments in the financial sector. Since 2001, its principal investment is its controlling shareholding in Banco de Chile, one of the largest financial institutions in Chile. Banco de Chile is listed in Chile and on the New York Stock Exchange (NYSE).

As of December 31, 2023 and 2022, LQIF directly holds 46.34% of Banco de Chile and indirectly holds 4.81% through its subsidiary Inversiones LQ-SM Limitada (hereinafter "LQ-SM").

As of December 31, 2023 and 2022, LQIF directly and indirectly holds 51.15% of the political and economic rights in Banco de Chile.

Beverages: The Company has an indirect shareholding in CCU through the ownership of 50% of Inversiones y Rentas S.A. (hereinafter "IRSA"). IRSA is a joint venture with the Dutch brewery group Heineken Americas B.V. (hereinafter "Heineken"). As a result, Heineken holds 50% of IRSA and is thus a shareholder of Quiñenco, being the joint controllers of 65.87% of CCU as of December 31, 2023 and 2022.

Note 1 – Corporate information (continued)

(b) Description of operations and principal activities (continued)

Manufacturing: Quiñenco has a 19.27% indirect interest as of December 31, 2023, and a 29.02% indirect interest as of December 31, 2022, in the French company Nexans. Nexans is a global player in the cable industry, offering a wide range of cables and cabling systems and with an industrial presence in 41 countries and trading activities throughout the world. Nexans is listed on the Euronext exchange in Paris.

Energy: Quiñenco has an indirect interest of 100% in the indirect subsidiary Enex as of December 31, 2023 and 2022, whose main activity is the distribution and sale of products and services in the areas of fuels and lubricants for motor vehicles, industry, aviation and shipping, asphalts (bitumen), chemicals and convenience stores. The company markets its products in Chile, mainly using the Shell brand, and in the USA and Paraguay.

Transport: Quiñenco has a 66.45% interest in the subsidiary CSAV as of December 31, 2023 and 2022. This company is mainly involved in container shipping and its most important asset is a 30.00% interest in the shipping company Hapag-Lloyd A.G.

Port Services: Quiñenco has a 62.60% interest in the subsidiary SM SAAM S.A. as of December 31, 2023, and 60.02% as of December 31, 2022. The subsidiary SM SAAM provides tug boat services, air cargo logistics and leases real estate.

(c) Employees

The following table shows the number of employees of Quiñenco and its subsidiaries:

Number of Employees	12/31/2023	12/31/2022
Quiñenco	71	71
LQIF and subsidiaries	12,222	12,555
SM SAAM	4,017	5,765
CSAV	16	15
Enex and subsidiaries	4,546	3,602
Other subsidiaries	31	29
Total employees	**20,903**	**22,037**

Note 2 – Summary of significant accounting policies

(a) Periods covered

These consolidated financial statements cover the following annual periods:

- Consolidated statements of financial position as of December 31, 2023 and 2022.
- Consolidated statements of comprehensive income, cash flows and changes in equity for the years ended December 31, 2023 and 2022.

Note 2 – Summary of significant accounting policies (continued)

(b) Basis of preparation

The information contained in these consolidated financial statements is the responsibility of the Company's Board of Directors, which expressly states that the instructions and standards for the preparation and presentation of financial information issued by the Financial Market Commission, which include International Financial Reporting Standards (hereinafter "IFRS") issued by the International Accounting Standards Board (hereinafter "IASB"), have been fully applied to these financial statements for 2023 and 2022, with the following exceptions:

Banco de Chile is a subsidiary[1] of LQ Inversiones Financieras S.A., so is regulated by the CMF. Article 5 of Law 21,000 created the CMF and Article 5 authorizes it to issue generally applied accounting standards for the entities that it regulates. The Corporations Law requires compliance with generally accepted accounting principles.

Under this law, banks should follow the accounting criteria issued by the CMF in its Compendium of Accounting Standards for Banks (hereinafter the "Compendium") and, in all matters not covered by these and which are not contradicted by its instructions, they should follow generally accepted accounting criteria as set out in the technical instructions issued by the Chilean Institute of Accountants, which coincide with IFRS issued by the IASB. If differences arise between these generally accepted accounting principles and the accounting criteria issued by the CMF, the latter shall prevail.

The banking subsidiaries therefore have partially followed the IFRS through the application of the Compendium issued by the CMF, generating the following differences:

- Provisions for loan losses: The Bank currently includes prudential criteria established by the CMF in its model. These criteria have given rise, over time, to the establishment of standard models that banking institutions must apply to determine loan portfolio impairment.
  Under IFRS, the provisions for loan losses are calculated using an expected credit losses model over the life of the asset, or 12 months if there is a significant increase in credit risk. Accordingly, the CMF model differs from the IFRS model, which could result in adjustments.
- Impaired loans: The present CMF treatment states that interest revenue on impaired loans cannot be recognized in income on an accrual basis. Under IFRS, the financial asset is not written off, a provision is made for impairment, and interest is generated, based on the interest rate used for discounting the cash flows, not considering therefore the suspension of the recognition of revenue.
- Assets received in lieu of payment: The present treatment is based on the lesser of their initial value plus any subsequent additions, and their net realizable value. Assets that have not been disposed of within a year are gradually written off over an additional period established by the CMF. Under IFRS assets are not written-off while they have an economic value.
- Business combinations - goodwill: As established by the CMF, assets originating before December 31, 2008, with respect to goodwill will maintain the original valuation criteria used in 2008, i.e. they will be amortized until their extinction. Goodwill that has been extinguished will not return to assets.
- Financial instruments (IFRS 9): This standard includes new principles-based requirements for classification and measurement and introduces a more prospective model of expected loan losses for impairment accounting and changes to hedge accounting. Application of this standard is mandatory for periods beginning on or after January 1, 2018. However, this regulation governing expected loan losses has not yet been approved by the CMF, which is required for the banking subsidiary to apply it to these consolidated financial statements.

[1] For IFRS purposes, "subsidiary" is any company in which the parent company has the capacity and intention of exercising control, which is generally obtained when it owns more than 50% of the capital with voting rights or can choose or appoint most of its directors or managers, and is, therefore, equivalent to the concept of affiliate established in Article 86 of Corporations Law 18,046.

Note 2 – Summary of significant accounting policies (continued)

(b) Basis of preparation (continued)

The Company has complied with CMF Circular 506 issued on February 13, 2009, which allows companies with investments in banking entities to register and value these entities based on financial statements prepared in accordance with standards established by the CMF, without being required to make conversion adjustments to IFRS. The accounting policies used by the banking entities to prepare their financial statements are described in Note 2 bb) onward.

The specific provisions for corporations contained in Law 18,046 and its regulations have also been considered.

Certain accounting practices applied by the Company that conform to IFRS may not conform to generally accepted accounting principles in the United States ("US GAAP") or to generally accepted accounting principles in Chile ("Chilean GAAP").

For comparison purposes, the Company and its subsidiaries have made minor reclassifications to their non-banking sector consolidated financial statements as of December 31, 2022, which do not affect their interpretation. For the convenience of the reader these financial statements have been translated from Spanish to English.

(c) IFRS standards and interpretations of the IFRS Interpretations Committee

The new standards, interpretations, improvements and amendments to IFRS that have been issued and are in effect as of the date of these financial statements are detailed below. The Company applied these standards and concluded that they did not significantly affect the financial statements.

	Standards and Interpretations	Mandatory Effective Date
IFRS 17	Insurance contracts	January 1, 2023
IAS 8	Definition of accounting estimates	January 1, 2023
IAS 1	Disclosure of accounting policies	January 1, 2023
IAS 12	Deferred taxes related to assets and liabilities arising from a single transaction	January 1, 2023
IAS 12	International tax reform - Pillar Two Model Rules	January 1, 2023

The improvements and modifications to IFRS as well as interpretations that have been published during the period are described below. As of the date of these financial statements, these standards have still not taken effect and the Company has not applied any of them in advance:

	Improvements and Amendments	Mandatory Effective Date
IAS 1	Classification of liabilities as current and non-current	January 1, 2024
IFRS 16	Lease liabilities related to a sale and leaseback	January 1, 2024
IFRS 7 and IAS 7	Disclosures regarding supplier finance arrangements	January 1, 2024
IFRS 21	Lack of exchangeability	January 1, 2025
IFRS 10 and IAS 28	Consolidated Financial Statements – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Company will evaluate the impact of the amendments once they become applicable.

Note 2 – Summary of significant accounting policies (continued)

(d) Basis of Consolidation

These consolidated financial statements include the assets, liabilities, income and cash flows of the Company and its subsidiaries. The effects of significant transactions with subsidiaries have been eliminated and the interest of the minority investors is shown in the consolidated statement of financial position and consolidated comprehensive income statement in the non-controlling interests account.

The financial statements of the following subsidiaries have been consolidated:

ID number	Subsidiary	Country	Functional currency	Ownership interest (*)			
				12/31/2023			12/31/2022
				Direct	Indirect	Total	Total
76.077.048-5	Inversiones Caboto S.A.	Chile	Ch$	99.9999	0.0001	100.0000	100.0000
77.253.300-4	Inversiones Rio Bravo S.A. and Subsidiary	Chile	Ch$	81.4038	18.5962	100.0000	100.0000
87.011.000-6	Inv. O'Higgins Punta Arenas S.A.	Chile	Ch$	75.5579	0.0000	75.5579	75.5579
91.000.000-4	Industria Nacional de Alimentos S.A.	Chile	Ch$	71.9576	27.9769	99.9345	99.9345
91.527.000-K	Empresa El Peñón S.A.	Chile	Ch$	98.1417	0.0000	98.1417	98.1417
95.987.000-4	Inversiones Río Grande S.p.A. and Subsidiaries	Chile	Ch$	99.9897	0.0103	100.0000	100.0000
96.611.550-5	Unitron S.A.	Chile	Ch$	99.9999	0.0001	100.0000	100.0000
76.724.960-8	Inversiones Ranquil S.A.	Chile	Ch$	99.9975	0.0007	99.9982	99.9982
96.892.490-7	Administración y Servicios Generales LQ S.A.	Chile	Ch$	0.0000	100.0000	100.0000	100.0000
93.802.000-0	Hidrosur S.A.	Chile	Ch$	0.0000	100.0000	100.0000	100.0000
96.572.580-6	Inversiones y Bosques S.A.	Chile	Ch$	0.0000	100.0000	100.0000	100.0000
96.635.350-3	Inmob. e Inv. Hidroindustriales S.A. and Subsidiaries	Chile	Ch$	0.0000	100.0000	100.0000	100.0000
96.847.140-6	Inmobiliaria Norte Verde S.A. and Subsidiary	Chile	Ch$	0.0000	100.0000	100.0000	100.0000
99.568.590-6	Inversiones Río Azul S.A.	Chile	Ch$	0.0000	100.0000	100.0000	100.0000
96.929.880-5	LQ Inversiones Financieras S.A. and Subsidiaries	Chile	Ch$	47.3520	2.6480	50.0000	50.0000
96.999.360-0	Inversiones LQ-SM Limitada	Chile	Ch$	0.0000	100.0000	100.0000	100.0000
97.004.000-5	Banco de Chile	Chile	Ch$	0.1097	51.1500	51.2597	51.2597
96.767.630-6	Banchile Administradora General de Fondos S.A.	Chile	Ch$	0.0000	100.0000	100.0000	100.0000
96.543.250-7	Banchile Asesoría Financiera S.A.	Chile	Ch$	0.0000	99.9600	99.9600	99.9600
77.191.070-K	Banchile Corredores de Seguros Ltda.	Chile	Ch$	0.0000	100.0000	100.0000	100.0000
96.571.220-8	Banchile Corredores de Bolsa S.A.	Chile	Ch$	0.0000	100.0000	100.0000	100.0000
96.645.790-2	Socofin S.A.	Chile	Ch$	0.0000	100.0000	100.0000	100.0000
91.021.000-9	Invexans S.A. and Subsidiaries	Chile	USD	89.5536	10.2980	99.8516	99.8511
Foreign	Invexans Limited	United Kingdom	USD	0.0000	100.0000	100.0000	100.0000
Foreign	Invexans LLC	USA	USD	0.0000	100.0000	100.0000	100.0000
Foreign	Enex PLC	United Kingdom	USD	0.0000	100.0000	100.0000	100.0000
92.011.000-2	Enex S.A.	Chile	Ch$	0.0000	100.0000	100.0000	100.0000
Foreign	Enex Corp. Ltd.	United Kingdom	USD	0.0000	100.0000	100.0000	100.0000
89.467.400-8	Dicomac Ltda.	Chile	Ch$	0.0000	100.0000	100.0000	100.0000
94.625.000-7	Inversiones Enex S.A.	Chile	Ch$	0.0000	100.0000	100.0000	100.0000
76.376.573-3	Empresa de Soluciones Mineras ESM SpA.	Chile	Ch$	0.0000	100.0000	100.0000	100.0000
Foreign	Enex CL Ltd.	United Kingdom	Ch$	0.0000	100.0000	100.0000	100.0000
Foreign	Enex Investments US, Inc.	USA	USD	0.0000	100.0000	100.0000	100.0000
Foreign	Road Ranger, LLC	USA	USD	0.0000	100.0000	100.0000	100.0000
Foreign	Enex Investment Paraguay S.A.	Paraguay	PYG	0.0000	100.0000	100.0000	100.0000
Foreign	Enex Paraguay SAE	Paraguay	PYG	0.0000	55.0000	55.0000	0.0000
Foreign	Tulsa S.A.	Paraguay	PYG	0.0000	100.0000	100.0000	0.0000
Foreign	Gabana S.A.	Paraguay	PYG	0.0000	100.0000	100.0000	0.0000
Foreign	Grupo Avanti S.A.	Paraguay	PYG	0.0000	100.0000	100.0000	0.0000
Foreign	Reopco INC.	USA	USD	0.0000	100.0000	100.0000	100.0000
Foreign	Ranger Holdings 139 LLC	USA	USD	0.0000	100.0000	100.0000	100.0000
Foreign	Ranger Holdings 141 LLC	USA	USD	0.0000	100.0000	100.0000	100.0000
Foreign	First Ranger 225 LLC	USA	USD	0.0000	100.0000	100.0000	100.0000
Foreign	First Ranger 226 LLC	USA	USD	0.0000	100.0000	100.0000	100.0000
Foreign	First Ranger 242 LLC	USA	USD	0.0000	100.0000	100.0000	100.0000
Foreign	First Ranger 244 LLC	USA	USD	0.0000	100.0000	100.0000	100.0000

Note 2 – Summary of significant accounting policies (continued)

(d) Basis of Consolidation (continued)

ID number	Subsidiary	Country	Functional currency	Ownership interest (*) 12/31/2023 Direct	Ownership interest (*) 12/31/2023 Indirect	Ownership interest (*) 12/31/2023 Total	12/31/2022 Total
Foreign	First Ranger 291 LLC	USA	USD	0.0000	100.0000	100.0000	100.0000
76.275.453-3	Tech Pack S.A. and Subsidiaries	Chile	USD	80.7634	19.2078	99.9712	99.9712
91.524.000-3	Inmobiliaria Techpack S.A.	Chile	USD	0.0000	99.9710	99.9710	99.9710
94.262.000-4	Soinmad S.A. and Subsidiaries	Chile	USD	0.0000	100.0000	100.0000	100.0000
96.619.180-5	Logística Techpack S.A.	Chile	USD	0.0000	100.0000	100.0000	100.0000
90.160.000-7	Compañía Sud Americana de Vapores S.A. and Subsidiaries	Chile	USD	25.2126	41.2419	66.4545	66.4545
Foreign	CSAV Germany Container Holding GmbH	Germany	USD	0.0000	100.0000	100.0000	100.0000
76.196.718-5	Sociedad Matriz SAAM S.A. and Subsidiaries	Chile	USD	26.0428	36.5592	62.6020	60.0210
92.048.000-4	SAAM S.A. and Subsidiaries	Chile	USD	0.0000	100.0000	100.0000	100.0000
77.777.134-5	SAAM Towage Chile SpA	Chile	USD	0.0000	100.0000	100.0000	0.0000
76.729.932-K	SAAM Logistics S.A. and Subsidiaries	Chile	USD	0.0000	0.0000	0.0000	100.0000
76.757.003-1	SAAM Ports S.A. and Subsidiaries	Chile	USD	0.0000	0.0000	0.0000	100.0000
96.973.180-0	SAAM Internacional S.A. and Subsidiaries	Chile	USD	0.0000	100.0000	100.0000	100.0000
77.587.667-0	SAAM Inmobiliaria S.A.	Chile	USD	0.0000	100.0000	100.0000	100.0000
77.587.244-1	SAAM Aéreo S.A.	Chile	USD	0.0000	100.0000	100.0000	100.0000
76.708.840-K	Inmobiliaria San Marco Ltda. and Subsidiaries	Chile	USD	0.0000	0.0000	0.0000	100.0000
96.696.270-4	Inmobiliaria Marítima Portuaria SpA	Chile	USD	0.0000	100.0000	100.0000	100.0000
76.457.830-9	Servicios Logísticos Ltda.	Chile	USD	0.0000	100.0000	100.0000	100.0000
76.479.537-7	SAAM Inversiones SpA	Chile	USD	0.0000	100.0000	100.0000	100.0000
96.720.220-7	Inversiones San Marco Ltda.	Chile	USD	0.0000	0.0000	0.0000	100.0000
96.885.450-K	Aerosan Airport Services S.A. & Subsidiaries	Chile	USD	0.0000	100.0000	100.0000	100.0000
94.058.000-5	Servicios Aeroportuarios Aerosan S.A.	Chile	USD	0.0000	100.0000	100.0000	100.0000
Foreign	SAAM Inversiones Portuarias Costa Rica S.A.	Costa Rica	USD	0.0000	0.0000	0.0000	100.0000
Foreign	SAAM Towage México S.A. de C.V.	Mexico	USD	0.0000	100.0000	100.0000	100.0000
Foreign	SAAM Towage Brasil S.A.	Brazil	USD	0.0000	100.0000	100.0000	100.0000
Foreign	SAAM Do Brasil Ltda.	Brazil	USD	0.0000	100.0000	100.0000	100.0000
Foreign	SAAM Participacoes Ltda.	Brazil	USD	0.0000	100.0000	100.0000	100.0000
Foreign	SAAM Towage El Salvador	El Salvador	USD	0.0000	100.0000	100.0000	100.0000
Foreign	Concesionaria SAAM Costa Rica S.A.	Costa Rica	USD	0.0000	100.0000	100.0000	100.0000
Foreign	SAAM Operadora de Puertos Emp. de Estiba y Desestiba	Costa Rica	USD	0.0000	0.0000	0.0000	100.0000
Foreign	Ecuaestibas S.A.	Ecuador	USD	0.0000	100.0000	100.0000	100.0000
Foreign	SAAM Towage Panama Inc.	Panama	USD	0.0000	100.0000	100.0000	100.0000
Foreign	Inversiones Habsburgo S.A.	Panama	USD	0.0000	100.0000	100.0000	100.0000
Foreign	Inversiones Alaria II S.A.	Panama	USD	0.0000	100.0000	100.0000	100.0000
Foreign	SAAM Remolcadores S.A.	Panama	USD	0.0000	100.0000	100.0000	100.0000
Foreign	Airport Investment SRL	Panama	USD	0.0000	100.0000	100.0000	100.0000
Foreign	EOP Crew Management de México S.A. de C.V.	Mexico	MXN	0.0000	70.0000	70.0000	70.0000
Foreign	Intertug México S.A. de C.V.	Mexico	MXN	0.0000	70.0000	70.0000	70.0000
Foreign	Barú Offshore de México S.A.P.I. de C.V.	Mexico	USD	0.0000	70.0000	70.0000	70.0000
Foreign	SAAM Remolcadores S.A. de C.V.	Mexico	USD	0.0000	94.9000	94.9000	94.9000
Foreign	Recursos Portuarios S.A. de C.V.	Mexico	MXN	0.0000	100.0000	100.0000	100.0000
Foreign	SAAM Towage Colombia S.A.S.	Colombia	USD	0.0000	70.0000	70.0000	70.0000
Foreign	Aerosan SAS	Colombia	Colombian peso	0.0000	100.0000	100.0000	100.0000
Foreign	SAAM Towage Canada Inc. and Subsidiaries	Canada	CAD	0.0000	100.0000	100.0000	100.0000
Foreign	SAAM Towage Inc.	Canada	CAD	0.0000	100.0000	100.0000	100.0000
Foreign	Rivtow Marine Inc.	Canada	CAD	0.0000	100.0000	100.0000	100.0000
Foreign	Davies Tugboat Ltd.	Canada	CAD	0.0000	100.0000	100.0000	100.0000

Note 2 – Summary of significant accounting policies (continued)

(d) Basis of Consolidation (continued)

ID number	Subsidiary	Country	Functional currency	Ownership interest (*) 12/31/2023 Direct	Indirect	Total	12/31/2022 Total
Foreign	Standard Towing Ltd.	Canada	CAD	0.0000	100.0000	100.0000	100.0000
Foreign	SAAM Guatemala S.A.	Guatemala	USD	0.0000	70.0000	70.0000	70.0000
Foreign	Expertajes Marítimos S.A.	Guatemala	Quetzal	0.0000	70.0000	70.0000	70.0000
Foreign	Limoly S.A.	Uruguay	USD	0.0000	0.0000	0.0000	100.0000
Foreign	Giraldir S.A.	Uruguay	USD	0.0000	100.0000	100.0000	100.0000
Foreign	Parana Towage S.A.	Uruguay	USD	0.0000	100.0000	100.0000	100.0000
Foreign	SAAM Towage Uruguay S.A.	Uruguay	USD	0.0000	100.0000	100.0000	100.0000
Foreign	SAAM Towage Perú S.A.C.	Peru	USD	0.0000	100.0000	100.0000	100.0000
Foreign	Inversiones Alaria S.A.	Peru	USD	0.0000	100.0000	100.0000	100.0000
Foreign	Inversiones Misti S.A.	Peru	USD	0.0000	100.0000	100.0000	100.0000
Foreign	Ian Taylor Perú	Peru	USD	0.0000	100.0000	100.0000	100.0000
Foreign	SAAM Florida Inc.	USA	USD	0.0000	0.0000	0.0000	100.0000
Foreign	Florida International Terminal Llc	USA	USD	0.0000	0.0000	0.0000	70.0000
Foreign	SAAM Air Service Inc.	USA	USD	0.0000	100.0000	100.0000	0.0000
Foreign	Inarpi S.A. and Subsidiary	Ecuador	USD	0.0000	0.0000	0.0000	100.0000
Foreign	Pertraly S.A.	Ecuador	USD	0.0000	100.0000	100.0000	0.0000
Foreign	Aronem Air Cargo S.A.	Ecuador	USD	0.0000	100.0000	100.0000	100.0000
Foreign	TPG Transportes	Ecuador	USD	0.0000	0.0000	0.0000	100.0000
Foreign	Sociedad Portuaria de Caldera S.A.	Costa Rica	USD	0.0000	0.0000	0.0000	51.0000
Foreign	Sociedad Portuaria Granelera de Caldera S.A.	Costa Rica	USD	0.0000	0.0000	0.0000	51.0000
Foreign	SAAM Remolques Honduras S.A.	Honduras	USD	0.0000	100.0000	100.0000	100.0000
Foreign	Crewing Service Inc.	Panama	USD	0.0000	100.0000	100.0000	0.0000
76.002.201-2	SAAM Puertos S.A.	Chile	USD	0.0000	0.0000	0.0000	100.0000
96.677.790-7	Terminal El Colorado S.A.	Chile	USD	0.0000	0.0000	0.0000	100.0000
96.915.330-0	Iquique Terminal Internacional S.A. & Subsidiary	Chile	USD	0.0000	0.0000	0.0000	100.0000
96.960.490-8	Muellaje ITI S.A.	Chile	USD	0.0000	0.0000	0.0000	100.0000
Foreign	Recursos Portuarios Mazatlán S.A. de C.V.	Mexico	USD	0.0000	0.0000	0.0000	100.0000
Foreign	Terminal Marítima Mazatlán S.A.	Mexico	USD	0.0000	0.0000	0.0000	100.0000
96.798.520-1	SAAM Extraportuarios S.A.	Chile	USD	0.0000	0.0000	0.0000	100.0000
96.986.790-7	Terminal Las Golondrinas S.A.	Chile	USD	0.0000	0.0000	0.0000	100.0000
86.712.100-5	Cosem S.A.	Chile	USD	0.0000	0.0000	0.0000	100.0000
96.556.920-0	SEPSA S.A.	Chile	USD	0.0000	0.0000	0.0000	100.0000

(*) These are ownership percentages in the parent companies that are direct subsidiaries of Quiñenco S.A. and the ownership percentages of their own subsidiaries.

The subsidiaries Invexans, LQIF, CSAV and SM SAAM are registered in the Securities Registry under the numbers 730, 76 and 1091, respectively as of December 31, 2023, and are subject to the supervision of the Financial Market Commission.

Resolution 8633, dated November 20, 2023, issued by the Financial Market Commission granted the request to cancel shares in INVEXANS S.A. registered on the Securities Registry of the Financial Market Commission. Accordingly, the subsidiary Invexans S.A. ceased to be subject to supervision by this Commission and became a privately-held corporation.

The company controls a subsidiary if it has:
- Authority over the subsidiary (rights that give it the authority to direct the subsidiary's business).
- Exposure or rights to variable returns from its interest in the subsidiary.
- Ability to influence these returns by exercising its authority over the subsidiary.

Note 2 – Summary of significant accounting policies (continued)

Basis of consolidation (continued).

The subsidiary LQIF is included in the consolidated financial statements as Quiñenco controls the subsidiary by appointing the majority of the members of the Board, and in Management's opinion this should not change in the short term. The subsidiary Banco de Chile is included in the consolidated financial statements of LQIF and is subject to the regulatory authority of the CMF.

(e) Estimates

Certain estimates have been used by the management of Quiñenco and its respective subsidiaries in the preparation of the consolidated financial statements, in order to quantify some of the assets, liabilities, revenue, expenses and commitments that appear in them. These estimates basically refer to:
- The valuation of assets and goodwill, to calculate any associated impairment losses.
- The assumptions used in the actuarial calculation of employee obligations.
- The useful lives and residual values of property, plant and equipment and intangible assets other than goodwill.
- The assumptions used to calculate the fair value of financial instruments.
- The assumptions used to calculate estimates of the recoverability of trade receivables from customers.
- The assumptions used to calculate estimates of inventory obsolescence.
- The assumptions used to calculate tank removal provisions.
- The analysis and calculation of impairment losses on financial assets and long-term non-financial assets.
- The probability of occurrence and value of uncertain or contingent liabilities.
- The calculation of the fair value of non-financial assets for assessing impairment.
- The recoverability of deferred tax assets based on estimates of future income. This recoverability depends in the last instance on the Company's capacity to generate taxable income throughout the period in which the deferred tax assets are deductible. In the analysis, the reversal period of deferred tax liabilities, and the estimates of taxable benefits, on the basis of internal projections that are updated to reflect the most recent trends are taken into account. The determination of the suitable classification of taxable items depends on various factors, including the estimate of the time and recoverable value of the deferred tax assets and the expected timing of the tax payments. The actual flows of tax collections and payments compared to benefits could differ from the Company's estimates, as a consequence of changes in the tax legislation, or unexpected future transactions that could affect tax balances.

Despite these estimates having been made on the basis of the best information available as of the date of issuance of these consolidated financial statements, it is possible that events may occur in the future that force their modification (upward or downward) in the following periods, which would be made prospectively, recognizing the effects of the change in estimate in the corresponding future consolidated financial statements.

(f) Presentation of the consolidated financial statements

Statement of Financial Position

The Company and its subsidiaries have determined a mixed presentation format of their consolidated statement of financial position as follows:

(f1) Quiñenco, its non-banking subsidiaries and principal associates operate in the businesses of beverages, manufacturing, fuels and lubricants, transport and port services, among which there is a similar operating cycle. They have therefore chosen a presentation format based on current value (classified).

(f2) The banking subsidiaries have no clearly-defined operating cycle and have chosen a liquidity format as required by the CMF.

Therefore, the assets and liabilities of the banking and non-banking sectors are presented separately.

Note 2 – Summary of significant accounting policies (continued)

(f) Presentation of the consolidated financial statements (continued)

Statements of Comprehensive Income

Quiñenco and its subsidiaries show their consolidated statements of income classified by function. However, as the industrial sector shows differences in the classification of their business compared to the banking sector, the Company groups the non-banking sectors together and discloses the banking sectors separately.

Statements of Cash Flow

The CMF requires banking institutions to prepare the statement of cash flows under the indirect method. Consequently, Quiñenco has chosen to show its consolidated statement of cash flows by a mixed presentation, the direct method for the non-banking sector and indirect method for the banking sector.

(g) Functional currency, foreign currency translation and indexed currencies

These consolidated financial statements are shown in Chilean pesos, which is the Company's functional and presentational currency.

Each subsidiary determines its own functional currency and the items included in the consolidated financial statements are measured using that functional currency.

The functional currency of Inversiones y Rentas S.A. (parent company of CCU) and LQ Inversiones Financieras S.A. (parent company of Banco Chile) is the Chilean peso.

The functional currency of the subsidiaries Invexans (parent company of Enex), Tech Pack, CSAV and SM SAAM is the US dollar. At the reporting date, the assets and liabilities of these companies are translated to Quiñenco's presentation currency (Chilean pesos) at the exchange rate on the date of the consolidated statement of financial position, but the statements of comprehensive income and cash flows are translated at the average exchange rate of each month, unless this average is not a reasonable approximation of a specific significant transaction. Exchange differences arising from the translation are taken directly to a separate component of equity under Other reserves. Transactions in currencies other than the functional currency are considered to be in foreign currency and are initially recorded at the exchange rate of the functional currency on the transaction date. Monetary assets and liabilities in foreign currency are translated at the exchange rate of the functional currency on the date of the consolidated statement of financial position. All exchange differences are recorded as a charge or credit to comprehensive income.

Net differences in foreign currency arising from investment or hedging operations of a foreign entity are controlled directly in equity until the disposal of the investment when they are shown as a charge or credit to comprehensive income. The income of taxes and credits attributable to these transactions are shown as a charge or credit to equity until the disposal of the investment.

Any goodwill purchased and adjustment to fair value of the book value of assets and liabilities arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and are translated to Chilean pesos at the closing date of the consolidated financial statements. Non-monetary items measured in terms of historic cost in foreign currency are translated using the exchange rates on the date when the fair value was determined.

Assets and liabilities presented in Unidades de Fomento (UF - Chilean monetary unit indexed to inflation) are valued at the closing value of this currency as of the date of the consolidated statement of financial position, as published by the National Institute of Statistics.

The foreign currency and indexed currency exchange rates used to prepare these consolidated financial statements are as follows.

	December 31, 2023 Ch$	December 31, 2022 Ch$
US dollar (USD)	877.12	855.86
Euro	970.05	915.95
Brazilian real	180.80	161.96
Unidad de Fomento (UF)	36,789.36	35,110.98
Paraguayan guarani	0.12	0.12
Pound sterling	1,118.20	1,033.90

Note 2 – Summary of significant accounting policies (continued)

(h) Inventory

The subsidiaries value inventory at the lower of cost and net realizable value. The cost price (basically the weighted average cost) includes the costs of direct materials and, if appropriate, personnel costs, the indirect costs incurred in transforming the raw materials into finished products and general expenses incurred in transferring the inventory items to their location and present conditions.

The net realizable value represents the estimated sale price less all termination costs and costs to be incurred in the marketing, sale and distribution processes.

Trade discounts, rebates and other similar items are deducted in the determination of the cost price.

Spare parts with low turnover are mainly used to repair and maintain major assets, tug boats and cranes, and given their unpredictable demand, they are classified as non-current inventory.

Subsidiaries evaluate the net realizable value of inventory at the end of each financial period, recording an impairment loss in comprehensive income when they are overstated. When the circumstances that previously caused the reduction have ceased to exist, or when there is clear evidence of an increase in the net realizable value due to a change in financial circumstances or prices of the principal raw materials, the previous estimate is amended in the net income statement.

(i) Property, plant and equipment

(i1) Cost

The elements of property, plant and equipment are valued initially at cost, which includes the purchase price, import duties and any cost directly attributable to placing the asset in an operating condition for its intended use.

The elements of property, plant and equipment that are built (work in progress) may include the following accrued concepts during the construction period:

(i) Finance costs related to specific or generic external financing directly attributable to their acquisition or production. Regarding generic financing, the capitalized financial expenses are obtained by applying a capitalization rate that will be determined with the weighted average of all the interest costs of the entity on the loans that have been outstanding during the period.

(ii) Personnel expenses and others of an operational nature effectively used in the construction of the property, plant and equipment.

After the initial recognition, the elements of property, plant and equipment are reduced by accumulated depreciation and any accumulated loss of value.

The costs of expansion, modernization or improvements that represent an increase in productivity, capacity or efficiency or an increased useful life, are capitalized by increasing the value of the assets.

Expenses in repairs, conservation and maintenance are recognized as a charge or credit to comprehensive income at the time they are incurred.

Any gain or loss from the disposal or withdrawal of an asset is calculated as the difference between the sales price and the asset's book value and is recorded in comprehensive income for the period.

Note 2 – Summary of significant accounting policies (continued)

(i) Property, plant and equipment (continued)

(i2) Depreciation

Depreciation is calculated using the straight-line method, by distributing the acquisition cost less the estimated residual value over the estimated useful life of each asset, as follows:

Group of assets	Estimated useful life in years
Buildings and infrastructure	20 to 100
Installations	5 to 33
Machinery and equipment	5 to 40
Ships, tug boats, barges and boats	10 to 30
Transport equipment	3 to 10
Engines and equipment	7
Other property, plant and equipment	2 to 10
Leasehold property improvements	Lease term

Land is shown separately from buildings or installations as it is understood that it has an infinite useful life and is therefore not subject to depreciation.

The depreciation of property, plant and equipment under construction starts when the assets are ready to be used.

Estimated useful lives are reviewed annually and any change in estimates is recognized prospectively.

(i.3) Basis of measurement after initial recognition

Property, plant and equipment is initially recognized as an asset, and subsequently recognized at cost less accumulated depreciation and any accumulated impairment losses.

(j) Investment properties

Investment properties are recognized as the net value of land, buildings and other construction held for exploitation through leases or to obtain a gain on their sale as a consequence of future increases that may occur in the respective market prices. These assets are not used in the business and are not intended for own use.

They are initially valued at acquisition cost, which includes the acquisition price or cost of production plus expenses incurred that are directly assignable. They are later valued at cost less accumulated depreciation and possible accumulated impairment.

Assets classified as investment properties are depreciated on a straight-line basis, except for land, which has an indefinite life.

Note 2 – Summary of significant accounting policies (continued)

(k) Non-current assets or disposal groups classified as held for sale and discontinued operations

Non-current assets whose book value is recovered through a sale transaction and not through their continued use are classified as held for sale and discontinued operations. This condition is only considered to be met when the sale is highly probable, and the asset is available for sale immediately in its current state. The sale is foreseen to be completed within a year from the date of classification.

These assets are valued at the lower of book value and fair value less associated sale costs and are presented as current assets.

(l) Revenue recognition

Revenue describes the transfer of goods or services committed to customers, in exchange for a payment, which is expected in exchange for those goods or services.

Revenue is recognized in accordance with the guidelines established by IFRS 15, which considers the following steps:

Step 1: Identify the customer contract.
Step 2: Identify the performance obligations in the contract.
Step 3: Determine the transaction price.
Step 4: Assign the transaction price to the performance obligations.
Step 5: Recognize revenue when the entity satisfies a performance obligation.

Finance income is interest on financial assets. Interest income is accrued using the effective interest method.

Revenue is the gross inflow of financial benefits from ordinary activities during a period, provided they increase equity but are not related to contributions from shareholders. Revenue is recognized at fair value when it is probable that the financial benefit associated with a transaction will flow to the company and its value can be reliably measured.

Service revenue is also recognized considering the stage of completion of the services provided as of the reporting date, provided that the outcome of the transaction can be reliably valued, it is probable that the financial benefits associated with the transaction will flow to the Company, the stage of completion of the transaction at the end of the reporting period can be reliably measured and the costs incurred for the transaction and the costs to complete the transaction can be reliably measured.

(m) Business combinations (Investments in subsidiaries)

Business combinations are registered using the acquisition method, in accordance with IFRS 3. This involves recognizing the identifiable assets (including intangible assets not previously recognized) and liabilities (including contingent liabilities and excluding future restructurings) of the business acquired at its fair value.

The acquisition price is measured at fair value, as are the identifiable net assets acquired. Any goodwill arising from the acquisition will be tested annually for impairment (IFRS 3). Any gain on an acquisition is recognized immediately in the statement of income (badwill). Transaction costs are recognized in the statement of income when incurred, except when related to issuing debt or equity securities.

The acquisition price will not include any amounts relating to pre-existing agreements. These are generally recognized in the statement of net income.

Any contingent components of the acquisition price are measured at fair value as of the acquisition date. If a contingent liability meets the definition of a financial instrument, then it is classified as equity, it is not revalued and the subsequent settlement is accounted for within equity. Otherwise, other contingent components of the acquisition price are revalued at fair value as of each reporting date and any changes are recognized in the statement of income.

Business combinations acquired prior to March 2001 are shown at their proportional value considering the book values of each subsidiary.

Note 2 – Summary of significant accounting policies (continued)

(n) Investments in associates (Investments recognized using the equity method)

The Company and its subsidiaries value their investments in associates[2] using the equity method. An associate is an entity in which the Company has a significant influence.

Under this method, the investment is shown in the consolidated statement of financial position at cost plus changes following the acquisition in proportion to the net equity of the associate, using for this the percentage interest in the capital of the associate. The goodwill in associates is included in the book value of the investment and is not amortized. The charge or credit to income reflects the proportion in the results of the associate.

Equity changes at associates are shown proportionately as a charge or credit to Other reserves and classified according to their origin and disclosed in the statement of changes in equity, if appropriate.

The reporting dates and accounting policies of the associate and of the Company are similar to equivalent transactions and events under similar circumstances.

The results in associates are recognized on an accrual basis according to the percentage interest in the net income of the associate. If the associate has negative equity, a liability is recognized to the extent that the Company intends to continue funding the associated company. Dividends received from associates are recognized as a decrease in the investment, without affecting net income.

Should the significant influence be lost or the investment be sold or become held for sale, the equity method is discontinued, and the recognition of proportional results is suspended.

Investments in associates acquired prior to December 31, 2007 (before IFRS 1) have been valued at their equity value calculated on the book values of the associate.

(o) Investments in joint ventures

Joint ventures are contractual agreements whereby two or more parties (partners or shareholders) carry on an economic activity that is subject to joint control. Joint control exists when decisions relating to operative and financial activities require the unanimous agreement of the parties. A joint-venture entity involves the establishment of a company or other entity in which the group of shareholders have interests according to their ownership.

The income, assets and liabilities of the joint venture are incorporated in the consolidated financial statements using the equity-value method, producing an identical treatment to investments in associates.

Investments in joint ventures acquired prior to December 31, 2007, have been valued at their equity value calculated on the book value of the joint venture.

[2] For IFRS purposes, "associate" is any investment in an entity in which the investor has more than 20% of the capital with voting rights or has significant influence over the entity, and is, therefore, equivalent to the concept of affiliate defined in article 87 of the Corporations Law 18,046.

Note 2 – Summary of significant accounting policies (continued)

(p) Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that simultaneously gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Management determines the classification of its financial assets upon initial recognition.

(p.1) Non-derivative financial assets

Quiñenco and its subsidiaries classify their non-derivative financial investments, whether permanent or temporary, excluding equity method investments and non-current assets held for sale, into three categories:

(p.1.1) Amortized cost

This category includes financial assets that meet the following conditions: (i) their business model aims to keep those financial assets to obtain contractual cash flows, and (ii) the contractual terms and conditions of financial assets give rise on specific dates to cash flows that are solely payments of principal and interest (SPPI criterion).

The Company's financial assets that meet the conditions to be valued at amortized cost, as established in IFRS 9, are cash equivalents, receivables, and loans. These assets are recorded at amortized cost, which is initial market value less principal repayments, plus interest accrued but uncharged, calculated using the effective interest method.

The effective interest rate method is used to calculate the amortized cost of a financial asset or liability (or a group of financial assets or liabilities) and is charged to finance income or expense over the relevant period. The effective interest rate is the discount rate that sets the estimated cash flows receivable or payable over the expected life of the financial instrument (or, when appropriate, over a shorter period) exactly equal to the net book value of the financial asset or liability.

(p.1.2) Financial assets valued at fair value through other comprehensive income

This category includes financial assets that meet the following conditions: (i) their business model aims to keep the financial assets in order to collect the contractual cash flows or to sell them, and (ii) the contractual terms and conditions meet the SPPI criterion.

These investments are recorded in the statement of consolidated financial position at fair value when it can be reliably determined. In the case of interests in unlisted companies or companies with very little liquidity, normally the market value cannot be reliably determined and, thus, when this occurs, they are valued at acquisition cost or a lesser amount if evidence of impairment exists.

Changes in fair value, net of its tax effect, are recorded in the consolidated statement of comprehensive income in "Other comprehensive income," until these investments are sold, when the cumulative amount under this heading is fully charged to the statement of income for the period.

Should the fair value be less than the acquisition cost, if there is objective evidence that the asset has been more than temporarily impaired, the difference is recorded directly in losses for the period.

Note 2 – Summary of significant accounting policies (continued)

(p) Financial instruments – initial recognition and subsequent measurement (continued)

(p.1) Non-derivative financial assets (continued)

(p.1.3) Financial assets at fair value through profit and loss

This category includes the trading portfolio. These are financial assets that have been designated as such upon initial recognition and which are managed and valued using the fair value criterion, and includes financial assets that do not comply with the conditions to be classified in the other two categories.

They are valued in the statement of consolidated financial position, with changes in value recorded directly in income when they occur.

Purchases and sales of financial assets are accounted for using their trade date.

(p.2) Cash and cash equivalents

This account within the consolidated statement of financial position includes cash, bank balances, time deposits and other highly-liquid short-term investments (less than 90 days from the investment acquisition date) that can be quickly converted into cash and have a low risk of value fluctuations.

(p.3) Impairment of financial assets

The Company and its subsidiaries apply an impairment model that is based on the expected loan losses, in accordance with the requirements of IFRS 9. This model is applied to financial assets measured at amortized cost or at fair value with changes in other comprehensive income, except for investments in equity instruments.

Impairment provisions are measured on the basis of:

- Expected loan losses in the next 12 months, or

- Expected loan losses throughout the life of the asset, if on the presentation date of the consolidated financial statements, a significant increase in the credit risk of a financial instrument has arisen since initial recognition.

The Company and its subsidiaries apply a simplified approach to trade receivables, contractual assets or leasing receivables, so that the impairment loss is always recorded by reference to the expected losses over the life of the asset.

(p.4) Non-derivative financial liabilities

The Company and its subsidiaries classified its financial liabilities using the following categories: fair value through profit and loss, derivatives designated as effective hedging instruments and amortized cost.

Management determines the classification of its financial liabilities upon initial recognition. Financial liabilities are derecognized when the obligation is settled, canceled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of the existing liability are substantially modified, the original liability is derecognized and the new liability recognized with the difference in the respective book values recorded in income. Financial liabilities are initially recognized at fair value and, in the case of loans, include costs directly attributable to the transaction.

Subsequent measurement of financial liabilities depends on their classification.

(p.4.1) Amortized cost

Other financial liabilities are subsequently measured at their amortized cost using the effective interest method. Amortized cost is calculated by taking into account any initial premium or discount on the loan and includes any transaction costs that are an integral part of the effective interest rate. This category includes trade and other payables and loans included in Other current and non-current financial liabilities.

Note 2 – Summary of significant accounting policies (continued)

(p) Financial instruments – initial recognition and subsequent measurement (continued)

(p.4) Non-derivative financial liabilities (continued)

(p.4.2) Fair value through profit and loss

Financial liabilities are classified as at fair value through profit and loss when they are held for trading or designated as such upon initial recognition. Gains and losses from liabilities held for trading are recognized in the statement of net income. This category includes derivative instruments not designated for hedge accounting.

No financial liabilities have been designated at fair value through profit and loss as of December 31, 2023 and 2022, except for derivative instruments.

(p.5) Derecognition of financial assets and liabilities

Financial assets are derecognized when:

- The rights to receive cash flows related to those assets have expired or have been transferred or contractual obligations have been assumed that determine the payment of these flows to one or more receivers.

- The Company has substantially transferred the risks and rewards of ownership, or if these are not substantially transferred or retained, when it does not control the asset.

Transactions where the Company substantially retains all the risks and benefits, which are inherent to owning a financial asset, are recorded as a liability for the consideration received. The costs of the transaction are recorded in the income statement using the effective interest method.

Financial liabilities are derecognized when the obligation arising from those liabilities has been paid, canceled or expired.

(p.6) Offsetting financial assets and liabilities

The Company offsets its financial assets and liabilities, and the net amount is presented in the consolidated statement of financial position, only when:

- There is a legally enforceable right to offset the amounts recognized, and

- There is an intention to settle on a net basis, or to recover the asset and settle the liability simultaneously.

These rights can only be legally enforceable within the normal course of business, or if one or all of the counterparties becomes insolvent or bankrupt.

Note 2 – Summary of significant accounting policies (continued)

(p) Financial instruments – initial recognition and subsequent measurement (continued)

(p.7) Fair value measurement

The fair value of an asset or liability is defined as the price that would be received for selling an asset or paid for transferring a liability, in an orderly transaction between market participants at the measurement date.

Fair value measurement assumes that the transaction to sell an asset or transfer a liability occurs in the principal market, which is the market handling the greatest volume for that asset or liability. In the absence of a principal market, it is assumed that the transaction is carried out on the market most advantageous for the entity, which is the market that maximizes the sales value of the asset or minimizes the payment to transfer the liability.

The Company measures fair value using valuation techniques that are appropriate in the circumstances and where sufficient data is available to measure the fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and liabilities measured at fair value can be classified into the following levels based on the hierarchy of input data used in their valuation techniques:

- Level 1: Quoted (unadjusted) price in an active market for identical assets and liabilities.
- Level 2: Inputs other than quoted prices included in level 1 that are observable for assets or liabilities, either directly (as a price) or indirectly (as a derivative of a price). The methods and assumptions used to determine the fair values for level 2, per class of financial assets or liabilities, consider the estimated future cash flows.
- Level 3: Inputs for assets or liabilities that are not based on observable market information (non-observable inputs).

(p.8) Classification of financial instruments and financial liabilities

The classification of financial instruments and financial liabilities according to their category and valuation are reported in Note 29 Classes of financial assets and liabilities.

(q) Current and deferred taxes

(q.1) Income taxes

Income tax assets and liabilities for the current and previous period have been determined considering the amount that is expected to be recovered or paid in accordance with current law as of the date of the consolidated statement of financial position in all countries where the Company generates taxable income.

The effects are recognized as a charge or credit to comprehensive income except for items directly recognized in equity accounts which are shown in Other reserves.

(q.2) Deferred taxes

Deferred taxes have been determined using the liability method on temporary differences between the tax assets and liabilities and their respective book values.

Deferred tax liabilities are recognized for all taxable temporary differences, with the exception of the following transactions:

- The initial recognition of goodwill.
- Acquired goodwill whose amortization is not deductible for tax purposes.
- The initial recognition of an asset or liability on a transaction that:
  (1) is not a business combination, and
  (2) at the time of the transaction does not affect the accounting or tax income.

Note 2 – Summary of significant accounting policies (continued)

(q) Current and deferred taxes (continued)

(q.2) Deferred taxes (continued)

- Temporary tax differences associated with investments in subsidiaries, associates and interests in joint ventures, where the opportunity of reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the near future.

Deferred tax assets are recognized for all deductible temporary differences and tax credits for non-utilized tax losses, provided there is the probability that there will be taxable earnings available with which they can be used, with the following exceptions:

- The initial recognition of an asset or liability on a transaction that:
  (i) is not a business combination, and
  (ii) at the time of the transaction does not affect the accounting or tax income.

With respect to deductible temporary differences associated with investments in subsidiaries, associates and interest in joint ventures, deferred tax assets are only shown to the extent that there is a probability that the temporary differences will be reversed in the near future and that taxable profits will be available to absorb them.

As of the date of the consolidated statement of financial position, the book value of deferred tax assets is revised and reduced to the extent that it is probable that there is insufficient available taxable income to permit the recovery of all or part of the asset.

Deferred tax assets and liabilities are measured at the tax rates expected to be applicable in the year the asset is realized or liability liquidated, on the basis of the tax rates and tax laws that have been promulgated as of the reporting date.

Deferred taxes related to items recognized directly to equity are recognized against equity and not against comprehensive income.

Deferred tax assets and liabilities are offset if there is a legal right to offset tax assets against tax liabilities and the deferred tax is related to the same entity and tax authority.

(r) Intangible assets

(r.1) Goodwill

Goodwill represents the difference between the acquisition value of shares or corporate rights in subsidiaries, associates and joint ventures and the fair value of the assets and liabilities, including identifiable contingent liabilities, at the date of acquisition. Goodwill related to acquisitions of associates and joint ventures is included in investments recognized using the equity and joint-ventures method.

Goodwill arising from the acquisition of subsidiaries, joint ventures or associates with a functional currency other than the Chilean peso, is valued in the functional currency of the company acquired, making the translation to Chilean pesos at the exchange rate current on the date of the consolidated statement of financial position.

When the subsidiary LQIF first adopted IFRS, it revalued its investment in the subsidiaries Banco de Chile, SM Chile and SAOS acquired in March 2001, in accordance with IFRS 1, calculating the difference between the acquisition value and fair value of the identifiable assets and liabilities including the identifiable contingent liabilities as of that date.

With the exception of the above, goodwill generated prior to the transition date to IFRS and which corresponds to acquisitions made prior to March 2001, is maintained at the net value recognized at the date of transition from Chilean GAAP to IFRS.

Goodwill is not amortized and at the close of the accounting period it is tested for indications of impairment that may reduce the recoverable value to an amount below the net book cost, in which case an adjustment for impairment is made. Impairment losses related to goodwill cannot be reversed in future periods.

As of the date of these consolidated financial statements there are no indications of impairment that warranted making any adjustment.

Note 2 – Summary of significant accounting policies (continued)

(r) Intangible assets (continued)

(r.2) Concessions

The subsidiary SM SAAM has concessions that are recognized under IFRIC12. They are recorded as intangible assets as they have the right to collect income based on use. The cost of these intangible assets includes the mandatory infrastructure defined in the concession contract and the present value of all minimum contract payments, for which a financial liability is recorded for the value of the intangible asset. These concessions are associated with the port terminals described in Note 11 b).

(r.3) Customer relationships, contracts and others

The subsidiary SM SAAM has intangible assets called "Customer relationships, contracts and others" that arose during business combinations. They are amortized over the estimated benefit return period associated with the customer portfolio for each company as of the acquisition date. These assets were amortized with effect from July 1, 2014 (ST Canada), November 1, 2019 (ST Brazil), November 1, 2020 (Aerosan Airport Services and Servicios Aeroportuarios Aerosan), January 29, 2021 (Intertug), April 4, 2022 (Standard Towing Ltd and Davies Tugboat Ltd.), October 3, 2022 (Ian Taylor Peru S.A.C.) and October 17, 2023 (Pertraly S.A.), which are the dates of these transactions.

(r.4) Intangible assets other than goodwill

These are mainly trademarks, acquisition rights to customer portfolios and computer software.
Assets with a defined useful life are valued at cost less accumulated amortization and impairment. Useful life has been determined based on the period of time over which financial benefits are expected and amortized on a straight-line basis. The amortization period and method are reviewed annually, and any change is treated as a change in an estimate.

The subsidiary LQIF has assigned indefinite useful lives to the Banco de Chile brand and the Citibank brand, as it is expected that they will indefinitely contribute to generating net cash flows for the banking sector. These assets are tested for impairment every year.

Assets with an indefinite useful life are valued at cost less accumulated impairment and are not amortized.

(s) Asset impairment

(s.1) Financial investments held for sale

At the date of closing the consolidated statement of financial position, the Company and its subsidiaries evaluate whether there is objective evidence that an investment held for sale has been impaired.

In the case of equity investments classified as held for sale, if there is a significant and prolonged reduction in the fair value of the investment below their acquisition costs, this is evidence of impairment. Should there be an impairment loss measured as the difference between their cost of acquisition and their present fair value, less any impairment previously recognized in comprehensive income, this is transferred from Other reserves to comprehensive income for the period. The reversal of impairment losses for these instruments is recognized directly in Other reserves.

(s.2) Non-financial assets

The Company and its subsidiaries regularly evaluate whether there are indications that any of its non-financial assets might be impaired. If there are such indications, the Company makes an estimate of the recoverable value of the asset.

The recoverable amount of an asset is the higher of the fair value of an asset or cash-generation unit less the cost of sales and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are clearly independent of other assets or disposal groups.

When the book value of an asset exceeds its recoverable amount, the asset is considered impaired and is reduced to its recoverable amount.

In evaluating the value in use, the future estimated cash flows are discounted using a discount rate before tax that reflects current market conditions, the value of money over time and the specific risks of the asset.

Note 2 – Summary of significant accounting policies (continued)

(s) Asset impairment (continued)

(s.2) Non-financial assets (continued)

An appropriate valuation model is used for determining the fair value less sale costs. These calculations are corroborated by valuation multiples, the market prices of the shares for publicly-quoted subsidiaries or other available indicators of fair value.

Losses for impairment of continued operations are shown against comprehensive income in the categories of expenses associated with the function of the impaired asset, except for properties previously re-evaluated where the revaluation was recognized against equity. In this case, the impairment is also recognized as a charge to equity up to the amount of any previous re-evaluation.

Assets other than goodwill are tested every year for indications that the impairment loss previously recognized may no longer exist or have been reduced. The recoverable amount is estimated if such indications exist. An impairment loss previously recognized is reversed only if there have been changes in the estimates used in determining the recoverable amount of the asset since the last time that an impairment loss was recognized. If this is the case, the asset's book value is increased to its recoverable amount. This increased amount cannot exceed the resulting book value, net of depreciation, had an impairment loss never been recognized in previous years. This reversal is recognized as a credit to comprehensive income unless an asset is recorded at the revalued amount, in which case the reversal is dealt with as a revaluation increase.

(s.3) Goodwill

Goodwill is reviewed annually to determine whether any indicators of impairment exist, or more often if events or changes in circumstances indicate that the book value may be impaired.

Impairment is determined by evaluating the recoverable amount of the cash-generating unit (or group of cash-generating units) related to the goodwill.

For these purposes, goodwill is assigned from the date of acquisition to each unit or groups of cash-generating units that is expected to benefit from the synergies of the combination, notwithstanding that other assets or liabilities of the Company are assigned to these units or groups of units. Each unit or group of units to which goodwill is assigned:

(i) represents the lowest level within the Company to which the goodwill is monitored for internal management purposes, and

(ii) is no larger than a segment.

A loss for impairment is recognized when the recoverable amount of the cash-generating unit (or group of cash-generating units) is lower than the book value of the cash-generating unit (or group of cash-generating units) to which the goodwill is assigned. Impairment losses related to goodwill cannot be reversed in future periods.

The recoverable amount of goodwill is based on the fair value less estimated disposal costs using discounted cash flow forecasts. Fair value is classified as Level 3 for measurement purposes, and is valued using input data for the selected valuation technique. The Group uses the following variables for this valuation:

- Asset valuations using the discounted cash flow method.
- The discount rate used is the weighted average cost of capital (WACC) expressed in nominal terms and after taxes.
- It uses detailed 5-year financial forecasts and an estimate of terminal value in perpetuity.
- The model is in nominal currency.
- Fuel market growth is estimated using macroeconomic variables and an analysis for both Chile and the USA.
- It is forecast by service stations, stores, fuel industry, other businesses, lubricants, operations and corporate, using the most important variables for each business.

(s.4) Intangible assets with indefinite useful lives

The impairment of intangible assets with indefinite useful lives is tested annually at the individual level or the level of the cash-generating unit, as appropriate.

Note 2 – Summary of significant accounting policies (continued)

(s) Asset impairment (continued)

(s.5) Associates and joint ventures

Following the application of the equity value, the Company and its subsidiaries determine whether it is necessary to book a loss for additional impairment of the investment in its associates and joint ventures. Investments in associates or joint ventures are tested every year for objective evidence that they are impaired. If this were the case, the amount of impairment is calculated as the difference between the fair value of the associate and joint venture and the cost of acquisition and, should the acquisition value be higher, the difference is recognized against comprehensive income.

(t) Provisions

(t.1) General

Provisions are recognized when:

- The Company has an obligation with respect to a past event,
- It is probable that an outflow of resources will be required including financial benefits to settle the obligation,
- The value of the obligation can be reliably estimated.

Should the provision or part of it be reimbursed, the reimbursement is shown as a separate asset only if its collection is certain.

The charge for any provision is net of any reimbursement in the consolidated statement of comprehensive income.

If the effect of the value of money over time is significant, provisions are discounted using a discount rate before tax that reflects the specific risks of the liability. When a discount rate is used, the amount of the provision due to the passage of time is recognized as a financial cost.

(t.2) Provisions for employee benefits – Termination benefits

The indirect subsidiary Enex has agreed a termination benefit plan with its personnel for years of service, equivalent to one month's wages for every year worked as from the third year. The provision has been calculated using the actuarial value. The actuarial value involves assumptions being made about discount rates, expected returns on assets, future wage increases, mortality rates and future pension increases. Given the long-term nature of these plans, such estimates are subject to considerable uncertainty.

Some companies owned by the subsidiary SM SAAM must pay severance indemnities under collective bargaining agreements. They have calculated this liability using the actuarial value method.

(t.3) Provision for post-retirement fund

The indirect subsidiary Enex S.A. and some former Group employees are entitled to post-employment benefits. The cost of this plan has been estimated using actuarial calculations performed by a third party. This calculation uses an annual discount rate at which long-term inflation-indexed financial instruments are traded.

(t.4) Provisions for employee benefits - Personnel vacations

The Company and its subsidiaries have made provisions for personnel vacations on an accrual basis.

(t.5) Provisions for employee benefits - Bonuses

The Company and its subsidiaries recognize a liability for bonuses for their senior executives on an accrual basis, where appropriate.

(t.6) Provisions for removal of tanks

The indirect subsidiary Enex has provided for tank removal costs, according to legal obligations imposed by the Superintendency of Electricity and Fuels and other local regulations that apply in each country, which are valued at the present value of tank removal costs based on their capacity, and discounted at a rate before taxes that reflects the specific removal risks. The provision is recorded when the removal obligation arises and it is capitalized in the corresponding item of property, plant and equipment.

Note 2 – Summary of significant accounting policies (continued)

(u) Interest-bearing loans

All loans are initially recognized at the fair value of the payment received less the direct costs attributable to the transaction. Subsequent to initial recognition they are measured at amortized cost using the effective interest method.

Amortized cost is calculated taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest method. Interest accrued at this effective interest rate is included in "Finance costs" in the consolidated statement of income.

(v) Derivative financial instruments and hedging activities

The Company and its subsidiaries use derivative financial instruments such as interest rate swaps, cross currency swaps and currency forwards to hedge its risks associated with interest and exchange rate fluctuations.

Derivatives are initially recognized at fair value on the date on which the derivative contract is signed and are subsequently re-measured at their fair value. The method for recognizing the loss or gain resulting from changes in the fair value depends on if the derivative has been designated as a hedging instrument and, if so, of the nature of the hedged item. The Company designates certain derivatives as fair value hedges and cash flow hedges.

The Company and its subsidiaries document the relationship between hedge instruments and hedged items at the beginning of the transaction, as well as its risk management objectives and strategy for carrying out diverse hedge transactions. The Company and its subsidiaries also document their assessment, both at inception and subsequently on an ongoing basis, of the effectiveness of the hedge in offsetting movements in the fair values or cash flows of the hedged items.

(v.1) Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the consolidated income statement, together with any change in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(v.2) Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognized in Other Comprehensive Income within the cash flow hedge reserve. Any loss or gain related to the ineffective portion is recognized immediately in the net income statement within “Financial Expenses” and “Foreign Currency Exchange Differences”, based on their nature. Amounts accumulated in Other reserves are recorded in the consolidated net income statement for the period when the hedged item impacts it. For variable interest rate hedges, the amounts recognized in Other Reserves are reclassified to Finance Expense as the associated debts accrue interest. For cross currency and interest swaps, the amounts recognized in Other reserves are reclassified to the income statement as Financial Expenses provided that interest is accrued, together with any exchange differences arising on valuing the debt at closing exchange rates. A hedge is considered highly effective when it meets the requirements of IFRS 9. When a hedge instrument matures, is sold or when it no longer meets hedge accounting requirements, gains or losses accumulated in Other reserves remain in equity and are recognized when the forecast transaction affects the consolidated income statement. When the forecasted transaction is not expected to occur, any accumulated gain or loss in Other Reserves is immediately recognized in net income within Finance Expense and Foreign Currency Exchange Differences, based on their nature.

(v.3) Derivatives not designated as hedges

Certain derivatives are not recorded using hedge accounting and are recognized as instruments at fair value through profit and loss. Changes in the fair value of any derivative instrument recorded in this way are recognized immediately in the consolidated income statement.

As of December 31, 2023 and 2022, the Company has derivative instruments and hedges as disclosed in Note 23 i).

Note 2 – Summary of significant accounting policies (continued)

(v) Derivative financial instruments and hedging activities (continued)

(v.4) Embedded derivatives

The Company evaluates whether there are embedded derivatives in financial and non-financial instrument contracts, which are not already accounted for as assets or liabilities at fair value through profit or loss, to determine if their characteristics and risks are closely related to the host contract. If they are not closely related, embedded derivatives are separated from the host contract and recorded at fair value with changes recognized immediately in the consolidated income statement.

(w) Cash and cash equivalents

Cash equivalents relate to short-term and highly-liquid investments that are easily convertible into known amounts of cash, subject to an insignificant risk of change in their value, and mature in no more than three months.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and the cash equivalent as defined above, net of bank overdrafts.

The consolidated statement of cash flows shows the cash movements during the period using the direct method, except for the banking sector. The terms used in these cash flow statements are defined as follows:

- Cash flows: proceeds and payments of cash or cash equivalents including highly liquid investments with a maturity of less than three months that are unlikely to suffer changes in value.
- Operating activities: Activities that constitute the principal source of the Company's revenue, plus other activities that cannot be classified as investment or financing.
- Investment activities: Activities involving the acquisition, sale or disposal by other means of non-current assets and other investments not included in cash and cash equivalents.
- Financing activities: Activities that bring about changes in the size and composition of equity and financial liabilities.

(x) Earnings per share

Basic earnings per share is calculated as the ratio of earnings (loss) for the period attributable to the Company to the weighted average number of common shares in circulation during that period, excluding the average number of shares of the Parent company held by any subsidiary company.

(y) Current and non-current classification

Except for the banking subsidiaries, balances in the consolidated statement of financial position are classified as a function of their maturities, i.e. current being those maturing in twelve months or less and non-current those maturing in over one year. Should the company have any obligations that mature in less than twelve months, but can be refinanced over the long term at management's discretion, using unconditionally available credit agreements with long-term maturities, such obligations may be classified as non-current liabilities.

(z) Minimum dividend

Article 79 of Chile's Corporations Law establishes that, except if unanimously agreed otherwise by shareholders of all issued shares, listed corporations should distribute a cash dividend to its shareholders on a yearly basis, prorated based on their shares or the proportion established in the company's by-laws if there are preferred shares, of at least 30% of net income for each period, except when accumulated losses from prior years must be absorbed. Considering that to achieve a unanimous agreement is practically impossible given the well-spread composition of the issued capital of Quiñenco, the minimum dividend obligation to shareholders is determined at the end of each period, net of the interim dividends that may have been approved during the year and are recognized under the heading Other current liabilities as a charge to an account included in equity called Retained earnings (accumulated losses). Interim and final dividends are deducted from "equity" as soon as they are approved by the competent entity, which in the first case is normally the Company's Board of Directors and in the second case is shareholders at the General Shareholders' Meeting.

Note 2 – Summary of significant accounting policies (continued)

(aa) Segment reporting

Operating segments are defined as the components of a company on which the information in the financial statements is available and is constantly evaluated by the principal organ that takes decisions on the assignment of funds and evaluation of performance. The Company has five business segments: Financial, Energy, Transport, Port Services and Other (Quiñenco and others). The associate Inversiones y Rentas S.A. (CCU's parent company) and the indirect associate Nexans are presented in the Other segment using the equity method.

The main accounting policies of the Financial Banking Institutions regulated by the Financial Market Commission are presented below.

(bb) Legal provisions

Decree Law 3,538 of 1980, in accordance with the text replaced by Article 1 of Law 21,000 that "Establishes the Financial Market Commission", provides in Article 5, paragraph 6, that the Financial Market Commission may "set the standards for the preparation and presentation of the reports, balance sheets, statements of position and other financial statements of the audited entities and determine the principles in accordance with which they must keep their accounts".

According to regulations, banks must use the accounting principles mandated by the CMF and any matter not addressed therein, as long as it does not contradict its instructions, should adhere to generally accepted accounting principles in technical standards issued by the Chilean Association of Accountants, which coincide with IFRS issued by the IASB. If differences arise between these generally accepted accounting principles and the accounting criteria issued by the CMF, the latter shall prevail.

Notes to the consolidated financial statements contain additional information to that presented in the consolidated statements of financial position, consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows. These notes provide clear, relevant, reliable and comparable narrative descriptions and details on these statements.

(cc) Basis of consolidation

The financial statements of Banco de Chile as of December 31, 2023 and 2022, have been consolidated with those of its subsidiaries using the global integration method (line by line). These consist of the preparation of the individual financial statements of Banco de Chile and of the companies in the consolidation, and include the adjustments and reclassifications necessary for standardizing their accounting policies and valuation criteria with those used by Banco de Chile. The consolidated financial statements have been prepared using uniform accounting policies for similar transactions and other events in equivalent circumstances.

Transactions and significant balances (asset, liabilities, equity, revenue, expenses and cash flows) from transactions between Banco de Chile and its subsidiaries and between these have been eliminated upon consolidation, and the non-controlling interest has also been recognized corresponding to the percentage interest of third parties in the subsidiaries of which Banco de Chile is not directly or indirectly the owner, and is shown separately in the consolidated equity and results of Banco de Chile.

(cc1) Subsidiaries

The consolidated financial statements as of December 31, 2023 and 2022, incorporate the financial statements of the Bank and the controlled companies (subsidiaries) in accordance with IFRS 10 "Consolidated financial statements". Control is achieved when the Bank is exposed, or is entitled, to variable returns from its involvement in the investee and has the ability to influence those returns through its power over it. Specifically, a company controls a subsidiary when it has rights that give it the ability to direct the subsidiary's business.

When the Bank has less than the majority of voting rights in an investee, but these voting rights are sufficient to give it the practical ability to unilaterally direct the investee's relevant activities, the Bank is determined to have control. The Bank considers all relevant factors and circumstances in evaluating whether voting rights are sufficient to obtain control, including:

- The voting rights held by the Bank, compared to the number and distribution of the rights held by other vote holders.
- Potential voting rights held by the Bank, other vote holders or other parties.

Note 2 – Summary of significant accounting policies (continued)

(cc) Basis of consolidation (continued)

(cc1) Subsidiaries (continued)

- Rights from other contractual agreements.
- Any additional facts and circumstances that indicate that the Bank can direct the business when such decisions have to be taken, including the voting-pattern behavior at previous shareholders' meetings.

The Bank reevaluates whether or not it has control in a subsidiary if the facts and circumstances indicate that there have been changes in one or more of the elements of control listed above.

The entities that the Bank controls and consolidates are detailed as follows:

Interests of the subsidiary Banco de Chile in its subsidiaries

				Ownership interest					
				Direct		Indirect		Total	
Taxpayer ID number	Company	Country	Functional Currency	December 2023 %	December 2022 %	December 2023 %	December 2022 %	December 2023 %	December 2022 %
96,767,630-6	Banchile Administradora General de Fondos S.A.	Chile	Ch$	99.98	99.98	0.02	0.02	100.00	100.00
96,543,250-7	Banchile Asesoría Financiera S.A.	Chile	Ch$	99.96	99.96	—	—	99.96	99.96
77,191,070-K	Banchile Corredores de Seguros Ltda.	Chile	Ch$	99.83	99.83	0.17	0.17	100.00	100.00
96,571,220-8	Banchile Corredores de Bolsa S.A.	Chile	Ch$	99.70	99.70	0.30	0.30	100.00	100.00
96,645,790-2	Socofin S.A.	Chile	Ch$	99.00	99.00	1.00	1.00	100.00	100.00

(cc2) Investments in other companies as joint ventures

Investments in associates and joint arrangements

Associates are companies where the Bank has the capacity to exercise significant influence, although not control.

Investments in associates with significant influence are recognized using the equity method.

Joint arrangements are contractual agreements through which two or more parties undertake an economic activity that is subject to joint control. Joint control exists when decisions on important activities require the unanimous consent of both parties.

An interest classified as a "Joint venture" is recognized using the equity method.

Artikos Chile S.A. and Servipag Ltda. are investments that have been defined as joint ventures.

(cc3) Minority investments in other companies

The Bank and it subsidiaries may make an irrevocable choice at initial recognition to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is not held for trading and is not a contingent payment in a business combination to which IFRS 3 applies.

(cc4) Fund management

The Bank and its subsidiaries manage and administer assets held in mutual investment funds and other means of investments on behalf of investors, receiving remuneration in accordance with the service provided and market conditions. The resources belong to third parties. Therefore, they are not included in the Consolidated Statement of Financial Position.

As established in IFRS 10, for the purposes of consolidation it is necessary to assess the role that the Bank and its subsidiaries play with respect to the funds managed, to determine whether this role is as agent or principal.

The Bank and its subsidiaries manage on behalf and for the benefit of investors, acting solely as agent. They do not control the funds in that category, when exercising their authority to take decisions, as established in the regulations. Therefore, as of December 31, 2023 and 2022, it acts as agent and no funds are consolidated.

Note 2 – Summary of significant accounting policies (continued)

(dd) Non-controlling interests

Non-controlling interests represent the portion of earnings and net assets of subsidiaries not directly or indirectly owned by the Bank. They are presented in the consolidated statement of net income and the consolidated statement of financial position separately from the Bank's owners' equity.

(ee) Estimates and judgments

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. These estimates refer to:

1. Impairment losses on assets and liabilities (Notes 42.9, 42.11, 42.13, 42.14, 42.15, and 42.37).
2. Provisions for loan losses (Notes 42.11, 42.24 and 42.38).
3. Amortization of intangible assets, depreciation of property, plant and equipment and right-of-use assets (Notes 42.13, 42.14 and 42.15).
4. Current and deferred taxes (Note 42.16).
5. Provisions (Note 42.22).
6. Contingencies and commitments (Note 42.26).
7. Fair value of financial assets and liabilities (Notes 42.6, 42.9, 42.10, 42.19 and 42.41).

Significant estimates and assumptions are reviewed regularly by the Bank's management, in order to quantify certain assets, liabilities, revenue, expenses and commitments.

These estimates have not significantly changed during the year ended December 31, 2023.

(ff) Financial assets

The classification, valuation and presentation of financial assets are based on the standards issued by the CMF in the Compendium of Accounting Standards for Banks using the following criteria.

(ff1) Classification of financial assets

Financial assets are classified on initial recognition into the following categories: Financial instruments held for trading at fair value through profit or loss; Non-trading financial assets obligatorily valued at fair value through profit or loss; Financial assets designated at fair value through profit or loss; Financial assets at fair value through other comprehensive income; Financial assets at amortized cost.

The classification of financial assets uses the criteria in IFRS 9, and they depend on the business model used to manage the assets and the contractual characteristics of the associated cash flows, commonly known as the "solely principal and interest payment" (SPPI) criterion.

The valuation of these assets should reflect how the Bank manages groups of financial assets and should not depend on the intention for an individual instrument.

A debt financial instrument should be valued at amortized cost if it meets the following two conditions:

− It is held within a business model whose objective is to hold the financial assets to obtain contractual cash flows; and

− The contractual terms of the financial asset give rise to cash flows that are solely receipts of principal and interest.

Note 2 – Summary of significant accounting policies (continued)

(ff) Financial assets (continued)

(ff1) Classification of financial assets (continued)

A debt financial instrument must be valued at fair value through other comprehensive income if both of the following conditions are met:

- It is held within a business model whose objective is achieved by collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise to cash flows that are solely receipts of principal and interest on the outstanding principal.

A debt financial instrument is classified at fair value through profit or loss whenever the business model or the characteristics of its contractual cash flows indicate that it is not appropriate to classify it in any other category.

(ff2) Revaluation of financial assets

Initial value

Financial assets that are not valued at fair value through profit or loss are initially recognized at fair value plus transaction costs that are directly attributable to their purchase or issue, using the Effective Interest Rate (EIR) method. The EIR calculation includes all fees and other payments or receipts that form part of the EIR. Transaction costs include incremental costs that are directly attributable to the purchase or issuance of a financial asset.

Subsequent value

All changes in the value of financial assets due to the accrual of interest and similar items are recorded under "Interest income" or "Interest expense" in the consolidated income statement for the corresponding period, except for trading derivatives that do not form part of accounting hedges.

Changes in valuations occurring after initial recognition for any other reason are treated as follows, depending on the financial asset classification.

(ff3) Financial instruments held for trading at fair value through profit or loss; Non-trading financial assets obligatorily valued at fair value through profit or loss; Financial assets designated at fair value through profit or loss

Financial instruments held for trading at fair value through profit or loss includes financial assets whose business model is purchasing and selling them to generate short-term gains.

Non-trading financial assets obligatorily valued at fair value through profit or loss are classified within a business model whose objective is to receive contractual cash flows from selling financial assets, but the contractual cash flows have not met the SPPI criterion.

Financial assets are designated at fair value through profit or loss only when such designation eliminates or significantly reduces the inconsistencies in value that would arise from valuing those assets on a different basis.

The assets in these classifications of the consolidated statement of financial position are valued after their acquisition at fair value and any changes in their value are recorded at their net value in "Financial assets and liabilities held for trading", "Non-trading financial assets obligatorily valued at fair value through profit or loss" and "Financial assets and liabilities designated at fair value through profit or loss" in the consolidated income statement. Foreign exchange differences are recorded in the consolidated income statement as "Foreign currency hedges, exchange differences and indexation".

Note 2 – Summary of significant accounting policies (continued)

(ff) Financial assets (continued)

(ff4) Financial assets valued at fair value through other comprehensive income

Debt financial instruments

These assets are valued at fair value. Interest and indexation income from these instruments, as well as their exchange differences and impairment losses are recorded in the consolidated income statement, while subsequent changes in their valuation are recorded net of taxes temporarily as "Changes in fair value of financial assets at fair value through other comprehensive income" in the consolidated statement of other comprehensive income.

These changes in the fair value of financial assets at fair value through other comprehensive income continue to form part of the Bank's consolidated shareholders' equity until the asset is derecognized from the consolidated statement of financial position. If these assets are sold, then the gain or loss is recognized in "Financial result on derecognition of financial assets and liabilities at amortized cost and financial assets at fair value through other comprehensive income" in the consolidated income statement.

Net impairment losses for the year on financial assets at fair value through other comprehensive income are recorded in "Loan losses on other financial assets at amortized cost and financial assets at fair value through other comprehensive income" in the consolidated income statement.

Equity financial instruments

The Bank may make an irrevocable decision upon initial recognition of investments in equity instruments to present subsequent changes in fair value in other comprehensive income. Subsequent changes in this valuation will be recognized in "Changes in fair value of equity instruments designated at fair value through other comprehensive income". Dividends received from these investments are recorded in "Gain (loss) from investments in other companies" in the consolidated income statement. These instruments are not subject to the impairment model in IFRS 9.

Financial assets at amortized cost

These assets are valued subsequent to their acquisition at "amortized cost", in accordance with the "effective interest rate" method.

These financial assets are subdivided for presentation purposes in the consolidated statement of financial position as follows:

- Obligations under repurchase agreements and securities lending (Note 42.11(a))
- Debt financial instruments (Note 42.11 (b))
- Loans and advances to banks (Note 42.11 (c))
- Customers loans and receivables (Note 31)

Note 2 – Summary of significant accounting policies (continued)

(ff) Financial assets (continued)

(ff4) Financial assets valued at fair value through other comprehensive income (continued)

Financial assets at amortized cost (continued)

Impairment losses on assets at amortized cost incurred in each year are recorded in "Provisions for loan losses on loans and advances to banks and customer loans and receivables" and "Impairment for loan losses on other financial assets at amortized cost and financial assets at fair value through other comprehensive income" in the consolidated income statement.

Repurchase agreements and securities lending

Resale agreements are a form of investment. Financial instruments are bought under these agreements, which are classified in "Repurchase agreements and securities lending" and are valued with the contractual interest rate using the amortized cost method. Under current regulations, the Bank does not recognize instruments bought under repurchase agreements in its own portfolio.

Repurchase agreements are also a form of financing, which are included as liabilities in "Repurchase agreements and securities lending". Investments that are sold subject to a repurchase obligation and serve as a guarantee for the loan are debt financial instruments. The repurchase obligation of the investment is classified as a liability under "Repurchase agreements and securities lending", which is valued at the contractual interest rate.

Debt financial instruments at amortized cost

These instruments are recorded at cost plus accrued interest and indexation, less impairment provisions established when the book value is greater than the estimated recoverable amount. Interest and indexation income on these instruments is included in "Interest income" and "Indexation income."

Loans and advances to banks

These include the balances on transactions with domestic and foreign banks, including the Chilean Central Bank and foreign central banks.

Customer loans and receivables

Originated and acquired loans and receivables from customers are non-derivative financial assets with fixed or defined payments that are not quoted on an active market and that the Bank has no intention of selling immediately or in the short term.

(i) Valuation method

Customer loans and receivables are valued initially at cost plus incremental transaction costs, and later measured at their amortized cost using the effective interest rate method less any impairment losses, except when the Bank defines specific loans as hedged items, which are valued at fair value through profit and loss, as described in letter (ll).

(ii) Leasing contracts

Receivables under lease agreements are included in Customer loans and receivables and relate to the regular rental lease payments that meet the requirements for being classified as finance lease. They are shown net of non-accrued interest at the close of each year.

(iii) Factoring transactions

They are valued at the amounts disbursed by the Bank in exchange for invoices or other credit-representative commercial instruments, with or without recourse, received at a discount. The difference between the disbursement and the nominal value of the invoices is recorded in the income statement as interest income using the effective interest rate method over the financing period. Where instruments are assigned without the assignor's responsibility, the Bank bears the insolvency risk of the payer.

Note 2 – Summary of significant accounting policies (continued)

(gg) Provisions for loan losses

The Bank continually evaluates the entire portfolio of loans and contingent loans, with the objective of establishing sufficient provisions to cover the expected losses associated with the characteristics of these debtors and their loans, based on their payment history and subsequent recovery.

The provisions required to cover risks of losses on loans have been constituted according to CMF regulations. Loans are shown net of such provisions, and as a liability under the heading "Special provisions for loan losses" in the case of contingent loans.

Provisions for loan losses are constituted using models based on individual and group debtor analysis, as required by the CMF. These models and any change to their design and application are approved by the Bank's Board of Directors.

(gg1) Provisions by individual evaluation

The individual analysis of debtors is necessary in the case of companies whose size, complexity or level of exposure with the entity requires knowing and analyzing them in detail.

Naturally, the analysis of debtors should be focused on their credit quality, defined by their capacity and willingness to meet their credit obligations, through sufficient and reliable information, and analyzing their guarantees, term, interest rates, currency, indexation, etc.

For provisioning purposes, banks should evaluate the quality of credit and their debtors and their credit and contingent liabilities should be grouped by their corresponding category, following the assignment of one of the following three portfolio conditions: Normal, Substandard and Default.

(gg1.1) Normal and substandard portfolios

Normal portfolio: consists of those debtors whose payment capacity enables them to meet their obligations and commitments and it is not foreseen that this economic-financial situation will change. Loans in this portfolio are classified in categories A1 through A6.

Substandard portfolio: This is composed of debtors with financial difficulties or significant decline in their payment capacity and about which there are reasonable doubts regarding repayment of all principal and interest in the contractually agreed-upon terms, showing little room to meet its financial obligations in the short term.

Those debtors who have recently made payments more than 30 days late also form part of the substandard portfolio. Loans in this portfolio are classified in categories B1 through B4.

As a result of an individual debtor analysis, the Bank classifies debtors into the following categories and subsequently assigns a probability of default and loss given default that result in the following expected loss percentages:

Portfolio	Debtor Category	Probability of Default (%) (PD)	Loss Given Default (LGD) (%)	Expected Loss (EL) (%)
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

Note 2 – Summary of significant accounting policies (continued)

(gg) Provisions for loan losses (continued)

(gg1) Provisions by individual evaluation (continued)

(gg1.1) Normal and substandard portfolios (continued)

Provisions for normal and substandard portfolios

To determine the amount of provisions to be made for the normal and substandard portfolios, the exposure subject to provisions first has to be estimated, to which are applied the respective percentage losses (expressed in decimals) comprising the probability of default (PD) and loss given default (LGD) established for the category in which the debtor and/or its qualified guarantor is grouped, as the case may be.

The exposure subject to provisions corresponds to loans plus contingent credits, less amounts recoverable through the liquidation of collateral or financial guarantees that support transactions. Loan is defined as the book value of the loans and receivables of the respective debtor while contingent loans are calculated by applying No. 3 of Chapter B-3 of the Compendium of Accounting Standards.

For real guarantees, the Bank must demonstrate that the value assigned to that deduction reasonably reflects the value that it will obtain from disposing of the assets or capital instruments. Also, in special cases, the substitution of credit risk of the direct debtor for the credit quality of the co-signer or guarantor may be allowed. In no case may the guaranteed securities be discounted from the exposure, as this procedure is only applicable in the case of financial or real guarantees.

For calculation purposes, the following must be considered:

Debtor provision = (PE-GE) x (PD debtor /100) x (LGD debtor/100) + GE x (PD guarantee /100) x (LGD guarantee /100)

Where:
PE = Provisioned exposure, (Loans + Contingent loans) - Financial or real guarantees
GE = Guaranteed exposure

However, the Bank should maintain a minimum provision of 0.50% of all loans and contingent credits of the normal portfolio.

(gg1.2) Default portfolio

Default portfolio includes the loans to borrowers for which recovery is considered remote, given that they have suffered a loss event resulting in impairment. This portfolio consists of debtors that have ceased to pay creditors or with evident indication that they will do so, those for which a forced restructuring of debt is necessary to reduce the obligation or delay principal or interest payments, and any debtor with interest or principal balances more than 90 days past due for any loan. Provisioning percentages are used for recording provisions for the default portfolio, to be applied to the amount of exposure, which equates to the sum of loans and contingent credits of the same debtor.

Provisions are recognized for the default portfolio based on a provision percentage applied to the amount of the exposure, which is equal to the sum of the loans and contingent loans of the same debtor. In order to apply this percentage, first an expected loss rate must be estimated, minus the exposure of amounts recoverable by executing real and financial guarantees that support these transactions and, if there is concrete information to justify it, also minus the present value of the recoveries that can be obtained through collections, net of related collections expenses. That expected loss rate must fit into one of the six categories defined based on the range of losses effectively expected by the Bank for all loans of the same debtor.

Note 2 – Summary of significant accounting policies (continued)

(gg) Provisions for loan losses (continued)

(gg1) Provisions by individual evaluation (continued)

(gg1.2) Default portfolio (continued)

These categories, their range of loss based on the Bank's estimates and the provision percentages that are applied to the exposed amounts, are described in the following table:

Portfolio	Scale of Risk	Range of Expected Loss	Provision (%)
Portfolio Default	C1	Up to 3%	2
	C2	Between 3% and 20%	10
	C3	Between 20% and 30%	25
	C4	Between 30% and 50%	40
	C5	Between 50% and 80%	65
	C6	Over 80%	90

For calculation purposes, the following must be considered:

Rate of Expected Loss = (E-R)/E
Provision = E × (PP/100)

Where:
E = Exposure amount
R = Recoverable amount
PP = Provisioning percentage (according to the category in which the expected loss rate is grouped).

All the debtor's loans shall remain in the default portfolio until payment capacity or behavior has returned to normal. However, the Bank will continue to write off individual loans that comply with the conditions in Title II of Chapter B-2 of the Compendium of Accounting Standards. In order to remove a debtor from the default portfolio, once the circumstances that led it to be classified as such according to these rules no longer exist, at least the following copulative conditions must be met:

- The debtor has no obligation to the Bank that is more than 30 calendar days past due.
- The debtor has not been granted any new refinancing to pay its obligations.
- At least one payment includes a principal installment.
- If the debtor has any loan with partial payments within a period of less than six months, then it has already made two payments.
- If the debtor must pay for one or more loans in monthly installments, then at least four consecutive installments have been paid.
- The debtor has no direct unpaid debts based on information compiled by the CMF, except for insignificant amounts.

Note 2 – Summary of significant accounting policies (continued)

(gg) Provisions for loan losses (continued)

(gg2) Provisions by group evaluation

Group evaluations are relevant for residential mortgage, consumer loan and commercial student loan exposures and for exposures to borrowers that simultaneously meet the following conditions:

(i) The Bank has an aggregate exposure to the same counterparty of less than UF 20,000. Aggregate exposure should be considered gross of provisions or other mitigants. Residential mortgages should be excluded from the calculation. The gross amount of off-balance sheet items is calculated using the loan conversion factors in Chapter B-3 of the CNCB. The Bank must use the definition of a corporate group in Part II of Chapter 12-16 of the Updated Compendium to determine the aggregate exposure.

The Bank must keep a complete record of all transactions with entities belonging to corporate groups. It must at least form and monitor groups considering the costs involved in forming debtor groups for all debtors with an outstanding exposure above a minimum defined by the banking institution, which may not be greater than 1% of its regulatory capital when the group portfolio is defined.

(ii) The aggregate exposure to one counterparty does not exceed 0.2% of the total commercial group portfolio. The criterion will be checked only once to avoid circular counting.

The individual debtor analysis model must be applied to the remaining commercial loan exposures.

Determining whether the analysis by group or individual should be based on consolidated data once a year, or after any significant change to the Bank's portfolio, such as significant portfolio mergers, acquisitions, purchases or sales.

Group provision assessments start by grouping loans with similar characteristics such as loan type and conditions, in order to establish both the group's payment behavior and the recovery of delinquent loans using technically-backed estimates and conservative criteria and, consequently, to establish the provisions required to cover portfolio risk.

The Bank calculates its provisions by segmenting debtors into homogeneous groups, as indicated above, associating to each one a certain probability of default and a percentage of recovery based on a justified historical analysis. It then multiplies the respective group’s total loans by the estimated default and loss given default percentages. The expected losses must be related to the portfolio type and the transaction terms.

Guarantees for consumer loans are not considered when estimating the expected loss.

The Bank should distinguish between provisions for the normal portfolio and the default portfolio, and which cover the risks of the contingent loans associated with those portfolios.

Note 2 – Summary of significant accounting policies (continued)

(gg) Provisions for loan losses (continued)

(gg2) Provisions by group evaluation (continued)

(gg2.1) Standard method for group portfolio provisions

The standard methods presented below establish the variables and parameters that determine the provisioning factor for each portfolio that the CMF has defined as representative, according to the common characteristics shared by their transactions.

- Residential mortgage portfolio

The applicable provision factor, represented by the expected loss over the amount of residential mortgage loans, will depend on the delinquency of each loan and the ratio, at each month end, between the outstanding principal on each loan and the value of the collateral (LTV) guaranteeing the loan, as indicated in the following table:

Provisioning factor according to arrears and LTV						
		Days past due at month end				
LTV Range	Description	0	1-29	30-59	60-89	Default portfolio
LTV ≤ 40%	PD (%)	1.0916	21.3407	46.0536	75.1614	100.0000
	LGD (%)	0.0225	0.0441	0.0482	0.0482	0.0537
	EL (%)	0.0002	0.0094	0.0222	0.0362	0.0537
40% < LTV ≤ 80%	PD (%)	1.9158	27.4332	52.0824	78.9511	100.0000
	LGD (%)	2.1955	2.8233	2.9192	2.9192	3.0413
	EL (%)	0.0421	0.7745	1.5204	2.3047	3.0413
80% < LTV ≤ 90%	PD (%)	2.5150	27.9300	52.5800	79.6952	100.0000
	LGD (%)	21.5527	21.6600	21.9200	22.1331	22.2310
	EL (%)	0.5421	6.0496	11.5255	17.6390	22.2310
LTV > 90%	PD (%)	2.7400	28.4300	53.0800	80.3677	100.0000
	LGD (%)	27.2000	29.0300	29.5900	30.1558	30.2436
	EL (%)	0.7453	8.2532	15.7064	24.2355	30.2436

Where:
PD = Probability of default
LGD = Loss given default
EL = Expected loss
LTV = Loan to value ratio (Outstanding loan principal / Value of the mortgage guarantee)

Note 2 – Summary of significant accounting policies (continued)

(gg) Provisions for loan losses (continued)

(gg2) Provisions by group evaluation (continued)

(gg2.1) Standard method for group portfolio provisions (continued)

- Commercial portfolio

The Bank calculates the provisions on the commercial portfolio using the standard methods applicable to commercial leases or other commercial lending as described below. Subsequently, the appropriate provisioning factor will be assigned based on the parameters for each method.

(a) Commercial lease transactions

The provision factor should be applied to the present value of the commercial lease transactions, including the purchase option, and will depend on the days past due for each transaction, the asset being leased and the relationship between the present value of each transaction at each month end and the value of the leased asset (LTV), described as follows.

Probability of Default (PD) according to days past due and asset (%)		
	Asset	
Days past due at month end	Real estate	Non-real estate
0	0.79	1.61
1-29	7.94	12.02
30-59	28.76	40.88
60-89	58.76	69.38
Default portfolio	100.00	100.00

Loss given default (LGD) according to the LTV range and the asset (%)		
LTV = Present transaction value / Leased asset value		
LTV range	Real estate	Non-real estate
LTV ≤ 40%	0.05	18.2
40% < LTV ≤ 50%	0.05	57.00
50% < LTV ≤ 80%	5.10	68.40
80% < LTV ≤ 90%	23.20	75.10
LTV > 90%	36.20	78.90

The LTV ratio will be calculated using the appraisal value expressed in UF for real estate and in Chilean pesos for non-real estate, recognized at the time the loan is granted, after taking into account any potential situation that may cause a temporary increase in the asset value at that time.

Note 2 – Summary of significant accounting policies (continued)

(gg) Provisions for loan losses (continued)

(gg2) Provisions by group evaluation (continued)

(gg2.1) Standard method for group portfolio provisions (continued)

(b) Generic commercial loans and factoring

The provision factor applied to the loan and the contingent loan exposure (as indicated in number 3 of Chapter B-3 of the CNC) for factored invoices and other commercial loans, other than those indicated above, will depend on each transaction's days past due and the relationship at each month end between the debtor's obligations to the Bank and the value of the collateral that protects them (LTV), as indicated in the following tables.

Probability of Default (PD) according to days past due and LTV range (%)			
	With guarantee		
Days past due at month end	LTV ≤ 100%	LTV > 100%	Without guarantee
0	1.86	2.68	4.91
1-29	11.60	13.45	22.93
30-59	25.33	26.92	45.30
60-89	41.31	41.31	61.63
Default portfolio	100.00	100.00	100.00

Loss Given Default (LGD) applicable by LTV band (%)			
Guarantees (with/without)	LTV range	Generic commercial loans or factoring without recourse to the transferor	Factoring with recourse to the transferor
With guarantee	LTV ≤ 60%	5.0	3.2
	60% < LTV ≤ 75%	20.3	12.8
	75% < LTV ≤ 90%	32.2	20.3
	90% < LTV	43.0	27.1
Unsecured		56.9	35.9

The guarantees used to calculate the LTV ratio for this method may be specific or general, including those that are simultaneously specific and general. A guarantee can only be considered if the Bank has first priority and it only guarantees a specific debtor's loans, not shared with other debtors, according to the respective contract clauses.

Note 2 – Summary of significant accounting policies (continued)

(gg) Provisions for loan losses (continued)

(gg2) Provisions by group evaluation (continued)

(gg2.1) Standard method for group portfolio provisions (continued)

(b) Generic commercial loans and factoring (continued)

Invoices assigned under factoring will not be considered for the purposes of calculating the LTV. Excess guarantees are associated with the residential mortgage loans referred to in numeral 3.1.1 Residential mortgage portfolio of Chapter B-1 of the CNC, calculated as the difference between 80% of the commercial value of the house, in accordance with the conditions established therein, and the residential mortgage loan it guarantees.

The LTV ratio is calculated as follows.

i. Transactions with specific guarantees: when the debtor has granted specific guarantees for generic commercial loans and factored invoices, the LTV ratio is calculated independently for each guaranteed transaction, and separates the loan value, the contingent loan exposure and the collateral value.

ii. Transactions with general guarantees: when the debtor has granted general or general and specific guarantees, the Bank calculates the LTV jointly for all generic commercial loans, factored invoices and anything not included in point i) above, and separates the loan value, the contingent loan exposure and the general or general and specific guarantees that protect the loans included in the numerator of this ratio, according to the scope of the remaining contract clauses.

The guarantees used in the LTV ratio in items i) and ii), other than those associated with excess guarantees from mortgage loans referred to in the residential mortgage portfolio, must be calculated according to:

- The latest appraisal or fair value guarantee valuation, depending on the collateral. The criteria in Chapter 7-12 (Fair Value of Financial Instruments) of the Updated Compilation of Standards should be used to calculate fair value.

- Potential situations that could cause temporary increases in guarantee values.

- Limitations to the coverage in their respective clauses.

(gg2.2) Default portfolio

The default portfolio includes all loans and all contingent loans to debtors with interest or principal repayments more than 90 days past due as of month end. It also includes debtors to which loans were made to cover other loans more than 60 days past due, as well as debtors that have undergone forced restructuring or received partial debt relief.

The following may be excluded from the default portfolio: a) residential mortgage loans that are less than 90 days past due unless the debtor has another loan of the same type that is more days past due and b) student loans (Law 20,027) that do not yet present the default conditions contained in Ruling 3,454 dated December 10, 2008.

All the debtor's loans shall remain in the default portfolio until their payment capacity or behavior has returned to normal. However, the Bank will continue to write off individual loans that comply with the conditions in Title II of Chapter B-2. In order to remove a debtor from the default portfolio, once the circumstances that led it to be classified as such according to these rules no longer exist, at least the following copulative conditions must be met:

- The debtor has no obligation to the Bank that is more than 30 calendar days past due.
- The debtor has not been granted any new refinancing to pay its obligations.
- At least one payment includes a principal installment.
- If the debtor has any loan with partial payments within a period of less than six months, then it has already made two payments.
- If the debtor must pay monthly installments for one or more loans, it has paid four consecutive installments.
- The debtor does not have any direct outstanding debt in the information disclosed by the CMF, except for insignificant amounts.

Note 2 – Summary of significant accounting policies (continued)

(gg) Provisions for loan losses (continued)

(gg3) Provisions related to FOGAPE-guaranteed COVID-19 loans

On July 17, 2020, the CMF requested specific provisions for loans with the FOGAPE COVID-19 guarantee. Their expected losses must be calculated by estimating the risk of each transaction, without considering the substitution of the credit quality of the guarantee, according to the individual or group analysis method, in accordance with the provisions of Chapter B-1 of the CNC. This procedure must be performed on an aggregate basis, grouping together all those transactions to which the same deductible percentage is applicable.

The deductible will be applied by the Fund Manager, which must be borne by each financial institution and does not depend on each particular transaction, but is based on the total balances guaranteed by the Fund, for each group of companies having the same coverage, according to their net sales size.

(gg4) Provisions related to FOGAPE-guaranteed reactivation loans

The Bank determines the provisions for FOGAPE-guaranteed reactivation loans by substituting the debtors' credit quality with that of FOGAPE for all these loans, up to the amount covered by this guarantee. Naturally, the option to attribute the risk to FOGAPE can happen while the guarantee remains in force, without considering the capitalized interest, as provided in Article 17 of the Fund's Regulations.

Likewise, provisions on the loans not covered by this guarantee must be differentiated by the degree of delinquency of the refinanced loan and the grace period, which must consider the cumulative consecutive grace periods between the refinanced loan and other previous measures.

Therefore, the following situations should be taken into consideration:

- Refinancing with arrears less than 60 days and grace periods of less than 180 days.

When the Bank refinances a loan and is the lender, the calculation of arrears and expected loss parameters remain constant when the loan is refinanced depending on whether the standard or internal method is used for the group portfolio, as long as payment is not due.

The risk category of debtors evaluated on an individual basis is maintained at refinancing, which does not prevent them from being reclassified to a different category if their payment capacity deteriorates.

- Refinancing with arrears between 60 and 89 days or grace periods greater than 180 days and less than 360 days.

The provisions described in the preceding paragraph apply, and at least one of the following conditions must also be met:

i. The Bank's lending policies consider at least the following aspects:

  a. A robust procedure to classify viable debtors, which includes at least the sector and its liquidity situation.

  b. Efficient mechanisms for monitoring the debtor's situation, with formally defined internal governance.

ii. Interest is charged during the grace months, in accordance with the guidelines in Article 15(a) of the Regulations, or there is a payment demand on another loan with the bank. If the debtor in the latter case does not comply, the carry forward rules in paragraphs 2.2 and 3.2 of Chapter B-1 of the CNC apply, depending on whether the loan is subject to individual or group evaluation, respectively.

- Refinancing with grace periods of more than 360 days.

The bank must apply the provisions in Chapter B-1 of the CNC, and treat the transaction as a forced renegotiation. Therefore, it must apply the provisions for the default portfolio.

Note 2 – Summary of significant accounting policies (continued)

(gg) Provisions for loan losses (continued)

(gg5) Impaired portfolio

The impaired portfolio is comprised of the following assets, as provided in Chapter B-1 of the CMF Compendium of Accounting Standards:

- It includes loans to debtors subject to individual evaluations in the default portfolio and categories B3 and B4 of the substandard portfolio.
- For debtors subject to group evaluations, it includes all loans in the default portfolio.

(gg6) Write-offs

As a general rule, write-offs are made when the contractual rights to the cash flows expire. The respective asset balances are written off in the case of loans, even when this does not occur.

Write-offs refer to the deduction of the asset corresponding to the respective transaction in the consolidated statement of financial position, including that part that might not yet be due in the case of a loan with partial repayments, or a lease transaction.

(gg6.1) Charge-off of loans and receivables

Write-offs should always use the loan losses provision whatever the reason for the charge-off.

Loans and receivables other than lease transactions should be written-off in the following circumstances, whichever occurs first:

(a) The Bank concludes that it will obtain no cash flow from the asset, based on all available information.

(b) When an unenforceable debt reaches over 90 days from when it was recognized as an asset.

(c) When the the statute of limitations period expires for demanding recovery by executive judgment or when the enforcement of the title by court resolution is rejected or abandoned.

(d) When the period of default of transactions reaches the term for charge-off as follows.

Loan type	**Term**
Consumer loans with or without collateral	6 months
Other transactions without collateral	24 months
Commercial loans with collateral	36 months
Residential mortgage loans	48 months

The term represents the time elapsed since the date on which payment of all or part of the obligation in default became due.

Note 2 – Summary of significant accounting policies (continued)

(gg) Provisions for loan losses (continued)

(gg6) Write-offs (continued)

(gg6.2) Charge-off of lease transactions

Assets relating to leasing transactions should be written off in the following circumstances, whichever occurs first:

(a) The Bank concludes that there is no possibility of recovery of the lease income and that the value of the asset cannot be considered for the recovery of the contract, whether because it is not in the possession of the lessee, due to its present condition, because of the expenses involved in its recovery, transfer and maintenance, due to technological obsolescence or there is no information about its present whereabouts or condition.

(b) When collection procedures reach the statute of limitations for demanding recovery by executive judgment or when the enforcement of the title by court resolution is rejected or abandoned.

(c) When the contract default period reaches the term for charge-off according to the following:

Contract type	Term
Consumer lease	6 months
Other non-real estate leasing transactions	12 months
Property leasing (commercial or residential)	36 months

The term relates to the time since the due date of payment of a lease installment in default.

(gg7) Recovery of written-off loans

Subsequent payments received with respect to written-off loans are shown directly as income in the consolidated income statement under “Recovery of loans written-off”.

In the event of the recovery of assets, this income will be recognized in the income statement at the value it is incorporated into assets. The same criterion follows if the assets leased are recovered after the write-off of a lease operation, by their incorporation into assets.

Any restructuring of a written-off loan does not generate income while the transaction continues in a state of default. Any repayments received should be treated as recoveries of written-off loans, as indicated above.

A restructured loan can only therefore be returned to assets if its ceases to be impaired, recognizing also the return to assets as a recovery of written-off loans.

The same approach should be followed if a loan is granted to pay a written-off loan.

Note 2 – Summary of significant accounting policies (continued)

(hh) Impairment losses on financial assets at amortized cost and financial assets at fair value through other comprehensive income (FVTOCI)

The asset impairment model in IFRS 9 will not apply to loans and advances to banks and customer loans and receivables classified as “Financial assets at amortized cost” nor “Contingent loans", in accordance with Chapter A-2 of the CNCB of the CMF, since the criteria for these instruments are defined in Chapters B-1 to B-3 of the CNCB.

Impairment losses on the remaining financial assets valued at amortized cost or at FVTOCI must be calculated using an Expected Loss (EL) model as established in IFRS 9.

Debt financial instruments that are subsequently valued at amortized cost or at FVTOCI will be tested for loan loss impairment. However, instruments valued at fair value through profit or loss do not require this measurement.

Impairment is measured using a general impairment model based on three potential phases of the financial asset, whether or not there is a significant increase in credit risk and the impairment condition. The three phases determine the impairment loss to be recognized as the expected loan loss, similarly to the interest income as of each reporting date. Each phase is described below:

Phase 1: Financial assets whose loan loss risk has not increased significantly since initial recognition. Expected loan losses are recognized for 12 months. Interest is recognized on the gross amount on the consolidated statement of financial position.

Phase 2: Financial assets whose loan loss risk has increased significantly since initial recognition. Expected loan losses are recognized over the life of the financial asset. Interest is recognized on the gross amount on the consolidated statement of financial position.

Phase 3: Impaired financial assets. Expected loan losses are recognized over the life of the financial asset. Interest is recognized on a net basis, which is the gross amount less provisions for loan losses.

(hh1) Impairment of financial assets valued at fair value through other comprehensive income

The Bank applies the impairment requirements when measuring and recognizing an impairment loss on financial assets measured at fair value through other comprehensive income in accordance with IFRS 9. This impairment loss is recognized in OCI and does not reduce the book value of the financial asset in the consolidated statement of financial position. The cumulative loss recognized in OCI is recycled to the consolidated income statement when the financial asset is derecognized.

Note 2 – Summary of significant accounting policies (continued)

(ii) Financial liabilities

(ii1) Classification of financial liabilities

Financial liabilities are classified as follows:

- Financial liabilities at amortized cost.
- Financial liabilities for trading at fair value through profit and loss. These are financial instruments that the Bank aims to buy and sell to make gains. They include financial derivative trading contracts that are liabilities, which are subsequently valued at fair value.
- Financial liabilities designated at fair value through profit and loss: The Bank can irrevocably designate a financial liability at fair value through profit or loss at initial recognition, if this criterion eliminates or significantly reduces inconsistencies in valuation or recognition, or if it is a group of financial liabilities, or a group of financial assets and liabilities, that is managed and evaluated on a fair value basis within a risk management or investment strategy.

(ii2) Financial liability valuation

Initial recognition

Financial liabilities are initially recognized at their fair value, less transaction costs that are directly attributable to issuing them. Changes in the value of financial liabilities due to the accrual of interest, indexation and similar items are recorded under "Interest expense" and "Loss from indexation adjustments" in the consolidated income statement for the respective period (see Notes 40.27 and 42.28).

Subsequent valuation

Changes in valuations occurring after initial recognition for any other reason are treated as follows, depending on the financial liability classification.

Financial liabilities at amortized cost

These liabilities are valued at amortized cost after their acquisition, which is calculated using the effective interest rate method.

Note 2 – Summary of significant accounting policies (continued)

(jj) De-recognition of financial assets and liabilities

The Bank and its subsidiaries derecognize financial assets from their statements of financial position when the contractual rights expire over the cash flows of the financial asset, or when they transfer the rights to receive contractual cash flows from the financial asset in a transaction in which the risks and benefits of ownership of the financial asset are substantially transferred. Each interest in financial assets transferred that is created or retained by the Bank is recognized as a separate asset or liability.

When the Bank transfers a financial asset, it assesses to what extent it has retained the risks and rewards of ownership. In this case:

- If the risks and rewards inherent in ownership of the financial asset are substantially transferred, it is de-recognized and any rights and obligations created or retained in the transfer will be shown separately, as assets or liabilities.
- If the risks and rewards inherent in ownership of a financial asset are substantially retained, it will continue to recognize it.
- If all the risks and rewards inherent in ownership of a financial asset are not substantially transferred or retained, it will determine whether control over the financial assets has been retained. In this case:
    - If the Bank has not retained control, the financial asset will be derecognized and any rights or obligations created or retained upon transfer will be recognized separately as assets or liabilities.
    - If the Bank has retained control, the financial asset will continue to be recognized in the statement of financial position for an amount equal to its exposure to changes that a financial liability may experience and recognize a financial liability associated with the financial asset transferred.

The Bank derecognizes a financial liability (or part thereof) from its consolidated statement of financial position when it has been extinguished, whereby the obligation specified in the corresponding contract has been paid, canceled, or expired.

(kk) Offset of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position if, and only if, the Bank has the legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or to realize an asset and settle the liability simultaneously.

Revenue and expenses are shown net only when permitted by accounting principles, or in the case of gains and losses arising from a group of similar transactions such as the Bank's trading and exchange activities.

(ll) Functional currency

The items included in the consolidated financial statements of Banco de Chile and its subsidiaries are valued using the currency of the principal economic environment in which the entity operates (the functional currency). The functional and presentational currency of these consolidated financial statements of Banco de Chile is the Chilean peso, which is the currency of the primary economic environment in which the Bank operates, and is also the currency that influences the costs and revenue structure.

Note 2 – Summary of significant accounting policies (continued)

(mm) Foreign currency transactions

Transactions in a currency other than the functional currency are considered to be in foreign currency and are initially recognized at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate of the functional currency on the date of the consolidated statement of financial position. All differences are recognized as a charge or credit to the income statement.

As of December 31, 2023 and 2022, the Bank and its subsidiaries applied the accounting representation exchange rate according to CMF instructions, so assets in US dollars are shown at their equivalent value in Chilean pesos calculated at the market exchange rate of Ch$874.35 per US$1 (Ch$850.20 per US$1 as of December 31, 2022).

The balance of ThCh$120,594,466 is the net financial gain from foreign currency hedges, exchange differences and indexation (net financial gain of ThCh$103,200,159 as of December 31, 2022) in the consolidated income statement. It includes the net financial gain from foreign currency hedges, exchange differences and indexation, and includes the translation of assets and liabilities in foreign currencies or indexed at their exchange rate.

(nn) Operating segments

The Bank discloses segment information in accordance with IFRS 8. The operating segments of the Bank are based on its business units and these are defined as follows.

- Business transactions that generate revenue and expenses (including revenue and expenses from transactions with other components of the same entity).
- Whose operating results are reviewed regularly by senior decision makers, in order to assign resources to segments and evaluate their performance.
- That separate financial information is available for it.

(oo) Statement of cash flow

The consolidated cash flow statement indicates changes in cash and cash equivalents arising from operating activities, investing activities and financing activities during the period. The indirect method has been used to prepare the statement of cash flow.

The following concepts have been used in preparing the statement of cash flow.

- Cash and cash equivalents: these are cash and due from banks, and net transactions in the course of collection in the consolidated statement of financial position, plus other cash equivalents, such as investments in short-term debt financial instruments, that meet the cash equivalent criteria. These are instruments with an original maturity of less than 90 days from their acquisition date, that are highly liquid and readily convertible to amounts fixed at their acquisition date, and that are exposed to an insignificant risk of changes in value.
- Operating activities: the Bank's normal activities and others that cannot be qualified as investing or financing activities.
- Investing activities: the acquisition and disposal by other means of long-term assets and other investments not included in cash and cash equivalents.
- Financing activities: activities that produce changes in the size and composition of equity and liabilities that do not form part of operating or investing activities.

Note 2 – Summary of significant accounting policies (continued)

(pp) Financial derivative contracts

A "Financial Derivative" is a financial instrument whose value changes in response to changes in an observable market variable (such as an interest rate, exchange rate, the price of a financial instrument or a market index, including credit ratings), whose initial investment is very small relative to other financial instruments with a similar response to changes in market conditions and which is generally settled at a future date.

The Bank has financial derivative contracts to hedge its exposure to currency and interest-rate risks. These are initially recognized in the statement of financial position at cost (including transaction costs) and later at their fair value. Derivative contracts are reported as an asset when their fair value is positive and as a liability when it is negative, under the heading "Financial derivative contracts".

Changes in fair value of derivative contracts held for trading purposes are included under "Financial assets and liabilities held for trading" in the consolidated income statement.

In addition, the Bank includes in the valuation of derivatives the "Credit valuation adjustment (CVA)" to reflect the counterparty risk in the determination of fair value, and the Bank's own credit risk, known as "Debit valuation adjustment (DVA)".

Certain derivatives included in other financial instruments are treated as separate derivatives when their risk and characteristics are not closely related to those of the principal contract and this is not recognized at its fair value with its unrealized gains and losses included in the income statement.

(qq) Financial derivative contracts for hedging purposes

The Bank has applied the hedge accounting requirements of IAS 39 upon adoption of IFRS 9.

At inception, a derivative contract must be designated by the Bank as a derivative instrument for trading or hedging purposes.

If a derivative instrument is classified as a hedging instrument, it can be:

- A hedge of the fair value of assets or liabilities or firm commitments, or
- A cash-flow hedge related to existing assets or liabilities or expected transactions.

A hedge relationship for hedge accounting purposes must meet all of the following requirements:

- At its inception, the hedge relationship has been formally documented.
- It is expected that the hedge will be highly effective.
- The effectiveness of the hedge can be measured in a reasonable manner.
- The hedge is highly effective with respect to the hedged risk on an ongoing basis and throughout the entire hedge relationship.

The Bank shows and values individual hedges (in which there is a specific relationship between hedged items and the hedging instruments) according to their classification, using the following criteria.

Fair value hedge: Changes in the fair value of a derivative hedge instrument, designated as a fair value hedge, are recognized in income under the line "Net interest income" or "Net indexation income" or "Foreign currency hedges, exchange differences and indexation", depending on the risk hedged. The item hedged is also shown at fair value in relation to the risk being hedged. Gains or losses attributable to the risk hedged are recognized in income under the line "Net interest income" or "Net indexation income" and change the book value of the item hedged.

Note 2 – Summary of significant accounting policies (continued)

(qq) Financial derivative contracts for hedging purposes (continued)

Cash flow hedge: Changes in the fair value of a hedge instrument, designated as a cash-flow hedge, are recognized in "Cash flow hedges" in the consolidated statement of other comprehensive income, provided the hedge is effective and is reclassified to income under the line "Net interest income" or "Net indexation income" or "Foreign currency hedges, exchange differences and indexation" when the item hedged affects the Bank's income statement as a result of "interest rate risk" or "exchange rate risk" respectively. If the hedge is not effective, then changes in fair value are recognized directly in the income statement for the year under "Other finance income/expense".

If the hedging instrument no longer meets the criteria for cash flow hedge accounting, or it has expired, or been sold, suspended or executed, the hedge is discontinued prospectively. Gains or losses previously recognized in equity remain there until the forecast transactions occur, when they are recognized in the consolidated income statement under "Net interest income" or "Net indexation income" or "Foreign currency hedges, exchange differences and indexation", depending on the risk hedged. Unless it is forecast that the transaction is not going to be carried out, in which case they are immediately recognized in the consolidated income statement under "Net interest income" or "Net indexation income" or "Foreign currency hedges, exchange differences and indexation", depending on the risk hedged.

(rr) Intangible assets

Intangible assets are recognized initially at acquisition cost and are subsequently measured at their cost less any accumulated amortization or any accumulated impairment.

Software or computer programs acquired by the Bank and its subsidiaries are recognized at cost less accumulated amortization and the accumulated losses for impairment.

Subsequent expenses in programs are capitalized only when the future economic benefits integrated in the specific related asset increase. All other expenses are recorded as an expense as incurred.

Amortization is recorded in income using the straight-line amortization method based on the estimated useful life of the software, from the date on which it is available for use. The estimated useful life of software is a maximum of 6 years.

(ss) Property, plant and equipment

Property, plant and equipment includes the amount of land, properties, movable assets, vehicles, computer equipment and other installations owned by the consolidated entities and are used in the entity's business. These assets are valued at their historic cost less the corresponding accumulated depreciation and impairments. This cost includes expenses that have been directly attributed to the asset's acquisition.

Depreciation is booked in the consolidated income statement on the basis of the straight-line method over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated average useful lives for 2023 and 2022 are:

- Buildings 50 years
- Facilities 10 years
- Equipment 5 years
- Fixtures and accesories 5 years

Conservation and maintenance expenses of the assets of own use are charged to the income of the year in which they are incurred.

Note 2 – Summary of significant accounting policies (continued)

(tt) Current and deferred taxes

The income tax provision for the Bank and its subsidiaries has been calculated in accordance with the law.

The Bank and its subsidiaries recognize, when appropriate, deferred tax assets and liabilities for the future estimate of the tax effects attributable to timing differences between the book values of assets and liabilities and their values for tax purposes. Deferred tax assets and liabilities are measured on the basis of the tax rate which, under current taxation law, should be applied in the year in which deferred tax liabilities are settled. The future effects of changes in tax law or taxation rates are booked in deferred taxes from the date on which the law approving these changes is published.

Deferred tax assets are recognized only when it is likely that future tax profits will be sufficient to recover deductions for temporary differences. Deferred taxes are presented in the consolidated statement of financial position in accordance with IAS 12 "Income Taxes" as instructed by the CMF.

(uu) Provisions, contingent assets and liabilities

Provisions are liabilities involving uncertainty about their amount or maturity. They are recorded in the Consolidated Statements of Financial Position when the following requirements are all met:

- A current obligation arises as a result of past events.
- As of the reporting date it is probable that the Bank or its subsidiaries will have to expend resources to settle the obligation.
- The amount of these resources can be reliably measured.

A contingent asset or liability is a right or obligation from past events whose existence will only be confirmed if one or more uncertain future events occur and which are outside the control of the Bank.

Contingent loans are transactions or commitments in which the Bank assumes a credit risk by committing to make a payment or disbursement, upon occurrence of a future event, to third parties that must be recovered from its customers.

The following are classified as contingent loans in complementary information:

- Unrestricted lines of credit. These are undrawn lines of credit that customers may use without prior approval by the Bank.
- Unrestricted lines of credit with immediate cancellation. These are unrestricted lines of credit as previously defined that the bank may unconditionally cancel at any time and without prior notice, or where automatic cancellation may happen if the debtor's solvency deteriorates, as permitted by law and the contracts between the parties.
- Contingent loans linked to the CAE. These are loan commitments granted in accordance with Law 20,027 (CAE).
- Letters of credit for the movement of goods. These issuing and confirming bank commitments arise from self-liquidating commercial letters of credit with a maturity period of less than 1 year, on the movement of goods, such as confirmed documentary or foreign letters of credit. This includes documentary letters of credit issued by the Bank that have not yet been negotiated.
- Local currency debt purchase commitments abroad. These are Note Issuance Facilities (NIF) and Revolving Underwriting Facilities (RUF).
- Transactions related to contingent events. These are performance and bid bonds with promissory notes referred to in Chapter 8-11 of the Updated Compilation of Regulations.
- Guarantees. These are co-debtors, guarantors and standby letters of credit referred to in Chapter 8-10 of the Updated Compilation of Regulations. They include payment guarantees for buyers in factoring transactions, as indicated in Chapters 8-38 of the Updated Compilation of Regulations.

Note 2 – Summary of significant accounting policies (continued)

(uu) Provisions, contingent assets and liabilities (continued)

- Other loan commitments. These are undrawn amounts under committed loans that have to be disbursed at an agreed future date or on the occurrence of events previously contracted with the customer, such as irrevocable credit lines linked to the progress of projects, where provisions should include both the gross exposure referred to in No. 3 and future increases in the collateral associated with committed disbursements.

Loan loss exposure on contingent liabilities.

Provisions for contingent loans are based on the following contingent loan percentages.

Contingent loan type	Loan conversion factor
Unrestricted lines of credit with immediate cancellation	10%
Contingent loans linked to the CAE	15%
Letters of credit for the movement of goods	20%
Other unrestricted lines of credit	40%
Local currency debt purchase commitments abroad	50%
Transactions related to contingent events	50%
Co-debtors and guarantees	100%
Other loan commitments	100%
Other contingent loans	100%

Nevertheless, the exposure will always be 100% of contingent loans for transactions with customers that have loans in default.

(vv) Provision for minimum dividends

In accordance with the CMF Compendium of Accounting Standards, the Bank shows in liabilities the part of net income for the year to be distributed in compliance with the Corporations Law, its bylaws, agreements or dividend policies. Therefore, the provision is charged against complementary retained earnings in equity (Note 42.23).

The provision for minimum dividends is calculated using the distributable net income. According to the Bank's bylaws, this is calculated by deducting from or adding to net income the indexation adjustment on issued capital and reserves due to changes in the consumer price index.

(ww) Employee benefits

Employee benefits are all the benefits granted by an entity in exchange for services rendered by employees or for severance payments.

Short-term employee benefits other than termination benefits are those expected to be fully settled within 12 months of the reporting period when the employees render the related services.

- Employee vacations

The annual cost of employee vacations and benefits is recorded on an accrual basis.

- Other short-term benefits

The entity offers its employees an annual incentive plan for compliance with objectives and individual contribution to results, consisting of a certain number or portion of monthly salaries, and the provision is the estimated payment.

Other long-term employee benefits exclude short-term employee benefits, post-employment benefits and termination benefits.

Note 2 – Summary of significant accounting policies (continued)

(ww) Employee benefits (continued)

- Employee termination benefits

The Bank has agreed that some employees will receive an indemnity if they have completed 30 or 35 years of service when they retire from the institution. This obligation includes the accrued proportional part for those employees who will be able to exercise the right to this benefit and who have still not acquired it at the end of the year.

The obligations under this benefits plan are valued using the forecast credit-unit method, where the variables are the employee turnover rate, expected salary growth, and the probability this benefit will be paid, discounted at the current rate for long-term transactions of 5.77% as of December 31, 2023 and 5.50% as of December 31, 2022.

The discount rate used is the Chilean Central Bank 10-year bond rate in Chilean pesos (BCP).

Actuarial gains and losses resulting from actuarial changes are recognized in Other comprehensive income. There are no other additional costs that should be recognized by the Bank.

(xx) Earnings per share

Basic earnings per share is determined by dividing net income (loss) for the year attributable to the Bank's owners by the average weighted number of shares in circulation during that year.

Diluted earnings per share is determined in a similar manner as basic earnings per share, but the average weighted number of shares in circulation is adjusted to account for the dilutive effect of stock options, warrants and convertible debt. As of December 31, 2023 and 2022, there were no such adjustments.

(yy) Interest and indexation income and expense

Interest and indexation income and expenses are recognized in the consolidated income statement using the effective interest method. The effective interest rate is the discount rate that exactly equates the estimated cash inflows and outflows over the expected life of the financial instrument (or, when appropriate, in a shorter period) with the net book value of the financial asset or liability. To calculate the effective interest rate, the Bank determines cash flows by taking into account all contractual conditions of the financial instrument, excluding future credit losses.

The calculation of the effective interest rate includes all the commissions and other concepts paid or received that form part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the purchase or issuance of a financial asset or liability.

A prudent approach has been adopted to suspend the accrual of interest and indexation in the consolidated income statement on customer loans and receivables in the impaired portfolio and the current portfolio with a high risk of non-payment when the loan or one of its installments is 90 days overdue.

(zz) Fee income and expenses

Fee income and expenses are recognized in the consolidated income statement (Note 42.29) using the criteria set out in IFRS 15 "Revenue from contracts with customers."

Under IFRS 15 revenue is recognized in accordance with the terms of customer contracts. Revenue is recognized as its meets the performance obligations by transferring goods or services committed to the customer.

Note 2 – Summary of significant accounting policies (continued)

(zz) Fee income and expenses (continued)

Fee income is recognized under IFRS 15 using various criteria depending on its nature. The most significant criteria are:

- Fees earned from an individual event are recognized once the event has taken place.
- Fees earned from transactions or services provided over a longer period of time are recognized over the life of the transactions or services.
- Fees on commitments and other fees related to loan transactions are deferred (together with the incremental costs related directly to the loan) and recognized as an adjustment to the effective interest rate of the loan. In the case of loan commitments, when there is uncertainty about the date of effective placement, the fees are recognized in the year of the commitment originating them on a straight-line basis.

Fee income recognized by the Bank is primarily:

- Fees for loan prepayments: Accrued fees when loans are prepaid.
- Fees for lines of credit and overdrafts: Accrued fees during the period the credit lines and overdrafts were available.
- Fees for guarantees and letters of credit: Accrued fees during the period the bank granted payment guarantees for third party real or contingent obligations.
- Fees for card services: Accrued fees for the period that the credit cards, debit cards and other cards were used.
- Fees for account management: For checking account and deposit account maintenance.
- Fees on collections and payments: For collection and payment services provided by the Bank.
- Fees for brokerage and securities management: For securities brokerage, placement, management and custody services.
- Fees for managing mutual funds, investment funds or others: From the General Fund Manager for managing third party funds.
- Fees for insurance brokerage and advisory services: For insurance brokerage and advisory services provided by the Bank or its subsidiaries.
- Fees for factoring services: For factoring services provided by the Bank.
- Fees for financial leasing services: For financial leasing services provided by the Bank as lessor.
- Fees for financial advisory services: For financial advisory services provided by the Bank and its subsidiary.
- Other fees: For foreign currency exchange services, issuing performance guarantees, issuing bank checks, distribution channel use, brand use, placement of financial products, cash transfers, recognition of payments associated with strategic alliances, and other fees.

Note 2 – Summary of significant accounting policies (continued)

(zz) Fee income and expenses (continued)

Fee expenses include:

- Card transaction fees: For operating credit and debit cards.
- License fees for using card brands
- For customer loyalty obligations and card-based programs
- Fees for securities transactions: For securities deposit, custody and brokerage.
- Other fees for services received: For guaranteeing and endorsing the Bank's obligations, foreign trade transactions, domestic and foreign correspondent banks, ATMs and electronic funds transfer services.
- Fees for clearing high value payments: For payments to entities such as ComBanc, CCLV Central Counterparty, etc.

(aaa) Impairment of non-financial assets

The book value of the non-financial assets of the Bank and its subsidiaries is revised throughout the year and fundamentally on the date of its closing to determine whether there are indications of impairment. If there are, then the recoverable amount from the assets is estimated.

(bbb) Financial and operating leases

(bbb.1) The Bank as lessor

Assets leased to customers under contracts that substantially transfer all the risks and property recognitions, with or without legal title, are classified as finance leases. When the assets retained are subject to a finance lease, the assets leased cease to be accounted for and a receivable is recognized, equal to the minimum amount of the lease payment, after discounting the lease's interest rate. The initial negotiation expenses in a finance lease are incorporated in the receivable through the discount rate applied to the lease. Lease revenue is recognized on lease terms based on a model that constantly reflects a periodic rate of return on the net lease investment.

Assets leased to customers under contracts that do not substantially transfer all the rights and benefits of the asset are classified as operating leases.

Investment properties rented under operating leases are included in Other assets in the consolidated statement of financial position and depreciation is calculated on the book value of these assets, by systematically charging a proportion of their value over their estimated useful life. Lease revenue is recognized on a straight-line basis over the term of the lease.

(bbb.2) The Bank as lessee

A contract is a lease or contains one if it grants the right to control the use of an identified asset during a period of time in exchange for consideration (Note 42.15).

A right-of-use leased asset is valued at cost at the beginning of the lease agreement, which is the initial value of the lease liability plus other expenses.

The lease liability is the present value of unpaid future lease payments, discounted using the Bank's incremental financing rate.

Right-of-use assets are measured using the cost model, less accumulated depreciation and accumulated impairment losses. Depreciation for right-of-use assets is recognized in the income statement on a straight-line basis from the start to the end of the lease term.

The monthly change in the UF for contracts in that monetary unit must be treated as a new measurement. Therefore, that adjustment amends the value of the lease liability and simultaneously the right-of-use leased asset under that lease contract.

Note 2 – Summary of significant accounting policies (continued)

(bbb) Finance and operating leases (continued)

(bbb.2) The Bank as lessee (continued)

After the beginning date, the lease liability is measured by reducing the book value to reflect lease payments and changes to the lease contract.

According to IFRS 16 "Leases", the Bank does not apply this standard to contracts whose duration is 12 months or less and those that contain a low value underlying asset. In these cases, lease payments are recognized as a lease expense.

(ccc) Additional provisions

In accordance with the rules issued by the CMF, banks may establish additional provisions beyond those resulting from applying their portfolio evaluation models, in order to safeguard against the risk of unpredictable economic fluctuations that may affect the macroeconomic environment or a specific economic sector.

These provisions are designed to guard against the risk of macroeconomic fluctuations and should anticipate the reversal of expansionary economic cycles that could lead to future economic conditions deteriorating and thus function as a countercyclical mechanism to accumulate additional provisions when the scenario is favorable and release them or allocate them to specific provisions when external conditions deteriorate.

As a result, additional provisions must always correspond to general provisions on commercial, residential mortgage or consumer loans, or on identified segments, and in no case may they be used to offset deficiencies in the models used by the Bank (Note 42.24).

As of December 31, 2023 the balance of additional provisions was ThCh$700,251,877 (ThCh$700,251,877 as of December 31, 2022), which are presented in "Special provisions for loan losses" in the consolidated statement of financial position.

(ddd) Measurement of fair value

Fair value is the amount that would be received for selling an asset or paid for transferring a liability in an orderly transaction between participants in the main (or most advantageous) market as of the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. The most objective and usual benchmark for the fair value is the price paid for it in an active, transparent and deep market ("quoted price" or "market price").

When available, the Bank determines the fair value of an instrument by using prices quoted on an active market for that instrument. A market is called active if the prices quoted are easily and regularly available, represent actual transactions and occur regularly on an independent basis.

If the market for a financial instrument were not active, the Bank determines the fair value by using a valuation technique. The valuation techniques include the use of recent market transactions between interested and duly-informed parties acting in conditions of mutual independence, if available, and references to fair value of another substantially-equal financial instrument, discounted cash flows and option price-setting models.

The valuation technique chosen makes the maximum use possible of information obtained in the market, using the least possible amount of data estimated by the Bank, incorporates all the factors that market participants would consider for setting the price, and be consistent with the economic methodologies generally accepted for calculating the price of financial instruments. The variables used for the valuation technique fairly represent market expectations and reflect the risk-return factors inherent to the financial instrument. The valuation technique is regularly revised by the Bank to prove its validity by using prices of any other recent and observable market transaction in the same instrument or that are based on any observable and available market data.

Note 2 – Summary of significant accounting policies (continued)

(ddd) Measurement of fair value (continued)

The best evidence of the fair value of a financial instrument, when initially recognizing it, is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument can be better shown through comparison with other real market transactions observed for the same instrument (i.e. without modifying or presenting a different form of it) or through a valuation technique whose variables include just observable market data. However, when the transaction price provides the best evidence of fair value at its initial recognition, the financial instrument is initially valued at the transaction price and any difference between that price and the value obtained initially from the valuation model is shown later in the income statement.

The Bank generally has financial assets and liabilities that compensate market risks, and it uses average market prices as a basis for establishing their fair value.

Subsequently, these estimated fair values are adjusted by other factors, such as uncertainties in the risk or liquidity model, to the degree that the Bank believes that another market participant takes them into account in determining the price of a transaction.

The Bank's fair value disclosures are included in Note 42.41.

Note 3 – Changes in accounting policies

The consolidated financial statements as of December 31, 2023, do not include any changes in accounting policies and estimates from the previous year.

QUIÑENCO

Note 4 – Cash and cash equivalents

(a) As of December 31, 2023 and 2022, these are as follows.

	12/31/2023 ThCh$	12/31/2022 ThCh$
Cash	2,547,505	2,010,524
Bank balances	341,173,256	175,400,022
Time deposits up to 90 days	1,081,702,211	383,273,718
Investments under repurchase agreements	30,026	41,460,928
Other investment instruments	233,990,689	70,431,865
Total	**1,659,443,687**	**672,577,057**

As indicated in Note 2 f) and w), the consolidated statement of cash flows includes the banking subsidiaries, which are shown separately in that statement. The data in this note does not include the cash and cash equivalents of banking subsidiaries. Similarly, the balances that Quiñenco and its subsidiaries keep in current accounts, time deposits and other investments with Banco de Chile, amounting to ThCh$86,344,562 as of December 31, 2023 (ThCh$5,071,390 as of December 31, 2022), have been eliminated from these consolidated financial statements.

(b) Cash and cash equivalents by currency are detailed as follows:

	Currency		12/31/2023 ThCh$	12/31/2022 ThCh$
Cash and cash equivalents	Ch$	(Chilean pesos)	430,483,655	249,268,217
Cash and cash equivalents	USD	(US dollars)	1,181,192,474	383,312,794
Cash and cash equivalents	EUR	(Euros)	11,064,143	15,271,737
Cash and cash equivalents	BRL	(Brazilian reals)	1,246,388	1,193,069
Cash and cash equivalents	OTR	(Other currencies)	35,457,027	23,531,240
Total			**1,659,443,687**	**672,577,057**

(c) Reconciliation between cash and cash equivalents shown in the consolidated statement of financial position and that shown in the consolidated statement of cash flows.

	12/31/2023 ThCh$	12/31/2022 ThCh$
Cash and cash equivalents in non-banking sector	1,659,443,687	672,577,057
Cash and cash equivalents in banking sector		
Cash	929,034,323	947,669,481
Deposits in the Chilean Central Bank	590,425,797	384,229,874
Deposits with banks in Chile	17,052,229	116,541,185
Deposits abroad	928,135,331	1,316,443,361
Transactions in the course of collection, net	58,634,616	90,403,974
Other cash flows	3,020,864,507	3,250,102,191
Cash and cash equivalents in the consolidated statement of cash flows	**7,203,590,490**	**6,777,967,123**

Note 4 – Cash and cash equivalents (continued)

(d) Significant unavailable cash balances

As of December 31, 2023 and 2022, there were no restrictions on cash and cash equivalents.

The funds held in cash and cash equivalents with the Chilean Central Bank meet the banking sector regulations for reserve requirements that the Bank must hold on an average monthly basis.

(e) Changes in liabilities produced by financing activities.

The Company has not entered into any significant investing or financing transactions that do not require the use of cash or cash equivalents.

Note 5 – Other financial assets, current

As of December 31, 2023 and 2022, these were as follows.

	12/31/2023 ThCh$	12/31/2022 ThCh$
Time deposits maturing in over 90 days	175,420,066	51,570,412
Hedging assets	1,314,803	3,183,799
Investments in mutual funds	495,709	518,602
Financial instruments held to maturity	78,064	11,126
Total	**177,308,642**	**55,283,939**

(a) Hedging assets

The fair value of current hedging assets is detailed as follows:

Hedge classification	Hedge description	Hedged risk	Hedged item	Current		Fair values	
				12/31/2023 ThCh$	12/31/2022 ThCh$	12/31/2023 ThCh$	12/31/2022 ThCh$
Swap	Cash flow hedge instruments	Exchange rate fluctuations	US dollars	-	456,173	-	456,173
Derivatives	Cash flow hedge instruments	Interest rates	US dollars	1,314,803	2,727,626	1,314,803	2,727,626
	Total hedging assets			**1,314,803**	**3,183,799**	**1,314,803**	**3,183,799**

Note 6 – Other non-financial assets, current

As of December 31, 2023 and 2022, these were as follows.

	12/31/2023 ThCh$	12/31/2022 ThCh$
VAT and other recoverable taxes	45,817,240	71,643,882
Advance payments to suppliers	11,783,441	11,058,957
Dividends receivable	3,087,446	-
Others	-	6,304
Total	**60,688,127**	**82,709,143**

Note 7 – Trade and other receivables

As of December 31, 2023 and 2022, these were as follows.

	12/31/2023 ThCh$	12/31/2022 ThCh$
Trade receivables	322,741,379	287,048,718
Other receivables	28,924,783	26,576,816
Impaired receivables provision	(19,712,395)	(17,398,778)
Total	**331,953,767**	**296,226,756**
Less: Other receivables, non-current (1)	(498,361)	(605,628)
Trade and other receivables, current	**331,455,406**	**295,621,128**

(1) Other receivables, non-current mainly consists of loans to entities abroad with various interest rates and collection periods, and employee loans.

The maturities of current trade and other receivables are detailed as follows:

	12/31/2023				12/31/2022			
Overdue ranges	Number of customers in non-renegotiated portfolio	Gross non-renegotiated portfolio ThCh$	Number of customers in renegotiated portfolio	Gross renegotiated Portfolio ThCh$	Number of customers in non-renegotiated portfolio	Gross non-renegotiated portfolio ThCh$	Number of customers in renegotiated portfolio	Gross renegotiated Portfolio ThCh$
Not due	3,161	155,188,493	-	-	5,361	253,630,068	-	-
1 - 30 days	5,133	118,719,069	-	-	2,337	28,298,155	-	-
31-60	1,460	44,662,951	-	-	451	7,268,819	-	-
61 - 90 days	354	4,438,227	-	-	196	3,889,028	-	-
91 - 120 days	258	4,233,858	-	-	225	1,224,736	-	-
121 - 150 days	173	4,170,706	-	-	174	426,218	-	-
151 - 180 days	99	871,857	-	-	159	489,552	-	-
181 - 210 days	164	706,959	-	-	133	1,102,347	-	-
211 - 250 days	277	799,057	-	-	201	476,714	-	-
Over 250 days	409	17,874,985	-	-	455	16,819,897	-	-
Total	**11,488**	**351,666,162**	**-**	**-**	**9,692**	**313,625,534**	**-**	**-**

Unsecured portfolio	12/31/2023		12/31/2022	
	Number of customers	Portfolio ThCh$	Number of customers	Portfolio ThCh$
Documents receivable rejected	92	4,570,672	306	2,168,749
Documents in judicial collection procedures	-	-	-	-

Provisions							
12/31/2023				12/31/2022			
Non-renegotiated portfolio ThCh$	Renegotiated portfolio ThCh$	Charge offs for period ThCh$	Recoveries for period ThCh$	Non-renegotiated portfolio ThCh$	Renegotiated portfolio ThCh$	Charge offs for period ThCh$	Recoveries for period ThCh$
(19,712,395)	-	1,068,226	-	(17,398,778)	-	546,611	-

As of December 31, 2023 and 2022, the Company had no customers in the guaranteed portfolio category. There are no significant changes in the loss adjustment disclosed in accordance with paragraph 35H of IFRS 7.

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Note 7 – Trade and other receivables (continued)

Impairment of trade and other receivables

The impairment losses of the banking sector are presented in Note 42.11 of these consolidated financial statements, and losses for the non-banking sector arise from SM SAAM and Enex, which are described as follows.

SM SAAM

Credit risk is the risk of financial loss arising from a customer or counterparty to a financial instrument not fulfilling its contractual obligations. This is especially applicable to SM SAAM and its subsidiaries' trade receivables. Credit granted to customers is regularly reviewed, in accordance with the controls defined in SM SAAM's policies, and to monitor the status of accounts pending collection.

Market terms and conditions apply to SM SAAM's services and payment terms are normally less than 90 days. These transactions are not concentrated in significant customers, which diversifies this risk.

SM SAAM has defined customer categories with respect to their arrears based on defined default criteria, which further define the corresponding collection measures and when they are exhausted, legal collection. Default is based on the customers' inability to pay their obligations on the dates they fall due, according to the credit terms granted by the Company. When the credit period expires, the company will classify the debtor within the established default ranges, and apply the expected loss percentages defined by the company.

SM SAAM applies the simplified approach offered by IFRS 9 to measure expected credit losses using an expected loss provision over the life of the instrument for all receivables.

The evaluation of expected loss rates was based on the payment profiles of receivables during the 6-month period after that date and the credit losses within the current period. Historical loss rates are adjusted to reflect current and prospective information on various macroeconomic and customer-specific factors that affect their ability to settle receivables, such as the status of the country, industry, inflation, bankruptcy, and other factors. The company analyses the specific market situation of each customer where necessary and has determined specific events that could affect their creditworthiness, resulting in higher risk factors where appropriate. The estimation techniques and assumptions have not been amended during the period.

On this basis, the provisions for loan losses for SM SAAM as of December 31, 2023 and 2022 were as follows for each business segment.

Category	Range	Average % expected loss Towage	Average % expected loss SAAM Others
A1	Not due	0.89	1.38
A2	1-30 days	1.89	3.31
A3	31-60 days	4.69	10.99
A4	61-90 days	10.55	33.55
B1	91-120 days	14.89	36.53
B2	121-180 days	21.92	44.06
B3	181-240 days	40.64	55.02
C1	241-300 days	71.83	71.21
C2	301-360 days	91.92	86.04
C3	Over 360 days	100.00	100.00

Note: The entire expected loss is applied directly to documents in judicial collection, rejected checks and other related documents.

Note 7 – Trade and other receivables (continued)

Currently, the expected loss percentages due to the impairment of receivables are separately calculated by each company within the SAAM Group. This is because each company has different criteria for granting credit and managing collections. Movements between financial asset segments (Buckets) are due to significant changes in the expected loss risk of these instruments. Management regularly reviews these changes when estimating impairment.

Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor does not suggest a payment plan, cannot meet contractual payments for a period exceeding 360 days, the results of external and judicial collection, and other indicators.

Impairment losses on receivables and contractual assets are presented as net impairment losses in operating income. Subsequent recoveries of previously eliminated receivables are credited against the same line.

There are no financial assets that have been eliminated or contractually amended during the period and are pending collection.

The book value of SM SAAM's financial assets represents the current exposure to credit risk. The provisions for loan losses for trade receivables as of December 31, 2023 and 2022 were as follows.

	12/31/2023 ThCh$			12/31/2022 ThCh$		
Impairment losses on receivables	**Current**	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Trade receivables	103,390,520	-	103,390,520	84,606,896	135,226	84,742,122
Impaired trade receivables	(17,308,209)	-	(17,308,209)	(14,907,369)	-	(14,907,369)
Trade receivables, net	**86,082,311**	**-**	**86,082,311**	**69,699,527**	**135,226**	**69,834,753**
Other receivables	10,264,058	475,399	10,739,457	16,173,186	443,335	16,616,521
Impairment of other receivables	-	-	-	-	-	-
Other receivables, net	**10,264,058**	**475,399**	**10,739,457**	**16,173,186**	**443,335**	**16,616,521**
Total trade and other receivables	**96,346,369**	**475,399**	**96,821,768**	**85,872,713**	**578,561**	**86,451,274**

Change in impairment of trade receivables	**12/31/2023 ThCh$**	**12/31/2022 ThCh$**
Opening balance as of January 1	14,907,369	16,834,672
Increase (decrease) in provisions	1,189,356	(138,836)
Reductions for business combination	-	18,337
Receivables written off	(1,068,226)	(546,611)
Effect of exchange rates	2,279,710	614,174
Transfer to assets with discontinued operations	-	(1,874,367)
Closing balance as of December 31	**17,308,209**	**14,907,369**

There is no longer any possibility of recovering receivables written off during the current year.

Note 7 – Trade and other receivables (continued)

Enex

The indirect subsidiary Enex S.A. has taken out credit insurance, in order to cover the risk of unpaid receivables from its domestic and international bunker business sales. The policy has been maintained.

Credit insurance segments customers according to the coverage granted by the insurance company and the evaluation method for granting such coverage. As of December 31, 2023, coverage was distributed as follows:

Coverage	Amount	Number of customers
Specified debtor	> UF 1,200	656
Unspecified debtor	UF 1200	1,463

Specified debtors are those whose credit limit is higher than the segmentation established in the policy, which will be approved, limited or rejected after an exhaustive evaluation by an expert credit analyst at the insurance company.

Unspecified debtors are those whose credit limit is below the segmentation and with whom the insured may carry out transactions under the policy, without the need for prior credit classification by a risk underwriter.

50% of loans granted by Enex (credit lines) is to customers outside the scope of coverage, such as large mining companies, large energy generators, service stations with collateral, and other companies, and 50% is to other covered customers, whose average coverage is 81% of their credit limit.

Impairment losses on trade receivables are recognized when there is objective evidence that the Group will no longer be able to collect all amounts in accordance with their original terms. Some indicators that a receivable may not be collectible are financial difficulties, initiation of bankruptcy proceedings, financial restructuring and arrears arising for our industrial and retail customers. The estimated impairment loss is the "Expected Credit Losses," using the simplified approach established in IFRS 9 and a risk analysis is performed to determine whether the portfolio is impaired, in accordance with three years' historical experience of the uncollectibility of the portfolio, which is adjusted according to macroeconomic variables, in order to obtain sufficient prospective information for the estimate and considers other age factors covering all debts exceeding 180 days in arrears, and those cases where partial losses are estimated on a case-by-case basis, in accordance with the policy. Additionally, the Group has credit insurance for individually significant receivables. Other impairment losses are recorded in the consolidated income statement by function.

On this basis, the loss provision as of December 31, 2023 was as follows.

Range in days	Factor
0-30	0.002%
31-60	2.560%
61-90	5.299%
91-120	44.234%
121-150	44.073%
151-180	61.581%
Over 181	100.000%

Note 8 – Related party balances and transactions

(a) Related party receivables and payables

	Taxpayer ID number	Country	Transaction	Relationship	Currency	Current assets		Non-current assets		Current liabilities		Non-current liabilities	
						12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023	12/31/2022
						ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Minera Los Pelambres S.A.	96.790.240-3	Chile	Invoices	Common shareholder	Ch$	13,696,230	9,434,145	-	-	-	-	-	-
Antofagasta Minerals S.A.	93.920.000-2	Chile	Invoices	Common shareholder	Ch$	51,750	-	-	-	-	-	-	-
Comercial CCU S.A.	99.554.560-8	Chile	Invoices	Subsidiary of joint venture	Ch$	12,280	7,703	-	-	178,932	207,974	-	-
Sudameris Bank S.A.	Foreign	Paraguay	Loan	Shareholder of subsidiary	PYG	-	-	-	-	7,694,097	-	3,116,408	-
Sociedad de Inversiones de Aviación Ltda.	82.040.600-1	Chile	Invoices	Associate of subsidiary	Ch$	-	-	-	-	167,530	196,848	-	-
Asfaltos Cono Sur S.A.	96.973.920-8	Chile	Invoices	Joint venture of subsidiary	Ch$	82,449	159,190	-	-	74,555	-	-	-
Asfaltos Cono Sur S.A.	96.973.920-8	Chile	Loan	Joint venture of subsidiary	Ch$	441,191							
Enex Paraguay SAE (2)	Foreign	Paraguay	Loan	Joint venture of subsidiary	USD	-	4,773,131	-	-	-	837,887	-	-
Ferrocarril Antofagasta Bolivia S.A.	81.148.200-5	Chile	Invoices	Common shareholder	Ch$	1,574,430	2,617,220	-	-	-	-	-	-
Minera Antucoya S.A.	76.079.669-7	Chile	Invoices	Common shareholder	Ch$	5,263	26,532	-	-	-	-	-	-
Minera Centinela S.A.	76.727.040-2	Chile	Invoices	Common shareholder	Ch$	34,610,280	38,259,507	-	-	-	-	-	-
Nexans Brasil S.A. (1)	Foreign	Brazil	Legal settlement	Associate of subsidiary	BRL	-	24,297	-	-	77,792	-	-	-
Hapag Lloyd Chile SpA	76.380.217-5	Chile	Services	Associate of subsidiary	Ch$	364,882	-	-	-	-	-	-	-
Hapag Lloyd AG	Foreign	Germany	Services	Joint venture of subsidiary	USD	2,517,333	1,802,441	-	-	-	-	-	-
SAAM Extraportuario S.A.	96.798.520-1	Chile	Services	Associate of subsidiary	USD	3,851,434	-	-	-	-	-	-	-
Transbank S.A.	96.689.310-9	Chile	Services	Associate of subsidiary	Ch$	1,778,799	-	-	-	-	-	-	-
SAAM Operador de puertos Costa Rica S.A.	Foreign	Costa Rica	Services	Associate of subsidiary	USD	-	-	-	-	626,920	-	-	-
SAAM Logistics S.A.	76.729.932-K	Chile	Services	Associate of subsidiary	USD	-	-	-	-	115,532	-	-	-
Hapag Lloyd Ecuador S.A.	Foreign	Ecuador	Services	Associate of subsidiary	USD	77,187	-	-	-	-	-	-	-
Hapag Lloyd AG Mexico S.A. de C.V.	Foreign	Mexico	Services	Associate of subsidiary	USD	-	219,100	-	-	-	-	-	-
CSAV Austral SpA	89.602.300-4	Chile	Current accounts	Associate of subsidiary	USD	401,721	41,937	-	-	-	-	-	-
Transbordador Austral Broom S.A.	82.074.000-6	Chile	Invoices	Associate of subsidiary	Ch$	324,534	87,298	-	-	-	-	-	-
Transportes Fluviales Corral S.A.	96.657.210-8	Chile	Services	Associate of subsidiary	Ch$	35,962	35,946	-	-	-	-	-	-
Iquique Terminal Internacional S.A.	96.915.330-0	Chile	Current accounts	Associate of subsidiary	USD	121,920	136,938	-	-	-	-	-	-
Antofagasta Terminal Internacional S.A.	99.511.240-K	Chile	Services	Associate of subsidiary	Ch$	58,767	160,902	-	-	-	-	-	-
San Antonio Terminal Internacional S.A.	96.908.970-K	Chile	Services	Associate of subsidiary	Ch$	181,564	257,614	-	-	-	-	-	-
Lng Tugs Chile S.A.	76.028.651-6	Chile	Services	Associate of subsidiary	USD	108,763	151,487	-	-	-	-	-	-
San Vicente Terminal Internacional S.A.	96.908.930-0	Chile	Services	Associate of subsidiary	USD	83,326	78,739	-	-	-	-	-	-
Others	-	-	Invoices		Ch$	496,865	469,459	-	-	59,867	36,802	-	-
Total						60,876,930	58,743,586	-	-	8,995,225	1,279,511	3,116,408	-

(1) The recognition of loans related to lawsuits in Brazil arising from the sales contract of the Cable Unit. For legal purposes (Law 18045 and 18046) Nexans Brasil S.A. is not related to the Company.
(2) As of December 31, 2022, Enex Paraguay S.A.E. had created a joint venture. This company became an indirect subsidiary during March 2023, as a result of the business combination.

Note 8 – Related party balances and transactions (continued)

(b) Significant transactions with related parties

The criterion of the parent company is to classify the rights with its associates with respect to dividends as Other assets, in view of the related entity's nature but not quality.

Transactions between related parties are carried out at market prices. No guarantees have been provided or received for related party receivables or payables. Significant items when disclosing transactions with related parties are those that exceed UF 10,000 or 1% of the equity, whichever is lower.

Taxpayer ID number	Company	Relationship	Description	12/31/2023 Transaction amount ThCh$	12/31/2023 Effect on net income ThCh$	12/31/2022 Transaction amount ThCh$	12/31/2022 Effect on net income ThCh$
76.727.040-2	Minera Centinela S.A.	Common shareholder	Sales of products and services	240,202,080	240,202,080	223,065,383	223,065,383
96.790.240-3	Minera Los Pelambres S.A.	Common shareholder	Sales of products and services	96,567,143	96,567,143	83,367,879	83,367,879
81.148.200-5	Ferrocarril Antofagasta Bolivia S.A.	Common shareholder	Product sales	24,519,246	24,519,246	24,671,346	24,671,346
6.972.382-9	Pablo Granifo Lavín	Director	Professional advice	4,297,490	(4,297,490)	1,911,306	(1,911,306)
99.554.560-8	Comercial CCU S.A.	Subsidiary of joint venture	Product purchases	3,427,107	(3,427,107)	4,227,466	(4,227,466)
81.095.400-0	Sociedad Nacional de Oleoductos S.A.	Associate of subsidiary	Dividends received	3,603,044	3,603,044	2,765,026	2,765,026
81.095.400-0	Sociedad Nacional de Oleoductos S.A.	Associate of subsidiary	Services received	619,174	(619,174)	521,080	(521,080)
82.040.600-1	Sociedad Inversiones de Aviación S.A.	Associate of subsidiary	Services received	2,050,953	(2,050,953)	1,401,766	(1,401,766)
82.040.600-1	Sociedad Inversiones de Aviación S.A.	Associate of subsidiary	Dividends received	985,280	-	1,383,899	-
96.908.970-K	San Antonio Terminal Internacional S.A.	Associate of subsidiary	Product sales	1,964,012	1,964,012	2,248,738	2,248,738
96.973.920-8	Asfalto Cono Sur S.A.	Joint venture of subsidiary	Services provided	1,486,413	1,486,413	1,088,043	1,088,043
96.973.920-8	Asfalto Cono Sur S.A.	Joint venture of subsidiary	Loans	479,272	479,272	-	-
96.915.330-0	Iquique Terminal Internacional S.A.	Associate of subsidiary	Product sales	1,555,675	1,555,675	1,325,259	1,325,259
82.074.000-6	Transbordador Austral Broom	Associate of subsidiary	Product sales	1,471,441	1,471,441	504,194	504,194
96.908.930-0	San Vicente Terminal Internacional S.A.	Associate of subsidiary	Product sales	1,122,075	1,122,075	1,091,544	1,091,544
96.657.210-8	Transportes Fluviales Corral S.A.	Associate of subsidiary	Product sales	392,548	392,548	458,676	458,676
99.511.240-K	Antofagasta Terminal Internacional S.A.	Associate of subsidiary	Product sales	674,519	674,519	639,871	639,871
96.689.310-9	Transbank S.A.	Associate of subsidiary	Services received	3,171,537	(3,171,537)	1,989,181	(1,989,181)
93.857.000-0	Cía. de Inversiones Adriático	Common shareholder	Services	776,761	776,761	388,806	388,806
76.380.217-5	Hapag Lloyd Chile SpA	Associate of subsidiary	Towage services revenue	1,022,625	1,022,625	1,131,353	1,131,353
Foreign	Hapag Lloyd A.G. Germany	Joint venture of subsidiary	Towage services revenue	2,994,206	2,994,206	1,422,072	1,422,072
Foreign	Hapag Lloyd A.G. Germany	Joint venture of subsidiary	Sale of subsidiary	748,674,202	-	-	-
Foreign	Hapag Lloyd Aktiengesellschaft	Associate of subsidiary	Towage services revenue	-	-	1,103,332	1,103,332
76.028.651-6	LNG Tugs Chile S.A.	Associate of subsidiary	Towage services revenue	1,450,186	1,450,186	1,602,458	1,602,458
Foreign	Nexans S.A.	Associate of subsidiary	Dividends received	14,853,041	-	13,283,117	-
89.602.300-4	CSAV Austral SpA	Associate of subsidiary	Towage services revenue	1,257,819	1,257,819	786,343	786,343
96.798.520-1	SAAM Extraportuarios	Associate of subsidiary	Sale of subsidiary	47,336,941	-	-	-
76.729.932-K	SAAM Logistics S.A.	Associate of subsidiary	Sale of subsidiary	51,586,204	-	-	-
81.805.700-8	Coop. Agícola control pisquero de Elqui y Limarí Ltda.	Related to the parent company	Product sales	1,088,141	1,088,141	2,508,713	2,508,713

Note 8 – Related party balances and transactions (continued)

(c) Remuneration and benefits received by senior executives of the Parent Company

These are detailed for each year as follows.

	12/31/2023	12/31/2022
	ThCh$	ThCh$
Wages and salaries	5,585,621	4,533,879
Fees (allowances and profit sharing)	18,192,975	13,440,043
Short-term benefits	11,535,753	21,865,692
Total	35,314,349	39,839,614

Note 9 – Inventory

As of December 31, 2023 and 2022, these were as follows.

Inventory, current	12/31/2023	12/31/2022
	ThCh$	ThCh$
Raw materials	2,069,125	395,407
Fuel and lubricants	191,542,835	206,558,388
Production supplies	8,192,301	4,172,317
Others (1)	23,163,862	16,137,241
Total	224,968,123	227,263,353

(1) These are mainly maintenance materials for the service station and plant network and for finished goods in transit.

Inventory, non-current	12/31/2023	12/31/2022
	ThCh$	ThCh$
Spare parts	2,788,364	3,104,204
Other inventory	114,903	349,191
Total	2,903,267	3,453,395

The costs of inventory recognized as expenses in the consolidated statement of comprehensive income as of December 31 each year are:

	12/31/2023	12/31/2022
	ThCh$	ThCh$
Inventory costs recognized as expenses	4,374,267,457	4,024,355,114
Total	4,374,267,457	4,024,355,114

Note 10 – Current tax assets and liabilities

Current and non-current tax assets and liabilities are as follows:

Current tax assets	**12/31/2023**	**12/31/2022**
	ThCh$	**ThCh$**
Recoverable income taxes (1)	1,050,395,826	441,784,551
Other tax credits and recoverable taxes (2)	315,314,609	24,277,275
Provisional monthly tax payments	6,127,683	9,639,174
Total	**1,371,838,118**	**475,701,000**

Current tax liabilities	**12/31/2023**	**12/31/2022**
	ThCh$	**ThCh$**
Income taxes payable	239,644,551	57,361,117
Reclassification to recoverable taxes	(107,571,574)	(11,991,356)
Total	**132,072,977**	**45,369,761**

(1) Recoverable taxes are mainly from the temporary retentions on dividends from Hapag Lloyd AG, net of income taxes payable by the German subsidiary CSAV Germany Container Holding GmbH and the retentions that apply to dividends payable by the German subsidiary to Compañía Sud Americana de Vapores. This recoverable tax is denominated in Euros and is exposed to exchange rate fluctuations.

(2) Credits for taxes paid abroad, mainly by the subsidiary CSAV.

Note 11 – Non-current assets or disposal groups classified as held for sale and discontinued operations

As of December 31, 2023 and 2022, these are as follows.

	Invexans		SM SAAM		Total	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Non-current assets held for sale	-	2,881,587	10,450,008	8,528,645	10,450,008	11,410,232
Assets from discontinued operations	-	-	-	612,250,807	-	612,250,807
Total assets held for sale	**-**	**2,881,587**	**10,450,008**	**620,779,452**	**10,450,008**	**623,661,039**
Non-current liabilities held for sale	-	-	-	-	-	-
Liabilities from discontinued operations	-	-	-	233,706,267	-	233,706,267
Total liabilities held for sale	**-**	**-**	**-**	**233,706,267**	**-**	**233,706,267**

(a) Non-current assets held for sale

As of December 31, 2023 and 2022, non-current assets held for sale are as follows.

	Invexans		SM SAAM		Total	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**	**12/31/2023**	**12/31/2022**
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Properties	-	2,881,587	9,556,223	7,803,732	9,556,223	10,685,319
Machinery, vehicles and equipment	-	-	893,785	724,913	893,785	724,913
Total assets	**-**	**2,881,587**	**10,450,008**	**8,528,645**	**10,450,008**	**11,410,232**

(a.1) Invexans

The assets held for sale by Invexans are mainly properties that the company or its subsidiaries used for production or for complementary purposes. As of December 31, 2022, they included a property in Quilpué that was used by Armat S.A. (former subsidiary) to manufacture coin blanks. This property was reclassified to investment properties during the first quarter of 2023.

(a.2) SM SAAM

Part of property and equipment associated with the Port Terminals Division of the subsidiary SM SAAM is presented as assets classified as held for sale and discontinued operations, in accordance with the commitment signed by Management.

Note 11 – Non-current assets or disposal groups classified as held for sale and discontinued operations (continued)

(b) Discontinued operations

(b.1) SM SAAM

(b.1.1) Sales contract and completion

On October 4, 2022, SM SAAM informed the market of the material event that it had signed an agreement with Hapag-Lloyd Aktiengesellschaft ("Hapag-Lloyd") to sell (i) all the shares of the companies SAAM Ports S.A. and SAAM Logistics S.A., both direct subsidiaries of SM SAAM, and (ii) certain real estate owned by the indirect subsidiary of SM SAAM, Inmobiliaria Marítima Portuaria S.A. currently used by SAAM Logistics S.A.

The agreement stated that the assets of SAAM Ports S.A., SAAM Logistics S.A. and the real estate assets totaled US$1,137 million and the final price payable for the shares of both companies and for the real estate assets, after deducting the net financial debt proportional to ownership of the underlying assets, was approximately US$1,000 million, after customary adjustments for such transactions. It was estimated that the Company's net income would be close to US$400 million at that time, considering costs, taxes and associated expenses.

Upon completion of this transaction, SM SAAM will sell its entire port terminals business operation to Hapag-Lloyd, as reported in the material event, which includes 10 terminals in 6 countries in the Americas, the entire inland logistics business and the real estate used by this business.

The contract and subsequent transaction closure were authorized by a unanimous vote of the non-interested directors, which required the abstention of the directors related to the controlling group, since this is a related party transaction, in compliance with the procedure in Chapters VI and XVI of Law 18,046 on Corporations. This sale was approved by an Extraordinary Shareholders' Meeting of SM SAAM on October 19, 2022, in accordance with Articles 57 number 4 and 67 number 9 of Law 18,046.

It was subject to the right of withdrawal not being exercised for shares greater than 5% of SM SAAM. This condition was fulfilled since this right was exercised for only 0.0047% of the shares.

This transaction is subject to regulatory approvals in Chile and abroad and had to comply with other customary conditions. The preceding conditions also included authorizations from the competition authorities in various jurisdictions, and obtaining representations, warranties, a range of obligations and other customary conditions for such transactions.

The sale required the complete carving out of SAAM Ports S.A. and SAAM Logistics S.A. from the businesses that remained under the control of SM SAAM. This carve-out included corporate staff and departments, various systems and suppliers, and specific assets and operating services at subsidiaries. The carve-out was fully implemented as agreed.

Subsequently, SM SAAM will continue to operate its towage and air cargo logistics businesses.

(b.1.2) Discontinued operations

IFRS 5 "Non-current assets classified as held for sale and discontinued operations" ("IFRS 5") applied until transaction closure, as the terminals and inland logistics businesses represent a group of assets and liabilities to be sold. Consequently, all the assets, liabilities, net income for the year, other comprehensive income and cash flows for the discontinued operations involved in the transaction were presented in the financial statements. The comparative financial statements were restated to present these items as discontinued operations and to improve the comparability of this financial information. Explanatory notes were presented for the most important items.

The discontinued operations were presented until July 31, 2023, which was the last day that the terminals and inland logistics businesses belonged to SM SAAM. After that date, these businesses belonged to the acquiring company Hapag-Lloyd.

Note 11 – Non-current assets or disposal groups classified as held for sale and discontinued operations (continued)

(b) Discontinued operations (continued)

(b.1) SM SAAM (continued)

(b.1.2) Discontinued operations (continued)

The deferred tax expense associated with the difference between the financial value of the assets held for sale and their taxation value was recognized, as a consequence of the transaction at the end of 2022, in accordance with IAS 12. As a result, deferred tax expenses were generated and the liability was recognized.

(b.1.3) Transaction closure

SM SAAM and Hapag Lloyd closed the sale on August 1, 2023, after receiving all the required regulatory approvals, various regulatory approvals from competition authorities in Chile and abroad, and fulfilling all the other preceding conditions.

Consequently, Hapag-Lloyd owned all the shares of SAAM Ports S.A., and SAAM Logistics S.A. and the respective real estate as of that date. The scope of this sale was reported in 2022, and includes the entire port terminals business, 10 terminals in 6 countries in the Americas, and the entire inland logistics business.

SM SAAM will continue to operate its towage business through SAAM Towage, which currently operates in thirteen countries in the Americas, and its air cargo logistics through Aerosan, which currently operates in Chile, Colombia and Ecuador.

The price for the shares of SAAM Ports S.A., SAAM Logistics S.A. and the real estate assets totaled ThUS$994,368. The sale represents a consolidated net gain for the Company of ThUS$421,872 on that date, including all costs, taxes and associated expenses, and in accordance with Circular 988 issued by the Financial Market Commission.

(b.1.4) Transaction closure results

The price for the shares of SAAM Ports S.A., SAAM Logistics S.A. and the real estate assets totaled ThUS$994,368. As of December 31, 2023, ThUS$4,391 for the property in Iquique had not been received and is still being registered.

The net gain before taxes on this sale was ThUS$544,455, which includes expenses and associated costs of ThUS$28,479 (see table in this Note). The tax expense was ThUS$122,583 mainly comprised of capital gains tax on the sale of shares in SAAM Ports S.A. and SAAM Logistics S.A., although 50.08% of these share sales qualified as non-taxable income as they were acquired prior to 1984, and taxes associated with the gain on the sale of real estate owned by Inmobiliaria Marítima Portuaria S.A.

Thus, the consolidated net gain for the Company was ThUS$421,872, and includes costs recognized in the consolidated financial statements for 2022 and in the consolidated financial statements for 2023, relating to deferred taxes as previously described.

Note 11 – Non-current assets or disposal groups classified as held for sale and discontinued operations (continued)

(b) Discontinued operations (continued)

(b.1) SM SAAM (continued)

(b.1.4) Transaction closure results (continued)

The results of discontinued operations at the subsidiary SM SAAM were as follows:

	12/31/2023	12/31/2022
	ThCh$	ThCh$
Revenue	653,715,665	310,439,608
Expenses	(212,431,153)	(246,864,594)
Net income before taxes	**441,284,512**	**63,575,014**
Income tax (expense) income	(81,957,129)	(43,848,759)
Net income from discontinued operations	**359,327,383**	**19,726,255**

Statements of cash flow	12/31/2023	12/31/2022
	ThCh$	ThCh$
Cash flow provided by (used in) operating activities	18,429,720	90,592,696
Cash flow provided by (used in) investing activities	811,581,561	(3,719,959)
Cash flow provided by (used in) financing activities	(11,724,592)	(13,510,693)
Cash and cash equivalents, opening balance	-	-
Net cash flow for the year	**818,286,689**	**73,362,044**

(b.2) CSAV

CSAV discontinued its freight forwarder and logistics services business unit operated by the subsidiary Norgistics during the last quarter of 2017, given this unit's inability to sustain enough business volume to make it profitable and develop it within CSAV's business context. On January 23, 2020, CSAV announced the orderly closure of its car carrier business and the termination of services. It decided to fully focus on developing its main asset, which is its interest in the German shipping company Hapag-Lloyd AG, where it is one of the main shareholders.

The result of discontinued operations at the subsidiary CSAV was as follows:

	12/31/2023	12/31/2022
	ThCh$	ThCh$
Revenue	-	59,629
Expenses	-	(141,225)
Net income before taxes	**-**	**(81,596)**
Income tax expense	-	16,090
Net loss on discontinued operations after taxes	**-**	**(65,506)**

Statements of cash flow	12/31/2023	12/31/2022
	ThCh$	ThCh$
Cash flow provided by (used in) operating activities	-	(23,964)
Cash flow provided by (used in) investing activities	-	-
Cash flow provided by (used in) financing activities	-	-
Effect of changes in exchange rates on cash and cash equivalents	-	-
Cash and cash equivalents, opening balance	-	-
Net cash flow for the year	**-**	**(23,964)**

Note 12 – Other financial assets, non-current

As of December 31, 2023 and 2022, these were as follows.

	12/31/2023 ThCh$	12/31/2022 ThCh$
Equity instruments (shares)	40,541,703	41,308,522
Hedge assets	12,971,728	18,563,509
Others	1,835,959	1,207,688
Total	**55,349,390**	**61,079,719**

Note 13 – Other non-financial assets, non-current

As of December 31, 2023 and 2022, these were as follows.

	12/31/2023 ThCh$	12/31/2022 ThCh$
Court deposits Ficap Brasil	10,209,153	8,692,272
Other recoverable taxes	3,064,014	4,621,149
Prepaid expenses	1,491,981	-
Prepaid rent	49,119	26,532
Employee loans	-	112,973
Others	1,591,315	1,146,780
Total	**16,405,582**	**14,599,706**

Note 14 – Investments recognized using the equity method

(a) Summary of financial information of significant subsidiaries [1]

Summarized financial information for significant subsidiaries as of December 31, 2023, is as follows:

Company	Country	Functional Currency	Ownership Interest %	Current Assets ThCh$	Non-Current Assets ThCh$	Banking Assets ThCh$	Current Liabilities ThCh$	Non-Current Liabilities ThCh$	Banking Liabilities ThCh$	Operating Revenue ThCh$	Operating Expenses ThCh$	Net income for the year ThCh$
Enex PLC	United Kingdom	USD	100.00	618,250,312	1,386,203,080	-	579,726,322	561,370,834	-	4,803,813,483	(4,341,575,960)	34,393,493
LQIF	Chile	Ch$	50.00	494,649	844,780,179	55,792,551,544	18,360,935	269,004,538	50,239,400,129	1,878,774,242	(361,252,097)	612,644,338
SM SAAM S.A.	Chile	USD	62.60	923,574,907	1,002,133,282	-	445,352,419	436,913,645	-	454,541,269	(321,467,004)	427,261,143
CSAV	Chile	USD	66.45	1,583,353,341	5,669,251,088	-	92,817,647	65,156,859	-	-	-	206,601,885
Total				**3,125,673,209**	**8,902,367,629**	**55,792,551,544**	**1,136,257,323**	**1,332,445,876**	**50,239,400,129**	**7,137,128,994**	**(5,024,295,061)**	**1,280,900,859**

Summarized financial information for significant subsidiaries as of December 31, 2022, is as follows:

Company	Country	Functional Currency	Ownership Interest %	Current Assets ThCh$	Non-Current Assets ThCh$	Banking Assets ThCh$	Current Liabilities ThCh$	Non-Current Liabilities ThCh$	Banking Liabilities ThCh$	Operating Revenue ThCh$	Operating Expenses ThCh$	Net income for the year ThCh$
Enex PLC	United Kingdom	USD	100.00	640,469,137	1,149,159,799	-	563,750,704	488,380,248	-	4,486,363,275	(3,991,762,516)	79,847,006
LQIF	Chile	Ch$	50.00	525,677	845,220,199	55,255,361,593	20,990,337	270,840,494	50,126,301,313	2,120,308,915	(435,117,020)	680,072,670
SM SAAM S.A.	Chile	USD	60.02	822,608,983	795,021,192	-	383,569,065	484,014,506	-	404,206,916	(284,773,143)	40,194,034
CSAV	Chile	USD	66.45	523,247,308	8,289,179,813	-	1,944,514,761	94,210,919	-	-	-	4,847,513,033
Total				**1,986,851,105**	**11,078,581,003**	**55,255,361,593**	**2,912,824,867**	**1,337,446,167**	**50,126,301,313**	**7,010,879,106**	**(4,711,652,679)**	**5,647,626,743**

[1] Significant subsidiaries are determined by following the same criterion used in establishing the Company's **Operating Segments** (Note 36).

Note 14 – Investments recognized using the equity method (continued)

(b) Interest in joint ventures

In accordance with paragraph 21 of IFRS 12, the following shows summarized financial information of the significant interests in joint ventures as of December 31, 2023:

Company	Country	Investment Book value ThCh$	Ownership Interest %	Current Assets ThCh$	Non-Current Assets ThCh$	Current Liabilities ThCh$	Non-Current Liabilities ThCh$	Operating Revenue ThCh$	Operating Expenses ThCh$	Net income (loss) for the year ThCh$
Hapag Lloyd A.G. (1)	Germany	5,657,376,636	30.00	9,941,337,290	18,245,092,615	5,734,626,999	4,218,923,723	15,521,863,936	(11,997,192,378)	2,541,240,125
Inversiones y Rentas S.A. (2)	Chile	331,405,877	50.00	1,615,121,969	1,849,420,920	707,692,930	1,559,184,993	2,565,556,067	(1,378,611,966)	60,582,901
Asfaltos Cono Sur S.A.	Chile	3,082,199	50.00	571,882	9,033,459	3,443,573	-	1,800,030	(2,541,270)	(741,240)
Total		**5,991,864,712**		**11,557,031,141**	**20,103,546,994**	**6,445,763,502**	**5,778,108,716**	**18,089,220,033**	**(13,378,345,614)**	**2,601,081,786**

There are no contingent liabilities or investment commitments to report, which relate to interests in joint ventures. The method used to recognize accounting interests in jointly controlled entities is the equity method, which is the same treatment as investments in associates.

(1) Quiñenco has an interest in Hapag Lloyd AG, through its subsidiary Compañía Sud Americana de Vapores (CSAV), over which it has significant influence and joint control through a shareholder agreement with the other controlling shareholders: the City of Hamburg and Kühne Maritime.

(2) Quiñenco has an indirect interest in CCU through its 50% holding in Inversiones y Rentas S.A. (IRSA), which is a joint venture with the Dutch brewery group Heineken Americas B.V. (Heineken). As a result, Heineken holds 50% of IRSA and is therefore a partner of Quiñenco, being the joint controllers of 65.87% of CCU. CCU's financial statements are presented on a consolidated basis in Inversiones y Rentas S.A.

Note 14 – Investments recognized using the equity method (continued)

(b) Interest in joint ventures (continued)

In accordance with paragraph 21 of IFRS 12, the following shows summarized financial information of the significant interests in joint ventures as of December 31, 2022:

Company	Country	Investment Book value ThCh$	Ownership Interest %	Current Assets ThCh$	Non-Current Assets ThCh$	Current Liabilities ThCh$	Non-Current Liabilities ThCh$	Operating Revenue ThCh$	Operating Expenses ThCh$	Net income (loss) for the year ThCh$
Hapag Lloyd A.G. (1)	Germany	7,847,947,201	30.00	19,910,449,741	15,435,268,207	5,844,448,840	4,000,833,967	31,718,191,281	(14,356,395,301)	15,637,449,863
Inversiones y Rentas S.A. (2)	Chile	360,729,429	50.00	1,677,573,754	1,960,267,514	806,512,020	1,540,100,903	2,711,434,948	(1,514,925,309)	52,275,882
Asfaltos Cono Sur S.A.	Chile	3,414,881	50.00	175,451	9,221,036	2,566,724	-	3,959,987	(6,136,844)	(2,176,857)
Enex Paraguay	Paraguay	23,459,978	50.00	14,327,096	117,216,874	43,191,831	50,563,353	116,855,581	(123,647,375)	(3,791,794)
Total		**8,235,551,489**		**21,602,526,042**	**17,521,973,631**	**6,696,719,415**	**5,591,498,223**	**34,550,441,797**	**(16,001,104,829)**	**15,683,757,094**

There are no contingent liabilities or investment commitments to report, which relate to interests in joint ventures. The method used to recognize accounting interests in jointly controlled entities is the equity method, which is the same treatment as investments in associates.

(1) Quiñenco has an interest in Hapag Lloyd AG, through its subsidiary Compañía Sud Americana de Vapores (CSAV), over which it has significant influence and joint control through a shareholder agreement with the other controlling shareholders: the City of Hamburg and Kühne Maritime.

(2) Quiñenco has an indirect interest in CCU through its 50% holding in Inversiones y Rentas S.A. (IRSA), which is a joint venture with the Dutch brewery group Heineken Americas B.V. (Heineken). As a result, Heineken holds 50% of IRSA and is therefore a partner of Quiñenco, being the joint controllers of 65.87% of CCU. CCU's financial statements are presented on a consolidated basis in Inversiones y Rentas S.A.

Note 14 – Investments recognized using the equity method (continued)

(c) Interest in associates

(i) As of December 31, 2023, summarized financial information on significant interests in associates and joint ventures is as follows, in accordance with IFRS 12.

Company	Country	Investment Book value ThCh$	Ownership Interest %	Current Assets ThCh$	Non-Current Assets ThCh$	Current Liabilities ThCh$	Non-Current Liabilities ThCh$	Operating Revenue ThCh$	Operating Expenses ThCh$	Financial Income ThCh$	Financial Costs ThCh$	Net income for the year ThCh$	Cash & cash equivalents ThCh$	Depreciation & Amortization ThCh$	Income tax Expense ThCh$	Other Comprehensive income ThCh$	Total Comprehensive income ThCh$
Nexans S.A. (1) and (2)	France	325,070,061	19.26	3,682,155,900	2,713,655,963	3,489,531,577	1,261,794,334	7,041,117,752	(6,662,849,718)	21,016,415	(86,704,874)	203,774,525	1,096,709,623	(161,613,431)	(263,853,082)	(79,295,845)	124,478,680
Hapag-Lloyd A.G.	Germany	5,657,376,636	30.00	9,941,337,290	18,245,092,615	5,734,626,999	4,218,923,723	15,521,863,936	(11,997,192,378)	514,075,441	(209,735,124)	2,541,240,125	5,644,443,065	(1,670,184,425)	(72,921,898)	(14,151,624)	2,527,088,501
Inversiones y Rentas S.A.	Chile	331,405,877	50.00	1,615,121,969	1,849,420,920	707,692,930	1,559,184,993	2,565,556,067	(1,378,611,966)	40,524,340	(79,020,849)	60,582,901	622,388,178	(115,181,283)	16,242,556	(79,359,745)	(18,776,844)
Total		**6,313,852,574**		**15,238,615,159**	**22,808,169,498**	**9,931,851,506**	**7,039,903,050**	**25,128,537,755**	**(20,038,654,062)**	**575,616,196**	**(375,460,847)**	**2,805,597,551**	**7,363,540,866**	**(1,946,979,139)**	**(320,532,424)**	**(172,807,214)**	**2,632,790,337**

(ii) As of December 31, 2022, summarized financial information on significant interests in associates and joint ventures is as follows, in accordance with IFRS 12.

Company	Country	Investment Book value ThCh$	Ownership Interest %	Current Assets ThCh$	Non-Current Assets ThCh$	Current Liabilities ThCh$	Non-Current Liabilities ThCh$	Operating Revenue ThCh$	Operating Expenses ThCh$	Financial Income ThCh$	Financial Costs ThCh$	Net income for the year ThCh$	Cash & cash equivalents ThCh$	Depreciation & Amortization ThCh$	Income tax Expense ThCh$	Other Comprehensive income ThCh$	Total Comprehensive income ThCh$
Nexans S.A. (1) and (2)	France	444,048,319	29.02	3,672,653,594	2,237,263,169	3,444,370,056	967,158,125	7,622,180,950	(7,265,842,055)	6,730,917	(42,647,442)	226,363,378	1,038,978,950	(161,972,056)	(306,892,649)	16,353,732	242,717,110
Hapag-Lloyd A.G.	Germany	7,847,947,201	30.00	19,910,449,741	15,435,268,207	5,844,448,840	4,000,833,967	31,718,191,281	(14,356,395,301)	231,682,008	(210,952,547)	15,637,449,863	13,920,174,340	(1,748,457,294)	(184,169,805)	130,182,585	15,767,632,448
Inversiones y Rentas S.A.	Chile	360,729,429	50.00	1,677,573,754	1,960,267,514	806,512,020	1,540,100,903	2,711,434,948	(1,514,925,309)	23,236,361	(78,246,431)	52,275,882	600,292,304	(126,497,493)	(216,279)	(2,344,412)	49,931,470
Total		**8,652,724,949**		**25,260,677,089**	**19,632,798,890**	**10,095,330,916**	**6,508,092,995**	**42,051,807,179**	**(23,137,162,665)**	**261,649,286**	**(331,846,420)**	**15,916,089,123**	**15,559,445,594**	**(2,036,926,843)**	**(491,278,733)**	**144,191,905**	**16,060,281,028**

(1) Relates to the latest information published by the company. These financial statements include the effects of the fair values that Invexans S.A. controls.

(2) In accordance with French regulations, Nexans does not prepare interim financial statements for the March and September quarters. Invexans therefore uses as the latest available information, the financial statements as of June and December to value this investment at equity value for the accounting closes as of March and September respectively. This has been approved by the Financial Market Commission in its resolution 10,914 dated April 30, 2012.

Note 14 – Investments recognized using the equity method (continued)

(d) Movements in investments in associates and joint ventures:

Movements during 2023 are as follows:

Company	Business	Country	Functional currency	Ownership interest %	Balance as of 01/01/2023 ThCh$	Share of net income (loss) ThCh$	Dividends received ThCh$	Other increase (decrease) ThCh$	Balance as of 12/31/2023 ThCh$
Inversiones y Rentas S.A.	Investments	Chile	Ch$	50.00	360,729,429	30,291,450	(7,294,258)	(52,320,744)	331,405,877
Nexans S.A. (1) (2) (3)	Manufacturing	France	EUR	19.27	444,048,319	38,878,880	(14,853,041)	(143,004,097)	325,070,061
Hapag-Lloyd A.G. (4)	Transport	Germany	USD	30.00	7,847,947,201	762,104,704	(2,990,488,516)	37,813,247	5,657,376,636
Inmobiliaria El Norte y El Rosal S.A.	Real estate	Chile	Ch$	50.00	18,590	(23,107)	-	4,517	-
Asfaltos Cono Sur S.A.	Bitumen	Chile	Ch$	50.00	3,414,881	(371,051)	-	38,369	3,082,199
Sociedad Inversiones Aviación SIAV Ltda.	Fuel & lubricants	Chile	Ch$	33.33	2,165,326	1,571,359	(1,012,249)	(72,024)	2,652,412
Enex Paraguay (5)	Fuel distribution	Paraguay	PYG	55.00	23,459,978	(83,702)	-	(23,376,276)	-
Inmobiliaria Carriel Ltda.	Real estate	Chile	Ch$	50.00	(1,746)	(7,558)	-	19,831	10,527
LNG Tugs Chile S.A.	Port services	Chile	USD	35.00	163,224	27,713	(25,653)	(4,771)	160,513
Transbordadora Austral Broom S.A.	Port services	Chile	Ch$	25.00	23,968,847	2,485,921	(754,362)	(282,346)	25,418,060
Equimac S.A.	Port services	Colombia	USD	50.00	(78,091)	-	-	78,091	-
Total					**8,705,835,958**	**834,874,609**	**(3,014,428,079)**	**(181,106,203)**	**6,345,176,285**

(1) The goodwill related to the acquisition of the associate Nexans S.A. is part of the value of the investment. The amount shown of ThCh$ 331,405,877 is ThCh$ 319,940,130 in equity and ThCh$ 11,465,747 in goodwill.
(2) The market value of Invexan's investment in Nexans was 666,276,623 Euros as of December 31, 2023 and 1,064,991,687 Euros as of December 31, 2022, equivalent to ThCh$ 628,651,374 and ThCh$ 975,469,947, respectively.
(3) The indirect subsidiary Invexans Limited sold 4,203,638 shares or 9.6% of Nexans S.A. in April 2023. Therefore, Invexans Limited's interest in Nexans was reduced to 18.74%. The subsidiary Tech Pack owns an additional 0.53% in Nexans S.A.
(4) The market value of CSAV's investment in HLAG was 7,118,420,130 Euros as of December 31, 2023 and 9,364,677,149 Euros as of December 31, 2022, equivalent to ThCh$ 6,904,917,412 and ThCh$ 8,595,280,173, respectively.
(5) The indirect subsidiary Enex Investments Paraguay S.A. acquired a 5% interest in Enex Paraguay S.A.E. from Sudameris Bank on March 16, 2023, thereby increasing its shareholding to 55% of Enex Paraguay S.A.E. and becoming its parent company.

Note 14 – Investments recognized using the equity method (continued)

(d) Movements in investments in associates and joint ventures (continued)

Movements during 2022 are as follows:

Company	Business	Country	Functional currency	Ownership interest %	Balance as of 01/01/2022 ThCh$	Share of net income (loss) ThCh$	Dividends received ThCh$	Other increase (decrease) ThCh$	Balance as of 12/31/2022 ThCh$
Inversiones y Rentas S.A.	Investments	Chile	Ch$	50.00	362,523,960	26,137,941	(25,792,694)	(2,139,778)	360,729,429
Nexans S.A. (1) and (2)	Manufacturing	France	EUR	29.02	400,982,759	65,248,599	(18,158,262)	(4,024,777)	444,048,319
Hapag-Lloyd A.G. (3)	Transport	Germany	USD	30.00	4,855,952,183	4,685,655,044	(1,244,332,446)	(449,327,580)	7,847,947,201
Transportes y Servicios Aéreos S.A.	Transport	Chile	Ch$	50.00	144,437	6,604	-	(151,041)	-
Inmobiliaria El Norte y El Rosal S.A.	Real estate	Chile	Ch$	50.00	20,802	(2,212)	-	-	18,590
Asfaltos Cono Sur S.A.	Bitumen	Chile	Ch$	50.00	4,498,819	(1,088,429)	-	4,491	3,414,881
Sociedad Inversiones Aviación SIAV Ltda.	Fuel & lubricants	Chile	Ch$	33.33	2,184,368	1,368,581	(1,383,899)	(3,724)	2,165,326
Enex Paraguay	Fuel distribution	Paraguay	PYG	50.00	10,248,624	(3,395,897)	-	16,607,251	23,459,978
Inmobiliaria Carriel Ltda.	Real estate	Chile	Ch$	50.00	-	(1,746)	-	-	(1,746)
Inmobiliaria Sepbío Ltda.	Real estate	Chile	Ch$	50.00	146,131	-	-	(146,131)	-
LNG Tugs Chile S.A.	Port services	Chile	USD	35.00	157,112	31,434	(25,322)	-	163,224
Muellaje ATI S.A. (4)	Port services	Chile	Ch$	0.50	(6,758)	-	-	6,758	-
Muellaje del Maipo S.A.	Port services	Chile	USD	50.00	60,818	-	-	(60,818)	-
Muellaje STI S.A. (4)	Port services	Chile	Ch$	0.50	3,379	-	-	(3,379)	-
Muellaje SVTI S.A. (4)	Port services	Chile	Ch$	0.50	3,379	-	-	(3,379)	-
Portuaria Corral S.A.	Port services	Chile	Ch$	50.00	3,780,832	-	-	(3,780,832)	-
San Antonio Terminal Internacional S.A.	Port services	Chile	USD	50.00	26,125,417	-	-	(26,125,417)	-
San Vicente Terminal Internacional S.A.	Port services	Chile	USD	50.00	34,832,482	-	-	(34,832,482)	-
Servicios Portuarios y Extraportuarios Bío Bío Ltda.	Port services	Chile	Ch$	50.00	(6,758)	-	-	6,758	-
Transbordadora Austral Broom S.A.	Port services	Chile	Ch$	25.00	22,760,174	1,448,334	(257,588)	17,927	23,968,847
Transportes Fluviales Corral S.A.	Port services	Chile	Ch$	50.00	1,626,028	-	-	(1,626,028)	-
Equimac S.A.	Port services	Colombia	USD	50.00	2,315,295	(39,293)	(2,202,160)	(151,933)	(78,091)
Puerto Buenavista S.A.	Port services	Colombia	USD	33.30	2,964,863	-	-	(2,964,863)	-
Total					**5,731,318,346**	**4,775,368,960**	**(1,292,152,371)**	**(508,698,977)**	**8,705,835,958**

(1)The goodwill related to the acquisition of the associate Nexans S.A. is part of the value of the investment. The amount shown of ThCh$ 444,048,319 is ThCh$ 430,542,728 in equity and ThCh$ 13,505,591 in goodwill. (2)The market value of Invexans' investment in Nexans was 1,064,991,687 Euros as of December 31, 2022, and 1,082,646,967 Euros as of December 31, 2021, equivalent to ThCh$ 975,469,947 and ThCh$ 1,034,620,747 respectively.
(3)The market value of CSAV's investment in HLAG was 9,364,677,149 Euros as of December 31, 2022, and 14,605,943,526 Euros as of December 31, 2021, equivalent to ThCh$ 10,022,128,798 and ThCh$ 13,958,023,871, respectively.
(4)These include investments whose direct share is less than 20%, as the sum of direct and indirect shares exceeds 20% or because it has representation on the Board of Directors.

Note 14 – Investments recognized using the equity method (continued)

(e) CSAV's investment in Hapag-Lloyd A.G.

CSAV has a 30% interest as of December 31, 2023, in Hapag-Lloyd AG (HLAG), headquartered in Hamburg, Germany, making it one of its main shareholders. In addition, with respect to its investment in HLAG, CSAV is party to a joint control agreement with two other shareholders of this German company: the City of Hamburg, through its holding company HGV Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH (HGV), which holds 13.86% of the issued capital; and German businessman Klaus Michael Kühne, through Kühne Maritime GmbH (KM), who owns 29.77%; together, they hold approximately 73.63% of HLAG. By virtue of the above, based on CSAV's shareholding in HLAG and the existence and characteristics of the aforementioned joint control agreement, in accordance with IFRS 11, CSAV's investment in HLAG has been defined as a joint venture that must be accounted for using the equity method in accordance with IAS 28. This definition has remained unchanged since the date on which CSAV acquired its original interest in HLAG during the business combination of its container shipping business and HLAG in 2014.

Note 15 – Intangible assets other than goodwill

Intangible assets, net	**12-31-2023 ThCh$**	**12-31-2022 ThCh$**
Intangible assets with finite life, net	55,415,705	54,625,781
Intangible assets with indefinite life, net (1)	218,489,282	195,449,301
Intangible assets, net	**273,904,987**	**250,075,082**

(1) Intangible assets with an indefinite useful life are the Banco de Chile brand and the contracts to use the Citibank brand, which are not amortized because they are trademarks without expiration and they are expected to generate net cash flows indefinitely for the business. However, these assets are subject to an annual impairment test. As of December 31, 2023 and 2022, the Company is not aware that any of its assets with indefinite useful lives have indications of impairment.

Calculation method for the amortization of identifiable intangible assets	**Useful life**	**Minimum useful life**	**Maximum useful life**
Useful life for towage concessions	Years	5	20
Useful life for computer programs	Years	3	7
Useful life for other identifiable intangible assets	Years	5	10

(a) Intangible assets as of December 31, 2023 and 2022, are as follows:

As of December 31, 2023	**Gross Assets ThCh$**	**Accumulated Amortization & Impairment ThCh$**	**Net Assets ThCh$**
Patents, trademarks and other rights	221,648,771	(3,159,489)	218,489,282
Towage concessions	6,142,995	(3,417,783)	2,725,212
Computer programs	17,603,163	(14,701,651)	2,901,512
Other intangible assets	308,400,940	(258,611,959)	49,788,981
Total	**553,795,869**	**(279,890,882)**	**273,904,987**

As of December 31, 2022	**Gross Assets ThCh$**	**Accumulated Amortization & Impairment ThCh$**	**Net Assets ThCh$**
Patents, trademarks and other rights	197,916,192	(2,466,891)	195,449,301
Port, towage and other concessions	5,628,992	(2,753,302)	2,875,690
Computer programs	18,127,750	(14,240,263)	3,887,487
Other intangible assets	300,033,151	(252,170,547)	47,862,604
Total	**521,706,085**	**(271,631,003)**	**250,075,082**

(b) Movement of identifiable intangible assets

Movements in identifiable intangible assets during 2023 were as follows.

Movements	**Patents, trademarks and other rights**	**Towage concessions**	**Computer programs**	**Other intangible assets**	**Total**
	ThCh$	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**
Opening balance	195,449,301	2,875,690	3,887,487	47,862,604	250,075,082
Additions	66,344	-	1,786,273	-	1,852,617
Acquisitions through business combinations	20,277,969	135,076	244,928	7,480,099	28,138,072
Divestments	(11,252)	-	(1,141,288)	-	(1,152,540)
Amortization	(963,867)	(371,979)	(1,386,333)	(5,452,957)	(8,175,136)
Impairment loss recognized in statement of net income	-	-	(552,588)	-	(552,588)
Increase (decrease) in currency translation	2,618,615	(410)	63,033	1,101,395	3,782,633
Other increases (decreases)	1,052,172	86,835	-	(1,202,160)	(63,153)
Closing balance	**218,489,282**	**2,725,212**	**2,901,512**	**49,788,981**	**273,904,987**

Movements in identifiable intangible assets during 2022 were as follows.

Movements	**Patents, trademarks and other rights**	**Towage concessions**	**Computer programs**	**Other intangible assets**	**Total**
	ThCh$	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**
Opening balance	196,605,756	119,837,015	4,288,022	50,114,054	370,844,847
Additions	58,049	-	2,145,819	-	2,203,868
Acquisitions through business combinations	-	184,866	-	2,945,236	3,130,102
Divestments	-	-	(109,148)	-	(109,148)
Transfers to discontinued operations	(53,215)	(117,008,993)	(1,034,746)	-	(118,096,954)
Amortization	(1,398,056)	(391,281)	(1,390,661)	(5,359,579)	(8,539,577)
Increase (decrease) in currency translation	256,850	17,866	22,255	-	296,971
Other increases (decreases)	(20,083)	236,217	(34,054)	162,893	344,973
Closing balance	**195,449,301**	**2,875,690**	**3,887,487**	**47,862,604**	**250,075,082**

The subsidiary LQIF recognizes the amortization of its intangible assets under Other expenses by function.

Note 16 – Goodwill

Movements in goodwill during 2023 and 2022 were as follows.

Movements	Banco de Chile and SM-Chile	Merger Banco de Chile - Citibank	Merger Citigroup Chile II S.A. LQIF	Enex	SM SAAM	Others	Total
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
As of December 31, 2023							
Opening balance as of 01/01/2023	**514,466,490**	**108,438,209**	**31,868,173**	**281,532,579**	**66,020,184**	**72,562**	**1,002,398,197**
Additions	-	-	-	32,592,554	-	-	32,592,554
Increase (decrease) in currency translation	-	-	-	5,443,014	7,533,111	-	12,976,125
Other increases (decreases)	-	-	-	-	26,607,669	-	26,607,669
Closing balance as of 12/31/2023	**514,466,490**	**108,438,209**	**31,868,173**	**319,568,147**	**100,160,964**	**72,562**	**1,074,574,545**
As of December 31, 2022							
Opening balance as of 01/01/2022	**514,466,490**	**108,438,209**	**31,868,173**	**280,399,069**	**58,114,672**	**72,562**	**993,359,175**
Acquisitions through business combinations (1)	-	-	-	-	5,712,010	-	5,712,010
Increase (decrease) in currency translation	-	-	-	1,133,510	1,730,717	-	2,864,227
Other increases (decreases)	-	-	-	-	462,785	-	462,785
Closing balance as of 12/31/2022	**514,466,490**	**108,438,209**	**31,868,173**	**281,532,579**	**66,020,184**	**72,562**	**1,002,398,197**

(1) On April 4, 2022, SAAM Towage Canada Inc. acquired a 100% interest in Canada Standard Towing Ltd. and Davies Tugboat Ltd.

The indirect subsidiary Enex has goodwill associated with four cash generating units (CGUs).

- Enex S.A. - Retail
- Enex S.A. - Industrial
- Road Ranger, LLC
- Enex Paraguay SAE

Goodwill is the excess acquisition cost over the fair value of the Company's share of the net identifiable assets of the acquired company on the acquisition date. Goodwill related to acquiring subsidiaries is not amortized, but is tested for impairment annually or whenever there are indications of impairment. Gains and losses on the sale of an entity include the book value of any goodwill relating to the entity sold.

The indirect subsidiary Enex tests goodwill for impairment at least once a year.

Movements in purchased goodwill at Enex during the years ended December 31, 2023 and 2022, are detailed as follows:

	12/31/2023	12/31/2022
	ThCh$	ThCh$
Enex S.A. - Retail	105,165,811	105,165,509
Enex S.A. - Industrial	89,535,532	89,535,794
Road Ranger, LLC	88,988,210	86,831,276
Enex Paraguay SAE	35,878,594	-
Total	**319,568,147**	**281,532,579**

Note 17 – Business combinations

Enex Paraguay SAE

1. General information

On March 16, 2023, an additional 5% interest in Enex Paraguay S.A.E. was acquired for ThUS$3,500 in cash, through the subsidiary Enex Investments Paraguay S.A. Accordingly, control of Enex Paraguay S.A.E. was obtained, resulting in a total interest of 55%. Prior to this acquisition, the investment in Enex Paraguay S.A.E. was recognized using the equity method, then it became a consolidated subsidiary as of the acquisition date. This business combination was recognized using the acquisition method as of the acquisition date, which is the date when control was transferred.

Enex Paraguay S.A.E. is engaged in the distribution and commercialization of products at gas station services and convenience stores. The objective of this acquisition was to obtain control of Enex Paraguay S.A.E.'s business in Paraguay.

2. The estimated fair value of the acquired assets and liabilities

IFRS 3 "Business Combinations" applied to this sale, so the acquired assets and liabilities were recognized at their fair values as of the acquisition date.

The acquisition was completed in March 2023. As of December 31, 2023, Management has estimated the fair value of the acquired assets and liabilities on a preliminary basis.

The Company already had a 50% interest in Enex Paraguay prior to this business combination. Therefore, the business combination was completed in stages and the initial 50% interest was revalued to its fair value as of the acquisition date. The difference between the book value of this interest and its fair value was recognized in the income statement as follows:

	ThCh$
Fair value of the initial 50% interest	27,664,350
Book value of the initial 50% interest	22,732,006
Net gain	5,830,917

A put and call option contract was also agreed as of the acquisition date, which grants Sudameris Bank S.A. the option, but not an obligation, to sell its entire interest in Enex Paraguay S.A.E. (the put option), and grants Enex the option, but not an obligation, to acquire the interest held by Sudameris Bank in Enex Paraguay S.A.E. (the call option).

The put option can be exercised from January 31 until February 8, 2024 and the call option can be exercised from February 8 until February 15, 2024 at a fixed price of ThUS$ 31,500.

IFRS currently do not describe how to recognize put and call options granted to holders of non-controlling interests ("NCI") as of the acquisition date of control over a subsidiary, or after gaining control. There is a lack of explicit guidance in IFRS and potential contradictions between the requirements of IFRS 10 (regarding IAS accounting and changes in ownership without loss of control) and IAS 32.

However, a combination of call and put options on identical or similar terms with a fixed exercise price, such as the agreement between Enex Investments Paraguay S.A. and Banco Sudameris, is indicative that an acquirer obtains an interest in these shares, since this feature means that it is highly probable that the instrument will be exercised by one of the parties to the agreement.

Therefore, for financial reporting purposes, Enex has acquired the shares in the put/call option, and the business combination was recognized as if Enex PLC had acquired a 100% interest in Enex Paraguay S.A.E. Therefore, no NCI was recognized under a conservative criterion, and a financial liability was recognized for the amount payable on exercising the put (or call) option that was presented in other current financial liabilities as of December 31, 2023.

Note 17 – Business combinations (continued)

2. The estimated fair value of the acquired assets and liabilities (continued)

The basis for Enex Investments Paraguay S.A. owning the non-controlling interest, which simply implies that the Company has all the ownership rights, are as follows.

- “**Put & Call Options” issued**

A combination of Put & Call Options with the same exercise period and the same price indicates that the agreement is a fixed-term contract. This feature means that the instrument is very likely to be exercised by one of the counterparties in situations where the exercise price is not the fair value of the underlying shares. This applies to Enex, as the contract issues "Put & Call Options" with similar exercise dates and a fixed price.

- **Options for the remainder of the non-controlling interest**

The options are for the entire remainder of the non-controlling interest and not a portion.

- **Sudameris Bank S.A.E.C.A.**

Banco Sudameris can only operate in the banking sector by regulation and any other transactions can only last a limited period.

The associated acquisition costs were ThUS$57, which included external legal fees and due diligence costs. They were included in administrative expenses as they were incurred.

The Company complied with IFRS 3 "Business Combinations” by valuing the acquired assets and liabilities at their fair values as of the acquisition date of March 16, 2023, and recognized as goodwill the difference between the price and the fair value of the acquired net assets in the summarized consolidated financial statements calculated on a preliminary basis.

Since this business combination was partially recognized in the interim accounting period when it occurred, the indirect subsidiary Enex PLC reported in its summarized consolidated financial statements that the business combination was provisional until its closure. During the valuation period, the Company may retrospectively adjust the provisional amounts recognized as of the acquisition date to reflect recently discovered information about facts and circumstances as of the acquisition date that, had they been known, would have affected the valuations recognized as of that date.

The valuation period will end as soon as Enex receives information regarding the facts and circumstances as of the acquisition date or concludes that no more information can be obtained. However, the valuation period cannot exceed one year from the acquisition date of March 16, 2023.

Note 17 – Business combinations (continued)

2. The estimated fair value of the acquired assets and liabilities (continued)

The acquired preliminary goodwill is as follows.

Values as of March 16, 2023	**ThUS$**	**ThCh$**
Total price for 5% of Enex Paraguay	3,500	2,766,435
The amount payable if the call option is exercised by the NCI.	31,500	24,897,915
Fair value of the interest prior to the business combination.	35,000	27,664,350
Acquisition price	**70,000**	**55,328,700**
Estimated fair value of the acquired net assets	(28,765)	(22,736,146)
Preliminary estimate of the goodwill on acquisition	**41,235**	**32,592,554**

This shows how Enex Investments Paraguay S.A. calculated preliminary goodwill of ThUS$41,235, as the difference between:

- The fair value of the price, the amount payable on exercising the NCI put (or NCI call) to the non-controlling shareholders and the fair value of the initial interests in the acquiree.
- The net value of the acquired identifiable assets and liabilities.

After the acquisition date, Enex Paraguay S.A.E. contributed revenue of ThUS$116,597 and losses of ThUS$11,430 to the consolidated financial statements. If the combination had occurred at the beginning of the year on January 1, 2023, total consolidated revenue would have been ThUS$5,750,138 and the gain would have been ThUS$40,113 for the Enex Group.

Note 18 – Transactions with non-controlling interests

- **Shareholding increase in SM SAAM**

  During 2023, Quiñenco acquired 251,307,450 shares in SM SAAM, increasing its direct and indirect shareholding from 60.02% to 62.60%. The change caused by this transaction has been recognized as a charge to Other reserves, as the counterparties are non-controlling interests.

  During the third quarter of 2022, Quiñenco acquired 28,526,214 shares in SM SAAM, increasing its direct and indirect shareholding in that company from 59.73% to 60.02%. The change caused by this has been recognized as a credit to Other reserves, as the counterparties are non-controlling interests.

The net accounting effects of these transactions with non-controlling interests on only Quiñenco's interest as of December 31, 2023 and 2022, are as follows.

	Shareholding increase in SM SAAM	**Total**
	12/31/2023	**12/31/2023**
	ThCh$	ThCh$
Equity value	(1,700,983)	(1,700,983)
Net effect on equity	**(1,700,983)**	**(1,700,983)**

	Shareholding increase in SM SAAM	**Total**
	12/31/2022	**12/31/2022**
	ThCh$	ThCh$
Equity value	135,655	135,655
Net effect on equity	**135,655**	**135,655**

Note 19 – Property, plant and equipment

(a) Property, plant and equipment is detailed as follows.

As of December 31, 2023 and 2022, these are detailed as follows.

As of December 31, 2023	Gross Assets ThCh$	Accumulated Depreciation ThCh$	Net Assets ThCh$
Construction in progress	121,994,235	-	121,994,235
Land	175,304,143	-	175,304,143
Buildings	225,928,289	(48,189,275)	177,739,014
Plant and equipment	438,451,237	(197,278,322)	241,172,915
IT equipment	24,157,319	(18,729,346)	5,427,973
Fixtures and fittings	54,613,867	(28,447,063)	26,166,804
Vessels	1,092,587,543	(397,264,188)	695,323,355
Motor vehicles	22,247,871	(13,468,587)	8,779,284
Other property, plant and equipment	22,253,286	(15,350,293)	6,902,993
Total	**2,177,537,790**	**(718,727,074)**	**1,458,810,716**

As of December 31, 2022	Gross Assets ThCh$	Accumulated Depreciation ThCh$	Net Assets ThCh$
Construction in progress	80,847,103	-	80,847,103
Land	132,971,751	-	132,971,751
Buildings	193,306,176	(44,613,519)	148,692,657
Plant and equipment	391,985,592	(177,697,933)	214,287,659
IT equipment	21,943,775	(17,604,726)	4,339,049
Fixtures and fittings	30,730,573	(22,670,967)	8,059,606
Vessels	877,044,567	(359,557,396)	517,487,171
Motor vehicles	16,674,416	(12,901,994)	3,772,422
Other property, plant and equipment	18,959,650	(13,599,051)	5,360,599
Total	**1,764,463,603**	**(648,645,586)**	**1,115,818,017**

Property, plant and equipment are assets used in company businesses, where there is no intention to dispose of them. These assets are valued using the cost method, and are not revalued. As of December 31, 2023 and 2022, property, plant and equipment represents less than 3% of total consolidated assets. Accordingly, presenting the fair value of these assets is not considered important information for the users of these consolidated financial statements, which is recommended but not required by paragraph 79 of IAS 16.

Note 19 – Property, plant and equipment (continued)

(b) Movement

Movements during 2023 are as follows:

	Construction in progress ThCh$	Land ThCh$	Buildings, net ThCh$	Plant and equipment, net ThCh$	Computer equipment, net ThCh$	Fixtures and fittings, net ThCh$	Vessels and tugboats, net ThCh$	Motor vehicles, net ThCh$	Other property, plant and equipment, net ThCh$	Property, plant and equipment, net ThCh$
Opening balance as of January 1, 2023	80,847,103	132,971,751	148,692,657	214,287,659	4,339,049	8,059,606	517,487,171	3,772,422	5,360,599	1,115,818,017
Movements										
Additions	135,017,675	5,455,686	2,046,226	554,067	1,490,228	487,874	214,223,742	26,985	910,760	360,213,243
Acquisitions through business combinations	7,802,137	26,108,033	9,023,864	4,948,305	421,585	9,501,519	-	169,246	1,538,928	59,513,617
Divestments	-	(69,703)	(15,116)	(79,523)	-	(1,674)	(1,754,342)	(65,303)	-	(1,985,661)
Transfers to (from) non-current assets and disposal groups held for sale	-	(460,210)	(1,037,993)	-	-	-	(849,878)	-	-	(2,348,081)
Transfers to (from) investment property	-	(4,340,086)	(1,837,789)	-	-	-	-	-	-	(6,177,875)
Transfers to (from) property, plant and equipment	(102,335,711)	12,788,410	26,893,840	38,958,336	882,848	9,692,176	5,439,385	6,527,322	1,153,394	-
Disposals	-	-	-	(244,716)	-	(7,017)	-	-	(1,754)	(253,487)
Depreciation expense	-	-	(8,692,189)	(22,244,312)	(1,820,926)	(3,318,256)	(59,128,283)	(1,611,598)	(2,158,709)	(98,974,273)
Impairment loss recognized in statement of net income	-	-	(377,070)	(262,857)	(840)	-	(1,399,947)	-	-	(2,040,714)
Increases (decreases) in exchange differences	1,562,250	2,453,858	4,157,400	1,989,115	88,801	919,119	21,112,353	(20,493)	88,294	32,350,697
Other increases (decreases)	(899,219)	396,404	(1,114,816)	3,266,841	27,228	833,457	193,154	(19,297)	11,481	2,695,233
Closing balance as of December 31, 2023	**121,994,235**	**175,304,143**	**177,739,014**	**241,172,915**	**5,427,973**	**26,166,804**	**695,323,355**	**8,779,284**	**6,902,993**	**1,458,810,716**

Movements during 2022 are as follows:

	Construction in progress ThCh$	Land ThCh$	Buildings, net ThCh$	Plant and equipment, net ThCh$	Computer equipment, net ThCh$	Fixtures and fittings, net ThCh$	Vessels and tugboats, net ThCh$	Motor vehicles, net ThCh$	Other property, plant and equipment, net ThCh$	Property, plant and equipment, net ThCh$
Opening balance as of January 1, 2022	53,913,184	158,140,254	171,878,195	252,216,831	4,379,150	7,035,723	489,154,383	4,811,665	6,336,962	1,147,866,347
Movements										
Additions	143,795,218	-	492,165	253,222	1,353,423	215,197	22,058,273	96,050	151,953	168,415,501
Acquisitions through business combinations	-	-	-	-	-	-	27,677,186	-	-	27,677,186
Divestments	-	(657,936)	(2,715)	(347,521)	-	(7,431)	-	(128,410)	(905)	(1,144,918)
Transfers to (from) non-current assets and disposal groups held for sale	-	(1,870,352)	(48,025)	-	-	-	-	-	(33,465)	(1,951,842)
Transfers to discontinued operations	(6,712,752)	(49,598,509)	(46,265,032)	(47,761,306)	(755,997)	-	(13,119,198)	(769,513)	(1,923,602)	(166,905,909)
Transfers to (from) property, plant and equipment	(109,548,621)	16,072,195	25,822,910	30,483,515	859,016	2,713,076	28,798,243	917,482	2,360,125	(1,522,059)
Disposals	-	(364,596)	(856)	(274,731)	(856)	-	-	-	(5,135)	(646,174)
Depreciation expense	-	-	(8,282,595)	(21,707,679)	(1,505,936)	(1,940,871)	(52,993,400)	(1,193,493)	(1,816,527)	(89,440,501)
Impairment loss recognized in statement of net income	-	-	(27,942)	-	(26,195)	-	-	-	-	(54,137)
Increases (decreases) in exchange differences	(87,369)	11,250,695	5,126,242	655,298	26,839	42,230	15,911,684	60,056	297,184	33,282,859
Other increases (decreases)	(512,557)	-	310	770,030	9,605	1,682	-	(21,415)	(5,991)	241,664
Closing balance as of December 31, 2022	**80,847,103**	**132,971,751**	**148,692,657**	**214,287,659**	**4,339,049**	**8,059,606**	**517,487,171**	**3,772,422**	**5,360,599**	**1,115,818,017**

Note 20 – Right-of-use assets and lease liabilities

The Company and its subsidiaries adopted IFRS 16 "Leases" on January 1, 2019, recognizing assets and liabilities at the present value of all future payments under lease contracts. These flows are discounted at an incremental borrowing rate according to the lease term and the nature of the right-of-use asset. Right-of-use assets recognized at the initial application date are depreciated over the shorter of the non-cancelable period of the lease contract or the useful life of the asset.

(a) Right-of-use assets

Movements in right-of-use assets subject to IFRS 16 for 2023 by class of underlying asset are as follows:

	ENEX ThCh$	SM SAAM ThCh$	CSAV ThCh$	Total ThCh$
Balance as of January 1, 2023	248,466,428	38,705,413	2,297,125	289,468,966
Additions	26,287,286	6,262,389	-	32,549,675
Acquisitions through business combinations	17,993,684	-	-	17,993,684
Contract amendments	5,091,682	-	-	5,091,682
Amortization for the year	(27,075,760)	(11,766,438)	(343,831)	(39,186,029)
Increase (decrease) in currency translation	1,490,343	1,424,776	57,065	2,972,184
Debt revaluation adjustment	10,433,342	-	28,068	10,461,410
Others		199,032	-	199,032
Balance as of December 31, 2023	**282,687,005**	**34,825,172**	**2,038,427**	**319,550,604**

Movements in right-of-use assets subject to IFRS 16 for 2022 by class of underlying asset are as follows:

	ENEX ThCh$	SM SAAM ThCh$	CSAV ThCh$	Total ThCh$
Balance as of January 1, 2022	228,114,447	56,998,836	-	285,113,283
Additions	15,672,508	21,003,472	2,384,423	39,060,403
Contract amendments	4,408,535	-	-	4,408,535
Amortization for the year	(25,377,294)	(10,847,515)	(261,037)	(36,485,846)
Transfers to discontinued operations	-	(27,861,254)	-	(27,861,254)
Increase (decrease) in currency translation	1,072,212	(599,477)	-	472,735
Debt revaluation adjustment	24,576,020	-	140,361	24,716,381
Others	-	11,351	33,378	44,729
Closing balance as of December 31, 2022	**248,466,428**	**38,705,413**	**2,297,125**	**289,468,966**

Note 20 – Right-of-use assets and lease liabilities (continued)

(b) Lease liabilities

A maturity analysis of lease liabilities is as follows:

As of December 31, 2023

Company	Total Debt ThCh$	**Current 12/31/2023 ThCh$**	Up to 3 months ThCh$	Over 3 to 12 months ThCh$	**Non-current 12/31/2023 ThCh$**	Over 1 to 3 Years ThCh$	Over 3 to 5 Years ThCh$	Over 5 Years ThCh$
Enex	280,640,684	**26,736,372**	6,654,709	20,081,663	**253,904,312**	50,375,633	45,880,392	157,648,287
SM SAAM	32,415,434	**6,739,790**	1,773,537	4,966,253	**25,675,644**	11,963,916	6,971,350	6,740,378
CSAV	1,305,154	**258,750**	64,907	193,843	**1,046,404**	408,738	459,611	178,055
Total	314,361,272	**33,734,912**			**280,626,360**			

As of December 31, 2022

Company	Total Debt ThCh$	**Current 12/31/2022 ThCh$**	Up to 3 months ThCh$	Over 3 to 12 months ThCh$	**Non-current 12/31/ 2022 ThCh$**	Over 1 to 3 Years ThCh$	Over 3 to 5 Years ThCh$	Over 5 Years ThCh$
Enex	253,877,176	**23,751,827**	5,926,831	17,824,996	**230,125,349**	45,945,988	43,173,002	141,006,359
SM SAAM	34,712,024	**9,282,658**	2,432,354	6,850,304	**25,429,366**	10,732,485	9,140,586	5,556,295
CSAV	1,414,102	**247,124**	61,622	185,502	**1,166,978**	367,164	413,380	386,434
Total	290,003,302	**33,281,609**			**256,721,693**			

As of December 31, 2023 and 2022, the liquidity risk associated with these maturities is covered by the operating cash flows of the respective subsidiaries. There are no restrictions associated with these leases.

Subsidiaries have specific contracts that contain renewal options and it is reasonably certain that this option will be exercised indefinitely, or for an indicated period. The lease term used to measure the asset and liability is the shorter of that period or the useful life of the asset.

Note 21 – Investment properties

(a) Investment properties as of December 31, 2023 and 2022, are detailed as follows.

	12/31/2023 ThCh$	12/31/2022 ThCh$
Land	11,101,896	4,122,935
Buildings	13,926,675	11,521,189
Total	**25,028,571**	**15,644,124**

(b) Movements

Movements in investment properties during 2023 and 2022 are as follows.

As of December 31, 2023 Movements	**Land** **ThCh$**	**Buildings** **ThCh$**	**Total** **ThCh$**
Opening balance, net	4,122,935	11,521,189	15,644,124
Transfers from (to) property, plant and equipment or assets held for sale	6,729,606	2,401,437	9,131,043
Depreciation	-	(253,570)	(253,570)
Increase (decrease) in exchange differences	249,355	257,619	506,974
Closing balance, net	**11,101,896**	**13,926,675**	**25,028,571**

As of December 31, 2022 Movements	**Land** **ThCh$**	**Buildings** **ThCh$**	**Total** **ThCh$**
Opening balance, net	4,510,030	13,710,141	18,220,171
Additions	-	56,682	56,682
Divestments	-	(5,889)	(5,889)
Disposals through business divestments	(386,973)	(634,320)	(1,021,293)
Depreciation expense	-	(213,431)	(213,431)
Increase (decrease) in exchange differences	(122)	(1,391,994)	(1,392,116)
Closing balance, net	**4,122,935**	**11,521,189**	**15,644,124**

(c) Rental income and direct operating expenses of investment properties during 2023 and 2022 are as follows.

	12/31/2023 ThCh$	12/31/2022 ThCh$
Revenue from rental of investment properties	542,414	464,297
Direct operating expenses	(511,865)	(418,272)

(d) The fair values of investment properties do not vary significantly from their book values.

Note 22 – Current and deferred taxes

(a) Deferred taxes

Deferred tax assets and liabilities as of December 31, 2023 and 2022, are detailed as follows.

	12/31/2023		12/31/2022	
Deferred taxes	**Asset**	**Liability**	**Asset**	**Liability**
	ThCh$	**ThCh$**	**ThCh$**	**ThCh$**
Depreciation	-	35,247,944	10,502,258	37,191,396
Provisions	30,719,305	875,366	26,508,397	3,650,243
Post-employment benefits	1,045,527	-	1,475,503	-
Revaluations of property, plant and equipment	4,361,042	76,198,006	7,879,906	47,692,078
Deferred taxes on revaluations of intangible assets	-	48,362,462	-	48,362,462
Deferred taxes on bond issuance	236,058	-	204,021	-
Lease liabilities	9,572,012	-	10,534,781	-
Revaluations of financial instruments	235,945	-	180,586	2,190,146
Tax losses (1)	41,185,483	-	460,712,570	-
Unrealized gains (losses)	-	3,043,606	-	3,894,163
Tax credits	-	61,132,633	1,685,188	-
Fair value adjustments	-	7,187,987	-	20,811,681
Deferred tax assets related to others	6,344,739	-	7,567,074	-
Deferred tax liabilities related to others	-	29,629,368	-	26,354,834
Total	**93,700,111**	**261,677,372**	**527,250,284**	**190,147,003**

(1) In the context of an audit of the tax loss carryforward declared by CSAV for the tax year 2020, the Chilean Internal Revenue Service ("SII") requested information regarding the origin of the tax loss carry forward as of that date. This request was also extended to the corporate structure of CSAV's investment in Germany, CSAV's influence in the management of Hapag-Lloyd and how CSAV recognizes foreign source income, in the light of Article 41 G of the Income Tax Law. Accordingly, the SII notified Citation 33, which requested clarification and additional explanations of the answers provided by CSAV, and expressed questions regarding the Company's criteria for the tax treatment of foreign source income, within the framework of Article 41 G of the Income Tax Law, and minor legal costs. The SII issued an Audit Letter Termination Notice on October 2, 2023, stating that no tax differences were detected with respect to the items reviewed.

Note 22 – Current and deferred taxes (continued)

b) Income tax benefit (expense)

This account is detailed as follows.

	12/31/2023 ThCh$	12/31/2022 ThCh$
Current tax expense	(155,586,523)	(88,181,480)
Fair value adjustments	730,352	1,593,000
Tax loss benefits	42,322,445	8,039,022
Adjustments to deferred tax assets and liabilities	(457,781,212)	245,979,616
Others	948,553	(3,321,320)
Net income tax benefit (expense)	**(569,366,385)**	**164,108,838**

(d) Taxation reconciliation

The reconciliation of the income tax expense from net income before tax is as follows:

	12/31/2023 ThCh$	12/31/2022 ThCh$
Income tax (expense) using the statutory rate (27% 2023-2022)	**(254,219,088)**	**(1,247,245,400)**
Tax effect of rates in other jurisdictions	(23,670,943)	196,195,411
Net tax effect of non-taxable revenue	(254,502,938)	1,289,432,240
Tax effect of expenses disallowed for tax purposes	(27,347,482)	(67,818,770)
Tax effect of a tax benefit previously unrecognized in the statement of net income	547,862	562,627
Tax rate effect of reassessment of unrecognized deferred tax assets	2,972,518	268,453
Other increases in charge for statutory taxes	(13,146,314)	(7,285,723)
Tax benefit (expense) using the effective rate	**(569,366,385)**	**164,108,838**

Note 23 – Other current and non-current financial liabilities

As of December 31, 2023 and 2022, these are as follows.

	Current		Non-current	
	12/31/2023 ThCh$	12/31/2022 ThCh$	12/31/2023 ThCh$	12/31/2022 ThCh$
Bank loans	291,029,325	535,759,807	401,977,517	435,083,278
Bonds payable	67,400,713	62,743,122	1,665,548,952	1,544,319,227
Concession liabilities	84,204	79,595	-	-
Finance leases	450,840	3,693,036	412,246	737,751
Hedging liabilities	985,883	373,155	-	1,360,817
Options	-	-	22,056,938	21,141,454
Total	**359,950,965**	**602,648,715**	**2,089,995,653**	**2,002,642,527**

Note 23 – Other current and non-current financial liabilities (continued)

(a) Interest-bearing bank loans as of December 31, 2023, are detailed as follows.

(a.1) Book values

Taxpayer ID number	Debtor	Country	Creditor	Currency	Repayment	Effective Rate	Nominal Rate	Current 12/31/2023 ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current 12/31/2023 ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt ThCh$
76.196.718-5	Sociedad Matriz SAAM S.A.	Chile	Banco Santander	USD	Semi-annual	4.94%	SOFR 180 + 1.15%	13,426,953	-	13,426,953	-	-	-	-	-	-	13,426,953
76.196.718-5	Sociedad Matriz SAAM S.A.	Chile	Banco Santander	USD	Semi-annual	4.94%	SOFR 180 + 1.15%	7,831,804	-	7,831,804	-	-	-	-	-	-	7,831,804
76.196.718-5	Sociedad Matriz SAAM S.A.	Chile	Banco Santander	USD	Semi-annual	4.94%	SOFR 180 + 1.15%	4,475,066	-	4,475,066	-	-	-	-	-	-	4,475,066
92.048.000-4	SAAM S.A.	Chile	Banco Scotiabank	USD	Semi-annual	3.40%	SOFR 180 + 1.11%	35,380,644	295,589	35,085,055	-	-	-	-	-	-	35,380,644
Foreign	Ecuaestibas S.A.	Ecuador	Banco Crédito e Inversiones	USD	Semi-annual	3.09%	3.09%	621,001	-	621,001	1,227,968	613,984	613,984	-	-	-	1,848,969
Foreign	Saam Remolcadores S.A. de C.V.	Mexico	Santander México	USD	At maturity	7.97%	SOFR 30 + 2.62%	880,628	880,628	-	-	-	-	-	-	-	880,628
Foreign	SAAM Towage México S.A. de C.V.	Mexico	Corpbanca New York Branch	USD	Semi-annual	2.90%	2.90%	5,286,402	-	5,286,402	-	-	-	-	-	-	5,286,402
Foreign	Baru Offshore De México SAPI de CV	Mexico	Santander México	USD	Quarterly	7.97%	SOFR 30 + 2.62%	439,437	439,437	-	-	-	-	-	-	-	439,437
Foreign	SAAM Towage El Salvador S.A. de C.V.	El Salvador	Banco Crédito e Inversiones	USD	Semi-annual	6.33%	SOFR 180 + 2.80%	1,891,948	1,140,256	751,692	9,408,867	1,503,384	7,905,483	-	-	-	11,300,815
Foreign	Ian Taylor Perú	Peru	BBVA - Peru	USD	Monthly	5.86%	5.86%	397,335	97,360	299,975	944,659	421,018	446,454	77,187	-	-	1,341,994
Foreign	Ian Taylor Perú	Peru	Banco de Crédito del Perú	USD	Monthly	5.93%	5.93%	97,360	23,682	73,678	378,039	102,623	99,992	114,903	60,521	-	475,399
Foreign	Saam Towage Colombia SAS	Colombia	Itaú Corpbanca New York Branch	USD	Monthly	7.31%	SOFR30 + 2.5%	2,280,512	635,912	1,644,600	15,897,800	2,192,800	2,192,800	11,512,200	-	-	18,178,312
Foreign	Aerosan SAS	Colombia	Banco de Bogotá Miami	USD	Quarterly	7.74%	SOFR90 + 2.4%	526,272	131,568	394,704	1,447,248	482,416	482,416	482,416	-	-	1,973,520
Foreign	SAAM Towage Brasil	Brazil	Banco Do Brasil	USD	Monthly	3.50%	3.50%	1,061,315	277,170	784,145	4,277,714	1,046,404	1,046,404	1,046,404	742,044	396,458	5,339,029
Foreign	SAAM Towage Brasil	Brazil	Banco Do Brasil	USD	Monthly	3.60%	3.60%	720,116	188,581	531,535	2,991,857	708,713	708,713	708,713	531,535	334,183	3,711,973
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.70%	3.70%	1,113,943	284,187	829,756	2,583,118	1,106,925	1,106,925	369,268	-	-	3,697,061
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.70%	3.70%	1,337,608	341,200	996,408	3,098,866	1,327,960	1,327,960	442,946	-	-	4,436,474
Foreign	SAAM Towage Brasil	Brazil	BNDES	BRL	Monthly	10.25%	TJLP + 3.70%	364,882	96,483	268,399	835,018	357,865	357,865	119,288	-	-	1,199,900
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	2.58%	2.58%	977,112	254,365	722,747	8,422,107	963,955	963,955	963,955	963,955	4,566,287	9,399,219
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.58%	3.58%	694,679	183,318	511,361	5,989,852	681,522	681,522	681,522	681,522	3,263,764	6,684,531
Foreign	SAAM Towage Brasil	Brazil	Caterpillar	USD	Monthly	3.80%	3.80%	136,831	49,996	86,835	38,593	38,593	-	-	-	-	175,424
Foreign	SAAM Towage Brasil	Brazil	Caterpillar	USD	Monthly	3.80%	3.80%	167,530	60,521	107,009	47,364	47,364	-	-	-	-	214,894
Foreign	SAAM Towage Brasil	Brazil	Caterpillar	BRL	Monthly	10.35%	TJLP + 3.80%	44,733	16,665	28,068	12,280	12,280	-	-	-	-	57,013
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	4.25%	4.25%	1,047,281	278,047	769,234	8,182,651	1,025,353	1,025,353	1,025,353	1,025,353	4,081,239	9,229,932
Foreign	SAAM Towage Brasil	Brazil	Banco Do Brasil	USD	Monthly	3.75%	3.75%	1,033,247	775,374	257,873	-	-	-	-	-	-	1,033,247
Foreign	SAAM Towage Brasil	Brazil	Banco Do Brasil	USD	Monthly	3.85%	3.85%	1,078,857	279,801	799,056	5,239,039	1,065,701	1,065,701	1,065,701	1,065,701	976,235	6,317,896
			SUBTOTAL					**83,313,496**			**71,023,040**						**154,336,536**

Note 23 – Other current and non-current financial liabilities (continued)

(a) Interest-bearing bank loans as of December 31, 2023, are detailed as follows. (continued)

(a.1) Book values (continued)

Taxpayer ID number	Debtor	Country	Creditor	Currency	Repayment	Effective Rate	Nominal Rate	Current 12/31/2023 ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current 12/31/2023 ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt ThCh$
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	2.57%	2.57%	901,680	230,683	670,997	4,152,285	893,785	893,785	893,785	853,438	617,492	5,053,965
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	2.81%	2.81%	660,471	176,301	484,170	8,979,953	645,560	645,560	645,560	645,560	6,397,713	9,640,424
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	2.94%	2.94%	1,738,452	458,734	1,279,718	17,889,742	1,706,876	1,706,876	1,706,876	1,706,876	11,062,238	19,628,194
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.57%	3.57%	451,717	116,657	335,060	2,134,033	446,454	446,454	446,454	429,789	364,882	2,585,750
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.81%	3.81%	597,318	163,144	434,174	8,057,224	578,899	578,899	578,899	578,899	5,741,628	8,654,542
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.94%	3.94%	1,569,171	421,018	1,148,153	16,074,099	1,530,574	1,530,574	1,530,574	1,530,574	9,951,803	17,643,270
91.021.000-9	Invexans S.A.	Chile	HSBC Bank	USD	Maturity	5.26%	5.21%	137,483	-	137,483	8,764,622	8,764,622	-	-	-	-	8,902,105
92.011.000-2	Empresa Nacional de Energía Enex S.A.	Chile	Banco Estado	Ch$	Maturity	11.68%	11.53%	577,145	577,145	-	34,499,761	34,499,761	-	-	-	-	35,076,906
92.011.000-2	Empresa Nacional de Energía Enex S.A.	Chile	Banco Estado	Ch$	Maturity	1.45%	1.45%	57,619,767	402,598	57,217,169	-	-	-	-	-	-	57,619,767
92.011.000-2	Empresa Nacional de Energía Enex S.A.	Chile	Scotiabank	Ch$	Maturity	14.97%	13.87%	6,931,879	6,931,879	-	-	-	-	-	-	-	6,931,879
92.011.000-2	Empresa Nacional de Energía Enex S.A.	Chile	Scotiabank	Ch$	Maturity	12.05%	11.97%	253,488	253,488	-	20,000,090	-	-	20,000,090	-	-	20,253,578
92.011.000-2	Empresa Nacional de Energía Enex S.A.	USA	BCI	Ch$	Maturity	15.37%	13.90%	792,917	792,917	-	-	-	-	-	-	-	792,917
Foreign	Road Ranger, LLC	USA	BBVA	USD	Maturity	7.09%	6.92%	78,064	78,064	-	43,856,000	43,856,000	-	-	-	-	43,934,064
Foreign	Road Ranger, LLC	USA	Banco Crédito e Inversiones	USD	Maturity	3.87%	3.75%	84,204	84,204	-	43,856,000	-	-	43,856,000	-	-	43,940,204
Foreign	Road Ranger, LLC	USA	BBVA	USD	Maturity	2.59%	2.46%	117,534	117,534	-	63,299,119	63,299,119	-	-	-	-	63,416,653
Foreign	ENEX Corp Ltd	United Kingdom	Scotiabank	USD	Maturity	6.96%	6.84%	88,768,930	1,056,930	87,712,000	-	-	-	-	-	-	88,768,930
Foreign	ENEX Corp Ltd	United Kingdom	Scotiabank	USD	Maturity	6.43%	6.53%	264,013	264,013	-	17,542,400	17,542,400	-	-	-	-	17,806,413
Foreign	Enex Paraguay SAE	Paraguay	Banco BASA S.A.	USD	Monthly	10.36%	9.75%	7,160,808	7,160,808	-	-	-	-	-	-	-	7,160,808
Foreign	Enex Paraguay SAE	Paraguay	Banco BASA S.A.	USD	Annually	5.90%	5.90%	4,879,418	4,833,808	45,610	4,446,121	4,446,121	-	-	-	-	9,325,539
Foreign	Enex Investments Paraguay (1)	Paraguay	Sudameris	USD	Maturity	6.73%	6.73%	27,629,280	27,629,280	-	-	-	-	-	-	-	27,629,280
Foreign	Enex Paraguay SAE	Paraguay	Asuncion Stock Exchange, BONDS	USD	Quarterly	6.00%	6.00%	-	-	-	17,789,748	-	-	-	-	17,789,748	17,789,748
Foreign	Enex Paraguay SAE	Paraguay	Javier Ugarriza & Analia De Fatima Garcia de Zuñiga	USD	Annually	4.00%	4.00%	-	-	-	9,433,426	-	-	9,433,426	-	-	9,433,426
Foreign	Enex Paraguay SAE	Paraguay	Banco BASA S.A.	PYG	Monthly	12.74%	11.80%	3,986,510	3,986,510	-	-	-	-	-	-	-	3,986,510
Foreign	Enex Paraguay SAE	Paraguay	Banco Continental S.A.	PYG	Annually	10.65%	10.29%	1,232,354	1,232,354	-	-	-	-	-	-	-	1,232,354
Foreign	Enex Paraguay SAE	Paraguay	Banco Continental S.A.	PYG	Monthly	9.00%	8.50%	82,450	26,314	56,136	63,153	63,153	-	-	-	-	145,603
Foreign	Enex Paraguay SAE	Paraguay	Financiera Ueno	PYG	Monthly	6.75%	6.00%	-	-	-	542,937	542,937	-	-	-	-	542,937
Foreign	Enex Paraguay SAE	Paraguay	Banco ITAU Paraguay S.A.	PYG	Monthly	9.10%	9.10%	1,056,051	-	1,056,051	9,445,704	9,445,704	-	-	-	-	10,501,755
Foreign	Enex Paraguay SAE	Paraguay	Banco Continental S.A.	PYG	Monthly	9.00%	8.50%	144,725	38,593	106,132	128,060	128,060	-	-	-	-	272,785
			SUBTOTAL					**207,715,829**			**330,954,477**						**538,670,306**
			TOTAL					**291,029,325**			**401,977,517**						**693,006,842**

(1) See Note 17.

Note 23 – Other current and non-current financial liabilities (continued)

(a) Interest-bearing bank loans as of December 31, 2023, are detailed as follows. (continued)

(a.2) Undiscounted values

Taxpayer ID number	Debtor	Country	Creditor	Currency	Repayment	Effective Rate	Nominal Rate	Current 12/31/2023 ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current 12/31/2023 ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt ThCh$
76.196.718-5	Sociedad Matriz SAAM S.A.	Chile	Banco Santander	USD	Semi-annual	4.94%	SOFR 180 + 1.15%	14,376,874	-	14,376,874	-	-	-	-	-	-	14,376,874
76.196.718-5	Sociedad Matriz SAAM S.A.	Chile	Banco Santander	USD	Semi-annual	4.94%	SOFR 180 + 1.15%	8,386,144	-	8,386,144	-	-	-	-	-	-	8,386,144
76.196.718-5	Sociedad Matriz SAAM S.A.	Chile	Banco Santander	USD	Semi-annual	4.94%	SOFR 180 + 1.15%	4,792,584	-	4,792,584	-	-	-	-	-	-	4,792,584
92.048.000-4	SAAM S.A.	Chile	Banco Scotiabank	USD	Semi-annual	3.40%	SOFR 180 + 1.11%	37,229,359	970,095	36,259,264	-	-	-	-	-	-	37,229,359
Foreign	Ecuaestibas S.A.	Ecuador	Banco Crédito e Inversiones	USD	Semi-annual	3.09%	3.09%	666,611	-	666,611	1,275,333	647,315	628,018	-	-	-	1,941,944
Foreign	Saam Remolcadores S.A. de C.V.	Mexico	Santander México	USD	At maturity	7.97%	SOFR 30 + 2.62%	886,505	886,505	-	-	-	-	-	-	-	886,505
Foreign	SAAM Towage México S.A. de C.V.	Mexico	Corpbanca New York Branch	USD	Semi-annual	2.90%	2.90%	5,378,500	-	5,378,500	-	-	-	-	-	-	5,378,500
Foreign	Baru Offshore De México SAPI de CV	Mexico	Santander México	USD	Quarterly	7.97%	SOFR 30 + 2.62%	439,437	439,437	-	-	-	-	-	-	-	439,437
Foreign	SAAM Towage El Salvador S.A. de C.V.	El Salvador	Banco Crédito e Inversiones	USD	Semi-annual	6.33%	SOFR 180 + 2.80%	2,381,380	1,208,671	1,172,709	10,479,830	2,258,584	8,221,246	-	-	-	12,861,210
Foreign	Ian Taylor Perú	Peru	BBVA - Peru	USD	Monthly	5.86%	5.86%	463,997	115,780	348,217	1,006,935	464,874	464,874	77,187	-	-	1,470,932
Foreign	Ian Taylor Perú	Peru	Banco de Crédito del Perú	USD	Monthly	5.93%	5.93%	122,797	30,699	92,098	429,789	122,797	122,797	122,797	61,398	-	552,586
Foreign	Saam Towage Colombia SAS	Colombia	Itaú Corpbanca New York Branch	USD	Monthly	7.31%	SOFR30 + 2.5%	3,534,793	899,925	2,634,868	18,287,951	3,362,878	3,190,085	11,734,988	-	-	21,822,744
Foreign	Aerosan SAS	Colombia	Banco de Bogotá Miami	USD	Quarterly	7.74%	SOFR90 + 2.4%	666,611	170,161	496,450	1,618,287	539,429	539,429	539,429	-	-	2,284,898
Foreign	SAAM Towage Brasil	Brazil	Banco Do Brasil	USD	Monthly	3.50%	3.50%	1,219,197	307,869	911,328	4,608,388	1,180,604	1,143,764	1,106,925	769,234	407,861	5,827,585
Foreign	SAAM Towage Brasil	Brazil	Banco Do Brasil	USD	Monthly	3.60%	3.60%	833,264	210,509	622,755	3,238,327	806,073	780,637	754,323	553,463	343,831	4,071,591
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.70%	3.70%	1,226,213	310,500	915,713	2,699,775	1,184,989	1,142,887	371,899	-	-	3,925,988
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.70%	3.70%	1,471,807	372,776	1,099,031	3,240,082	1,421,812	1,371,816	446,454	-	-	4,711,889
Foreign	SAAM Towage Brasil	Brazil	BNDES	BRL	Monthly	10.25%	TJLP + 3.70%	466,627	120,165	346,462	942,028	428,912	391,196	121,920	-	-	1,408,655
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	2.58%	2.58%	1,197,269	301,729	895,540	9,395,709	1,171,832	1,147,273	1,121,836	1,097,277	4,857,491	10,592,978
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.58%	3.58%	913,082	230,683	682,399	6,959,069	887,645	863,086	838,527	813,967	3,555,844	7,872,151
Foreign	SAAM Towage Brasil	Brazil	Caterpillar	USD	Monthly	3.80%	3.80%	140,339	50,873	89,466	38,593	38,593	-	-	-	-	178,932
Foreign	SAAM Towage Brasil	Brazil	Caterpillar	USD	Monthly	3.80%	3.80%	172,793	62,276	110,517	48,242	48,242	-	-	-	-	221,035
Foreign	SAAM Towage Brasil	Brazil	Caterpillar	BRL	Monthly	10.35%	TJLP + 3.80%	47,364	17,542	29,822	12,280	12,280	-	-	-	-	59,644
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	4.25%	4.25%	1,402,514	354,356	1,048,158	9,606,219	1,357,782	1,313,926	1,270,070	1,226,214	4,438,227	11,008,733
Foreign	SAAM Towage Brasil	Brazil	Banco Do Brasil	USD	Monthly	3.75%	3.75%	1,037,633	779,760	257,873	-	-	-	-	-	-	1,037,633
Foreign	SAAM Towage Brasil	Brazil	Banco Do Brasil	USD	Monthly	3.85%	3.85%	1,292,875	327,166	965,709	5,742,505	1,248,142	1,206,917	1,166,570	1,125,345	995,531	7,035,380
			SUBTOTAL					**90,746,569**			**79,629,342**						**170,375,911**

Note 23 – Other current and non-current financial liabilities (continued)

(a) Interest-bearing bank loans as of December 31, 2023, are detailed as follows. (continued)

(a.2) Undiscounted values (continued)

Taxpayer ID number	Debtor	Country	Creditor	Currency	Repayment	Effective Rate	Nominal Rate	Current 12/31/2023 ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current 12/31/2023 ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt ThCh$
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	2.57%	2.57%	1,014,828	256,119	758,709	4,416,299	992,023	968,340	944,658	881,506	629,772	5,431,127
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	2.81%	2.81%	910,450	228,928	681,522	10,771,911	892,908	874,489	856,069	838,527	7,309,918	11,682,361
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	2.94%	2.94%	2,267,355	571,005	1,696,350	20,708,803	2,216,482	2,165,609	2,114,736	2,065,618	12,146,358	22,976,158
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.57%	3.57%	533,288	135,076	398,212	2,328,754	516,624	500,836	484,170	451,717	375,407	2,862,042
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.81%	3.81%	901,679	227,174	674,505	10,236,866	879,751	857,823	835,018	813,967	6,850,307	11,138,545
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.94%	3.94%	2,206,834	556,971	1,649,863	19,478,205	2,145,436	2,084,037	2,022,639	1,963,872	11,262,221	21,685,039
91.021.000-9	Invexans S.A.	Chile	HSBC Bank	USD	Maturity	5.26%	5.21%	233,567	-	233,567	9,701,722	9,701,722	-	-	-	-	9,935,289
92.011.000-2	Empresa Nacional de Energía Enex S.A.	Chile	Banco Estado	Ch$	Maturity	11.68%	11.53%	580,653	580,653	-	34,503,269	34,503,269	-	-	-	-	35,083,922
92.011.000-2	Empresa Nacional de Energía Enex S.A.	Chile	Banco Estado	Ch$	Maturity	1.45%	1.45%	57,625,907	406,107	57,219,800	-	-	-	-	-	-	57,625,907
92.011.000-2	Empresa Nacional de Energía Enex S.A.	Chile	Scotiabank	Ch$	Maturity	14.97%	13.87%	6,934,511	6,934,511	-	-	-	-	-	-	-	6,934,511
92.011.000-2	Empresa Nacional de Energía Enex S.A.	Chile	Scotiabank	Ch$	Maturity	12.05%	11.97%	255,242	255,242	-	20,121,133	-	-	20,121,133	-	-	20,376,375
92.011.000-2	Empresa Nacional de Energía Enex S.A.	Chile	BCI	Ch$	Maturity	15.37%	13.90%	795,548	795,548	-	-	-	-	-	-	-	795,548
Foreign	Road Ranger, LLC	USA	BBVA	USD	Maturity	7.09%	6.92%	80,695	80,695	-	43,946,343	43,946,343	-	-	-	-	44,027,038
Foreign	Road Ranger, LLC	USA	Banco Crédito e Inversiones	USD	Maturity	3.87%	3.75%	90,343	90,343	-	43,933,187	-	-	43,933,187	-	-	44,023,530
Foreign	Road Ranger, LLC	USA	BBVA	USD	Maturity	2.59%	2.46%	130,691	130,691	-	63,369,289	63,369,289	-	-	-	-	63,499,980
Foreign	ENEX Corp Ltd	United Kingdom	Scotiabank	USD	Maturity	6.96%	6.84%	88,900,497	1,068,332	87,832,165	-	-	-	-	-	-	88,900,497
Foreign	ENEX Corp Ltd	United Kingdom	Scotiabank	USD	Maturity	6.43%	6.53%	270,153	270,153	-	17,565,205	17,565,205	-	-	-	-	17,835,358
Foreign	Enex Paraguay SAE	Paraguay	Banco BASA S.A.	USD	Monthly	10.36%	9.75%	7,166,948	7,166,948	-	-	-	-	-	-	-	7,166,948
Foreign	Enex Paraguay SAE	Paraguay	Banco BASA S.A.	USD	Annually	5.90%	5.90%	4,896,084	4,839,948	56,136	4,471,558	4,471,558	-	-	-	-	9,367,642
Foreign	Enex Investments Paraguay (1)	Paraguay	Sudameris	USD	Maturity	6.73%	6.73%	27,629,280	27,629,280	-	-	-	-	-	-	-	27,629,280
Foreign	Enex Paraguay SAE	Paraguay	Asuncion Stock Exchange, BONDS	USD	Quarterly	6.00%	6.00%	-	-	-	17,812,553	-	-	17,812,553	-	-	17,812,553
Foreign	Enex Paraguay SAE	Paraguay	Javier Ugarriza & Analia De Fatima Garcia de Zuñiga	USD	Annually	4.00%	4.00%	-	-	-	9,457,985	-	-	9,457,985	-	-	9,457,985
Foreign	Enex Paraguay SAE	Paraguay	Banco BASA S.A.	PYG	Monthly	12.74%	11.80%	3,992,650	3,992,650	-	-	-	-	-	-	-	3,992,650
Foreign	Enex Paraguay SAE	Paraguay	Banco Continental S.A.	PYG	Annually	10.65%	10.29%	1,238,493	1,238,493	-	-	-	-	-	-	-	1,238,493
Foreign	Enex Paraguay SAE	Paraguay	Banco Continental S.A.	PYG	Monthly	9.00%	8.50%	100,868	32,453	68,415	85,958	85,958	-	-	-	-	186,826
Foreign	Enex Paraguay SAE	Paraguay	Financiera Ueno	PYG	Monthly	6.75%	6.00%	-	-	-	564,865	564,865	-	-	-	-	564,865
Foreign	Enex Paraguay SAE	Paraguay	Banco ITAU Paraguay S.A	PYG	Monthly	9.10%	9.10%	1,065,701	-	1,065,701	9,468,510	9,468,510	-	-	-	-	10,534,211
Foreign	Enex Paraguay SAE	Paraguay	Banco Continental S.A.	PYG	Monthly	9.00%	8.50%	162,267	44,733	117,534	151,742	151,742	-	-	-	-	314,009
			SUBTOTAL					208,756,564			332,909,040						541,665,604
			TOTAL					307,481,680			412,538,382						720,020,062

(1) See Note 17.

Note 23 – Other current and non-current financial liabilities (continued)

(b) Interest-bearing bank loans as of December 31, 2022, are detailed as follows.

(b.1) Book values

Taxpayer ID number	Debtor	Country	Creditor	Currency	Repayment	Effective Rate	Nominal Rate	Current 12/31/2023 ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current 12/31/2023 ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt ThCh$
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	Banco Itaú Chile	USD	Semi-annual	6.05%	LB 6M+2.5%	4,373,117	4,373,117	-	-	-	-	-	-	-	4,373,117
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	Banco Security	USD	Semi-annual	4.17%	4.17%	29,979,920	-	29,979,920	-	-	-	-	-	-	29,979,920
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	Banco Itaú Chile	USD	At maturity	4.00%	4.00%	132,589,831	-	132,589,831	-	-	-	-	-	-	132,589,831
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	Scotiabank Chile	USD	At maturity	4.00%	4.00%	132,589,831	-	132,589,831	-	-	-	-	-	-	132,589,831
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	Banco Itaú Chile	USD	At maturity	4.00%	4.00%	19,917,574	-	19,917,574	-	-	-	-	-	-	19,917,574
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	Scotiabank Chile	USD	At maturity	4.00%	4.00%	19,916,718	-	19,916,718	-	-	-	-	-	-	19,916,718
76.196.718-5	Sociedad Matriz SAAM S.A.	Chile	Banco Santander	USD	Semi-annual	5.12%	Libor180 + 1.15%	30,811	30,811	-	25,477,240	25,477,240	-	-	-	-	25,508,051
76.196.718-5	Sociedad Matriz SAAM S.A.	Chile	Banco Santander	USD	Semi-annual	5.12%	Libor180 + 1.15%	17,973	17,973	-	14,862,009	14,862,009	-	-	-	-	14,879,982
76.196.718-5	Sociedad Matriz SAAM S.A.	Chile	Banco Santander	USD	Semi-annual	5.12%	Libor180 + 1.15%	10,270	10,270	-	8,492,699	8,492,699	-	-	-	-	8,502,969
92.048.000-4	SAAM S.A.	Chile	Banco Scotiabank	USD	Semi-annual	3.55%	Libor180 + 1.11%	9,104,639	-	9,104,639	55,495,674	55,495,674	-	-	-	-	64,600,313
96.885.450-K	Aerosan Airport Services S.A.	Chile	Banco Santander	USD	Monthly	4.20%	4.20%	357,749	357,749	-	-	-	-	-	-	-	357,749
Foreign	Ecuaestibas S.A.	Ecuador	Banco Crédito e Inversiones	USD	Semi-annual	3.09%	3.09%	608,516	9,414	599,102	1,797,306	599,102	599,102	599,102	-	-	2,405,822
Foreign	Saam Remolcadores S.A. de C.V.	Mexico	Santander México	USD	At maturity	7.30%	SOFR 1 month + 2.95%	856,716	856,716	-	-	-	-	-	-	-	856,716
Foreign	SAAM Towage México S.A. de C.V.	Mexico	Corpbanca New York Branch	USD	Semi-annual	2.90%	2.90%	5,203,629	2,636,049	2,567,580	7,702,740	5,135,160	2,567,580	-	-	-	12,906,369
Foreign	Baru Offshore De México SAPI de CV	Mexico	Santander México	USD	Quarterly	3.40%	3.40%	257,614	257,614	-	-	-	-	-	-	-	257,614
Foreign	Baru Offshore De México SAPI de CV	Mexico	Santander México	USD	Quarterly	7.30%	SOFR 1 month + 2.95%	171,172	171,172	-	-	-	-	-	-	-	171,172
Foreign	SAAM Towage El Salvador S.A. de C.V.	El Salvador	Banco Crédito e Inversiones	USD	Semi-annual	5.97%	Libor180 + 2.80%	1,792,171	1,058,699	733,472	10,608,384	1,453,250	1,453,250	7,701,884	-	-	12,400,555
Foreign	SAAM Towage Canada Inc	Canada	Scotiabank Canada	CAD	Monthly	6.29%	Canada BA + 1.60%	742,031	184,010	558,021	11,999,158	760,860	780,544	801,085	821,626	8,835,043	12,741,189
Foreign	SAAM Towage Canada Inc	Canada	Scotiabank Canada	CAD	Monthly	3.87%	Canada BA + 1.60%	10,400,410	200,271	10,200,139	-	-	-	-	-	-	10,400,410
Foreign	SAAM Towage Canada Inc	Canada	Scotiabank Canada	CAD	Monthly	3.59%	Canada BA + 1.45%	9,183,378	289,281	8,894,097	-	-	-	-	-	-	9,183,378
Foreign	Ian Taylor Perú	Peru	BBVA - Peru	USD	Monthly	5.86%	5.86%	374,867	98,424	276,443	1,309,465	421,083	413,380	437,344	37,658	-	1,684,332
Foreign	Ian Taylor Perú	Peru	Banco de Crédito del Perú	USD	Monthly	5.93%	5.93%	91,577	23,964	67,613	463,021	95,000	100,136	106,127	112,974	48,784	554,598
Foreign	Ian Taylor Perú	Peru	BBVA - Peru	PEN	Monthly	1.30%	1.30%	293,560	110,406	183,154	-	-	-	-	-	-	293,560
Foreign	Ian Taylor Perú	Peru	Banco de Crédito del Perú	PEN	Monthly	1.18%	1.18%	172,028	103,559	68,469	-	-	-	-	-	-	172,028
Foreign	Saam Towage Colombia SAS	Colombia	Banco de Occidente	USD	Semi-annual	2.53%	Libor180 + 1.65%	609,372	609,372	-	-	-	-	-	-	-	609,372
			SUBTOTAL					379,645,474			138,207,696						517,853,170

QUIÑENCO

Note 23 – Other current and non-current financial liabilities (continued)

(b) Interest-bearing bank loans as of December 31, 2022, are detailed as follows. (continued)

(b.1) Book values (continued)

Taxpayer ID number	Debtor	Country	Creditor	Currency	Repayment	Effective Rate	Nominal Rate	Current 12/31/2023 ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current 12/31/2023 ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt ThCh$
Foreign	Saam Towage Colombia SAS	Colombia	Itaú Corpbanca New York Branch	USD	Monthly	6.58%	SOFR30 + 2.5%	2,217,534	612,796	1,604,738	17,652,113	2,139,650	2,139,650	2,139,650	11,233,163	-	19,869,647
Foreign	Aerosan SAS	Colombia	Banco de Bogotá Miami	COP	Quarterly	7.27%	DTF + 3.5%	577,705	144,640	433,065	2,026,676	506,669	506,669	506,669	506,669	-	2,604,381
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.70%	3.70%	1,088,654	279,010	809,644	3,600,602	1,080,095	1,080,095	1,080,095	360,317	-	4,689,256
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.70%	3.70%	1,306,898	334,641	972,257	4,319,525	1,295,772	1,295,772	1,295,772	432,209	-	5,626,423
Foreign	SAAM Towage Brasil	Brazil	BNDES	BRL	Monthly	8.79%	TJLP + 3.70%	332,073	89,009	243,064	1,080,951	324,371	324,371	324,371	107,838	-	1,413,024
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	2.60%	2.60%	954,284	249,055	705,229	9,157,701	940,590	940,590	940,590	940,590	5,395,341	10,111,985
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.60%	3.60%	678,697	179,731	498,966	6,509,670	665,003	665,003	665,003	665,003	3,849,658	7,188,367
Foreign	SAAM Towage Brasil	Brazil	Caterpillar	USD	Monthly	3.80%	3.80%	350,903	88,154	262,749	170,316	132,658	37,658	-	-	-	521,219
Foreign	SAAM Towage Brasil	Brazil	Caterpillar	USD	Monthly	3.80%	3.80%	427,930	107,838	320,092	209,685	163,469	46,216	-	-	-	637,615
Foreign	SAAM Towage Brasil	Brazil	Caterpillar	BRL	Monthly	8.89%	TJLP + 3.80%	106,127	27,388	78,739	50,496	39,370	11,126	-	-	-	156,623
Foreign	SAAM Towage Brasil	Brazil	Banco Do Brasil	USD	Monthly	3.50%	3.50%	1,038,158	273,019	765,139	5,195,931	1,021,041	1,021,041	1,021,041	1,021,041	1,111,767	6,234,089
Foreign	SAAM Towage Brasil	Brazil	Banco Do Brasil	USD	Monthly	3.60%	3.60%	704,373	185,722	518,651	3,610,874	691,535	691,535	691,535	691,535	844,734	4,315,247
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	4.40%	4.40%	244,776	92,433	152,343	-	-	-	-	-	-	244,776
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.70%	3.70%	1,023,608	273,019	750,589	8,985,673	1,000,500	1,000,500	1,000,500	1,000,500	4,983,673	10,009,281
Foreign	SAAM Towage Brasil	Brazil	Banco Do Brasil	USD	Monthly	3.80%	3.80%	3,026,321	765,139	2,261,182	1,004,780	1,004,780	-	-	-	-	4,031,101
91.021.000-9	Invexans S.A.	Chile	Banco Scotiabank	USD	Maturity	6.15%	5.88%	4,310,229	-	4,310,229	-	-	-	-	-	-	4,310,229
91.021.000-9	Invexans S.A.	Chile	HSBC Bank	USD	Semi-annual	5.26%	5.21%	136,298	136,298	-	8,545,762	4,272,881	4,272,881	-	-	-	8,682,060
92.011.000-2	Empresa Nacional de Energía Enex S.A.	Chile	Banco Estado	Ch$	Maturity	1.45%	1.45%	406,534	406,534	-	57,216,809	28,608,405	28,608,404	-	-	-	57,623,343
92.011.000-2	Empresa Nacional de Energía Enex S.A.	Chile	Scotiabank	Ch$	Maturity	11.50%	10.72%	301,263	301,263	-	19,999,736	-	-	9,999,868	9,999,868	-	20,300,999
92.011.000-2	Empresa Nacional de Energía Enex S.A.	Chile	Scotiabank	Ch$	Maturity	8.62%	8.49%	55,071,167	20,571,450	34,499,717	-	-	-	-	-	-	55,071,167
Foreign	Road Ranger, LLC	USA	Scotiabank	USD	Maturity	1.66%	1.52%	60,065,111	154,911	59,910,200	-	-	-	-	-	-	60,065,111
Foreign	Road Ranger, LLC	USA	Citibank	USD	Maturity	1.75%	1.75%	20,540,640	20,540,640	-	-	-	-	-	-	-	20,540,640
Foreign	Road Ranger, LLC	USA	BCI	USD	Maturity	3.88%	3.77%	109,550	109,550	-	44,835,082	-	-	22,417,541	22,417,541	-	44,944,632
Foreign	ENEX Corp Ltd	United Kingdom	Scotiabank	USD	Maturity	2.69%	2.53%	786,535	786,535	-	85,586,000	42,793,000	42,793,000	-	-	-	86,372,535
Foreign	ENEX Corp Ltd	United Kingdom	Scotiabank	USD	Maturity	2.72%	2.58%	308,965	308,965	-	17,117,200	8,558,600	8,558,600	-	-	-	17,426,165
			SUBTOTAL					156,114,333			296,875,582						452,989,915
			TOTAL					535,759,807			435,083,278						970,843,085

Note 23 – Other current and non-current financial liabilities (continued)

(b) Interest-bearing bank loans as of December 31, 2022, are detailed as follows. (continued)

(b.2) Undiscounted values

Taxpayer ID number	Debtor	Country	Creditor	Currency	Repayment	Effective Rate	Nominal Rate	Current 12/31/2023 ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current 12/31/2023 ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt ThCh$
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	Banco Itaú Chile	USD	Semi-annual	6.05%	LB 6M+2.5%	4,411,958	4,411,958	-	-	-	-	-	-	-	4,411,958
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	Banco Security	USD	Semi-annual	4.17%	4.17%	30,586,725	-	30,586,725	-	-	-	-	-	-	30,586,725
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	Banco Itaú Chile	USD	At maturity	4.00%	4.00%	135,340,565	-	135,340,565	-	-	-	-	-	-	135,340,565
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	Scotiabank Chile	USD	At maturity	4.00%	4.00%	135,340,565	-	135,340,565	-	-	-	-	-	-	135,340,565
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	Banco Itaú Chile	USD	At maturity	4.00%	4.00%	20,373,747	-	20,373,747	-	-	-	-	-	-	20,373,747
90.160.000-7	Compañía Sud Americana de Vapores S.A.	Chile	Scotiabank Chile	USD	At maturity	4.00%	4.00%	20,373,747	-	20,373,747	-	-	-	-	-	-	20,373,747
76.196.718-5	Sociedad Matriz SAAM S.A.	Chile	Banco Santander	USD	Semi-annual	5.12%	Libor180 + 1.15%	1,022,753	510,093	512,660	26,701,976	26,701,976	-	-	-	-	27,724,729
76.196.718-5	Sociedad Matriz SAAM S.A.	Chile	Banco Santander	USD	Semi-annual	5.12%	Libor180 + 1.15%	597,390	297,839	299,551	15,575,796	15,575,796	-	-	-	-	16,173,186
76.196.718-5	Sociedad Matriz SAAM S.A.	Chile	Banco Santander	USD	Semi-annual	5.12%	Libor180 + 1.15%	341,488	170,316	171,172	8,900,944	8,900,944	-	-	-	-	9,242,432
92.048.000-4	SAAM S.A.	Chile	Banco Scotiabank	USD	Semi-annual	3.55%	Libor180 + 1.11%	11,393,208	-	11,393,208	57,223,655	57,223,655	-	-	-	-	68,616,863
96.885.450-K	Aerosan Airport Services S.A.	Chile	Banco Santander	USD	Monthly	4.20%	4.20%	360,317	360,317	-	-	-	-	-	-	-	360,317
Foreign	Ecuaestibas S.A.	Ecuador	Banco Crédito e Inversiones	USD	Semi-annual	3.09%	3.09%	669,282	9,414	659,868	1,871,765	641,039	622,210	608,516	-	-	2,541,047
Foreign	Saam Remolcadores S.A. de C.V.	Mexico	Santander México	USD	At maturity	7.30%	SOFR 1 month + 2.95%	861,851	861,851	-	-	-	-	-	-	-	861,851
Foreign	SAAM Towage México S.A. de C.V.	Mexico	Corpbanca New York Branch	USD	Semi-annual	2.90%	2.90%	5,421,873	2,665,148	2,756,725	7,819,137	5,244,710	2,574,427	-	-	-	13,241,010
Foreign	Baru Offshore De México SAPI de CV	Mexico	Santander México	USD	Quarterly	3.40%	3.40%	259,326	259,326	-	-	-	-	-	-	-	259,326
Foreign	Baru Offshore De México SAPI de CV	Mexico	Santander México	USD	Quarterly	7.30%	SOFR 1 month + 2.95%	172,884	172,884	-	-	-	-	-	-	-	172,884
Foreign	SAAM Towage El Salvador S.A. de C.V.	El Salvador	Banco Crédito e Inversiones	USD	Semi-annual	5.97%	Libor180 + 2.80%	2,001,857	1,096,357	905,500	11,221,181	1,781,045	1,737,396	7,702,740	-	-	13,223,038
Foreign	SAAM Towage Canada Inc	Canada	Scotiabank Canada	CAD	Monthly	6.29%	Canada BA + 1.60%	770,274	186,577	583,697	16,606,251	858,428	935,455	1,019,329	1,110,050	12,682,989	17,376,525
Foreign	SAAM Towage Canada Inc	Canada	Scotiabank Canada	CAD	Monthly	3.87%	Canada BA + 1.60%	10,715,367	201,983	10,513,384	-	-	-	-	-	-	10,715,367
Foreign	SAAM Towage Canada Inc	Canada	Scotiabank Canada	CAD	Monthly	3.59%	Canada BA + 1.45%	9,340,856	290,992	9,049,864	-	-	-	-	-	-	9,340,856
Foreign	Ian Taylor Perú	Peru	BBVA - Peru	USD	Monthly	5.86%	5.86%	491,264	112,974	378,290	1,398,476	453,606	453,606	453,606	37,658	-	1,889,740
Foreign	Ian Taylor Perú	Peru	Banco de Crédito del Perú	USD	Monthly	5.93%	5.93%	105,271	29,955	75,316	528,920	119,820	119,820	119,820	119,820	49,640	634,191
Foreign	Ian Taylor Perú	Peru	BBVA - Peru	PEN	Monthly	1.30%	1.30%	294,416	110,406	184,010	-	-	-	-	-	-	294,416
Foreign	Ian Taylor Perú	Peru	Banco de Crédito del Perú	PEN	Monthly	1.18%	1.18%	172,884	103,559	69,325	-	-	-	-	-	-	172,884
Foreign	Saam Towage Colombia SAS	Colombia	Banco de Occidente	USD	Semi-annual	2.53%	Libor180 + 1.65%	614,507	614,507	-	-	-	-	-	-	-	614,507
			SUBTOTAL					392,034,375			147,848,101						539,882,476

Note 23 – Other current and non-current financial liabilities (continued)

(b) Interest-bearing bank loans as of December 31, 2022, are detailed as follows. (continued)

(b.2) Undiscounted values (continued)

Taxpayer ID number	Debtor	Country	Creditor	Currency	Repayment	Effective Rate	Nominal Rate	Current 12/31/2023 ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current 12/31/2023 ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt ThCh$
Foreign	Saam Towage Colombia SAS	Colombia	Itaú Corpbanca New York Branch	USD	Monthly	6.58%	SOFR30 + 2.5%	3,422,584	869,554	2,553,030	20,811,948	3,276,232	3,129,880	2,984,384	11,421,452	-	24,234,532
Foreign	Aerosan SAS	Colombia	Banco de Bogotá Miami	COP	Quarterly	7.27%	DTF + 3.5%	1,497,756	149,776	1,347,980	2,101,992	525,498	525,498	525,498	525,498	-	3,599,748
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.70%	3.70%	1,236,718	311,533	925,185	3,830,830	1,196,492	1,156,267	1,115,186	362,885	-	5,067,548
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.70%	3.70%	1,484,061	374,011	1,110,050	4,597,680	1,436,133	1,387,349	1,338,565	435,633	-	6,081,741
Foreign	SAAM Towage Brasil	Brazil	BNDES	BRL	Monthly	8.79%	TJLP + 3.70%	457,029	116,397	340,632	1,276,087	422,795	388,560	354,326	110,406	-	1,733,116
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	2.60%	2.60%	1,191,357	297,839	893,518	10,336,222	1,168,249	1,143,429	1,119,465	1,094,645	5,810,434	11,527,579
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.60%	3.60%	913,203	228,515	684,688	7,680,487	890,094	866,130	842,166	818,202	4,263,895	8,593,690
Foreign	SAAM Towage Brasil	Brazil	Caterpillar	USD	Monthly	3.80%	3.80%	363,741	92,433	271,308	174,596	136,938	37,658	-	-	-	538,337
Foreign	SAAM Towage Brasil	Brazil	Caterpillar	USD	Monthly	3.80%	3.80%	443,336	112,118	331,218	214,821	167,749	47,072	-	-	-	658,157
Foreign	SAAM Towage Brasil	Brazil	Caterpillar	BRL	Monthly	8.89%	TJLP + 3.80%	115,541	29,955	85,586	53,063	41,937	11,126	-	-	-	168,604
Foreign	SAAM Towage Brasil	Brazil	Banco Do Brasil	USD	Monthly	3.50%	3.50%	1,224,735	308,965	915,770	5,686,333	1,189,645	1,151,988	1,116,041	1,080,095	1,148,564	6,911,068
Foreign	SAAM Towage Brasil	Brazil	Banco Do Brasil	USD	Monthly	3.60%	3.60%	837,031	211,397	625,634	3,972,046	812,211	786,535	761,715	736,040	875,545	4,809,077
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	4.40%	4.40%	248,200	94,145	154,055	-	-	-	-	-	-	248,200
Foreign	SAAM Towage Brasil	Brazil	BNDES	USD	Monthly	3.70%	3.70%	1,410,457	353,470	1,056,987	10,742,754	1,368,520	1,324,871	1,282,078	1,239,285	5,528,000	12,153,211
Foreign	SAAM Towage Brasil	Brazil	Banco Do Brasil	USD	Monthly	3.80%	3.80%	3,138,439	788,247	2,350,192	1,013,338	1,013,338	-	-	-	-	4,151,777
91.021.000-9	Invexans S.A.	Chile	Banco Scotiabank	USD	Maturity	6.15%	5.88%	4,379,959	-	4,379,959	-	-	-	-	-	-	4,379,959
91.021.000-9	Invexans S.A.	Chile	HSBC Bank	USD	Semi-annual	5.26%	5.21%	224,190	224,190	-	9,694,556	9,694,556	-	-	-	-	9,918,746
92.011.000-2	Empresa Nacional de Energía Enex S.A.	Chile	Banco Estado	Ch$	Maturity	1.45%	1.45%	406,534	406,534	-	57,216,809	57,216,809	-	-	-	-	57,623,343
92.011.000-2	Empresa Nacional de Energía Enex S.A.	Chile	Scotiabank	Ch$	Maturity	11.50%	10.72%	301,263	301,263	-	19,999,736	-	19,999,736	-	-	-	20,300,999
92.011.000-2	Empresa Nacional de Energía Enex S.A.	Chile	Scotiabank	Ch$	Maturity	8.62%	8.49%	55,071,168	20,571,451	34,499,717	-	-	-	-	-	-	55,071,168
Foreign	Road Ranger, LLC	USA	Scotiabank	USD	Maturity	1.66%	1.52%	60,065,111	154,911	59,910,200	-	-	-	-	-	-	60,065,111
Foreign	Road Ranger, LLC	USA	Citibank	USD	Maturity	1.75%	1.75%	20,540,640	20,540,640	-	-	-	-	-	-	-	20,540,640
Foreign	Road Ranger, LLC	USA	BCI	USD	Maturity	3.88%	3.77%	109,550	109,550	-	44,835,082	-	44,835,082	-	-	-	44,944,632
Foreign	ENEX Corp Ltd	United Kingdom	Scotiabank	USD	Maturity	2.69%	2.53%	786,535	786,535	-	85,586,000	85,586,000	-	-	-	-	86,372,535
Foreign	ENEX Corp Ltd	United Kingdom	Scotiabank	USD	Maturity	2.72%	2.58%	308,965	308,965	-	17,117,200	17,117,200	-	-	-	-	17,426,165
			SUBTOTAL					160,178,103			306,941,580						467,119,683
			TOTAL					552,212,478			454,789,681						1,007,002,159

Note 23 – Other current and non-current financial liabilities (continued)

(c) Bond liabilities as of December 31, 2023 are as follows:

(c.1) Book values

Debtor ID number	Debtor name	Debtor country	Registration number	Series	Maturity	Currency	Repayment	Effective rate	Nominal rate	Current debt ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current debt ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt ThCh$
96.929.880-5	LQIF	Chile	385	Series C	2039	CLF	Annually	4.93%	4.85%	3,356,802	-	3,356,802	110,267,279	-	-	-	-	110,267,279	113,624,081
96.929.880-5	LQIF	Chile	597	Series D	2033	CLF	Annually	3.84%	3.50%	14,434,360	-	14,434,360	107,676,127	11,804,756	11,838,653	11,872,551	11,906,448	60,253,719	122,110,487
76.196.718-5	SM SAAM S.A.	Chile	794	Series C	2026	CLF	Semi-annual	2.80%	2.80%	62,276	-	62,276	52,045,669	-	52,045,669	-	-	-	52,107,945
76.196.718-5	SM SAAM S.A.	Chile	794	Series E	2030	CLF	Semi-annual	1.30%	1.30%	25,436	-	25,436	44,233,162	-	-	-	-	44,233,162	44,258,598
76.196.718-5	SM SAAM S.A.	Chile	1037	Series H	2030	CLF	Semi-annual	1.30%	1.30%	315,763	315,763	-	51,568,516	-	-	-	-	51,568,516	51,884,279
91.705.000-7	Quiñenco	Chile	715	Series J	2032	CLF	Annually	3.90%	3.85%	2,491,295	-	2,491,295	109,911,316	-	-	-	-	109,911,316	112,402,611
91.705.000-7	Quiñenco	Chile	715	Series O	2035	CLF	Annually	3.36%	3.40%	1,326,660	-	1,326,660	87,452,254	-	-	-	-	87,452,254	88,778,914
91.705.000-7	Quiñenco	Chile	427	Series C	2032	CLF	Annually	4.24%	4.00%	281,212	-	281,212	84,953,986	-	-	-	14,255,880	70,698,106	85,235,198
91.705.000-7	Quiñenco	Chile	714	Series V	2025	CLF	Annually	1.72%	1.80%	15,026,347	-	15,026,347	14,690,131	14,690,131	-	-	-	-	29,716,478
91.705.000-7	Quiñenco	Chile	819	Series W	2047	CLF	Annually	3.03%	2.90%	3,127,600	-	3,127,600	179,348,576	-	-	-	-	179,348,576	182,476,176
91.705.000-7	Quiñenco	Chile	596	Series F	2032	CLF	Annually	3.97%	3.85%	18,107,692	-	18,107,692	119,533,763	15,050,194	15,050,194	15,050,194	15,050,194	59,332,987	137,641,455
91.705.000-7	Quiñenco	Chile	930	Series X	2032	CLF	Annually	1.22%	1.60%	345,114	-	345,114	37,628,654	-	-	6,131,560	6,131,560	25,365,534	37,973,768
91.705.000-7	Quiñenco	Chile	930	Series Y	2047	CLF	Annually	1.66%	2.40%	1,553,015	-	1,553,015	122,867,593	-	-	-	-	122,867,593	124,420,608
91.705.000-7	Quiñenco	Chile	820	Series S	2044	CLF	Annually	3.15%	3.15%	476,246	-	476,246	182,960,393	-	-	-	-	182,960,393	183,436,639
91.705.000-7	Quiñenco	Chile	820	Series R	2039	CLF	Annually	3.20%	3.15%	3,397,220	-	3,397,220	182,190,023	-	-	-	-	182,190,023	185,587,243
91.705.000-7	Quiñenco	Chile	930	Series Z	2050	CLF	Annually	2.98%	2.85%	3,073,675	-	3,073,675	178,221,510	-	-	-	-	178,221,510	181,295,185
						TOTAL				67,400,713			1,665,548,952						1,732,949,665

Note 23 – Other current and non-current financial liabilities (continued)

(c) Bond liabilities as of December 31, 2023 are as follows: (continued)

(c.2) Undiscounted values

Debtor ID number	Debtor name	Debtor country	Registration number	Series	Maturity	Currency	Repayment	Effective rate	Nominal rate	Current debt ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current debt ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt undiscounted ThCh$
96.929.880-5	LQIF	Chile	385	Series C	2039	CLF	Annually	4.93%	4.85%	5,352,852	-	5,352,852	166,573,026	5,352,852	5,352,852	5,352,852	5,352,852	145,161,618	171,925,878
96.929.880-5	LQIF	Chile	597	Series D	2033	CLF	Annually	3.84%	3.50%	16,348,272	-	16,348,272	128,061,463	15,924,428	15,500,584	15,076,740	14,652,896	66,906,815	144,409,735
76.196.718-5	SM SAAM S.A.	Chile	794	Series C	2026	CLF	Semi-annual	2.80%	2.80%	1,432,337	-	1,432,337	54,545,461	1,432,337	53,113,124	-	-	-	55,977,798
76.196.718-5	SM SAAM S.A.	Chile	794	Series E	2026	CLF	Semi-annual	1.30%	1.30%	571,882	-	571,882	47,292,555	571,882	571,882	571,882	571,882	45,005,027	47,864,437
76.196.718-5	SM SAAM S.A.	Chile	1037	Series H	2026	CLF	Semi-annual	1.30%	1.30%	666,612	333,306	333,306	55,509,415	666,611	667,488	667,488	667,488	52,840,340	56,176,027
91.705.000-7	Quiñenco	Chile	715	Series J	2032	CLF	Annually	3.90%	3.85%	4,249,171	-	4,249,171	150,735,205	4,249,171	4,249,171	4,249,171	4,249,171	133,738,521	154,984,376
91.705.000-7	Quiñenco	Chile	715	Series O	2035	CLF	Annually	3.36%	3.40%	2,970,741	-	2,970,741	120,052,880	2,970,741	2,970,741	2,970,741	2,970,741	108,169,916	123,023,621
91.705.000-7	Quiñenco	Chile	427	Series C	2032	CLF	Annually	4.24%	4.00%	3,421,410	-	3,421,410	104,353,021	3,421,410	3,421,410	17,677,290	17,107,052	62,725,859	107,774,431
91.705.000-7	Quiñenco	Chile	714	Series V	2025	CLF	Annually	1.72%	1.80%	15,245,511	-	15,245,511	14,980,627	14,980,627	-	-	-	-	30,226,138
91.705.000-7	Quiñenco	Chile	819	Series W	2047	CLF	Annually	3.03%	2.90%	5,334,457	-	5,334,457	332,759,760	5,334,457	5,334,457	5,334,457	5,334,457	311,421,932	338,094,217
91.705.000-7	Quiñenco	Chile	596	Series F	2032	CLF	Annually	3.97%	3.85%	20,265,086	-	20,265,086	141,840,537	20,265,086	19,106,221	18,526,789	17,947,356	65,995,085	162,105,623
91.705.000-7	Quiñenco	Chile	930	Series X	2032	CLF	Annually	1.22%	1.60%	588,630	-	588,630	40,026,824	588,630	588,630	6,720,190	6,622,085	25,507,289	40,615,454
91.705.000-7	Quiñenco	Chile	930	Series Y	2047	CLF	Annually	1.66%	2.40%	2,648,834	-	2,648,834	156,722,674	2,648,834	2,648,834	2,648,834	2,648,834	146,127,338	159,371,508
91.705.000-7	Quiñenco	Chile	820	Series S	2044	CLF	Annually	3.15%	3.15%	5,794,324	-	5,794,324	294,038,959	5,794,324	5,794,324	5,794,324	5,794,324	270,861,663	299,833,283
91.705.000-7	Quiñenco	Chile	820	Series R	2039	CLF	Annually	3.20%	3.15%	5,794,324	-	5,794,324	262,170,176	5,794,324	5,794,324	5,794,324	5,794,324	238,992,880	267,964,500
91.705.000-7	Quiñenco	Chile	930	Series Z	2050	CLF	Annually	2.98%	2.85%	5,242,484	-	5,242,484	315,008,896	5,242,484	5,242,484	5,242,484	5,242,484	294,038,960	320,251,380
						TOTAL				**95,926,927**			**2,384,671,479**						**2,480,598,406**

Note 23 – Other current and non-current financial liabilities (continued)

(d) Bond liabilities as of December 31, 2022 are as follows.

(d.1) Book values

Debtor ID number	Debtor name	Debtor country	Registration number	Series	Maturity	Currency	Repayment	Effective rate	Nominal rate	Current debt ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current debt ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt ThCh$
96.929.880-5	LQIF	Chile	385	Series C	2039	CLF	Annually	4.93%	4.85%	3,212,136	-	3,212,136	105,225,127	-	-	-	-	105,225,127	108,437,263
96.929.880-5	LQIF	Chile	597	Series D	2033	CLF	Annually	3.84%	3.50%	14,005,354	-	14,005,354	114,018,590	11,458,099	11,266,207	11,298,558	11,330,909	68,664,817	128,023,944
90.160.000-7	CSAV	Chile	955	Series C	2026	USD	Semi-annual	5.35%	5.35%	648,742	-	648,742	85,232,058	-	21,396,500	63,835,558	-	-	85,880,800
76.196.718-5	SM SAAM S.A.	Chile	794	Series C	2026	CLF	Semi-annual	2.80%	2.80%	59,910	-	59,910	49,852,989	-	-	49,852,989	-	-	49,912,899
76.196.718-5	SM SAAM S.A.	Chile	794	Series E	2026	CLF	Semi-annual	1.30%	1.30%	23,964	-	23,964	42,204,168	-	-	-	-	42,204,168	42,228,132
76.196.718-5	SM SAAM S.A.	Chile	1037	Series H	2030	CLF	Semi-annual	1.30%	1.30%	301,263	301,263	-	49,251,320	-	-	-	-	49,251,320	49,552,583
91.705.000-7	Quiñenco	Chile	715	Series J	2032	CLF	Annually	3.90%	3.85%	2,377,639	-	2,377,639	104,819,925	-	-	-	-	104,819,925	107,197,564
91.705.000-7	Quiñenco	Chile	715	Series O	2035	CLF	Annually	3.36%	3.40%	1,266,136	-	1,266,136	83,473,300	-	-	-	-	83,473,300	84,739,436
91.705.000-7	Quiñenco	Chile	427	Series C	2032	CLF	Annually	4.24%	4.00%	268,383	-	268,383	80,942,193	-	-	-	13,605,508	67,336,685	81,210,576
91.705.000-7	Quiñenco	Chile	714	Series V	2025	CLF	Annually	1.72%	1.80%	14,489,041	-	14,489,041	28,012,511	14,044,392	13,968,119	-	-	-	42,501,552
91.705.000-7	Quiñenco	Chile	819	Series W	2047	CLF	Annually	3.03%	2.90%	2,984,914	-	2,984,914	170,931,363	-	-	-	-	170,931,363	173,916,277
91.705.000-7	Quiñenco	Chile	596	Series F	2032	CLF	Annually	3.97%	3.85%	17,605,818	-	17,605,818	128,218,000	14,363,584	14,363,584	14,363,584	14,363,584	70,763,664	145,823,818
91.705.000-7	Quiñenco	Chile	930	Series X	2032	CLF	Annually	1.22%	1.60%	327,831	-	327,831	36,022,845	-	-	-	5,851,830	30,171,015	36,350,676
91.705.000-7	Quiñenco	Chile	930	Series Y	2047	CLF	Annually	1.66%	2.40%	1,475,238	-	1,475,238	117,840,068	-	-	-	-	117,840,068	119,315,306
91.705.000-7	Quiñenco	Chile	820	Series S	2044	CLF	Annually	3.15%	3.15%	454,519	-	454,519	174,552,656	-	-	-	-	174,552,656	175,007,175
91.705.000-7	Quiñenco	Chile	820	Series R	2039	CLF	Annually	3.20%	3.15%	3,242,234	-	3,242,234	173,722,114	-	-	-	-	173,722,114	176,964,348
						TOTAL				**62,743,122**			**1,544,319,227**						**1,607,062,349**

Note 23 – Other current and non-current financial liabilities (continued)

(d) Bond liabilities as of December 31, 2022 are as follows. (continued)

(d.2) Undiscounted values

Debtor ID number	Debtor name	Debtor country	Registration number	Series	Maturity	Currency	Repayment	Effective rate	Nominal rate	Current debt ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current debt ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt undiscounted ThCh$
96.929.880-5	LQIF	Chile	385	Series C	2039	CLF	Annually	4.93%	4.85%	5,108,648	-	5,108,648	164,082,391	5,108,648	5,108,648	5,108,648	5,108,648	143,647,799	169,191,039
96.929.880-5	LQIF	Chile	597	Series D	2033	CLF	Annually	3.84%	3.50%	16,006,949	-	16,006,949	137,821,568	15,602,442	15,197,934	14,793,426	14,388,918	77,838,848	153,828,517
90.160.000-7	CSAV	Chile	955	Series C	2026	USD	Semi-annual	5.35%	5.35%	4,518,941	-	4,518,941	93,494,146	25,915,441	45,617,338	21,961,368	-	-	98,013,087
76.196.718-5	SM SAAM S.A.	Chile	794	Series C	2026	CLF	Semi-annual	2.80%	2.80%	1,366,808	-	1,366,808	53,255,888	1,366,808	1,366,808	50,522,272	-	-	54,622,696
76.196.718-5	SM SAAM S.A.	Chile	794	Series E	2026	CLF	Semi-annual	1.30%	1.30%	546,039	-	546,039	45,682,385	546,039	546,039	546,039	546,039	43,498,229	46,228,424
76.196.718-5	SM SAAM S.A.	Chile	1037	Series H	2030	CLF	Semi-annual	1.30%	1.30%	636,760	318,380	318,380	53,294,403	636,760	636,760	636,760	636,760	50,747,363	53,931,163
91.705.000-7	Quiñenco	Chile	715	Series J	2032	CLF	Annually	3.90%	3.85%	4,055,318	-	4,055,318	147,913,780	4,055,318	4,055,318	4,055,318	4,055,318	131,692,508	151,969,098
91.705.000-7	Quiñenco	Chile	715	Series O	2035	CLF	Annually	3.36%	3.40%	2,835,212	-	2,835,212	117,411,119	2,835,212	2,835,212	2,835,212	2,835,212	106,070,271	120,246,331
91.705.000-7	Quiñenco	Chile	427	Series C	2032	CLF	Annually	4.24%	4.00%	3,265,321	-	3,265,321	102,857,616	3,265,321	3,265,321	3,265,321	16,870,829	76,190,824	106,122,937
91.705.000-7	Quiñenco	Chile	714	Series V	2025	CLF	Annually	1.72%	1.80%	14,802,789	-	14,802,789	28,847,181	14,549,990	14,297,191	-	-	-	43,649,970
91.705.000-7	Quiñenco	Chile	819	Series W	2047	CLF	Annually	3.03%	2.90%	5,091,092	-	5,091,092	322,669,906	5,091,092	5,091,092	5,091,092	5,091,092	302,305,538	327,760,998
91.705.000-7	Quiñenco	Chile	596	Series F	2032	CLF	Annually	3.97%	3.85%	19,893,564	-	19,893,564	154,710,148	19,340,566	19,340,566	18,234,570	17,681,572	80,112,874	174,603,712
91.705.000-7	Quiñenco	Chile	930	Series X	2032	CLF	Annually	1.22%	1.60%	561,776	-	561,776	38,762,523	561,776	561,776	561,776	6,413,606	30,663,589	39,324,299
91.705.000-7	Quiñenco	Chile	930	Series Y	2047	CLF	Annually	1.66%	2.40%	2,527,991	-	2,527,991	152,100,767	2,527,991	2,527,991	2,527,991	2,527,991	141,988,803	154,628,758
91.705.000-7	Quiñenco	Chile	820	Series S	2044	CLF	Annually	3.15%	3.15%	5,529,979	-	5,529,979	280,624,506	5,529,979	5,529,979	5,529,979	5,529,979	258,504,590	286,154,485
91.705.000-7	Quiñenco	Chile	820	Series R	2039	CLF	Annually	3.20%	3.15%	5,529,979	-	5,529,979	255,739,599	5,529,979	5,529,979	5,529,979	5,529,979	233,619,683	261,269,578
						TOTAL				92,277,166			2,149,267,927						2,241,545,093

Note 23 – Other current and non-current financial liabilities (continued)

(e) Concession liabilities

Financial liabilities for concession contracts as of December 31, 2023, are detailed as follows:

(e.1) Book values

Terminal	ID number	Name	Country	Currency	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Total Current ThCh$	Over 1 to 3 years ThCh$	Over 3 to 5 years ThCh$	Over 5 years ThCh$	Total Non-current ThCh$	Total debt ThCh$
Instituto Costarricence de Puertos del Pacífico	Foreign	Concesionaria SAAM Costa Rica S.A.	Costa Rica	USD	84,204	-	84,204	-	-	-	-	84,204
							84,204				**-**	**84,204**

(e.2) Undiscounted values

Terminal	ID number	Name	Country	Currency	Under 3 months ThCh$	3 to 12 months ThCh$	Total Current ThCh$	Over 1 to 3 years ThCh$	Over 3 to 5 years ThCh$	Over 5 years ThCh$	Total Non-current ThCh$	Total debt ThCh$
Instituto Costarricence de Puertos del Pacífico	Foreign	Concesionaria SAAM Costa Rica S.A.	Costa Rica	USD	84,204	-	84,204	-	-	-	-	84,204
							84,204				**-**	**84,204**

Note 23 – Other current and non-current financial liabilities (continued)

(f) Concession liabilities (continued)

Financial liabilities for concession contracts as of December 31, 2022, are detailed as follows:

(f.1) Book values

Terminal	ID number	Name	Country	Currency	Under 3 months ThCh$	3 to 12 months ThCh$	Total Current ThCh$	Over 1 to 3 years ThCh$	Over 3 to 5 years ThCh$	Over 5 years ThCh$	Total Non-current ThCh$	Total debt ThCh$
Instituto Costarricence de Puertos del Pacífico	Foreign	Concesionaria SAAM Costa Rica S.A.	Costa Rica	USD	79,595	-	79,595	-	-	-	-	79,595
							79,595				**-**	**79,595**

(f.2) Undiscounted values

Terminal	ID number	Name	Country	Currency	Under 3 months ThCh$	3 to 12 months ThCh$	Total Current ThCh$	1 to 3 years ThCh$	Over 3 to 5 years ThCh$	Over 5 years ThCh$	Total Non-current ThCh$	Total debt ThCh$
Instituto Costarricence de Puertos del Pacífico	Foreign	Concesionaria SAAM Costa Rica S.A.	Costa Rica	USD	79,595	-	79,595	-	-	-	-	79,595
							79,595				**-**	**79,595**

Note 23 – Other current and non-current financial liabilities (continued)

(g) Finance leases as of December 31, 2023, are detailed as follows.

(g.1) Book values

Taxpayer ID number	Debtor	Country	Creditor	Currency	Repayment	Effective Rate	Nominal Rate	Current ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt ThCh$
94.058.000-5	Aerosan Airport Services	Chile	Banco Bice	USD	Monthly	7.46%	7.46%	42,101	10,525	31,576	47,364	43,856	3,508	-	-	-	89,465
94.058.000-5	Aerosan Airport Services	Chile	Banco Bice	USD	Monthly	7.36%	7.36%	52,627	13,157	39,470	54,381	54,381	-	-	-	-	107,008
Foreign	Aerosan SAS	Colombia	Itaú	USD	Monthly	12.42%	12.42%	114,903	28,068	86,835	263,136	175,424	87,712	-	-	-	378,039
Foreign	Aerosan SAS	Colombia	Banco de Occidente	USD	Monthly	18.98%	18.98%	28,068	7,017	21,051	-	-	-	-	-	-	28,068
Foreign	Aerosan SAS	Colombia	Banco de Occidente	USD	Monthly	18.98%	18.98%	27,191	7,017	20,174	20,174	20,174	-	-	-	-	47,365
Foreign	Aerosan SAS	Colombia	Banco de Occidente	USD	Monthly	18.98%	18.98%	21,928	5,263	16,665	27,191	27,191	-	-	-	-	49,119
Foreign	Ian Taylor Perú	Peru	Scotiabank Perú	USD	Monthly	5.10%	5.10%	164,022	122,797	41,225	-	-	-	-	-	-	164,022
								450,840			**412,246**						**863,086**

(g.2) Undiscounted values

Taxpayer ID number	Debtor	Country	Creditor	Currency	Repayment	Effective Rate	Nominal Rate	Current ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt ThCh$
94.058.000-5	Aerosan Airport Services	Chile	Banco Bice	USD	Monthly	7.46%	7.46%	44,734	11,403	33,331	48,241	44,733	3,508	-	-	-	92,975
94.058.000-5	Aerosan Airport Services	Chile	Banco Bice	USD	Monthly	7.36%	7.36%	55,259	14,034	41,225	55,259	55,259	-	-	-	-	110,518
Foreign	Aerosan SAS	Colombia	Itaú	USD	Monthly	12.42%	12.42%	122,797	30,699	92,098	280,679	186,827	93,852	-	-	-	403,476
Foreign	Aerosan SAS	Colombia	Banco de Occidente	USD	Monthly	18.98%	18.98%	31,576	7,894	23,682	-	-	-	-	-	-	31,576
Foreign	Aerosan SAS	Colombia	Banco de Occidente	USD	Monthly	18.98%	18.98%	28,945	7,017	21,928	21,928	21,928	-	-	-	-	50,873
Foreign	Aerosan SAS	Colombia	Banco de Occidente	USD	Monthly	18.98%	18.98%	23,682	6,140	17,542	29,822	29,822	-	-	-	-	53,504
Foreign	Ian Taylor Perú	Peru	Scotiabank Perú	USD	Monthly	5.10%	5.10%	164,022	122,797	41,225	-	-	-	-	-	-	164,022
								471,015			**435,929**						**906,944**

Note 23 – Other current and non-current financial liabilities (continued)

(h) Finance leases as of December 31, 2022, are detailed as follows:

(h.1) Book values

Taxpayer ID number	Debtor	Country	Creditor	Currency	Repayment	Effective Rate	Nominal Rate	Current ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt ThCh$
94.058.000-5	Servicios Aeroportuarios Aerosan SA (SAA)	Chile	Banco Bice	USD	Monthly	7.46%	7.46%	39,369	11,126	28,243	85,586	43,649	41,937	-	-	-	124,955
94.058.000-5	Servicios Aeroportuarios Aerosan SA (SAA)	Chile	Banco Bice	USD	Monthly	7.36%	7.36%	49,640	13,694	35,946	106,126	53,919	52,207	-	-	-	155,766
Foreign	Saam Towage Colombia SAS (ST Colombia)	Colombia	Bancolombia Panama	USD	Monthly	17.39%	17.39%	71,892	17,973	53,919	296,129	147,209	148,920	-	-	-	368,021
Foreign	Saam Towage Colombia SAS (ST Colombia)	Colombia	Bancolombia Panama	USD	Monthly	16.91%	16.91%	21,396	5,135	16,261	22,252	22,252	-	-	-	-	43,648
Foreign	Aerosan SAS (Transaéreo)	Colombia	Banco Itaú Corpbanca	USD	Monthly	12.42%	12.42%	20,540	5,135	15,405	37,657	22,252	15,405	-	-	-	58,197
Foreign	Aerosan SAS (Transaéreo)	Colombia	CSI Renting	USD	Monthly	16.32%	16.32%	2,173,884	174,595	1,999,289	-	-	-	-	-	-	2,173,884
Foreign	Aerosan SAS (Transaéreo)	Colombia	Banco de Occidente	USD	Monthly	18.98%	18.98%	464,732	114,685	350,047	160,046	160,046	-	-	-	-	624,778
Foreign	Aerosan SAS (Transaéreo)	Colombia	Banco de Occidente	USD	Monthly	18.98%	18.98%	851,583	296,983	554,600	29,955	29,955	-	-	-	-	881,538
								3,693,036			737,751						4,430,787

(h.2) Undiscounted values

Taxpayer ID number	Debtor	Country	Creditor	Currency	Repayment	Effective Rate	Nominal Rate	Current ThCh$	Under 3 months ThCh$	Over 3 to 12 months ThCh$	Non-current ThCh$	Over 1 to 2 years ThCh$	Over 2 to 3 years ThCh$	Over 3 to 4 years ThCh$	Over 4 to 5 years ThCh$	Over 5 years ThCh$	Total debt ThCh$
94.058.000-5	Servicios Aeroportuarios Aerosan SA (SAA)	Chile	Banco Bice	USD	Monthly	7.46%	7.46%	43,649	11,982	31,667	87,298	43,649	43,649	-	-	-	130,947
94.058.000-5	Servicios Aeroportuarios Aerosan SA (SAA)	Chile	Banco Bice	USD	Monthly	7.36%	7.36%	53,920	14,550	39,370	107,838	53,919	53,919	-	-	-	161,758
Foreign	Saam Towage Colombia SAS (ST Colombia)	Colombia	Bancolombia Panama	USD	Monthly	17.39%	17.39%	76,172	18,829	57,343	314,956	157,478	157,478	-	-	-	391,128
Foreign	Saam Towage Colombia SAS (ST Colombia)	Colombia	Bancolombia Panama	USD	Monthly	16.91%	16.91%	23,964	5,991	17,973	23,964	23,964	-	-	-	-	47,928
Foreign	Aerosan SAS (Transaéreo)	Colombia	Banco Itaú Corpbanca	USD	Monthly	12.42%	12.42%	23,108	5,991	17,117	41,081	24,820	16,261	-	-	-	64,189
Foreign	Aerosan SAS (Transaéreo)	Colombia	CSI Renting	USD	Monthly	16.32%	16.32%	2,198,705	190,857	2,007,848	-	-	-	-	-	-	2,198,705
Foreign	Aerosan SAS (Transaéreo)	Colombia	Banco de Occidente	USD	Monthly	18.98%	18.98%	485,273	121,532	363,741	161,758	161,758	-	-	-	-	647,031
Foreign	Aerosan SAS (Transaéreo)	Colombia	Banco de Occidente	USD	Monthly	18.98%	18.98%	902,076	314,956	587,120	31,667	31,667	-	-	-	-	933,743
								3,806,867			768,562						4,575,429

Note 23 – Other current and non-current financial liabilities (continued)

(i) Hedge liabilities as of December 31, 2023 and 2022, are detailed as follows:

Hedge description	Company	Hedged risk	Current 12/31/2023 ThCh$	Current 12/31/2022 ThCh$	Non-current 12/31/2023 ThCh$	Non-current 12/31/2022 ThCh$	Fair values 12/31/2023 ThCh$	Fair values 12/31/2022 ThCh$
Swap	CSAV S.A.	Interest rate	-	373,155	-	-	-	373,155
Swap	SM SAAM S.A.	Exchange rate	985,883	-	-	1,360,817	985,883	1,360,817
		TOTAL	**985,883**	**373,155**	**-**	**1,360,817**	**985,883**	**1,733,972**

(j) The options as of December 31, 2023, are as follows:

Company	ID number	Creditor	Country	Currency	Transaction	Under 90 days ThCh$	90 days to 1 Year ThCh$	**Total Current ThCh$**	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	**Total Non-current ThCh$**
SAAM S.A.	97.036.000-K	Clear Ocean Investment S.A. / Bellomare Ventures Inc.	Chile	USD	Option	-	-	-	22,056,938	-	-	22,056,938
							Total		**22,056,938**			**22,056,938**

The options as of December 31, 2022, are as follows.

Company	ID number	Creditor	Country	Currency	Transaction	Under 90 days ThCh$	90 days to 1 Year ThCh$	**Total Current ThCh$**	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	**Total Non-current ThCh$**
SAAM S.A.	97.036.000-K	Clear Ocean Investment S.A. / Bellomare Ventures Inc.	Chile	USD	Option	-	-	-	21,141,454	-	-	21,141,454
							Total		**21,141,454**			**21,141,454**

This financial liability was recognized by the subsidiary SAAM S.A. was a put option held by the partner Clear Ocean Investments S.A. and Bellomare Ventures Inc. over 30% of the interest in Intertug against SAAM S.A. Furthermore, SAAM S.A. has a call option on the same shares. These options are treated as an equity instrument. Since there is no cash flow, any changes in their value are not recognized in the financiaal statements.

Note 23 – Other current and non-current financial liabilities (continued)

(k) Other financial liabilities as of December 31, 2023 are reconciled as follows.

Liabilities from financing activities	Cash flows from financing activities					Changes with no effect on cash flow			
	Balance as of 01/01/2023	From	Used	Interest Paid	Total	Exchange differences and indexation	Finance costs	Other changes	Balance as of 12/31/2023
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Bank loans and leases	975,273,872	1,030,610,119	(1,482,624,309)	(56,340,835)	**(508,355,025)**	20,160,312	49,341,537	157,449,232	**693,869,928**
Bonds payable	1,607,062,349	175,196,281	(122,728,887)	(59,365,317)	**(6,897,923)**	63,788,495	69,916,274	(919,530)	**1,732,949,665**
Total	**2,582,336,221**	**1,205,806,400**	**(1,605,353,196)**	**(115,706,152)**	**(515,252,948)**	**83,948,807**	**119,257,811**	**156,529,702**	**2,426,819,593**

Other financial liabilities as of December 31, 2022 are reconciled as follows.

Liabilities from financing activities	Cash flows from financing activities					Changes with no effect on cash flow			
	Balance as of 01/01/2022	From	Used	Interest Paid	Total	Exchange differences and indexation	Finance costs	Other changes	Balance as of December 31, 2022
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Bank loans and leases	936,697,294	1,320,874,986	(1,218,011,727)	(39,892,877)	**68,916,823**	20,836,123	36,791,017	(82,020,944)	**975,273,872**
Bonds payable	1,462,780,731	-	(37,137,476)	(47,613,124)	**(84,750,600)**	147,558,501	80,685,076	788,641	**1,607,062,349**
Total	**2,399,478,025**	**1,320,874,986**	**(1,255,149,203)**	**(87,506,001)**	**(15,833,777)**	**168,394,624**	**117,476,093**	**(81,232,303)**	**2,582,336,221**

Note 23 – Other current and non-current financial liabilities (continued)

(l) Service Concession Agreements

The subsidiary SM SAAM has the following Service Concession Agreements.

SAAM Towage México S.A. de C.V. (Formerly SAAM Remolques S.A. de C.V.)

Administración del Sistema Portuaria Nacional de Lázaro Cárdenas, Veracruz, Tampico, Altamira and Tuxpan has signed contracts to partially assign rights and obligations to the indirect subsidiary SAAM Towage Mexico S.A. de C.V., to provide port towage services in the ports, free of all encumbrances and without any limitations.

These contracts have been renewed as follows: Lázaro Cárdenas for 8 years, effective February 2023; Veracruz renewed until October 2033; Tampico for 9 years, renewed in May 2016; Altamira for 9 years, effective August 2014 and renewed for another 8 years from January 2024; Tuxpan for 8 years, effective November 2015 and renewed until December 2031.

Concesionaria SAAM Costa Rica S.A. (Costa Rica)

On August 11, 2006 the indirect subsidiary, Concesionaria SAAM Costa Rica S.A. was awarded the International Public Tender 03-2001, the "Public Towage Service Management Concession for the Pacific Coast" by the Instituto Costarricense de Puertos del Pacifico. The contract was countersigned by the Comptroller General of the Republic in Ruling 10711, which allowed it to begin operations on December 12, 2006. The concession term is 20 years, which can be extended for an additional 5 years.

Aerosan Group in Chile, Colombia and Ecuador

On April 10, 2018, Sociedad Concesionaria Nuevo Pudahuel S.A. (N.P.U.) granted the direct subsidiary Servicios Aeroportuarios Aerosan the right to operate offices, warehouses and a paved area to provide import and transit cargo services at Arturo Merino Benítez International Airport in Santiago under "Lease Agreement 3588". The term is extended to December 2032 from the date these facilities were released on July 1, 2019.

On November 4, 2019, Sociedad Concesionario Nuevo Pudahuel S.A. (N.P.U.) granted its direct subsidiary Servicios Aeroportuarios Aerosan the right to operate aeronautical and non-aeronautical services and to use assets to develop facilities to provide export and transit cargo services at Arturo Merino Benítez International Airport in Santiago under "Lease Agreement 3683". The term expired on December 31, 2023, which was extended under "Lease Agreement 4079" dated November 30, 2023 with a 5-year term effective from January 1, 2024 to December 31, 2028.

The direct subsidiary Aerosan S.A.S. has the right to operate in Bogota and Medellin. It has signed contracts to assign rights and obligations, whereby the Airport Administration assigns to the Company the right to provide aeronautical import and export services. The contracts are valid until January 2027 in Bogotá and July 2024 in Medellín.

The direct subsidiaries of Aronem Air Cargo S.A. and Pertraly S.A. have signed a lease agreement with Corporación Quiport S.A. with the right to provide international export cargo services at Mariscal Sucre Quito Airport both until February and January 2033.

Note 24 – Trade and other payables

As of December 31, 2023 and 2022, these are detailed as follows.

Current	12/31/2023 ThCh$	12/31/2022 ThCh$
Trade payables	361,867,554	352,081,061
Other payables	43,189,457	42,204,906
Total	**405,057,011**	**394,285,967**

Non-current	12/31/2023 ThCh$	12/31/2022 ThCh$
Trade payables	112,271	134,370
Total	**112,271**	**134,370**

Current trade payables not yet due and past due as of December 31, 2023, are detailed as follows.

Trade payables not yet due

	Amounts due by payment terms in days					
Supplier	**Under 30 days ThCh$**	**31-60 ThCh$**	**61 - 90 days ThCh$**	**91- 120 days ThCh$**	**121 to 365 days ThCh$**	**Total 12/31/2023 ThCh$**
Products	285,670,090	431,543	81,572	-	-	286,183,205
Services	75,411,500	1,946,329	764,849	14,030,412	-	92,153,090
Others	19,314,315	-	-	-	-	19,314,315
Total	**380,395,905**	**2,377,872**	**846,421**	**14,030,412**	**-**	**397,650,610**

Trade payables past due

	Amount past due by range in days						
Supplier	**Under 30 days ThCh$**	**31-60 ThCh$**	**61 - 90 days ThCh$**	**91 - 120 days ThCh$**	**121 - 180 days ThCh$**	**Over 181 days ThCh$**	**Total 12/31/2023 ThCh$**
Products	-	-	-	-	-	-	-
Services	4,117,201	1,277,087	804,319	507,852	693,802	6,140	7,406,401
Others	-	-	-	-	-	-	-
Total	**4,117,201**	**1,277,087**	**804,319**	**507,852**	**693,802**	**6,140**	**7,406,401**

Current trade and other payables as of December 31, 2022, are detailed as follows.

Suppliers not overdue

	Amounts due by payment terms in days					
Supplier	**Under 30 days ThCh$**	**31-60 ThCh$**	**61 - 90 days ThCh$**	**91- 120 days ThCh$**	**121 to 365 days ThCh$**	**Total December 31, 2022 ThCh$**
Products	301,272,992	284,146	201,983	-	-	301,759,121
Services	52,665,219	775,409	990,230	10,246,356	-	64,677,214
Others	18,598,642	-	-	-	-	18,598,642
Total	**372,536,853**	**1,059,555**	**1,192,213**	**10,246,356**	**-**	**385,034,977**

Trade payables past due

	Amount past due by range in days						
Supplier	**Under 30 days ThCh$**	**31-60 ThCh$**	**61 - 90 days ThCh$**	**91 - 120 days ThCh$**	**121 - 180 days ThCh$**	**Over 181 days ThCh$**	**Total December 31, 2022 ThCh$**
Products	3,195,781	115,541	127,523	52,207	14,550	6,847	3,512,449
Services	2,962,131	1,246,132	886,671	506,669	121,532	-	5,723,135
Others	5,991	2,568	856	856	3,423	1,712	15,406
Total	**6,163,903**	**1,364,241**	**1,015,050**	**559,732**	**139,505**	**8,559**	**9,250,990**

Note 24 – Trade and other payables (continued)

As of December 31, 2023 and 2022, there are no Confirming transactions.

Overdue suppliers' payables are caused by disputed invoices and other reasons.

Note 25 – Other provisions

(a) Composition

As of December 31, 2023 and 2022, these are as follows.

	Current		Non-current	
	12/31/2023 ThCh$	12/31/2022 ThCh$	12/31/2023 ThCh$	12/31/2022 ThCh$
Restructuring expenses	-	-	5,545,153	3,367,131
Profit sharing and bonuses	12,572,432	30,432,467	-	-
Legal claims	877	653,021	4,019,841	5,960,658
Other provisions (1) (2)	12,308,250	17,134,647	37,037,274	30,000,485
Total	**24,881,559**	**48,220,135**	**46,602,268**	**39,328,274**

(b) Other provisions

(1) Other current provisions as of December 31, 2023 and 2022, are detailed as follows:

	Current	
	12/31/2023 ThCh$	12/31/2022 ThCh$
Demurrage	7,067,833	10,038,382
Brand agreements	2,716,441	4,529,211
Contingencies	778,006	1,508,578
Service station maintenance and operational services	260,505	322,659
Audit, annual report and other expenses	137,347	75,014
Commissions and insurance	19,297	268,740
Fees and consultancies	21,424	114,596
Others	1,307,397	277,467
Total	**12,308,250**	**17,134,647**

(2) Other non-current provisions as of December 31, 2023 and 2022, are detailed as follows:

	Non-current	
	12/31/2023 ThCh$	12/31/2022 ThCh$
Tank removal	15,233,820	11,395,776
Contingencies	11,594,301	9,912,437
Legal proceedings expenses in Brazil	10,209,153	8,692,272
Total	**37,037,274**	**30,000,485**

Note 25 – Other provisions (continued)

(c) Movements

Movements in other provisions for the year ended December 31, 2023, are as follows.

Movements	Restructuring ThCh$	Legal claims ThCh$	Other provisions ThCh$	Total ThCh$
Opening balance as of 01/01/2023	3,367,131	6,613,679	77,567,599	87,548,409
Additional provisions	-	171,319	24,035,662	24,206,981
Increase (decrease) in provisions	2,584,248	53,505	(4,026,367)	(1,388,614)
Provisions used	(406,226)	(3,095,509)	(37,073,033)	(40,574,768)
Reversal of unused provisions	-	-	(574,893)	(574,893)
Increase (decrease) in currency translation	-	277,724	1,976,342	2,254,066
Other increases (decreases)	-	-	12,646	12,646
Total changes in provisions	2,178,022	(2,592,961)	(15,649,643)	(16,064,582)
Closing balance as of 12/31/2023	**5,545,153**	**4,020,718**	**61,917,956**	**71,483,827**

Movements in other provisions for the year ended December 31, 2022, are as follows.

Movements	Restructuring ThCh$	Legal claims ThCh$	Other provisions ThCh$	Total ThCh$
Opening balance as of 01/01/2022	2,667,885	6,653,624	43,223,893	52,545,402
Additional provisions	-	164,158	27,743,688	27,907,846
Increase (decrease) in provisions	736,387	-	44,478,539	45,214,926
Transfers to discontinued operations	-	(119,102)	(66,731)	(185,833)
Provisions used	(37,141)	(486,985)	(37,111,192)	(37,635,318)
Reversal of unused provisions	-	(11,126)	(8,307)	(19,433)
Increase (decrease) in discontinued operations	-	172,884	-	172,884
Increase (decrease) in currency translation	-	240,226	235,525	475,751
Other increases (decreases)	-	-	(927,816)	(927,816)
Total changes in provisions	699,246	(39,945)	34,343,706	35,003,007
Closing balance as of 12/31/2022	**3,367,131**	**6,613,679**	**77,567,599**	**87,548,409**

Note 25 – Other provisions (continued)

(d) Description of main provisions

Provisions for legal claims are mainly lawsuits and other legal proceedings, including legal costs and potential disbursements, including those stemming from investigations carried out by anti-trust authorities in the car carrier business and contingencies related to these cases.

Profit sharing and bonuses: Provisions for profit sharing and bonuses relate to estimates of the Company and some of its subsidiaries of profit sharing and bonuses for performance.

Restructuring expenses: Provisions for restructuring expenses contemplate future expenses to be incurred through reductions in personnel as a result of unification of functions in several companies, and reorganizations.

Other provisions: These are contingencies, professional fees, consultancy fees, general expenses, annual reporting expenses, external audit fees, tank withdrawal costs and legal contingencies, which are pending payment as of the closing date.

Note 26 – Provisions for employee benefits

(a) Composition

As of December 31, 2023 and 2022, these are as follows.

	Current		Non-current	
	12/31/2023 ThCh$	12/31/2022 ThCh$	12/31/2023 ThCh$	12/31/2022 ThCh$
Employee vacations	12,795,493	10,959,010	-	-
Remuneration	22,001,675	19,636,854	-	-
Termination benefits and retirement fund	3,792,667	4,029,389	18,912,462	19,126,759
Total	**38,589,835**	**34,625,253**	**18,912,462**	**19,126,759**

Note 26 – Provisions for employee benefits (continued)

(b) Termination benefits

As of December 31, 2023 and 2022, the subsidiaries Enex and SM SAAM have collective agreements with their personnel which establish remuneration and/or short and long-term benefits.

The cost of these benefits is charged to income in Personnel expenses. The liability recorded under post-employment benefit plans is derived from employee benefit obligations and is valued using the actuarial method using actuarial assumptions such as personnel turnover and expected retirement age. The actuarial assumptions used by the subsidiaries Enex and SM SAAM as of December 31, 2023 and 2022, are detailed as follows.

(b.1) Enex

Enex has negotiated collective agreements with its employees that establish short-term and long-term employee benefits, and the main features are as follows:

i) Short-term benefits are generally based on mixed plans or agreements intended to compensate employees, such as covering the risks of employee disability and death.
ii) Long-term benefits are plans or agreements intended to cover post-employment benefits that arise when the employment relationship terminates.

The cost of these benefits is charged to income in Personnel expenses.

The liability recorded under post-employment benefit plans is derived from employee benefit obligations and is valued using the actuarial method, where the following actuarial assumptions were used as of December 31, 2023 and 2022:

Termination Benefits Provision	**12/31/2023**	**12/31/2022**
Mortality table	M95H-M95M	M95H-M95M
Annual interest rate	5.30%	5.34%
Voluntary employee turnover rate	2.5%	2.5%
Involuntary employee turnover rate (business need)	5.0%	5.0%
Salary increase	3.50%	3.50%
Retirement age		
Men	65	65
Women	60	60

Retirement Benefits Provision	**12/31/2023**	**12/31/2022**
Mortality table	RV-2014	RV-2014
Annual interest rate	2.85%	1.90%

Note 26 – Provisions for employee benefits (continued)

(b) Termination benefits (continued)

(b.1) Enex (continued)

Sensitivity analysis on actuarial variables

The method used to quantify the effect on the provisions for termination and post-employment benefits includes an increase and decrease of 10% in the actuarial variables used to calculate these provisions.

The actuarial variables used by Enex and its subsidiaries, to measure this liability and for the sensitivity analysis are detailed as follows:

December 31, 2023

Termination Benefits Provision

Actuarial assumptions	-10%	Actual	+10%
Mortality table	36%	M95H-M95M at 40%	44%
Annual interest rate (in pesos)	4.77%	5.30%	5.83%
Leaving rate (annual) by Art. 159	2.25%	2.50%	2.75%
Leaving rate (annual) by Art. 161	4.50%	5.00%	5.50%
Salary increment (in pesos)	3.15%	3.50%	3.85%
Average annual future inflation	2.94%	3.26%	3.59%
Retirement age			
Men		65	
Women		60	

Effect of the change in actuarial variables	-10%	+10%
Book value before the change as of 12/31/2023	5,188,165	5,188,165
Actuarial change	(45,610)	42,979
Book value after the actuarial change	**5,142,555**	**5,231,144**

Retirement Benefits Provision

Actuarial assumptions	-10%	Actual	+10%
Mortality table	90%	Tables at 100% CB-2014, RV-2014-M, B-2014-M	110%
Annual interest rate (in pesos)	2.57%	2.85%	3.14%

Effect of the change in actuarial variables	-10%	+10%
Book value before the change as of 12/31/2023	7,159,054	7,159,054
Actuarial change	498,180	(436,316)
Book value after the actuarial change	**7,657,234**	**6,722,738**

Note 26 – Provisions for employee benefits (continued)

(b) Termination benefits (continued)

(b.1) Enex (continued)

Sensitivity analysis on actuarial variables (continued)

December 31, 2022

Termination Benefits Provision

Actuarial assumptions	**Actual**
Mortality table	M95H-M95M
Annual interest rate	5.34%
Voluntary employee turnover rate	2.50%
Involuntary employee turnover rate (business need)	5.00%
Salary increase	3.50%
Retirement age	
Men	65
Women	60

Effect of the change in actuarial variables	**-10%**	**+10%**
Book value as of 12-31-2022	5,741,965	5,741,965
Actuarial change	(77,883)	73,604
Book value after the actuarial change	**5,664,082**	**5,815,569**

Retirement Benefits Provision

Actuarial assumptions	**Actual**
Mortality table	RV-2014
Annual interest rate	1.90%

Effect of the change in actuarial variables	**-10%**	**+10%**
Book value as of 12-31-2022	7,870,488	7,870,488
Actuarial change	521,219	(453,606)
Book value after the actuarial change	**8,391,707**	**7,416,882**

(b.2) SM SAAM

The liability is for termination benefits payable to all employees under the collective agreements between SM SAAM and its employees.

The actuarial valuation is based on the following parameters and percentages.

i) Discount rate in the range 5.68% to 9.30%
ii) Salary increase in the range 2.44% to 6.00%
iii) Average group employee turnover in the range 2.50% to 23.06% for voluntary terminations.
iv) Mortality table CB-H-2020 Male and RV-M-2020 Female.

Note 26 – Provisions for employee benefits (continued)

(b) Termination benefits (continued)

(b.2) SM SAAM (continued)

Sensitivity analysis of actuarial variables

The method used to quantify the effect on the provisions for termination benefits involves increasing and decreasing the actuarial variables used to calculate these provisions by 10%.

The actuarial variables used by SM SAAM to measure this liability and for the sensitivity analysis are as follows.

Actuarial assumptions	10%	Current (average)	-10%
Discount rate	6.25% - 10.23%	5.68% - 9.30%	5.11% - 8.37%
Rate of salary increase	2.68% - 6.60%	2.44% - 6.00%	2.20% - 5.40%
(*) Employee turnover rate	2.75% - 25.37%	2.50% 23.06%	2.25% - 20.75%

(*) The rates include the variables for each company.

The results of analysis using these variables are as follows.

Effect of +10% change in actuarial variables	12/31/2023 ThCh$	12/31/2022 ThCh$
Book value	10,357,910	9,543,695
Actuarial change	(16,665)	(20,874)
Book value after the actuarial change	**10,341,245**	**9,522,821**

Effect of -10% change in actuarial variables	12/31/2023 ThCh$	12/31/2022 ThCh$
Book value	10,357,910	9,543,695
Actuarial change	35,085	21,181
Book value after the actuarial change	**10,392,995**	**9,564,876**

(c) Reconciliation of present value of defined benefit plan liabilities

	12/31/2023 ThCh$	12/31/2022 ThCh$
Present value of defined benefit plan liabilities, opening balance	**23,156,148**	**26,744,576**
Acquisitions through business combinations	689,828	-
Service cost	1,457,819	199,415
Interest costs	1,826,875	2,734,942
Actuarial (loss) gain	(495,400)	1,640,436
Changes in foreign translation	(331,799)	1,005,030
Contributions paid to defined benefit plan liabilities	(552,071)	(831,249)
Settlements	(1,237,911)	(1,239,916)
Transfers to discontinued operations	-	(7,097,086)
Other movements	(1,808,360)	-
Present value of defined benefit plan liabilities, closing balance	**22,705,129**	**23,156,148**

Note 26 – Provisions for employee benefits (continued)

(d) Presentation in the statement of financial position

Termination benefits	**12/31/2023 ThCh$**	**12/31/2022 ThCh$**
Termination benefit liabilities, current	3,792,667	4,029,389
Termination benefit liabilities, non-current	18,912,462	19,126,759
Total termination benefit liabilities	**22,705,129**	**23,156,148**

Note 27 – Other non-financial liabilities, current

As of December 31, 2023 and 2022, these are detailed as follows.

	12/31/2023 ThCh$	**12/31/2022 ThCh$**
Dividends payable to Quiñenco shareholders	253,550,255	1,061,140,335
Dividends payable to minority shareholders of subsidiaries	74,367,228	484,778,755
Sales advances and revenue in process	3,843,540	8,441,346
Others	6,536,802	5,150,902
Total	**338,297,825**	**1,559,511,338**

Note 28 – Other non-financial liabilities, non-current

As of December 31, 2023 and 2022, these are detailed as follows.

	12/31/2023 ThCh$	**12/31/2022 ThCh$**
Advance card sales fuel fleet	2,075,266	-
Others	-	56,487
Total	**2,075,266**	**56,487**

Note 29 – Classes of financial assets and liabilities

Financial assets as of December 31, 2023 and 2022, are as follows.

Description of financial asset	Category and value of financial asset	Current		Non-current		Fair value	
		12/31/2023 ThCh$	12/31/2022 ThCh$	12/31/2023 ThCh$	12/31/2022 ThCh$	12/31/2023 ThCh$	12/31/2022 ThCh$
Cash and cash equivalents	**Financial assets at fair value**	**1,659,443,687**	**672,577,057**	**-**	**-**	**1,659,443,687**	**672,577,057**
Equity instruments (investments in shares)	Financial asset at fair value (market value) held for sale	-	-	40,541,703	41,308,522	40,541,703	41,308,522
Financial investments more than 90 days for current assets and more than one year for non-current assets	Financial assets at fair value	175,993,839	52,100,140	1,835,959	1,207,688	177,829,798	53,307,828
Foreign exchange hedges	Fair value hedge instrument	1,314,803	3,183,799	12,971,728	18,563,509	14,286,531	21,747,308
Other current and non-current financial assets		**177,308,642**	**55,283,939**	**55,349,390**	**61,079,719**	**232,658,032**	**116,363,658**
Trade and other receivables	**Financial asset at amortized cost**	**331,455,406**	**295,621,128**	**498,361**	**605,628**	**331,953,767**	**296,226,756**
Related party receivables	**Financial asset at amortized cost**	**60,876,930**	**58,743,586**	**-**	**-**	**60,876,930**	**58,743,586**
Total financial assets		**2,229,084,665**	**1,082,225,710**	**55,847,751**	**61,685,347**	**2,284,932,416**	**1,143,911,057**

Note 29 – Classes of financial assets and liabilities (continued)

Financial liabilities as of December 31, 2023 and 2022, are detailed as follows.

Description of financial liability	Category and value of financial liability	Current		Non-current		Fair value	
		12/31/2023 ThCh$	12/31/2022 ThCh$	12/31/2023 ThCh$	12/31/2022 ThCh$	12/31/2023 ThCh$	12/31/2022 ThCh$
Bank loans, bonds payable and other loans	Financial liabilities	358,514,242	598,582,524	2,089,583,407	2,000,543,959	2,457,684,312	2,566,077,801
Finance lease liabilities	Financial liabilities	450,840	3,693,036	412,246	737,751	863,086	4,430,787
Foreign exchange hedges	Fair value hedge instrument	985,883	373,155	-	1,360,817	985,883	1,733,972
Other current & non-current financial liabilities		**359,950,965**	**602,648,715**	**2,089,995,653**	**2,002,642,527**	**2,459,533,281**	**2,572,242,560**
Trade payables, social security withholdings, taxes and other payables	**Financial liabilities at amortized cost**	**405,057,011**	**394,285,967**	**112,271**	**134,370**	**405,169,282**	**394,420,337**
Lease liabilities	**Financial liabilities at amortized cost**	**33,734,912**	**33,281,609**	**280,626,360**	**256,721,693**	**314,361,272**	**290,003,302**
Related party payables	**Financial liability at amortized cost**	**8,995,225**	**1,279,511**	**3,116,408**	**-**	**12,111,633**	**1,279,511**
Total financial liabilities		**807,738,113**	**1,031,495,802**	**2,373,850,692**	**2,259,498,590**	**3,191,175,468**	**3,257,945,710**

QUIÑENCO

Note 30 – Equity

(a) Capital and number of shares

The capital of the Company as of December 31, 2023, is composed as follows.

Number of shares

Series	Number of shares subscribed	Number of shares Paid-in	Number of shares with voting rights
Single	1,662,759,593	1,662,759,593	1,662,759,593

Issued capital

	Issued capital subscribed ThCh$	Issued capital paid ThCh$
Issued capital	1,223,669,810	1,223,669,810
Share premium	31,538,354	31,538,354
	1,255,208,164	**1,255,208,164**

(b) Controlling shareholders

As of December 31, 2023, 82.9% of the issued and paid-in shares of Quiñenco S.A. are held by the companies Andsberg Inversiones SpA., Ruana Copper A.G. Agencia Chile, Inversiones Consolidadas Ltda., Inversiones Salta SpA, Inversiones Alaska Ltda., Inmobiliaria e Inversiones Río Claro S.A. and Inversiones Río Claro Ltda. The Luksburg Foundation indirectly owns 100% of Andsberg Inversiones SpA., and 100% of Ruana Copper A.G. Agencia Chile.

Andrónico Luksic Craig and family control 100% of the shares of Inversiones Consolidadas Ltda. and Inversiones Alaska Ltda. Andrónico Luksic Craig's family has 100% of the control of Inversiones Salta SpA. Inmobiliaria e Inversiones Río Claro S.A. and Inversiones Río Claro Ltda. are indirectly controlled by the Emian Foundation, in which the heirs of Guillermo Luksic Craig† have interests. There is no shareholder agreement between the controllers of the Company.

(c) Dividend policy

Article 79 of Chile's Corporations Law establishes that, except if unanimously agreed otherwise by shareholders of all issued shares, listed corporations should distribute a cash dividend to its shareholders on a yearly basis, prorated based on their shares or the proportion established in the company's by-laws if there are preferred shares, of at least 30% of net income for each period, except when accumulated losses from prior years must be absorbed.

The following dividends have been distributed between January 1, 2022 and December 31, 2023.

Dividend No.	Dividend	Date agreed	Date paid	Dividend per share Ch$
47	Final	04-29-2022	05-02-2022	170.30525
48	Final	04-29-2022	06-24-2022	298.02756
49	Final	04-28-2023	05-26-2023	637.85320

The Company's dividend policy calculates dividends based on net distributable income, which in turn is based on the total net income attributable to owners of the controller.

Note 30 – Equity (continued)

(d) Other reserves

Other reserves as of December 31, 2023 and 2022 are as follows.

Other Reserves	**12/31/2023 ThCh$**	**12/31/2022 ThCh$**
Revaluation surplus reserves	1,031,342	1,031,342
Translation adjustment reserve (1)	769,724,245	636,774,765
Cash flow hedge reserve	128,133	(11,124,226)
Held for sale reserves	19,923,811	17,579,662
Other miscellaneous reserves	(144,286,499)	(128,421,737)
Total other reserves	**646,521,032**	**515,839,806**

As of December 31, 2023 and 2022, Other miscellaneous reserves are as follows.

	12/31/2023 ThCh$	**12/31/2022 ThCh$**
Effect of sale of LQIF-D shares	131,642,239	131,642,239
Other reserves from the equity of subsidiary LQIF	144,530,715	143,417,916
Effect of changes in interest in Banco de Chile	78,652,952	78,652,952
Capital revaluation reserves and other adjustments (ruling 456)	(73,627,503)	(73,627,503)
Effect of changes in interest in Invexans	52,454,210	52,454,210
Dilution effect of non-concurrence capital increase CCU	40,399,427	40,399,427
Effect of changes in interest in CSAV	6,507,586	6,507,586
Effect of changes in interest in Tech Pack	19,389,665	19,389,665
Other reserves from the equity of subsidiary SM SAAM	(9,128,286)	(12,854,050)
Effect of changes in interest in SM SAAM	9,638,258	11,339,241
Effect of changes in interest in CCU	(36,812,240)	(36,812,240)
Other reserves from the equity of other subsidiaries	(507,339,578)	(488,337,592)
Other effects	(593,944)	(593,588)
Total other miscellaneous reserves	**(144,286,499)**	**(128,421,737)**

(1) The exchange differences in the consolidated statement of comprehensive income relate mainly to translating the US dollar functional currency of the subsidiaries Invexans, Tech Pack, Compañía Sud Americana de Vapores (CSAV) and SM SAAM to Chilean pesos in the consolidated statement of financial position.

Note 31 – Revenue and expenses

(a) Revenue

These are as follows for each year.

	12/31/2023 ThCh$	12/31/2022 ThCh$
Goods sold	4,759,097,870	4,449,146,612
Services provided	499,760,850	441,888,109
Total	**5,258,858,720**	**4,891,034,721**

(b) Administrative expenses

These are as follows for each year.

	12/31/2023 ThCh$	12/31/2022 ThCh$
Employee expenses	(164,256,179)	(162,120,898)
Depreciation and amortization	(71,637,360)	(66,539,749)
Transport / Maintenance	(79,721,902)	(72,475,924)
General services and advice / Insurance	(64,111,972)	(57,081,659)
Fees / Operating services	(57,373,590)	(49,074,006)
Royalties	(6,092,865)	(13,116,120)
IT expenses	(3,432,836)	(2,336,630)
Leases	(5,894,178)	(3,973,049)
Advisory and professional fees	(19,425,902)	(16,376,444)
Directors’ fees and expenses	(7,795,578)	(21,639,925)
Marketing expenses	(10,624,102)	(10,355,843)
Communications and reporting expenses	(819,235)	(908,416)
Permits / Licenses	(10,989,408)	(8,483,487)
Customer logistics services	(4,154,264)	(3,268,978)
Unrecoverable VAT	(97,433)	(46,897)
Other expenses	(19,776,338)	(21,157,982)
Total	**(526,203,142)**	**(508,956,007)**

Note 31 – Revenue and expenses (continued)

c) Other expenses, by function

These are as follows for each year.

	12/31/2023 ThCh$	12/31/2022 ThCh$
Amortization of intangible assets	(400,720)	(400,720)
Tax contingency provision	-	(6,911,652)
Impairment of property, plant and equipment	(2,409,851)	(396,424)
Non-operational fees	(150,993)	(186,861)
Lawsuit expenses Brazil	(196,907)	(269,990)
Unrecoverable VAT and additional taxes	(3,001,743)	(1,108,065)
Provision for prior years' expenses	(499,835)	-
Other operating expenses	(1,123,461)	(1,248,077)
Total	**(7,783,510)**	**(10,521,789)**

(d) Other gains (losses)

These are as follows for each year.

	12/31/2023 ThCh$	12/31/2022 ThCh$
Other gains		
Gain on sale of Nexans shares	119,295,353	-
Madeco Mills liquidation	120,324	-
Indalum liquidation	213,959	-
Dividends received	3,960,585	6,595,102
Fair value investment gain (Enex Paraguay)	5,830,917	-
Consultancy to third-parties	-	805,187
Gain on sale of assets	1,928,337	11,049,719
Total other gains	**131,349,475**	**18,450,008**
Other losses		
Provision for recoverable taxes (dividend credits)	-	(574,600)
Directors' fees, profit sharing and remuneration	(4,585,867)	(26,557,719)
Profit sharing	(1,495,992)	(628,724)
Settlement of municipal taxes arrears	(2,584,249)	(1,065,340)
Third-party consultancy fees	(3,213,104)	(1,117,623)
Donations	(90,302)	(165,559)
Other gains (losses)	1,947,518	(1,213,774)
Total other losses	**(10,021,996)**	**(31,323,339)**
Total other gains (losses), net	**121,327,479**	**(12,873,331)**

Note 31 – Revenue and expenses (continued)

(e) Finance costs

These are as follows for each year.

	12/31/2023 ThCh$	12/31/2022 ThCh$
Interest on bank loans and bonds issued	(112,295,112)	(89,683,393)
Interest paid on lease contracts	(10,800,973)	(8,721,163)
Interest on other financial instruments	(1,339,208)	(4,086,433)
Bank fees, stamp taxes and other finance costs	(4,188,279)	(6,707,296)
Total	**(128,623,572)**	**(109,198,285)**

Note 32 – Employee expenses

These are as follows for each year.

	12/31/2023 ThCh$	12/31/2022 ThCh$
Wages and salaries	(198,793,835)	(165,944,992)
Short-term employee benefits	(25,721,478)	(31,919,691)
Post-employment benefits	(10,947,774)	(11,144,562)
Termination benefits	(2,243,370)	(2,505,051)
Other employee expenses	(18,135,931)	(16,985,511)
Total	(255,842,388)	(228,499,807)

Note 33 – Earnings per share

Basic earnings per share are calculated by dividing the result available to shareholders by the weighted average number of shares in circulation during the period.

The calculation as of December 31 is as follows:

	12/31/2023	12/31/2022
Net income (loss) attributable to owners of the controller ThCh$	841,966,856	3,535,321,747
Basic earnings available to common shareholders ThCh$	841,966,856	3,535,321,747
Basic weighted average number of shares	1,662,759,593	1,662,759,593
Basic earnings (loss) per share ThCh$	**0.506367162**	**2.126177327**

Note 34 – Environment

Quiñenco is an investment company, so is not exposed to environmental risks.

As of December 31, 2023, the subsidiary CSAV has no environmental disbursements.

As of December 31, 2023, the subsidiary Enex disbursed ThCh$1,267,438 (ThCh$1,003,924 as of December 31, 2022) to control atmospheric emissions, change fuel tanks in the service station network, clean soil and groundwater in order to mitigate the risk of harming people and the environment, and waste removal.

Tug boat and air logistics businesses are subject to various environmental laws. Any failure to comply with such laws may result in various sanctions. More stringent environmental laws and regulations could require additional investment to comply with these regulations, which would consequently affect investment plans. The subsidiary SM SAAM and its subsidiaries have civil liability insurance in favor of third parties to mitigate the risk of damage and/or contamination fines associated with its fleet of tug boats.

The Company has no commitments to future disbursements in relation to the environment, however, it is constantly evaluating such projects.

Note 35 – Financial risk management policy

Financial risks

Credit risk

Surplus cash at the corporate level is invested with first-class Chilean and foreign financial entities under limits established for each entity, and which have a credit rating of at least the limits established for each instrument.

The subsidiary Enex controls its customer credit risks using various internal control mechanisms, which act on the exposure of customers, based on their credit capacity and payment behavior.

Enex's financial investments are limited to fixed-income instruments, such as resale agreements and time deposits, with financial entities that are evaluated at least once a year, with exposure limits assigned by entity according to reports and opinions issued by prestigious and experienced credit rating agencies, in line with Enex's current treasury policy.

The subsidiary LQ Inversiones Financieras has no receivables subject to credit risk. Cash surpluses are invested under market conditions in fixed-income instruments, according to the maturities of its financial commitments and operating expenses.

The subsidiary CSAV has no direct customers. The subsidiary CSAV has an investment policy to manage its financial assets, which include time deposits, repurchase agreements and hedge contracts. These assets are held by financial institutions with investment grade credit ratings. It may also contract financial hedges to cover its interest rate and exchange rate risks within its risk control policy. As of December 31, 2023, CSAV has no foreign exchange or interest rate hedge contracts.

Credit granted to customers at the subsidiary SM SAAM is evaluated regularly in order to apply its policies and monitor the status of its receivables.

Cash surpluses at the subsidiary SM SAAM can be invested in high quality fixed income financial instruments with financial institutions that have a good national and international risk rating.

Note 29 on Classes of financial assets and liabilities contains the details of financial assets.

Liquidity risk

Quiñenco finances its corporate activities and investments with dividend and profit distributions from the companies in which it holds an interest and with funds obtained from the sale of assets and by issuing debt or shares.

Quiñenco prefers corporate long-term financing in order to maintain a financial structure in line with the liquidity of its assets whose maturities are compatible with cash flow generation.

The subsidiary Enex regularly updates its short-term cash flow projections based on information received from its commercial areas. Enex has credit lines available with its main banks in order to cover unexpected cash deficits.

The subsidiary LQIF distributes dividends based on available cash flow taking into account the company's actual and forecast costs, including financial obligations. The main source of funds to pay interest and capital on the financial obligations of LQIF are the dividends received from its direct and indirect shareholdings in Banco de Chile. Consequently, its ability to meet the scheduled payments of interest and principal depends entirely on the ability of Banco de Chile to generate positive net income from its operations, and the agreements approved annually at its shareholders' meetings regarding the distribution of dividends.

CSAV is not directly exposed to the container shipping business, but indirectly as one of the main shareholders of Hapag-Lloyd. This limits liquidity risk to the expected flow of dividends or any additional capital required by this joint venture.

Note 35 – Financial risk management policy (continued)

The subsidiary SM SAAM estimates its forecast liquidity needs for each year, covering receipts such as customer receivables and dividends, payments such as commercial and financial liabilities, and available cash balances. SM SAAM ensures that financing has a balanced short and long-term structure, a low risk exposure and that repayments match the company's cash flows.

Note 23 on Other current and non-current financial liabilities contains details and maturities of financial liabilities.

Market risk

Market risk exposure refers to exposure to financial assets and liabilities[3].

Exchange rate risk
As of December 31, 2023, the net corporate exposure to exchange rate risk is an asset equivalent to Ch$43,044 million. The estimated effect on comprehensive income before taxes of a 5% change in the exchange rate of currencies other than the functional currency on this exposure would be Ch$2,152 million.

As of December 31, 2023, the net exposure to exchange rate risk at the subsidiary Enex is a liability equivalent to Ch$360,203 million. The estimated effect on comprehensive income before taxes of a 5% change in the exchange rate of currencies other than the functional currency on this exposure would be Ch$18,010 million.

The subsidiary LQIF has no exposure to exchange rate risk as it has no foreign currency assets or liabilities as of December 31, 2023 and 2022.

The subsidiary CSAV has financial assets and liabilities primarily denominated in its functional currency, the US dollar. However, it also has assets and liabilities in other currencies. The company reduces the risk of exchange-rate fluctuations by regularly converting any balance in local currency that exceeds payment needs in that currency to US dollars. As of December 31, 2023, the net exposure to exchange rate risk at CSAV is an asset equivalent to Ch$7,696 million. The estimated effect on comprehensive income before taxes of a 5% change in the exchange rate of the USD dollar against other currencies would be Ch$385 million.

The major currencies to which the subsidiary SM SAAM is exposed, other than the functional currency (US dollar), are the Chilean peso, Mexican peso, Brazilian real, Canadian dollar and Colombian peso. SM SAAM seeks to balance its net financial positions in its subsidiaries to ease the effects of exchange rate risks. When this balance is not possible, the company evaluates acquiring financial hedges, in order to efficiently manage these risks. As of December 31, 2023, the net exposure to exchange rate risk at SM SAAM is an asset equivalent to Ch$28,800 million. The estimated effect on comprehensive income before taxes of a 5% change in the exchange rate of the USD dollar against other currencies would be Ch$1,440 million.

Exchange rate differences produced by translating to Chilean pesos balances in the functional currencies of consolidated entities or associates whose functional currency is other than the Chilean peso, are recognized as a credit or charge to equity, until they are settled when they are recognized in net income.

Note 37 describes assets and liabilities by currency, including the financial assets and liabilities described here.

[3] This exposure is measured on a consolidated basis, where any balances between subsidiaries have already been eliminated in consolidation. In some cases these individual balances may affect consolidated financial performance with a corresponding equal effect on equity.

Note 35 – Financial risk management policy (continued)

Interest rate risk

As of December 31, 2023, Quiñenco has corporate financial assets at fair value through profit and loss of Ch$372,595 million, which are subject to interest rate risk. A change of 10 basis points in the interest rate would generate an effect on finance income for the year of Ch$44 million.

Quiñenco has all its corporate financial obligations at fixed interest rates, which implies a low exposure to interest-rate risk.

The energy segment has 42.3% of its obligations at fixed rates and 57.7% at variable rates.

LQIF Holding has all its financial obligations at fixed interest rates, which implies a low exposure to interest rate risk.

CSAV has no interest-bearing obligations.

SM SAAM has 74.1% of its obligations at fixed rates, 9.6% at protected rates and 16.3% at variable rates.

The consolidated interest-rate structure is as follows: As can be seen, the consolidated interest-rate risk is low, as 86.4% of debt is structured with fixed or protected interest rates.

Consolidated financial liabilities by interest rate	12/31/2023	12/31/2022
Fixed interest rate	85.0%	78.5%
Protected interest rate	1.4%	3.4%
Variable interest rate	13.6%	18.1%
Total	**100.0%**	**100.0%**

As of December 31, 2023, the consolidated exposure to variable interest rates was a liability of Ch$329,020 million. A 100-basis-point change in the interest rate would generate an effect on finance costs for the year of Ch$3,290 million.

Note 36 – Segment reporting

General information

Quiñenco is structured on the basis of the industrial and financial businesses where its financial resources are invested, and has defined five business segments: Financial, Energy, Transport, Port Services and Others.

The Financial segment includes LQIF and its subsidiaries.
The Energy segment includes Enex and its subsidiaries.
The Transport segment includes CSAV and its subsidiaries.
The Port Services segment includes SM SAAM and subsidiaries.
The "Others" segment includes Quiñenco corporate and others, eliminations, IRSA (CCU's parent company) and Nexans. The last two are recorded using the equity method.

Segments are based on those that exceed 10% of consolidated revenue and the particular features of the holding company's information.

Quiñenco, as an investment company, defines its revenue as sales of goods and services at its subsidiaries and the net revenue of the banking sector (Banco de Chile).

Geographical area

Revenue from external customers by geographical area as of December 31, 2023 and 2022, is as follows.

	Continuing Operations		Discontinued Operations	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	ThCh$	ThCh$	ThCh$	ThCh$
Chile	4,334,325,348	3,989,980,049	55,154,354	92,677,868
South America	236,142,068	195,033,874	51,356,671	80,837,489
Central America	36,848,306	37,716,702	32,411,838	56,629,781
North America	651,542,998	668,304,096	43,877,513	73,466,573
Total revenue from external customers	**5,258,858,720**	**4,891,034,721**	**182,800,376**	**303,611,711**

Non-current assets by geographic area as of December 31, 2023 and 2022, are detailed as follows.

	Continuing Operations		Discontinued Operations	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
	ThCh$	ThCh$	ThCh$	ThCh$
Chile	551,145,549	458,146,446	-	87,514,253
South America	514,888,736	318,534,831	-	93,670,454
Central America	64,738,473	70,483,494	-	59,449,747
North America	626,971,516	534,372,452	-	50,523,128
Total non-current assets (*)	**1,757,744,274**	**1,381,537,223**	**-**	**291,157,582**

(*) Includes balances of property, plant and equipment, investment properties and intangible assets other than goodwill.

Note 36 – Segment reporting (continued)

Net income attributable to owners of the controller for each segment consists of the final contribution of each segment, and the companies they include, to Quiñenco's net income.

As of December 31, 2023, the results by segment are as follows.			Segments December 2023			
Income Statement	**Financial**	**Energy**	**Transport**	**Port Services**	**Other**	**Total**
Non-banking sector	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**
Revenue	-	4,803,813,483	-	454,541,269	503,968	5,258,858,720
Cost of sales	-	(4,341,575,960)	-	(321,467,004)	(320,428)	(4,663,363,392)
Gross margin	-	462,237,523	-	133,074,265	183,540	595,495,328
Other revenue by function	-	-	-	5,137,595	-	5,137,595
Administrative expenses	(5,689,660)	(395,877,711)	(12,972,621)	(80,550,724)	(31,112,426)	(526,203,142)
Other expenses by function	(400,720)	(839,268)	-	(6,347,751)	(195,771)	(7,783,510)
Other gains (losses)	-	6,041,506	47,499	4,170,521	111,067,953	121,327,479
Operating income	(6,090,380)	71,562,050	(12,925,122)	55,483,906	79,943,296	187,973,750
Finance income	2,425,972	3,602,818	14,574,913	19,759,806	70,260,086	110,623,595
Finance costs	(10,171,791)	(37,752,731)	(12,024,051)	(25,236,330)	(43,438,669)	(128,623,572)
Share of income of associates and joint ventures accounted for using the equity method	-	1,116,607	762,104,704	2,506,076	69,147,222	834,874,609
Exchange differences	-	3,290,531	2,052,235	(235,464)	(348,988)	4,758,314
Gain (loss) on indexed assets and liabilities	(10,750,590)	-	-	267,319	(57,571,250)	(68,054,521)
Profit (loss) before taxes	(24,586,789)	41,819,275	753,782,679	52,545,313	117,991,697	941,552,175
Income tax (expense) income	970,201	(7,425,782)	(547,184,535)	(32,055,067)	16,328,798	(569,366,385)
Net income (loss) from continuing operations	(23,616,588)	34,393,493	206,598,144	20,490,246	134,320,495	372,185,790
Net income (loss) from discontinued operations	-	-	-	359,327,383	-	359,327,383
Net income (loss) from non-banking sector	**(23,616,588)**	**34,393,493**	**206,598,144**	**379,817,629**	**134,320,495**	**731,513,173**
Banking sector						
Revenue	2,997,278,158	-	-	-	477,804	2,997,755,962
Operating expenses	(1,118,503,916)	-	-	-	-	(1,118,503,916)
Operating income before credit loss expense	1,878,774,242	-	-	-	477,804	1,879,252,046
Credit loss expense	(361,252,097)	-	-	-	-	(361,252,097)
Net income before taxes	1,517,522,145	-	-	-	477,804	1,517,999,949
Income tax expense	(273,887,366)	-	-	-	-	(273,887,366)
Net income from continuing operations	1,243,634,779	-	-	-	477,804	1,244,112,583
Net income from banking sector	1,243,634,779	-	-	-	477,804	1,244,112,583
Consolidated net income (loss)	**1,220,018,191**	**34,393,493**	**206,598,144**	**379,817,629**	**134,798,299**	**1,975,625,756**
Net income attributable to owners of the controller	**306,322,169**	**34,393,493**	**137,293,773**	**228,434,254**	135,523,167	**841,966,856**
Net income attributable to non-controlling interests	913,696,022	-	69,304,371	151,383,375	(724,868)	1,133,658,900
Consolidated net income (loss)	**1,220,018,191**	**34,393,493**	**206,598,144**	**379,817,629**	**134,798,299**	**1,975,625,756**

The "Other" segment includes Quiñenco and its intermediate companies including Invexans and Tech Pack, and the eliminations for intra-group transactions in the banking and non-banking sectors.

QUIÑENCO

Note 36 – Segment reporting (continued)

Depreciation, amortization and cash flows by segment for the year ended December 31, 2023, are as follows.

	Financial ThCh$	Energy ThCh$	Transport ThCh$	Port Services ThCh$	Other ThCh$	Total ThCh$
Depreciation and amortization	(444,381)	(62,885,717)	(432,341)	(82,371,680)	(454,889)	(146,589,008)
Cash flows from non-banking sector						
Operating cash flows	(6,616,561)	95,761,945	(577,319,952)	103,938,697	(56,656,866)	(440,892,737)
Investing cash flows	30,608	(153,015,489)	2,625,535,155	707,522,025	234,963,902	3,415,036,201
Financing cash flows	(439,644,465)	24,295,683	(1,891,203,755)	(193,704,503)	233,382,911	(2,266,874,129)
Cash flows from banking sector						
Operating cash flows	1,382,853,703	-	-	-	(221,230,740)	1,161,622,963
Investing cash flows	(416,017,164)	-	-	-	-	(416,017,164)
Financing cash flows	(1,097,486,717)	-	-	-	951,213	(1,096,535,504)

Assets and liabilities by segment as of December 31, 2023, are as follows.

	Financial ThCh$	Energy ThCh$	Transport ThCh$	Port Services ThCh$	Other ThCh$	Total ThCh$
Current assets	494,649	618,250,312	1,522,220,708	923,574,907	832,488,465	3,897,029,041
Non-current assets	844,780,179	1,386,203,080	5,669,541,371	999,421,449	765,956,340	9,665,902,419
Banking assets	55,792,551,544	-	-	-	(6,971,970)	55,785,579,574
Total assets	**56,637,826,372**	**2,004,453,392**	**7,191,762,079**	**1,922,996,356**	**1,591,472,835**	**69,348,511,034**
Current liabilities	18,360,935	579,726,325	92,817,646	445,352,419	205,322,984	1,341,580,309
Non-current liabilities	269,004,538	561,370,834	4,120,151	444,005,707	1,424,616,830	2,703,118,060
Banking liabilities	50,239,400,129	-	-	-	(119,285,106)	50,120,115,023
Total liabilities	**50,526,765,602**	**1,141,097,159**	**96,937,797**	**889,358,126**	**1,510,654,708**	**54,164,813,392**

The "Other" segment includes Quiñenco and its intermediate companies including Invexans and Tech Pack, and the eliminations for intra-group transactions in the banking and non-banking sectors.

Note 36 – Segment reporting (continued)

Net income attributable to owners of the controller for each segment consists of the final contribution from each segment and the companies they comprise, to Quiñenco's net income.

As of December 31, 2022, the results by segment are as follows.

	Segments December 2022					
Income Statement	**Financial**	**Energy**	**Transport**	**Port Services**	**Other**	**Total**
Non-banking sector	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**
Revenue	-	4,486,363,275	-	404,206,916	464,530	4,891,034,721
Cost of sales	-	(3,991,762,516)	-	(283,090,918)	(239,855)	(4,275,093,289)
Gross margin	-	494,600,759	-	121,115,998	224,675	615,941,432
Other revenue by function	-	-	-	4,706,038	-	4,706,038
Administrative expenses	(3,086,576)	(362,165,206)	(35,108,832)	(66,999,647)	(41,595,746)	(508,956,007)
Other expenses by function	(400,720)	(7,799,757)	-	(2,051,322)	(269,990)	(10,521,789)
Other gains (losses)	-	3,555,995	128,325	6,679,217	(23,236,868)	(12,873,331)
Net operating income	(3,487,296)	128,191,791	(34,980,507)	63,450,284	(64,877,929)	88,296,343
Finance income	1,201,204	3,860,833	1,680,345	2,170,764	25,014,515	33,927,661
Finance costs	(10,079,277)	(24,843,404)	(19,045,834)	(17,250,885)	(37,978,885)	(109,198,285)
Share of income of associates and joint ventures accounted for using the equity method	-	(3,115,745)	4,685,655,044	1,438,729	91,390,932	4,775,368,960
Exchange differences	-	(3,224,347)	(4,764,810)	(176,604)	(74,323)	(8,240,084)
Gain (loss) from indexation adjustments	(27,449,211)	-	-	523,674	(133,801,642)	(160,727,179)
Profit (loss) before taxes	(39,814,580)	100,869,128	4,628,544,238	50,155,962	(120,327,332)	4,619,427,416
Income tax (expense) income	(1,180,127)	(20,749,074)	217,603,707	(23,050,703)	(8,514,965)	164,108,838
Net income (loss) from continuing operations	(40,994,707)	80,120,054	4,846,147,945	27,105,259	(128,842,297)	4,783,536,254
Net income (loss) from discontinued operations	-	-	(65,506)	18,160,575	1,565,680	19,660,749
Net income (loss) from non-banking sector	**(40,994,707)**	**80,120,054**	**4,846,082,439**	**45,265,834**	**(127,276,617)**	**4,803,197,003**
Banking sector						
Revenue	3,115,792,328	-	-	-	1,639,696	3,117,432,024
Operating expenses	(995,483,413)	-	-	-	-	(995,483,413)
Operating income before credit loss expense	2,120,308,915	-	-	-	1,639,696	2,121,948,611
Credit loss expense	(435,117,020)	-	-	-	-	(435,117,020)
Net income before taxes	1,685,191,895	-	-	-	1,639,696	1,686,831,591
Income tax expense	(275,756,597)	-	-	-	-	(275,756,597)
Net income from continuing operations	1,409,435,298	-	-	-	1,639,696	1,411,074,994
Net income from banking sector	1,409,435,298	-	-	-	1,639,696	1,411,074,994
Consolidated net income (loss)	**1,368,440,591**	**80,120,054**	**4,846,082,439**	**45,265,834**	**(125,636,921)**	**6,214,271,997**
Net income attributable to owners of the controller	**340,036,335**	**80,120,054**	**3,220,440,080**	**20,994,364**	**(126,269,086)**	**3,535,321,747**
Net income attributable to non-controlling interests	1,028,404,256	-	1,625,642,359	24,271,470	632,165	2,678,950,250
Consolidated net income (loss)	**1,368,440,591**	**80,120,054**	**4,846,082,439**	**45,265,834**	**(125,636,921)**	**6,214,271,997**

The "Other" segment includes Quiñenco and its intermediate companies including Invexans and Tech Pack, and the eliminations for intra-group transactions in the banking and non-banking sectors.

Note 36 – Segment reporting (continued)

Depreciation, amortization and cash flows by segment for the year ended December 31, 2022, are as follows.

	Financial	Energy	Transport	Port Services	Other	Total
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Depreciation and amortization	(440,938)	(58,102,803)	(360,103)	(74,316,282)	(1,459,229)	(134,679,355)
Cash flows from non-banking sector						
Operating cash flows	(755,928)	58,537,453	(25,708,523)	91,208,384	(62,102,477)	61,178,909
Investing cash flows	(297,451)	(139,396,577)	1,247,315,190	(152,415,972)	86,443,348	1,041,648,538
Financing cash flows	(273,302,687)	70,089,785	(1,135,920,389)	(142,530,384)	123,133,200	(1,358,530,475)
Cash flows from banking sector						
Operating cash flows	486,113,174	-	-	-	44,074,677	530,187,851
Investing cash flows	(894,094,762)	-	-	-	92,923	(894,001,839)
Financing cash flows	(539,107,700)	-	-	-	591,985	(538,515,715)

Assets and liabilities by segment as of December 31, 2022, are as follows.

	Financial	Energy	Transport	Port Services	Port Services	Other	Total
				Continuing Operations	Discontinued Operations		
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Current assets	525,677	640,365,578	523,247,308	276,342,644	197,085,728	853,993,310	2,491,560,245
Non-current assets	845,220,199	1,138,657,541	8,289,467,915	795,021,192	349,180,611	568,681,618	11,986,229,076
Banking assets	55,255,361,893	-	-	-	-	(150,099,314)	55,105,262,579
Total assets	**56,101,107,769**	**1,779,023,119**	**8,812,715,223**	**1,071,363,836**	**546,266,339**	**1,272,575,614**	**69,583,051,900**
Current liabilities	20,990,337	546,369,042	1,944,514,761	298,280,314	76,174,107	66,599,995	2,952,928,556
Non-current liabilities	270,480,494	477,877,990	94,305,722	387,451,625	157,532,160	1,120,509,122	2,508,157,113
Banking liabilities	50,126,301,313	-	-	-	-	(5,749,101)	50,120,552,212
Total liabilities	**50,417,772,144**	**1,024,247,032**	**2,038,820,483**	**685,731,939**	**233,706,267**	**1,181,360,016**	**55,581,637,881**

The "Other" segment includes Quiñenco and its intermediate companies including Invexans and Tech Pack, and the eliminations for intra-group transactions in the banking and non-banking sectors.

Note 37 – Effect of changes in foreign exchange rates

(a) Non-banking sector assets by local and foreign currency as of December 31, 2023, are detailed as follows.

Assets **Non-banking sector** **Current assets**	**US dollars** **ThCh$**	**Chilean Pesos** **ThCh$**	**Unidad de Fomento** **ThCh$**	**Euros** **ThCh$**	**Brazilian reals** **ThCh$**	**Colombian Pesos** **ThCh$**	**Other currencies** **ThCh$**	**Total** **ThCh$**
Cash and cash equivalents	1,181,192,474	430,483,655	-	11,064,143	1,246,388	-	35,457,027	1,659,443,687
Other financial assets, current	103,749,699	69,747,179	3,811,764	-	-	-	-	177,308,642
Other non-financial assets, current	13,996,089	41,754,730	-	-	2,708,547	971,849	1,256,912	60,688,127
Trade and other receivables, current	52,593,844	233,831,838	5,400	-	14,956,650	7,166,070	22,901,604	331,455,406
Related party receivables, current	7,161,684	53,715,246	-	-	-	-	-	60,876,930
Inventory, current	34,000,679	181,862,061	-	-	-	-	9,105,383	224,968,123
Current tax assets	284,554,781	22,873,657	-	1,058,648,756	-	-	5,760,924	1,371,838,118
Total current assets other than assets or disposal groups classified as held for sale or as held for distribution to owners	**1,677,249,250**	**1,034,268,366**	**3,817,164**	**1,069,712,899**	**18,911,585**	**8,137,919**	**74,481,850**	**3,886,579,033**
Non-current assets or disposal groups held for sale	10,450,008	-	-	-	-	-	-	10,450,008
Total current assets other than assets or disposal groups classified as held for sale or held for distribution to owners	**10,450,008**	**-**	**-**	**-**	**-**	**-**	**-**	**10,450,008**
Total current assets	**1,687,699,258**	**1,034,268,366**	**3,817,164**	**1,069,712,899**	**18,911,585**	**8,137,919**	**74,481,850**	**3,897,029,041**
Non-current assets								
Other financial assets. non-current	13,962,873	40,490,100	-	-	896,417	-	-	55,349,390
Other non-financial assets, non-current	403,476	1,218,773	-	14,911	13,179,081	243,839	1,345,502	16,405,582
Receivables, non-current	-	475,399	22,962	-	-	-	-	498,361
Related party receivables, non-current	-	-	-	-	-	-	-	-
Inventory, non-current	2,760,297	-	-	-	-	-	142,970	2,903,267
Equity method investments	5,657,537,149	362,569,074	-	325,070,062	-	-	-	6,345,176,285
Intangible assets other than goodwill	50,195,823	192,654,730	-	-	-	93,852	30,960,582	273,904,987
Goodwill	147,844,716	849,546,777	-	-	-	-	77,183,052	1,074,574,545
Property, plant and equipment	943,581,714	340,596,163	-	-	-	9,425,532	165,207,307	1,458,810,716
Right-of-use assets	77,088,256	65,850	218,866,877	-	-	-	23,529,621	319,550,604
Investment properties	19,252,046	5,776,525	-	-	-	-	-	25,028,571
Tax assets, non-current	-	-	-	-	-	-	-	-
Deferred tax assets	31,283,921	60,495,297	-	-	-	235,945	1,684,948	93,700,111
Total non-current assets	**6,943,910,271**	**1,853,888,688**	**218,889,839**	**325,084,973**	**14,075,498**	**9,999,168**	**300,053,982**	**9,665,902,419**
Total non-banking assets	**8,631,609,529**	**2,888,157,054**	**222,707,003**	**1,394,797,872**	**32,987,083**	**18,137,087**	**374,535,832**	**13,562,931,460**

Note 37 – Effect of changes in foreign exchange rates (continued)

(b) Non-banking sector liabilities by domestic and foreign currency as of December 31, 2023, are detailed as follows:

Liabilities **Non-banking sector** **Current liabilities**	**US dollars** **ThCh$**	**Chilean Pesos** **ThCh$**	**Unidad de Fomento** **ThCh$**	**Euros** **ThCh$**	**Brazilian reals** **ThCh$**	**Colombian Pesos** **ThCh$**	**Other currencies** **ThCh$**	**Total** **ThCh$**
Other financial liabilities, current	219,463,351	66,175,196	67,400,713	-	409,615	-	6,502,090	359,950,965
Lease liabilities, current	12,516,502	-	21,106,138	-	-	-	112,272	33,734,912
Trade and other payables, non-current	71,701,948	300,452,611	44,660	83,326	4,462,787	4,287,363	24,024,316	405,057,011
Related party payables, current	742,452	480,884	-	-	77,792	-	7,694,097	8,995,225
Other short-term provisions	9,235,880	15,498,159	86,407	61,113	-	-	-	24,881,559
Current tax liabilities	115,932,406	5,162,537	-	7,427,452	1,349,011	1,186,743	1,014,828	132,072,977
Provisions for employee benefits, current	1,388,481	21,961,394	-	-	4,492,609	1,646,354	9,100,997	38,589,835
Other non-financial liabilities, current	158,692,602	178,507,944	-	-	-	418,386	678,893	338,297,825
Total current liabilities other than liabilities included in asset disposal groups classified as held for sale	**589,673,622**	**588,238,725**	**88,637,918**	**7,571,891**	**10,791,814**	**7,538,846**	**49,127,493**	**1,341,580,309**
Liabilities included in disposal groups classified as held for sale	-	-	-	-	-	-	-	-
Total current liabilities	**589,673,622**	**588,238,725**	**88,637,918**	**7,571,891**	**10,791,814**	**7,538,846**	**49,127,493**	**1,341,580,309**
Non-current liabilities								
Other financial liabilities, non-current	358,919,698	54,499,851	1,665,548,952	-	847,298	-	10,179,854	2,089,995,653
Lease liabilities, non-current	77,035,406	-	201,379,735	-	-	-	2,211,219	280,626,360
Trade and other payables, non-current	112,271	-	-	-	-	-	-	112,271
Related party payables, non-current	-	-	-	-	-	-	3,116,408	3,116,408
Other long-term provisions	10,836,818	19,391,898	-	-	16,356,887	-	16,665	46,602,268
Deferred tax liabilities	146,499,214	96,386,740	-	-	-	-	18,791,418	261,677,372
Provisions for employee benefits, non-current	2,055,969	15,998,669	-	-	-	-	857,824	18,912,462
Other non-financial liabilities, non-current	-	-	-	-	-	-	2,075,266	2,075,266
Total non-current liabilities	**595,459,376**	**186,277,158**	**1,866,928,687**	**-**	**17,204,185**	**-**	**37,248,654**	**2,703,118,060**
Total non-banking liabilities	**1,185,132,998**	**774,515,883**	**1,955,566,605**	**7,571,891**	**27,995,999**	**7,538,846**	**86,376,147**	**4,044,698,369**

Note 37 – Effect of changes in foreign exchange rates (continued)

(c) Non-banking sector assets by local and foreign currency as of December 31, 2022, are detailed as follows.

Assets **Non-banking sector** **Current assets**	**US dollars** **ThCh$**	**Chilean Pesos** **ThCh$**	**Unidad de Fomento** **ThCh$**	**Euros** **ThCh$**	**Brazilian reals** **ThCh$**	**Colombian Pesos** **ThCh$**	**Other currencies** **ThCh$**	**Total** **ThCh$**
Cash and cash equivalents	383,312,794	249,268,217	-	15,271,737	1,193,069	-	23,531,240	672,577,057
Other financial assets, current	2,748,167	52,068,517	812	-	-	-	466,443	55,283,939
Other non-financial assets, current	9,237,159	64,782,437	-	-	2,367,309	-	6,322,238	82,709,143
Trade and other receivables, current	45,357,674	222,918,252	5,153	458	8,060,489	-	19,279,102	295,621,128
Related party receivables, current	7,228,070	51,515,516	-	-	-	-	-	58,743,586
Inventory, current	26,762,743	199,048,216	-	-	-	-	1,452,394	227,263,353
Current tax assets	21,934,892	11,428,796	-	438,829,994	-	-	3,507,318	475,701,000
Total current assets other than assets or disposal groups classified as held for sale or as held for distribution to owners	**496,581,499**	**851,029,951**	**5,965**	**454,102,189**	**11,620,867**	**-**	**54,558,735**	**1,867,899,206**
Non-current assets or disposal groups held for sale	558,665,318	23,887,053	-	-	-	-	41,108,668	623,661,039
Total current assets other than assets or disposal groups classified as held for sale or held for distribution to owners	**558,665,318**	**23,887,053**	**-**	**-**	**-**	**-**	**41,108,668**	**623,661,039**
Total current assets	**1,055,246,817**	**874,917,004**	**5,965**	**454,102,189**	**11,620,867**	**-**	**95,667,403**	**2,491,560,245**
Non-current assets								
Other financial assets. non-current	19,934,621	40,418,473	-	-	726,625	-	-	61,079,719
Other non-financial assets, non-current	2,118,352	662,625	-	13,694	11,615,034	-	190,001	14,599,706
Receivables, non-current	135,226	443,335	27,067	-	-	-	-	605,628
Related party receivables, non-current	-	-	-	-	-	-	-	-
Inventory, non-current	3,327,583	-	-	-	-	-	125,812	3,453,395
Equity method investments	7,848,032,334	390,295,327	-	444,048,319	-	-	23,459,978	8,705,835,958
Intangible assets other than goodwill	47,706,662	193,198,735	-	-	-	-	9,169,685	250,075,082
Goodwill	152,851,460	849,546,737	-	-	-	-	-	1,002,398,197
Property, plant and equipment	708,236,636	307,756,439	-	-	-	-	99,824,942	1,115,818,017
Right-of-use assets	84,867,078	-	204,601,888	-	-	-	-	289,468,966
Investment properties	9,979,546	5,664,578	-	-	-	-	-	15,644,124
Tax assets, non-current	-	-	-	-	-	-	-	-
Deferred tax assets	471,916,874	53,749,214	-	-	-	-	1,584,196	527,250,284
Total non-current assets	**9,338,604,114**	**1,841,735,463**	**204,628,955**	**444,062,013**	**12,341,659**	**-**	**134,354,614**	**11,986,229,076**
Total non-banking assets	**10,393,850,931**	**2,716,652,467**	**204,634,920**	**898,164,202**	**23,962,526**	**-**	**230,022,017**	**14,477,789,321**

Note 37 – Effect of changes in foreign exchange rates (continued)

(b) Non-banking liabilities by domestic and foreign currency as of December 31, 2022, are detailed as follows:

Liabilities Non-banking sector Current liabilities	US dollars ThCh$	Chilean Pesos ThCh$	Unidad de Fomento ThCh$	Euros ThCh$	Brazilian reals ThCh$	Colombian Pesos ThCh$	Other currencies ThCh$	Total ThCh$
Other financial liabilities, current	462,968,059	55,778,964	62,094,380	-	-	-	21,807,312	602,648,715
Lease liabilities, current	14,215,834	-	19,065,775	-	-	-	-	33,281,609
Trade and other payables, non-current	54,923,178	329,755,910	47,779	181,442	2,695,959	-	6,681,699	394,285,967
Related party payables, current	837,887	441,624	-	-	-	-	-	1,279,511
Other short-term provisions	13,999,752	34,069,099	93,579	57,705	-	-	-	48,220,135
Current tax liabilities	824,193	32,641,428	-	8,398,537	784,824	-	2,720,779	45,369,761
Provisions for employee benefits, current	1,273,520	22,318,842	-	-	3,204,340	-	7,828,551	34,625,253
Other non-financial liabilities, current	36,979,979	1,518,853,307	-	-	-	2,134	3,675,918	1,559,511,338
Total current liabilities other than liabilities included in asset disposal groups classified as held for sale	**586,022,402**	**1,993,859,174**	**81,301,513**	**8,637,684**	**6,685,123**	**2,134**	**42,714,259**	**2,719,222,289**
Liabilities included in disposal groups classified as held for sale	182,577,191	15,372,101	-	-	-	-	35,756,975	233,706,267
Total current liabilities	**768,599,593**	**2,009,231,275**	**81,301,513**	**8,637,684**	**6,685,123**	**2,134**	**78,471,234**	**2,952,928,556**
Non-current liabilities								
Other financial liabilities, non-current	451,181,532	77,216,545	1,459,087,169	-	-	-	15,157,281	2,002,642,527
Lease liabilities, non-current	69,628,544	-	187,093,149	-	-	-	-	256,721,693
Trade and other payables, non-current	134,370	-	-	-	-	-	-	134,370
Related party payables, non-current	-	-	-	-	-	-	-	-
Other long-term provisions	10,221,985	14,812,413	-	-	14,293,876	-	-	39,328,274
Deferred tax liabilities	68,392,221	107,630,524	-	-	-	-	14,124,258	190,147,003
Provisions for employee benefits, non-current	944,014	17,881,482	-	-	-	-	301,263	19,126,759
Other non-financial liabilities, non-current	4,279	52,208	-	-	-	-	-	56,487
Total non-current liabilities	**600,506,945**	**217,593,172**	**1,646,180,318**	**-**	**14,293,876**	**-**	**29,582,802**	**2,508,157,113**
Total non-banking liabilities	**1,369,106,538**	**2,226,824,447**	**1,727,481,831**	**8,637,684**	**20,978,999**	**2,134**	**108,054,036**	**5,461,085,669**

Note 38 – Contingencies

(a) Lawsuits

(a.1) The merger agreement between CSAV and HLAG leaves HLAG legally and financially liable for all legal contingencies related to the operations of the container shipping business, including legal expenses and potential disbursements, even when CSAV is a party to the claim.

In relation to the investigations into antitrust violations by the discontinued car carrier business, the following transpired between December 31, 2021 and December 31, 2023:

(i) On April 17, 2019, the South African Fair Competition Commission filed an injunction against CSAV for alleged anti-competitive behavior when negotiating a contract to transport vehicles from South Africa to Europe in 2011. The injunction is currently before the South African Competition Tribunal. Therefore, an estimate of any potential financial impact on CSAV cannot be made at this time.

(ii) During the second half of 2020, CSAV was notified of a class action suit brought against it and the shipping lines MOL, WWL/Eukor, K-Line and NYK, before the United Kingdom Competition Appeal Tribunal. As previously reported, CSAV and the class plaintiff reached an agreement in principle. This agreement was finally approved by the Court in December 2023. This lawsuit was filed after the judgment handed down by the European Commission in February 2018. Given the time elapsed since the ruling, the case is no longer included in this Note.

(iii) In addition, CSAV is party to proceedings in Chile's Free Competition Defense Court (TDLC in Spanish) brought by the Regional Senior Consumer Association of the Bío Bío Region. Notice was served of this lawsuit on April 14, 2022, and the case is currently in the evidentiary stage. Therefore, the financial outcome of this case for CSAV cannot be estimated. These proceedings were predated by rulings from the TDLC and the Chilean Supreme Court in the case filed at the request of the National Economic Prosecutor's Office in January 2015. Given the time elapsed since the rulings, the case is no longer included in this Note.

(a.2) The subsidiary Enex has civil lawsuits for several cases mainly related to breach of contract, for breach of commercial conditions and other breaches. These lawsuits are in the stages of discussion, evidence, awaiting judgment or with pending appeals. These contingencies generate a potential liability of ThUS$471 and ThUS$5,290 as of December 31, 2023 and 2022, respectively.

It also has cases for labor lawsuits related to unjustified dismissals claimed by former employees or distributors or contractors, as well as collection of severance payments. These cases total approximately ThUS$7,506 and ThUS$7,990 as of December 31, 2023 and 2022, respectively.

(a.3) The tax contingencies from the sale of the cable unit to Nexans are in Note 38 c.1.

Note 38 – Contingencies (continued)

(a) Lawsuits (continued)

(a.4) FNE consultation on applying anti-trust regulations to Copec, Esmax and Enex.

The National Economic Prosecutor's Office suggested various measures, including structural measures, or that the jointly managed plants be managed by a third party who is independent of these companies, or that they be divested. This case is NC 517-2022 at the Antitrust Tribunal.

On November 29, 2022, the Antitrust Tribunal declared the consultation inadmissible, as the purpose of the request by the National Economic Prosecutor's Office is not to prevent that a certain situation may prevent, restrict or hinder free competition or produce such effects, but rather that it implies an accusation that could merit a sanction for anticompetitive behavior. Therefore, this Tribunal is not the way to analyze them. They must be judged by exercising jurisdictional function in a contentious proceeding.

The National Economic Prosecutor's Office filed a complaint before the Supreme Court against the ruling issued by the Antitrust Tribunal. Supreme Court Case: 171797-2022. On July 21, 2023, the Supreme Court revoked the ruling of the Antitrust Tribunal and ordered the proceeding to continue.

On August 7, 2023, the Antitrust Tribunal ordered the initiation of the process and requested the interested parties to provide information within 20 business days from the publication date of an extract of the ruling in the Official Gazette.

On November 7, 2023, the Antitrust Court summoned a reconciliation hearing. The parties are currently negotiating a potential settlement. The reconciliation hearing was set for March 18, 2024.

Note 38 – Contingencies (continued)

(b) Financial contingencies

(b.1) As of December 31, 2023, Quiñenco and its group companies comply with the financial covenants related to bond issues. Quiñenco's principal financial covenants are as follows.

- To maintain unencumbered assets over unsecured debt at book value of at least 1.3 times. As of December 31, 2023, the ratio of unencumbered assets to unsecured debt at book value is 5.7 times, as follows:

Quiñenco individual	**ThCh$**
Total assets	9,772,432,397
Encumbered assets	-
Unencumbered assets	**9,772,432,397**
Total current liabilities	332,513,204
Other short-term provisions	(5,297,852)
Provisions for employee benefits, current	(1,095,434)
Total non-current liabilities	1,392,358,806
Other long-term provisions	(5,925,601)
Unencumbered liabilities	**1,712,553,123**

- To maintain an individual financial debt ratio over total capitalization of no more than 0.52. As of December 31, 2023 the financial debt over total capitalization at book value is 0.15, as follows.

Financial debt	**ThCh$**
Other financial liabilities, current	49,206,076
Related party payables, current	1,702
Other financial liabilities, non-current	1,299,758,199
Related party payables, non-current	86,675,006
Financial debt	**1,435,640,983**
Capitalization	
Equity attributable to owners of the controller	8,047,560,387
Financial debt	1,435,640,983
Capitalization	**9,483,201,370**

- To maintain a consolidated financial debt ratio over total capitalization of no more than 0.66. As of December 31, 2023, consolidated financial debt over total capitalization at book value is 0.16, as follows.

Financial debt	**ThCh$**
Other financial liabilities, current	359,950,965
Related party payables, current	8,995,225
Other financial liabilities, non-current	2,089,995,653
Related party payables, non-current	3,116,408
Financial debt	**2,462,058,251**
Capitalization	
Equity attributable to owners of the controller	8,047,560,387
Financial debt	2,462,058,251
Non-controlling interests (i)	4,509,998,695
Capitalization	**15,019,617,333**

(i) This is: Non-controlling interests in Quiñenco of ThCh$7,136,137,255 less non-controlling interests in LQIF of ThCh$2,626,138,560.

- Minimum equity of Ch$1,016,518 million. As of December 31, 2023, the equity attributable to owners of the controller is Ch$8,047,560 million.
- The Luksic Group must maintain control of Quiñenco.

Note 38 – Contingencies (continued)

(b) Financial contingencies (continued)

(**b.2**) The subsidiary LQIF is subject to certain financial covenants contained in the bond-issuance indenture and other loan agreements. The principal restrictions as of December 31, 2023, are as follows.

- LQIF should maintain a leverage ratio in its quarterly financial statements of no more than 0.40, measured as the ratio of total adjusted liabilities over total adjusted assets, equivalent to the balances of non-banking service accounts plus the investment in companies (equity value), and restoring balances eliminated in the consolidation. The leverage ratio as of December 31, 2023, was 0.073.

- LQIF should maintain at least 60% of the total adjusted assets in the quarterly financial statements in shares or rights in financial or related companies, such as insurance, pension funds, banking or financial services throughout the contract term. As of December 31, 2023, the investments in the financial area reached 70.6%.

- During three months prior to payment of coupons on these issues, it can pay or lend to related parties provided it keeps an easily-liquidated reserve throughout this period equivalent to at least the payment to bond-holders as of that date.

- LQIF should retain its control of Banco de Chile, and the present controller of the company should remain as such.

During the years ended December 31, 2023 and 2022, LQIF has fully complied with its financial covenants.

(**b.3**) Invexans S.A.

Invexans signed loan agreements with Banco Scotiabank in November 2020 and HSBC in September 2022, both for US$10 million. As of December 31, 2023, only the loan with HSBC remains outstanding.

In addition to the usual obligations for such loans, it must maintain total leverage of no more than one, and minimum equity of US$250 million in the annual consolidated financial statements. Quiñenco S.A. should also maintain control.

Invexans is complying with all the restrictions stated in the above agreement, which include the following ratios:

Financial ratios	**12/31/2023**	**12/31/2022**
Net financial debt / equity (<1.00)	0.23	0.60
Minimum equity of ThUS$250,000.	ThUS$1,609,821	ThUS$1,413,851

Note 38 – Contingencies (continued)

(b) Financial contingencies (continued)

(b.4) Enex PLC.

As of December 31, 2023, in accordance with the financial covenants required by the financial institutions associated with the bank loans received by the subsidiaries of Enex PLC:

Enex Corp. Ltd. shall maintain the following financial indicators during the term of Enex Corp. Ltd., Enex S.A. and Road Ranger LLC, Inc., which will be measured using its Consolidated Financial Statements:

- Maintain Net Financial Debt to Equity ratio less than or equal to 0.75. For these purposes, Net Financial Debt is defined as the sum of "Other Current Financial Liabilities" and "Other Non-Current Financial Liabilities," net of "Cash and Cash Equivalents".

Financial ratios	**12/31/2023**	**12/31/2022**
Net financial debt / equity (<=0.75)	0.47	0.38

- Financial expense coverage ratio greater than or equal to 2.5. For these purposes, the Financial Expense Coverage ratio is defined as EBITDA divided by "Finance Costs," both measured over the past 12 months.

Financial ratios	**12/31/2023**	**12/31/2022**
Financial expense coverage (>= 2.5)	3.44	8.94

(b.5) CSAV

The subsidiary CSAV's financial obligations place restrictions on management and the fulfillment of the financial indicators (covenants) described in the following table:

Indicators	**12/31/2023**	**12/31/2022**
Total liabilities / Total equity < 1.30	**-**	**0.30**
Total liabilities [ThUS$]	-	2,382,078
Total equity [ThUS$]	-	7,914,497
Unencumbered assets / Financial debt not secured by issuer >= 1.30	**-**	**15.55**
Total assets [ThUS$]	-	10,296,575
Unencumbered assets [ThUS$]	**-**	**10,296,575**
Other current financial liabilities [ThUS$]	-	560,879
Other non-current financial liabilities [ThUS$]	-	99,586
/a/ Other current and non-current financial liabilities net of IFRS 16 [ThUS$]	-	660,465
Current and non-current trade and other payables [ThUS$]	-	17,667
Non-interest-bearing trade and other payables [ThUS$]	-	(17,667)
Financial debt (/a/+/b/+/c/) [ThUS$]	-	660,465
Issuer-secured financial debt [ThUS$]	-	-
Financial debt not secured by issuer [ThUS$]	**-**	**660,465**
Total Assets >= US$ 1,614 million	**-**	**10,296,575**
Total assets [ThUS$]	-	10,296,575

On December 26, 2023, CSAV fully prepaid the Series C Bond. Therefore, as of December 31, 2023 there were no longer any management restrictions or requirements to comply with financial indicators. As of December 31, 2022, CSAV has amply complied with the restrictions imposed by its financial obligations.

Note 38 – Contingencies (continued)

(b) Financial contingencies (continued)

(b.6) SM SAAM

The subsidiary SM SAAM and its subsidiaries have the following contractual provisions governing its management and financial indicators.

Continuing operations

Company	Financial Entity	Name	Condition	12-31-2023	12-31-2022
Sociedad Matriz SAAM S.A.	Public bonds	- Net financial debt / equity	Each quarter it must be less than or equal to 1.2	-0.32	0.43
		- Net financial expense coverage ratio	Each quarter it must be greater than 2.75	24.7	12.37
		- Guarantees / total assets	Cannot exceed 5%	0%	0%
Sociedad Matriz SAAM S.A.	Santander	- Net financial debt / equity	Each quarter it must be less than or equal to 1.2	-0.32	0.43
		- Net financial expense coverage ratio	Each quarter it must be greater than 2.75	24.7	12.37
		- Guarantees / total assets	Cannot exceed 5%	0%	0%
SAAM S.A.	Scotiabank	- Net financial debt / equity	Each quarter it must be less than or equal to 1.2	0.22	0.41
		- Net financial debt / EBITDA	Each quarter it must be less than or equal to 4.5	0.93	1.59
SAAM Towage Mexico S.A.de C.V (formerly SAAM Remolques S.A. de C.V)	Banco Corpbanca NY	- Net financial debt / EBITDA	Each quarter it must be less than or equal to 3	0.03	0.47
		- Interest coverage ratio (EBITDA / financial expense)	Each quarter it must be greater than 3	65.13	48.11
		Minimum equity of MXN 600,000 (US$30,173)	Each quarter it must greater than or equal to MXN 600,000	MX$ 248,577,478	MX$ 239,999,207
SAAM Towage Canada Inc	Banco Scotiabank Canada	- Debt / net tangible assets	Each quarter it must be less than 4	N/A	1.46
		- Consolidated EBITDA / financial expenses and debt repayments	Each quarter it must not be less than 1.1	N/A	4.08
SAAM Towage Brasil	BNDES	- Total liabilities / Total assets	Cannot exceed 80%	67.20%	37.51%
SAAM Towage Brasil	Caterpillar	- Total liabilities / Total assets	Cannot exceed 80%	67.20%	37.51%
SAAM Towage, Colombia S.A.	Itaú NY	- Financial debt / EBITDA	Must be less than or equal to 3.5	1.00	1.54
Ecuaestibas	BCI	Minimum equity	Minimum equity at SAAM S.A. of US$ 285,000,000	US$ 595,578,606	US$ 442,176,143
SAAM Aéreo	Banco de Chile	Net Financial Debt / EBITDA	Must be less than or equal to 3	0.96	N/A
Intertug Mexico	Mexico API	Minimum equity	Minimum of MX$ 30 million (US$ 1,773,416 as of December 31, 2023)	US$ 6,752,479	US$ 4,175,857

N/A Not applicable, the loan was repaid.

Note 38 – Contingencies (continued)

(c) Taxation contingencies

(c.1) Lawsuits following the acquisition of Ficap S.A.

Sale of the Cable Unit to Nexans

On September 30, 2008, the subsidiary Invexans S.A. materialized the sale of the company's cable unit to Nexans. This cable unit had operations in Chile, Peru, Brazil, Argentina and Colombia. In addition to the usual reps and warranties , the following covenants and restrictions were agreed: i) to maintain assets of not less than US$250 million during the term of the declarations and assurances, and indemnities derived therefrom; and, ii) to grant Nexans the same collateral that it may grant to its creditors in the future.

Nexans is entitled to be indemnified for the taxes in Brazil accrued until the date of sale, with Invexans liable for 90% and the remaining 10% to be covered by Nexans, limited to: i) US$2.8 million for lawsuits at the time of sale; and, ii) US$24 million for subsequent lawsuits. Invexans' general liability is limited to US$147 million.

The Company has to respond to the following process in Brazil regarding tax payments arising prior to September 30, 2008.

On July 19, 2006, Ficap S.A., a former Invexans cables subsidiary and now Nexans Brasil S.A. ("Nexans Brasil – formerly Ficap"), received an assessment from the Brazilian Federal Tax Authority for the tax years 2001 to 2005, which rejected the amortization of the goodwill that arose when it was acquired by Madeco. This assessment was paid by Invexans at the end of 2014 under a tax amnesty program in Brazil.

In applying the same criteria for taxable years 2006 and following, Nexans Brasil -ex Ficap made court deposits in order to avoid paying interest and fines on the additional income tax that it would have had to pay if the law were to be interpreted as indicated by the tax authorities in that assessment.

Simultaneously, Nexans Brasil - ex Ficap initiated a legal action in order to obtain a judgment recognizing its right to amortize the goodwill.

In accordance with the agreement with Nexans, Invexans retains the right to receive those deposits if they are returned by the courts. Likewise, Invexans has control over these cases.

The amount claimed by the Brazilian tax authorities for the tax years 2006 and following is largely guaranteed by those deposits.

(c.2) Tech Pack

On May 31, 2016, the subsidiary Tech Pack S.A. completed the share sale agreement signed on April 18, 2016, where Tech Pack S.A. sold to Amcor all its shares in Alusa S.A. and Inversiones Alusa S.A. Tech Pack S.A. agreed to keep the tax liabilities and rights that it owned in these companies up to the sale date, under the terms and conditions in the contract, which was until the statute of limitations in Chile and Argentina had expired where Alusa S.A. operated its business.

During 2023 and 2022, no expenses have been incurred in connection with legal advice related to this transaction.

Note 38 – Contingencies (continued)

(c) Taxation contingencies (continued)

(c.3) Hidrosur S.A.

On November 15, 2010, Hidrosur S.A. sold its shares in Inversiones Río Bravo S.A., to the related company Inversiones Ranquil S.A.

This sale generated a tax loss, which was fully recognized by the SII.

However, the SII issued a Resolution reporting that the tax regime applicable to that loss was inappropriate, as this was a transaction subject to the corporate income tax regime and not to the general regime, as selling shares was not a regular transaction for Hidrosur S.A.

Hidrosur S.A. filed a tax claim before the Tax Courts of the Metropolitan Region and subsequent administrative proceedings, requesting that the SII Resolution be entirely annulled.

During the judicial process that contested the Resolution, a first instance judgment was issued rejecting the claim, which was appealed. The Court of Appeals upheld the appeal, accepted the claim and annulled the Resolution. The sentence was executed.

Recently, Hidrosur received a favorable ruling in another tax lawsuit, which annulled a settlement that taxed the gain on a sale of shares in 2015 with corporate income tax and rejected the tax loss carry forward, as it came from an transaction affected by the aforementioned tax regime. The SII did not appeal the ruling, which became final.

This ruling will affect lawsuits regarding subsequent tax years, which are currently pending. However, the outcome of these lawsuits would have no impact on the financial statements.

Note 39 – Guarantees

The Company has not received any guarantees from third parties during 2023.

Note 40 – Sanctions

Neither the Company nor its directors or managers received any sanctions from the CMF or any other regulatory authority during 2023.

Note 41 – Subsequent events

On January 4, 2024, Quiñenco S.A. reported the following material event:

> "In accordance with Articles 9 and 10, second paragraph, of Securities Market Law 18,045, and the instructions given by the Financial Market Commission in its General Regulation 30, and being duly empowered to do so by the Board of Directors, I hereby report the following material event with respect to Quiñenco S.A. (hereinafter "Quiñenco" or the "Company").
>
> At an Ordinary Board Meeting held on the same date, Ms. Carolina Garcia de la Huerta Aguirre resigned from her position as Director and member of the Directors' Committee.
>
> The Board received the resignation of Ms. Garcia de la Huerta and thanked her for her contribution in these positions since 2020.
>
> The Board then agreed to appoint Mr. Juan Carlos Jobet Eluchans as replacement director, who was subsequently informed. He was grateful for this appointment and accepted the position.
>
> Finally, it is reported that the Board must be completely renewed at the next Annual General Shareholders' Meeting, in accordance with Article 32 of Law 18,046 on Corporations."

There were no other events of a financial or other nature between December 31, 2023, and the date of issuance of these consolidated financial statements that could significantly affect their interpretation.

Note 42 – **Additional Notes**

In accordance with the regulations issued by the Financial Market Commission, the Notes to the consolidated financial statements of Banco de Chile and subsidiaries are disclosed as follows.

Note 42.1 – Corporate information

Banco de Chile has been authorized to operate as a commercial bank since September 17, 1996. In accordance with Article 25 of Law 19,396, it is the legal successor to Banco de Chile resulting from the merger of Banco Nacional de Chile, Banco Agrícola and Banco de Valparaíso, which was constituted by public deed dated October 28, 1893, granted before the Notary Public of Santiago, Mr. Eduardo Reyes Lavalle, authorized by Supreme Decree dated November 28, 1893.

The Bank is incorporated under the laws of the Republic of Chile and regulated by the Financial Market Commission (CMF). Since 2001, it has been regulated by the United States Securities and Exchange Commission (hereinafter the "SEC") because it is listed on the New York Stock Exchange (hereinafter the "NYSE") through an American Depositary Receipt (hereinafter "ADR") program.

Banco de Chile offers a wide range of banking services to its customers, who range from individuals to large corporations. Banco de Chile also provides international banking and treasury services and services provided by subsidiaries, which include securities brokerage, mutual and investment fund management, insurance brokerage and financial advisory services.

Note 42.2 – Accounting changes

During the year ended December 31, 2023, no material or significant accounting changes have occurred that affect the presentation of these consolidated financial statements.

Note 42.3 – Material events for the banking subsidiaries

(a) On January 26, 2023, the Board of Directors of Banco de Chile agreed to call an Annual General Shareholders' Meeting for March 23, 2023, in order to propose the following distribution of earnings for the year ended December 31, 2022, and other matters:

   i. Deduct and retain from net distributable income for the year an indexation adjustment on the issued capital and reserves for the change in the Consumer Price Index between November 2021 and November 2022, amounting to Ch$542,504,045,836, which will be added to retained earnings for previous years.

   ii. Distribute the remaining net distributable income as a dividend of Ch$8.58200773490 per share payable for each of the Bank’s 101,017,081,114 shares.

   Consequently, the proposed dividend will be 61.5% of net income for the year ended December 31, 2022.

Note 42 – Additional notes (continued)

Note 42.3 – Material events for the banking subsidiaries (continued)

(b) On March 3, 2023, Banco de Chile reported a material event that Mr. Alfredo Ergas Segal ceased to hold his position as a Director of the Bank, due to a supervening cause of ineligibility, due to circumstances beyond Mr. Ergas' control, which were described in numeral 5 of paragraph 3 of Article 50 bis of Law 18,046 on Corporations. A company in which Mr. Ergas is a Director was included as one of the Bank's main clients, as reported at the Board meeting on December 22, 2022, within the usual regular updates.

These circumstances and the communication to the Superintendency of Pensions by Mr. Ergas regarding this matter were reported by the Bank to the Financial Market Commission on December 30, 2022.

Resolution E-250 dated March 3, 2023 issued by the Superintendency of Pensions established Mr. Ergas' ineligibility , due to the supervening cause mentioned above.

Therefore, the Independent Alternate Director, Mr. Paul Fürst Gwinner, was appointed as Independent Director to replace Mr. Ergas, in accordance with the Bank's Bylaws.

(c) On March 23, 2023 Banco de Chile reported that at the Annual General Shareholders' Meeting held on the same date, the Board was completely renewed, since the statutory period of three years had expired and the Board had ceased to function.

At this meeting, shareholders voted on the people nominated and the following were appointed as Bank Directors for a period of three years:

Directors:	Raúl Anaya Elizalde
	Hernán Büchi Buc
	Andrés Ergas Heymann
	Jaime Estévez Valencia (Independent)
	Julio Santiago Figueroa
	Pablo Granifo Lavín
	Ana Holuigue Barros (Independent)
	Andrónico Luksic Craig
	Jean Paul Luksic Fontbona
	Sinéad O'Connor
	Francisco Pérez Mackenna
First Alternate Director:	Paul Fürst Gwinner (Independent)
Second Alternate Director:	Sandra Marta Guazzotti

The Ordinary Board Meeting BCH 2,986 on the same date agreed the following appointments:

Chairman:	Pablo Granifo Lavín
Vice Chairman:	Andrónico Luksic Craig
Vice Chairman:	Julio Santiago Figueroa

Note 42 – Additional notes (continued)

Note 42.3 – Material events for the banking subsidiaries (continued)

(d) During 2023 Banco de Chile reported as a material event placing in the local market the following senior, dematerialized and bearer bonds issued by Banco de Chile and registered in the Securities Registry of the Financial Market Commission:

Date	Securities Registration Number	Series	Amount	Currency	Maturity	Average Rate
January 6, 2023	11/2022	GI	4,000,000	UF	09-01-2035	2.61%
March 16, 2023	14/2016	DG	9,750,000,000	Ch$	05-01-2027	6.55%
March 23, 2023	14/2016	DG	11,250,000,000	Ch$	05-01-2027	6.55%
April 11, 2023	11/2022	GG	650,000	UF	05-01-2035	2.50%
April 28, 2023	11/2015	CG	500,000	UF	08-01-2032	2.65%
May 18, 2023	11/2022	GB	460,000	UF	09-01-2034	2.78%
June 2, 2023	11/2015	CH	300,000	UF	12-01-2032	2.96%
June 6, 2023	11/2022	GB	215,000	UF	09-01-2034	2.78%
June 8, 2023	11/2015	BU	290,000	UF	08-01-2029	3.39%
June 9, 2023	11/2015	BU	510,000	UF	08-01-2029	3.39%
June 9, 2023	11/2015	CE	740,000	UF	12-01-2031	2.94%
June 12, 2023	11/2022	FW	4,000,000	UF	05-01-2033	2.89%
June 15, 2023	11/2015	BU	650,000	UF	08-01-2029	3.26%
June 16, 2023	11/2022	GB	200,000	UF	09-01-2034	2.78%
August 1, 2023	11/2015	CI	155,000	UF	02-01-2033	3.04%
August 18, 2023	11/2015	CI	515,000	UF	02-01-2033	3.35%
August 24, 2023	11/2015	CH	250,000	UF	12-01-2032	3.34%
August 25, 2023	9/2015	BO	630,000	UF	02-01-2028	3.61%
August 29, 2023	9/2015	BO	1,370,000	UF	02-01-2028	3.61%
August 29, 2023	11/2015	CE	260,000	UF	12-01-2031	3.27%
November 3, 2023	11/2022	FB	210,000	UF	04-01-2029	4.16%
November 7, 2023	11/2022	FB	440,000	UF	04-01-2029	4.16%
November 8, 2023	11/2022	EY	900,000	UF	04-01-2028	4.26%
November 9, 2023	11/2022	FB	100,000	UF	04-01-2029	4.16%
November 14, 2023	11/2015	CI	680,000	UF	02-01-2033	3.90%
November 14, 2023	11/2015	CH	200,000	UF	12-01-2032	3.90%
November 15, 2023	11/2022	FB	660,000	UF	04-01-2029	4.16%
November 22, 2023	11/2015	CE	100,000	UF	12-01-2031	3.64%
November 23, 2023	11/2015	CE	300,000	UF	12-01-2031	3.60%
December 1, 2023	11/2022	GH	4,000,000	UF	06-01-2035	3.67%
December 5, 2023	11/2015	CH	400,000	UF	12-01-2032	3.55%
December 18, 2023	11/2015	CG	250,000	UF	08-01-2032	3.31%
December 20, 2023	11/2015	CH	250,000	UF	12-01-2032	3.21%

(e) During 2023 Banco de Chile reported as a material event the following placements in the foreign market issued under its Medium Term Notes Program ("MTN"):

Date	Amount	Currency	Maturity	Average Rate
June 1, 2023	700,000,000	MXN	06-03-2027	TIIE (28 days) + 0.85%
June 8, 2023	6,300,000,000	JPY	06-16-2025	0.75%

Note 42 – Additional notes (continued)

Note 42.3 – Material events for the banking subsidiaries (continued)

(f) On July 24, 2023, the subsidiary Banchile Administradora General de Fondos S.A. reported that a Board meeting on the same date accepted the resignation from the position of Director of Mr. Andrés Lagos Vicuña. Accordingly, the Board appointed Ms. Catherine Tornel León as Director of Banchile Administradora General de Fondos S.A.

(g) On August 29, 2023, it was reported that Banco de Chile and Citigroup Inc. have agreed to extend the term of their Cooperation Agreement, Global Connectivity Agreement and Amended and Restated Trademark License Agreement, the first two were signed on October 22, 2015 and the latter on November 29, 2019.

Therefore, these contracts were extended from January 1, 2024 to January 1, 2026, and the parties may agree before August 31, 2025, on a two-year extension with effect from January 1, 2026. In the absence of such an agreement, the contracts will be extended only once for one year from January 1, 2026 until January 1, 2027. The same renewal procedure may be used in the future as many times as agreed by the parties.

Together with the above and on the same date, Banco de Chile and Citigroup Inc. signed amendments to the Global Connectivity Agreement, the Amended and Restated Trademark License Agreement, and the Amended and Restated Master Service Agreement, that the duration of the latter will be the same as the Cooperation Agreement referred to in the previous paragraph.

On August 24, 2023, a Board Meeting approved the extensions, amendments and signatures on these Agreements, under the terms in Articles 146 onwards of Corporate Law.

(h) On September 28, 2023, the Bank reported that at Ordinary Board meeting 2,997, Mr. Andrónico Luksic Craig resigned as Director and Vice Chairman of Banco de Chile, effective as of December 29, 2023. The Board accepted Mr. Luksic's resignation effective as of the aforementioned date and expressed its appreciation for his contribution for more than 20 years on the Board, contributing to the development of the Bank.

The alternate directors, Mr. Paul Fürst Gwinner and Ms. Sandra Marta Guazzotti, stated at the same Board meeting their intention to continue as alternate directors. Consequently, the Board will appoint a replacement director, in accordance with Article 8 of the Company's bylaws.

Therefore, the Board appointed Mr. Patricio Jottar Nasrallah as a Director at the same meeting to replace Mr. Andrónico Luksic Craig effective from December 29, 2023 and until the next Annual General Shareholders' Meeting, which will approve any definitive appointments.

The Board also appointed Mr. Francisco Pérez Mackenna as Vice Chairman of the Board at the same meeting, effective from December 29, 2023.

Note 42 – Additional notes (continued)

Note 42.3 – Material events for the banking subsidiaries (continued)

(i) On October 6, 2023, the subsidiary Banchile Administradora General de Fondos S.A. reported that on the same date, Ms. Catherine Tornel León resigned from her position as Director of Banchile Administradora General de Fondos S.A.

(j) On October 23, 2023, at an Ordinary Board Meeting of the subsidiary Banchile Administradora General de Fondos S.A. Held on the same date, the Board appointed as a Director Mr. Francisco Javier Brancoli Bravo.

(k) On December 22, 2023, the subsidiary Banchile Corredores de Bolsa S.A. reported the resignation of Mr. Jorge Carrasco de Groote as Director of Banchile Corredores de Bolsa S.A. and appointed Mr. Juan Bissone as a Director of Banchile Corredores de Bolsa S.A.

Note 42.4 - Segment reporting

For management purposes, the Bank is organized into four segments, based on its products and services and its target customers, which are defined as follows:

Retail: This segment focuses on individuals and small and medium-sized businesses (SMEs) with annual sales up to UF 70,000, where the products are focused primarily on consumer loans, commercial loans, current accounts, credit cards, credit lines and mortgage loans

Wholesale: This segment focuses on corporate clients and large companies, whose annual revenue exceeds UF 70,000, where the products focus primarily on commercial loans, current accounts and cash-management services, debt instruments, foreign trade, derivative contracts and leases.

Treasury: This segment includes revenue associated with managing the Bank's investment portfolio and its finance and exchange operations.

Transactions with customers carried out by the Treasury are shown in the respective segments detailed above. These products are generally highly transaction-focused and include foreign exchange transactions, derivative contracts and financial instruments.

Subsidiaries: This segment includes companies and corporations controlled by the Bank, where results are obtained individually by the company, but their management is related to the previously mentioned segments. The companies that comprise this segment are:

Entity

- Banchile Administradora General de Fondos S.A.
- Banchile Asesoría Financiera S.A.
- Banchile Corredores de Seguros Ltda.
- Banchile Corredores de Bolsa S.A.
- Socofin S.A.

Note 42 – Additional notes (continued)

Note 42.4 – Segment reporting (continued)

The financial information used to measure the performance of the Bank's business segments is not comparable with similar information from other financial companies because it is based on internal reporting policies. The accounting policies described in the summary of accounting principles are applied to all business segments. The Bank obtains most of its revenue from interest, indexation adjustments, fees, financial transactions and foreign exchange transactions, less provisions for loan losses and operational expenses. Management is mainly based on these concepts in its evaluation of segment performance and decision-making regarding goals and the allocation of resources to each unit. Although the segment results are reconciled with those of the Bank as a whole, this is not necessarily the case at the level of various items, since management is measured and controlled on an individual basis and not on a consolidated basis, by applying the following criteria:

- The net interest margin of loans and deposits is measured by aggregating the net financial margins of each of the Bank's individual loan and deposit transactions. The volume of each transaction and its contribution margin are used for this purpose, which is the difference between the customer's effective rate and the internal transfer price established according to the term and currency of each transaction. Net margin includes interest income and adjustments from accounting hedges.

- Provisions for loan losses are calculated by customer and counterparty, based on the characteristics of each transaction. Additional provisions have been allocated to business segments based on the credit risk-weighted assets held by each segment.

- Capital and its financial impacts on income have been assigned to each segment in accordance with their risk-weighted assets.

- Operating expenses are shown at each of the Bank's functional areas. Expenses are allocated from functional areas to business segments using various allocation criteria to the corresponding expenditure headings.

Taxes are managed on a corporate basis and are not allocated to business segments.

There were no transactions with a customer or counterparty that exceeded 10% of the Bank's total revenue for the years ended December 31, 2023 and 2022.

Note 42 – Additional notes (continued)

Note 42.4 – Segment reporting (continued)

The following table shows the results for 2023 and 2022 by each segment:

	Retail		Wholesale		Treasury		Subsidiaries		Subtotal	
	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$
Net interest and indexation income	1,412,391,489	1,446,658,317	780,957,568	863,104,715	(292,470,745)	(60,757,961)	(10,684,254)	(11,953,667)	1,890,194,058	2,237,051,404
Net fee income	326,857,250	301,586,761	80,055,875	73,259,410	(2,235,203)	(2,280,260)	173,226,982	174,246,293	577,904,904	546,812,204
Financial margin with market	384,478	391,811	21,842,272	24,489,925	285,330,398	137,164,415	40,558,204	38,272,474	348,115,352	200,318,625
Foreign currency hedges, exchange differences and indexation	10,386,582	7,854,829	33,059,503	32,898,729	51,185,229	35,785,199	25,963,152	26,661,402	120,594,466	103,200,159
Other income	56,599,018	22,505,455	25,994,612	11,815,788	—	—	3,399,851	3,530,358	85,993,481	37,851,601
Income from investments in other companies	9,625,005	9,471,386	3,365,723	3,179,586	341,707	278,940	1,099,706	649,996	14,432,141	13,579,908
Total revenue	1,816,243,822	1,788,468,559	945,275,553	1,008,748,153	42,151,386	110,190,333	233,563,641	231,406,856	3,037,234,402	3,138,813,901
Expenses for employee benefit obligations	(375,654,635)	(339,850,146)	(115,730,931)	(102,393,775)	(2,558,261)	(2,644,388)	(88,760,958)	(83,356,500)	(582,704,785)	(528,244,809)
Administrative expenses	(330,287,428)	(272,747,644)	(76,103,522)	(66,547,287)	(1,904,198)	(1,771,177)	(39,037,102)	(34,473,830)	(447,332,250)	(375,539,938)
Depreciation and amortization	(76,899,976)	(69,099,219)	(8,476,084)	(8,540,196)	(308,559)	(424,469)	(6,623,622)	(6,141,368)	(92,308,241)	(84,205,252)
Impairment of non-financial assets	(1,772,323)	(9,064)	(5,177)	(122,484)	—	—	15,852	54,425	(1,761,648)	(77,123)
Other operating expenses	(23,879,868)	(17,095,421)	(8,389,895)	(10,201,701)	(3,004)	(1)	(1,602,665)	(1,501,045)	(33,875,432)	(28,798,168)
Total operating expenses	(808,494,230)	(698,801,494)	(208,705,609)	(187,805,443)	(4,774,022)	(4,840,035)	(136,008,495)	(125,418,318)	(1,157,982,356)	(1,016,865,290)
Loan loss expenses (*)	(373,448,827)	(323,363,219)	9,443,102	(103,745,234)	2,753,628	(8,008,567)	—	—	(361,252,097)	(435,117,020)
Net income before taxes	634,300,765	766,303,846	746,013,046	717,197,476	40,130,992	97,341,731	97,555,146	105,988,538	1,517,999,949	1,686,831,591
Income tax expense										
Net income after taxes										

(*) As of December 31, 2022, the Retail and Wholesale segments include additional provisions based on their risk-weighted assets of ThCh$ 81,498,95
respectively.

The following table shows the total assets and liabilities as of December 31, 2023 and 2022, for each segment.

	Retail		Wholesale		Treasury		Subsidiaries		Subtotal		
	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	T
Assets	22,920,253,081	21,676,596,342	13,226,319,118	13,576,674,593	18,215,123,486	18,587,455,348	986,696,719	925,063,596	55,348,392,404	54,765,789,879	(17
Current and deferred taxes											
Total assets											
Liabilities	18,650,881,083	17,586,678,219	10,357,678,863	10,151,503,233	21,005,581,093	22,167,729,996	777,170,239	727,529,490	50,791,311,278	50,633,440,938	(67
Current and deferred taxes											
Total liabilities											

Note 42 – Additional notes (continued)

Note 42.5 – Cash and cash equivalents

The following table details cash and cash equivalents:

	2023 ThCh$	2022 ThCh$
Cash and due from banks:		
Cash	929,034,323	947,669,481
Deposits in the Chilean Central Bank (*)	590,425,797	384,229,874
Deposits in foreign central banks	—	—
Deposits in local banks	17,052,229	116,541,185
Deposits in foreign banks	928,135,331	1,316,443,361
Subtotal – cash and deposits in banks	2,464,647,680	2,764,883,901
Transactions in the course of settlement net (**)	58,634,616	90,403,974
Other cash equivalents (***)	3,020,864,507	3,250,102,191
Total cash and cash equivalents	5,544,146,803	6,105,390,066

The details of transactions in the course of collection or payment net are as follows.

	2023 ThCh$	2022 ThCh$
Assets		
Notes payable to other banks (exchange)	84,634,633	94,674,536
Funds transfers receivable	330,870,811	677,521,428
Subtotal – assets	415,505,444	772,195,964
Liabilities		
Funds transfers payable	(356,870,828)	(681,791,990)
Subtotal – liabilities	(356,870,828)	(681,791,990)
Total transactions in the course of settlement, net	58,634,616	90,403,974

(*) The deposits with the Chilean Central Bank reflect average monthly cash reserve requirements.

(**) Only transactions in the course of collection or payment that will normally increase or decrease deposits in the Chilean Central Bank or foreign banks within 12 or 24 hours.

(***) Financial instruments that meet the criteria for being considered “cash equivalents” as defined in IAS 7, which indicates that in order to be classified as “cash equivalents” investments in debt instruments must be short term with an original maturity of 90 days or less from the date of acquisition, highly liquid, readily convertible to known amounts of cash starting on the date of initial investment, which are subject to an insignificant risk of changes in value.

Note 42 – Additional notes (continued)

Note 42.6 - Financial assets for trading at fair value through profit and loss

These are as follows:

	2023 ThCh$	2022 ThCh$
Financial derivative contracts	2,035,376,400	2,960,029,464
Debt financial instruments	3,363,623,504	3,433,744,799
Other financial instruments	409,328,195	257,324,696
Total	5,808,328,099	6,651,098,959

a) As of December 31, 2023 and 2022, the Bank has the following portfolio of derivative instruments.

	Notional contract value by final maturity																Asset fair value	
	On demand		Under 1 month		1 to 3 months		Over 3 to 12 months		Over 1 to 3 years		Over 3 to 5 years		Over 5 years		Total			
	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$
Currency forwards	—	—	3,659,459,388	3,709,915,401	2,410,522,400	2,877,266,035	2,517,954,251	3,331,246,659	355,773,650	523,023,774	13,535,987	45,610,193	—	—	8,957,245,676	10,487,062,062	212,475,182	565,372,750
Interest rate swaps	—	—	847,400,832	1,469,420,844	1,859,663,830	1,372,813,402	6,593,100,489	5,305,881,670	7,157,776,985	5,531,197,141	3,743,282,433	3,897,824,107	4,709,682,281	4,824,660,409	24,910,906,850	22,401,797,573	883,689,351	1,324,540,970
Currency and rate swaps	—	—	167,666,601	400,358,201	305,180,715	443,952,370	987,930,715	1,245,808,882	2,724,923,670	2,695,877,695	1,112,311,390	1,154,754,351	2,410,153,393	2,331,640,076	7,708,166,484	8,272,391,575	934,465,330	1,065,036,075
Currency call options	—	—	7,018,529	15,503,987	26,242,537	44,966,159	87,429,402	32,089,787	7,325,304	—	—	—	—	—	128,015,772	92,559,933	3,435,322	2,321,327
Currency put options	—	—	3,012,452	8,805,839	24,464,144	16,597,561	51,132,028	22,448,689	6,557,625	—	—	—	—	—	85,166,249	47,852,089	1,311,215	2,758,342
Total	—	—	4,684,557,802	5,604,004,272	4,626,073,626	4,755,595,527	10,237,546,885	9,937,475,687	10,252,357,234	8,750,098,610	4,869,129,810	5,098,188,651	7,119,835,674	7,156,300,485	41,789,501,031	41,301,663,232	2,035,376,400	2,960,029,464

Note 42 – Additional notes (continued)

Note 42.6 - Financial assets for trading at fair value through profit and loss (continued)

(b) Debt financial instruments are as follows.

	2023 ThCh$	2022 ThCh$
Instruments issued by the State and the Chilean Central Bank		
Debt financial instruments issued by the Chilean Central Bank	2,799,442,444	3,014,767,139
Treasury bonds and notes	227,870,396	44,524,347
Other debt State financial instruments	—	—
Debt financial instruments issued locally		
Debt financial instruments issued by local banks	336,310,385	374,453,034
Local bonds and corporate commercial papers	279	279
Other debt financial instruments issued in Chile	—	—
Debt financial instruments issued abroad		
Debt financial instruments issued by foreign central banks	—	—
Debt financial instruments issued by foreign states	—	—
Debt financial instruments issued by foreign banks	—	—
Foreign bonds and corporate commercial papers	—	—
Total	3,363,623,504	3,433,744,799

Instruments of the State and the Chilean Central Bank include instruments sold under repurchase agreements to customers and financial institutions. There were none as of December 31, 2023 and 2022. Instruments provided as collateral for the FCIC program total approximately ThCh$ 245,620,500 as of December 31, 2023.

Debt financial instruments issued in Chile include instruments sold under repurchase agreements to customers and financial institutions amounting to ThCh$ 121,586,372 as of December 31, 2023 (ThCh$ 208,239,941 as of December 31, 2022). Repurchase agreements have an average maturity of 4 days as of December 31, 2023 (7 days as of December 31, 2022).

The Bank also has investments in its own mortgage-funding notes amounting to ThCh$ 1,732,921 as of December 31, 2023 (ThCh$ 2,790,102 as of December 31, 2022), which are shown deducted from Debt instruments issued.

Note 42 – Additional notes (continued)

Note 42.6 - Financial assets for trading at fair value through profit and loss (continued)

(c) Other financial instruments are detailed as follows:

	2023 ThCh$	2022 ThCh$
Investments in mutual funds		
Mutual funds managed by related parties	405,752,038	250,337,213
Mutual funds managed by third parties	—	—
Equity instruments		
Local equity instruments	2,058,155	2,356,579
Foreign equity instruments	484,631	3,260,954
Loans originated and acquired by the entity		
Loans and advances to banks	—	—
Commercial loans	—	—
Mortgage loans	—	—
Consumer loans	—	—
Others	1,033,371	1,369,950
Total	409,328,195	257,324,696

Note 42.7 - Non-trading financial assets obligatorily valued at fair value through profit or loss

The Bank did not have any non-trading financial assets obligatorily valued at fair value through profit or loss as of December 31, 2023 and 2022.

Note 42.8 - Financial assets and liabilities designated at fair value through profit and loss

The Bank did not have any financial assets and liabilities designated at fair value through profit and loss as of December 31, 2023 and 2022.

Note 42 – Additional notes (continued)

Note 42.9 - Financial assets at fair value through other comprehensive income

These are as follows:

	2023 ThCh$	2022 ThCh$
Debt financial instruments	3,786,525,412	3,967,391,895
Other financial instruments	—	—
Total	3,786,525,412	3,967,391,895

(a) Debt financial instruments as of December 31, 2023 and 2022, are as follows:

	2023 ThCh$	2022 ThCh$
Instruments issued by the State and the Chilean Central Bank		
Debt financial instruments issued by the Chilean Central Bank	473,641,820	—
Treasury bonds and notes	1,362,509,604	2,254,578,266
Other debt State financial instruments	1,500,476	4,278,154
Debt financial instruments issued locally		
Debt financial instruments issued by local banks	1,681,744,469	1,494,913,902
Local bonds and corporate commercial papers	59,921,206	45,994,460
Other debt financial instruments issued in Chile	—	—
Debt financial instruments issued abroad		
Debt financial instruments issued by foreign central banks	—	—
Debt financial instruments issued by foreign states	43,293,598	42,017,415
Debt financial instruments issued by foreign banks	163,914,239	125,609,698
Foreign bonds and corporate commercial papers	—	—
Other debt financial instruments issued abroad	—	—
Total	3,786,525,412	3,967,391,895

Instruments issued by the State and the Chilean Central Bank include instruments sold under repurchase agreements to customers and financial institutions of ThCh$ 10,488,449 as of December 31, 2023 (ThCh$ 7,368,945 as of December 31, 2022). Repurchase agreements had an average maturity of 3 days in December 2023 (4 days in December 2022). Instruments provided as collateral for the FCIC program total approximately ThCh$ 1,094,076,000 as of December 31, 2023 (ThCh$ 693,206,000 as of December 31, 2022).

The same item includes instruments that guarantee margins for offset hedging transactions through Comder Contraparte Central S.A. of ThCh$ 43,862,574 as of December 31, 2023 (ThCh$ 39,507,792 as of December 31, 2022).

Note 42 – Additional notes (continued)

Note 42.9 - Financial assets at fair value through other comprehensive income (continued)

Debt financial instruments issued in Chile include instruments pledged as collateral within the FCIC program that total approximately ThCh$ 850,506,000 as of December 31, 2023 (ThCh$ 219,425,000 as of December 31, 2022).

As of December 31, 2023, the accumulated impairment of debt instruments at fair value through other comprehensive income is ThCh$ 5,499,969 (ThCh$ 9,496,034 as of December 31, 2022).

(b) The analysis of changes in fair value and the credit risk provision for debt instruments valued at fair value is as follows:

	Phase 1: Individual		Phase 2: Individual		Phase 3: Individual		Total	
	Fair value ThCh$	Impairment ThCh$	Fair value ThCh$	Impairment ThCh$	Fair value ThCh$	Impairment ThCh$	Fair value ThCh$	Impairment ThCh$
Balance as of January 1, 2022	3,054,796,290	4,085,252	13,690	—	—	—	3,054,809,980	4,085,252
Net change	864,519,358	5,410,782	(13,690)	—	—	—	864,505,668	5,410,782
Change in fair value	48,076,247	—	—	—	—	—	48,076,247	—
Transfer to Phase 1	—	—	—	—	—	—	—	—
Transfer to Phase 2	—	—	—	—	—	—	—	—
Transfer to Phase 3	—	—	—	—	—	—	—	—
Impact of inter-phase transfers	—	—	—	—	—	—	—	—
Net impact of impairment	—	—	—	—	—	—	—	—
Balance as of December 31, 2022	3,967,391,895	9,496,034	—	—	—	—	3,967,391,895	9,496,034
Balance as of January 1, 2023	3,967,391,895	9,496,034	—	—	—	—	3,967,391,895	9,496,034
Net change	(159,616,998)	(3,996,065)	(30,124,000)	(1,921,300)	—	—	(189,740,998)	(5,917,365)
Change in fair value	8,719,315	—	155,200	—	—	—	8,874,515	—
Transfer to Phase 1	—	—	—	—	—	—	—	—
Transfer to Phase 2	(29,968,800)	—	29,968,800	—	—	—	—	—
Transfer to Phase 3	—	—	—	—	—	—	—	—
Impact of inter-phase transfers	—	—	—	1,921,300	—	—	—	1,921,300
Net impact of impairment	—	—	—	—	—	—	—	—
Balance as of December 31, 2023	3,786,525,412	5,499,969	—	—	—	—	3,786,525,412	5,499,969

Note 42 – Additional notes (continued)

Note 42.9 - Financial assets at fair value through other comprehensive income (continued)

(c) Unrealized and realized income

The portfolio of debt financial instruments as of December 31, 2023, includes an accumulated unrealized gain of ThCh$ 9,142,174 (unrealized gain of ThCh$ 267,659 as of December 31, 2022), recognized as a valuation adjustment in equity.

Gross realized gains and losses on the sale of debt financial instruments are shown in Net gain (loss) from financial transactions, as of December 31, 2023 and 2022 (Note 42.30),

The annual movements are as follows.

	2023 **ThCh$**	**2022** **ThCh$**
Unrealized gain (loss)	4,352,100	(15,325,218)
Realized loss (gain) reclassified to income	4,522,415	63,401,465
Subtotal	8,874,515	48,076,247
Income tax on other comprehensive income	(1,805,909)	797,535
Net effect on equity	7,068,606	48,873,782

Note 42 – Additional notes (continued)

Note 42.10 - Financial derivative contracts for hedge accounting

(a.1) As of December 31, 2023 and 2022, the Bank has the following asset portfolio of financial derivative instruments for hedging purposes.

	Notional contract value by final maturity																	
	On demand		Under 1 month		Over 1 to 3 months		Over 3 to 12 months		Over 1 to 3 years		Over 3 to 5 years		Over 5 years		Total		Fair value Asset	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Fair value hedge derivatives	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Cash flow hedge derivatives																		
Currency and rate swaps	—	—	—	—	—	—	141,416,045	167,198,779	36,553,291	135,025,197	232,293,239	122,127,399	222,615,045	111,546,742	632,877,620	535,898,117	49,064,753	27,076,908
Total	—	—	—	—	—	—	141,416,045	167,198,779	36,553,291	135,025,197	232,293,239	122,127,399	222,615,045	111,546,742	632,877,620	535,898,117	49,064,753	27,076,908

(a.2) As of December 31, 2023 and 2022, the Bank maintains the following portfolio of liabilities for financial derivative instruments for accounting hedging:

	Notional contract value by final maturity																	
	On demand		Under 1 month		Over 1 to 3 months		Over 3 to 12 months		Over 1 to 3 years		Over 3 to 5 years		Over 5 years		Total		Fair value liabilities	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Fair value hedge derivatives	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Cash flow hedge derivatives																		
Currency and rate swaps	—	—	—	—	—	—	—	63,587,302	218,839,703	123,214,267	180,324,675	129,165,597	983,782,077	1,151,877,847	1,382,946,455	1,467,845,013	160,602,210	223,015,559
Total	—	—	—	—	—	—	—	63,587,302	218,839,703	123,214,267	180,324,675	129,165,597	983,782,077	1,151,877,847	1,382,946,455	1,467,845,013	160,602,210	223,015,559

Note 42 – Additional notes (continued)

Note 42.10 - Financial derivative contracts for hedge accounting (continued)

(b) Fair value hedges

As of December 31, 2023 and 2022, there were no fair value hedges.

(c) Cash flow hedges

(c.1) The Bank uses cross-currency swap derivative instruments to hedge the risk of variability of cash flows attributable to changes in interest rates and fluctuations in exchange rates with respect to bonds issued abroad in US dollars, Hong Kong dollars, Swiss francs, Japanese yen, Peruvian soles, Australian dollars, Euros, Mexican pesos and Norwegian kroner. The cash flows of the cross-currency swaps contracted are similar to the flows of the items hedged and modify uncertain flows by known flows at a fixed interest rate.

These cross-currency swap contracts are also used to hedge the risk of changes in the Unidad de Fomento (UF) on asset flows denominated in UF up to a nominal amount equivalent to the notional portion in UF of the hedge instrument, whose indexation impacts interest and indexation income in the income statement on a daily basis.

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Note 42 – Additional notes (continued)

Note 42.10 - Financial derivative contracts for hedge accounting (continued)

(c) Cash flow hedges (continued)

(c.2) The cash flows of due to banks and bonds issued abroad subject to this hedge and the cash flows of the asset part of the derivative instrument are detailed as follows.

	On demand		Under 1 month		Over 1 to 3 Months		Over 3 to 12 Months		Over 1 to 3 years		Over 3 to 5 years		Over 5 years		Total	
	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$
Hedged item																
Cash outflows																
Corporate bonds	—	—	(449,861)	(377,680)	(4,686,127)	(4,423,163)	(199,046,699)	(226,820,955)	(245,308,244)	(339,527,742)	(552,538,998)	(338,870,723)	(1,252,534,969)	(1,421,772,794)	(2,254,564,898)	(2,331,793,057)
Obligation USD	—	—		—		—	(1,366,405)	(59,876,044)	(88,096,227)	—		—		—	(89,462,632)	(59,876,044)
Hedge instrument																
Cash inflows																
Cross currency swap	—	—	449,861	377,680	4,686,127	4,423,163	200,413,104	286,696,999	333,404,471	339,527,742	552,538,998	338,870,723	1,252,534,969	1,421,772,794	2,344,027,530	2,391,669,101
Net cash flows	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

(c.3) The cash flows of underlying assets and cash flows of the liability part of the derivative instrument are detailed as follows.

	On demand		Under 1 month		Over 1 to 3 months		Over 3 to 12 months		Over 1 to 3 years		Over 3 to 5 years		Over 5 years		Total	
	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$
Hedged item																
Cash inflows																
Cash flow in CHF	—	—	1,506,208	1,437,492	1,833,596	1,741,729	182,057,148	268,091,551	328,073,953	327,478,198	467,262,905	309,407,750	1,314,328,201	1,389,011,809	2,295,062,011	2,297,168,529
Fair value hedge instrument																
Cash outflows																
Cross currency swap	—	—	(1,506,208)	(1,437,492)	(1,833,596)	(1,741,729)	(182,057,148)	(268,091,551)	(328,073,953)	(327,478,198)	(467,262,905)	(309,407,750)	(1,314,328,201)	(1,389,011,809)	(2,295,062,011)	(2,297,168,529)
Net cash flows	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Note 42 – Additional notes (continued)

Note 42.10 - Financial derivative contracts for hedge accounting (continued)

(c) Cash flow hedges (continued)

UF assets hedged are revalued monthly as the UF changes, which is the equivalent of reinvesting the assets monthly until the hedge matures.

(c.4) The unrealized results in 2023 from derivative contracts that form the hedging instruments in this cash flow hedging strategy have been recorded with a credit to equity of ThCh$ 113,183,352 (charge to equity of ThCh$ 215,475,602 as of December 31, 2022). The net effect of taxes is a net credit to equity of ThCh$ 82,623,847 (net charge to equity of ThCh$ 157,297,190 in 2022).

The accumulated balance for this concept as of December 31, 2023, is a credit to equity of ThCh$ 9,402,307 (charge to equity of ThCh$ 103,781,045 as of December 31, 2022).

(c.5) The effect of the cash flow hedge derivatives, which offsets the effect of the instruments hedged, is a charge to income of ThCh$ 4,319,299 in 2023 (credit to income of ThCh$,251,369,440 in 2022).

(c.6) As of December 31, 2023 and 2022, there is no inefficiency in the cash-flow hedges as both the element hedged and the object of the hedge mirror each other, which implies that all changes in value attributable to components of rate and indexation are completely offset.

(c.7) As of December 31, 2023 and 2022, the Bank has no net investment hedges in foreign businesses.

Note 42.11 - Financial assets at amortized cost

These are as follows:

	2023 ThCh$	**2022 ThCh$**
Rights under resale agreements and securities borrowing	71,822,359	54,061,245
Debt financial instruments	1,431,082,669	902,355,480
Loans and advances to banks	2,519,180,030	2,174,114,579
Customer loans and receivables		
Commercial loans	19,984,145,482	20,135,614,428
Residential Mortgage loans	12,303,153,704	11,416,154,333
Consumer loans	5,306,435,717	4,992,939,639
Provisions for loan losses		
Provisions on commercial loans	(366,204,777)	(414,199,527)
Provisions on residential mortgage loans	(34,005,829)	(29,302,570)
Provisions on consumer loans	(368,757,217)	(334,889,037)
Total	40,846,852,138	38,896,848,570

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(a) Rights under resale agreements and securities borrowing

The Bank grants financing to its customers through repurchase agreements and securities lending, where it receives financial instruments in guarantee. As of December 31, 2023 and 2022, these are detailed as follows:

	2023 ThCh$	2022 ThCh$
Transactions with domestic banks		
Repurchase agreements with other banks	—	—
Repurchase agreements with the Central Bank of Chile	—	—
Securities lending rights	—	—
Transactions with foreign banks		
Repurchase agreements with other banks	—	—
Repurchase agreements with foreign central banks	—	—
Securities lending rights	—	—
Transactions with other domestic entities		
Repurchase agreements	71,822,359	54,061,245
Securities lending rights	—	—
Transactions with other foreign entities		
Repurchase agreements	—	—
Securities lending rights	—	—
Accumulated impairment of financial assets at amortized cost		
Rights under resale agreements and securities borrowing		
Financial assets without a significant increase in credit risk since initial recognition (phase 1)	—	—
Financial assets with a significant increase in credit risk since initial recognition, but without credit impairment (phase 2)	—	—
Financial assets with credit impairment (phase 3)	—	—
Total	71,822,359	54,061,245

The Bank and its subsidiaries have received financial instruments that they can sell or encumber should the owner of these instruments cease to make payments or be declared bankrupt. As of December 31, 2023, the fair value of the instruments received was ThCh$73,873,997 (ThCh$53,173,160 as of December 31, 2022).

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(b) Debt financial instruments

As of December 31, 2023 and 2022, these are as follows:

	2023 ThCh$	2022 ThCh$
Instruments issued by the State and the Chilean Central Bank		
Debt financial instruments issued by the Chilean Central Bank	507,260,417	—
Treasury bonds and notes	923,880,135	902,355,480
Other debt State financial instruments	—	—
Debt financial instruments issued locally		
Debt financial instruments issued by local banks	—	—
Local bonds and corporate commercial papers	—	—
Other debt financial instruments issued in Chile	—	—
Debt financial instruments issued abroad		
Debt financial instruments issued by foreign central banks	—	—
Debt financial instruments issued by foreign states	—	—
Debt financial instruments issued by foreign banks	—	—
Foreign bonds and corporate commercial papers	—	—
Other debt financial instruments issued abroad	—	—
Accumulated impairment of financial assets at amortized cost		
Debt financial instruments		
Financial assets without a significant increase in credit risk since initial recognition (phase 1)	(57,883)	—
Financial assets with a significant increase in credit risk since initial recognition, but without credit impairment (phase 2)	—	—
Financial assets with credit impairment (phase 3)	—	—
Total	1,431,082,669	902,355,480

Instruments from the State and the Chilean Central Bank include instruments pledged as collateral within the FCIC program that total approximately ThCh$ 1,362,095,000 as of December 31, 2023 (ThCh$ 560,434,000 as of December 31, 2022).

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(c) Loans and advances to banks

As of December 31, 2023 and 2022, these are as follows:

	Assets before provisions				Provisions				
As of December 31, 2023	**Normal Portfolio Individual Evaluation ThCh$**	**Sub-standard Portfolio Individual Evaluation ThCh$**	**Default Portfolio Individual Evaluation ThCh$**	**Total ThCh$**	**Normal Portfolio Individual Evaluation ThCh$**	**Substandard Portfolio Individual Evaluation ThCh$**	**Default Portfolio Individual Evaluation ThCh$**	**Total ThCh$**	**Net Financial Asset ThCh$**
Banks in Chile									
Interbank liquidity loans	—	—	—	—	—	—	—	—	—
Interbank commercial loans	—	—	—	—	—	—	—	—	—
Overdrafts in current accounts	—	—	—	—	—	—	—	—	—
Foreign trade loans - Chilean exports	—	—	—	—	—	—	—	—	—
Foreign trade loans - Chilean imports	—	—	—	—	—	—	—	—	—
Foreign trade loans between third party countries	—	—	—	—	—	—	—	—	—
Non-transferable deposits in local banks	—	—	—	—	—	—	—	—	—
Other credit balances with local banks	—	—	—	—	—	—	—	—	—
Banks abroad									
Interbank liquidity loans	—	—	—	—	—	—	—	—	—
Interbank commercial loans	205,361,744	—	—	205,361,744	(449,229)	—	—	(449,229)	204,912,515
Overdrafts in current accounts	—	—	—	—	—	—	—	—	—
Foreign trade loans - Chilean exports	213,636,036	—	—	213,636,036	(301,854)	—	—	(301,854)	213,334,182
Foreign trade loans - Chilean imports	—	—	—	—	—	—	—	—	—
Foreign trade loans between third party countries	—	—	—	—	—	—	—	—	—
Deposits in current accounts in foreign banks for derivative transactions	—	—	—	—	—	—	—	—	—
Other non-transferable deposits in foreign banks	—	—	—	—	—	—	—	—	—
Other credit balances with foreign banks	—	—	—	—	—	—	—	—	—
Subtotal local and foreign banks	418,997,780	—	—	418,997,780	(751,083)	—	—	(751,083)	418,246,697
Chilean Central Bank									
Deposits in current account for derivative transactions with a central counterparty	—	—	—	—	—	—	—	—	—
Other unavailable deposits	2,100,933,333	—	—	2,100,933,333	—	—	—	—	2,100,933,333
Other receivables	—	—	—	—	—	—	—	—	—
Foreign Central Banks	—	—	—	—	—	—	—	—	—
Deposits in current accounts for derivative transactions	—	—	—	—	—	—	—	—	—
Other unavailable deposits	—	—	—	—	—	—	—	—	—
Other receivables	—	—	—	—	—	—	—	—	—
Subtotal Central Bank of Chile and foreign central banks	2,100,933,333	—	—	2,100,933,333	—	—	—	—	2,100,933,333
Total	2,519,931,113	—	—	2,519,931,113	(751,083)	—	—	(751,083)	2,519,180,030

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(c) Loans to Banks (continued)

As of December 31, 2022	Assets before provisions				Provisions				
	Normal Portfolio Individual Evaluation ThCh$	Substandard Portfolio Individual Evaluation ThCh$	Default Portfolio Individual Evaluation ThCh$	Total ThCh$	Normal Portfolio Individual Evaluation ThCh$	Substandard Portfolio Individual Evaluation ThCh$	Default Portfolio Individual Evaluation ThCh$	Total ThCh$	Net Financial Asset ThCh$
Banks in Chile									
Interbank liquidity loans	—	—	—	—	—	—	—	—	—
Interbank commercial loans	—	—	—	—	—	—	—	—	—
Overdrafts in current accounts	—	—	—	—	—	—	—	—	—
Foreign trade loans - Chilean exports	—	—	—	—	—	—	—	—	—
Foreign trade loans - Chilean imports	—	—	—	—	—	—	—	—	—
Foreign trade loans between third party countries	—	—	—	—	—	—	—	—	—
Non-transferable deposits in local banks	—	—	—	—	—	—	—	—	—
Other credit balances with local banks	—	—	—	—	—	—	—	—	—
Banks abroad									
Interbank liquidity loans	—	—	—	—	—	—	—	—	—
Interbank commercial loans	186,660,058	—	—	186,660,058	(408,319)	—	—	(408,319)	186,251,739
Overdrafts in current accounts	—	—	—	—	—	—	—	—	—
Foreign trade loans - Chilean exports	186,553,410	—	—	186,553,410	(269,077)	—	—	(269,077)	186,284,333
Foreign trade loans - Chilean imports	—	—	—	—	—	—	—	—	—
Foreign trade loans between third party countries	478,902	—	—	478,902	(395)	—	—	(395)	478,507
Deposits in current accounts in foreign banks for derivative transactions	—	—	—	—	—	—	—	—	—
Other non-transferable deposits in foreign banks	—	—	—	—	—	—	—	—	—
Other credit balances with foreign banks	—	—	—	—	—	—	—	—	—
Subtotal local and foreign banks	373,692,370	—	—	373,692,370	(677,791)	—	—	(677,791)	373,014,579
Chilean Central Bank									
Deposits in current account for derivative transactions with a central counterparty	—	—	—	—	—	—	—	—	—
Other unavailable deposits	1,801,100,000	—	—	1,801,100,000	—	—	—	—	1,801,100,000
Other receivables	—	—	—	—	—	—	—	—	—
Foreign Central Banks									
Deposits in current accounts for derivative transactions	—	—	—	—	—	—	—	—	—
Other unavailable deposits	—	—	—	—	—	—	—	—	—
Other receivables	—	—	—	—	—	—	—	—	—
Subtotal Central Bank of Chile and foreign central banks	1,801,100,000	—	—	1,801,100,000	—	—	—	—	1,801,100,000
Total	2,174,792,370	—	—	2,174,792,370	(677,791)	—	—	(677,791)	2,174,114,579

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Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(d) Customer loans and receivables

As of December 31, 2023 and 2022, these are as follows:

Customer loans and receivables As of December 31, 2023	Assets before provisions						Provisions								
	Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation		Total	Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation		Subtotal	Deductible Guarantees FOGAPE COVID-19	Total	Net Financial Assets
	Individual ThCh$	Group ThCh$	Individual ThCh$	Individual ThCh$	Group ThCh$	ThCh$	Individual ThCh$	Group ThCh$	Individual ThCh$	Individual ThCh$	Group ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Commercial loans															
Commercial loans	10,848,630,767	3,910,753,380	185,244,306	197,361,316	321,133,221	15,463,122,990	(92,815,408)	(26,082,816)	(6,841,603)	(54,446,214)	(74,174,423)	(254,360,464)	(8,604,041)	(262,964,505)	15,200,158,485
Foreign trade loans - Chilean exports	1,122,026,899	3,628,989	5,672,463	6,521,757	157,558	1,138,007,666	(21,669,183)	(110,072)	(26,451)	(3,980,665)	(89,651)	(25,876,022)	—	(25,876,022)	1,112,131,644
Foreign trade loans - traded on Chilean import terms	93,742	—	—	—	—	93,742	(8,437)	—	—	—	—	(8,437)	—	(8,437)	85,305
Foreign trade loans - Chilean imports	529,966,816	41,564,511	6,584,433	2,101,968	2,544,595	582,762,323	(17,271,076)	(1,127,416)	(914,974)	(1,515,002)	(1,284,459)	(22,112,927)	—	(22,112,927)	560,649,396
Foreign trade loans between third party countries	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Checking account debtors	85,208,577	90,882,807	4,828,602	3,739,282	1,854,602	186,513,870	(2,683,747)	(2,175,342)	(757,873)	(1,438,862)	(874,039)	(7,929,863)	—	(7,929,863)	178,584,007
Credit card debtors	21,353,380	71,725,847	1,056,204	1,032,811	8,537,009	103,705,251	(879,573)	(2,206,931)	(150,946)	(608,279)	(4,660,224)	(8,505,953)	—	(8,505,953)	95,199,298
Factoring transactions	558,315,898	39,020,605	5,257,733	453,349	183,157	603,230,742	(10,000,421)	(811,025)	(497,269)	(348,934)	(65,753)	(11,723,402)	—	(11,723,402)	591,507,340
Commercial financial leasing transactions (1)	1,462,557,940	277,280,259	32,017,094	35,524,932	13,685,773	1,821,065,998	(3,103,001)	(1,877,866)	(102,365)	(4,813,281)	(3,334,334)	(13,230,847)	(526,836)	(13,757,683)	1,807,308,315
Student loans	—	52,521,497	—	—	4,114,248	56,635,745	—	(2,188,876)	—	—	(2,904,604)	(5,093,480)	—	(5,093,480)	51,542,265
Other loans and receivables	7,417,383	10,895,425	194,687	9,204,141	1,295,519	29,007,155	(252,675)	(9,876)	(26,067)	(7,494,130)	(449,757)	(8,232,505)	—	(8,232,505)	20,774,650
Subtotal	14,635,571,402	4,498,273,320	240,855,522	255,939,556	353,505,682	19,984,145,482	(148,683,521)	(36,590,220)	(9,317,548)	(74,645,367)	(87,837,244)	(357,073,900)	(9,130,877)	(366,204,777)	19,617,940,705
Residential Mortgage loans															
Loans with letters of credit	—	2,339,195	—	—	151,032	2,490,227	—	(2,140)	—	—	(7,889)	(10,029)	—	(10,029)	2,480,198
Endorsable mortgage loans	—	10,982,699	—	—	329,465	11,312,164	—	(8,531)	—	—	(30,586)	(39,117)	—	(39,117)	11,273,047
Mutual loans financed with mortgage bonds	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other mutual residential loans	—	11,871,796,173	—	—	250,592,697	12,122,388,870	—	(15,918,605)	—	—	(17,005,384)	(32,923,989)	—	(32,923,989)	12,089,464,881
Financial leasing transactions for mortgages (1)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other loans and receivables	—	158,981,259	—	—	7,981,184	166,962,443	—	(258,990)	—	—	(773,704)	(1,032,694)	—	(1,032,694)	165,929,749
Subtotal	—	12,044,099,326	—	—	259,054,378	12,303,153,704	—	(16,188,266)	—	—	(17,817,563)	(34,005,829)	—	(34,005,829)	12,269,147,875
Consumer loans															
Consumer loans in installments	—	2,943,848,264	—	—	237,358,651	3,181,206,915	—	(150,741,230)	—	—	(130,530,807)	(281,272,037)	—	(281,272,037)	2,899,934,878
Checking account debtors	—	268,525,229	—	—	2,448,975	270,974,204	—	(12,256,233)	—	—	(1,179,396)	(13,435,629)	—	(13,435,629)	257,538,575
Credit card debtors	—	1,817,402,640	—	—	34,973,914	1,852,376,554	—	(51,866,428)	—	—	(20,751,444)	(72,617,872)	—	(72,617,872)	1,779,758,682
Consumer financial leasing transactions (1)	—	380,027	—	—	—	380,027	—	(5,395)	—	—	—	(5,395)	—	(5,395)	374,632
Other loans and receivables	—	15,013	—	—	1,483,004	1,498,017	—	(3,418)	—	—	(1,422,866)	(1,426,284)	—	(1,426,284)	71,733
Subtotal	—	5,030,171,173	—	—	276,264,544	5,306,435,717	—	(214,872,704)	—	—	(153,884,513)	(368,757,217)	—	(368,757,217)	4,937,678,500
Total	14,635,571,402	21,572,543,819	240,855,522	255,939,556	888,824,604	37,593,734,903	(148,683,521)	(267,651,190)	(9,317,548)	(74,645,367)	(259,539,320)	(759,836,946)	(9,130,877)	(768,967,823)	36,824,767,080

(1) The Bank finances its customers' purchases, including real estate and other personal property, through finance lease agreements. As of December 31, 2023, ThCh$ 921,450,533 are real estate finance leases, and ThCh$ 899,995,492 are personal property finance leases.

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Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(d) Customer loans and receivables (continued)

	Assets before provisions						Provisions								
	Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation			Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation					
Customer loans and receivables for year ended December 31, 2022	Individual ThCh$	Group ThCh$	Individual ThCh$	Individual ThCh$	Group ThCh$	Total ThCh$	Individual ThCh$	Group ThCh$	Individual ThCh$	Individual ThCh$	Group ThCh$	Subtotal ThCh$	Deductible Guarantees FOGAPE COVID-19 ThCh$	Total ThCh$	Net Financial Assets ThCh$
Commercial loans															
Commercial loans	11,117,740,141	3,946,953,972	227,161,086	162,189,698	267,427,969	15,721,472,866	(97,717,013)	(29,691,388)	(18,459,429)	(59,989,187)	(82,000,012)	(287,857,029)	(31,986,177)	(319,843,206)	15,401,629,660
Foreign trade loans - Chilean exports	941,478,454	3,856,700	4,565,313	5,980,472	532,672	956,413,611	(19,032,950)	(113,608)	(255,644)	(2,778,973)	(255,203)	(22,436,378)	—	(22,436,378)	933,977,233
Foreign trade loans - traded on Chilean import terms	2,714,827	—	—	—	—	2,714,827	(120,502)	—	—	—	—	(120,502)	—	(120,502)	2,594,325
Foreign trade loans - Chilean imports	638,964,033	43,914,726	9,726,169	3,966,694	1,842,983	698,414,605	(19,477,520)	(1,192,933)	(708,990)	(2,563,663)	(868,203)	(24,811,309)	—	(24,811,309)	673,603,296
Checking account debtors	78,854,590	87,728,390	5,259,814	2,672,597	1,143,587	175,658,978	(2,093,065)	(2,082,970)	(679,243)	(669,436)	(544,279)	(6,068,993)	—	(6,068,993)	169,589,985
Credit card debtors	18,235,039	61,910,597	875,256	649,434	5,153,215	86,823,541	(726,475)	(1,852,430)	(135,935)	(373,362)	(2,795,376)	(5,883,578)	—	(5,883,578)	80,939,963
Factoring transactions	589,682,211	34,074,143	4,254,877	454,112	52,664	628,518,007	(10,522,740)	(828,456)	(333,032)	(351,086)	(18,906)	(12,054,220)	—	(12,054,220)	616,463,787
Commercial financial leasing transactions (1)	1,415,018,189	290,771,629	35,050,141	31,391,630	9,162,009	1,781,393,598	(2,560,014)	(3,783,728)	(145,507)	(4,258,728)	(1,227,519)	(11,975,496)	(757,227)	(12,732,723)	1,768,660,875
Student loans	—	56,542,187	—	—	3,051,577	59,593,764	—	(2,450,650)	—	—	(2,104,581)	(4,555,231)	—	(4,555,231)	55,038,533
Other loans and receivables	6,551,341	9,088,480	323,555	7,357,362	1,289,893	24,610,631	(215,612)	(25,374)	(78,573)	(4,950,854)	(422,974)	(5,693,387)	—	(5,693,387)	18,917,244
Subtotal	14,809,238,825	4,534,840,824	287,216,211	214,661,999	289,656,569	20,135,614,428	(152,465,891)	(42,021,537)	(20,796,353)	(75,935,289)	(90,237,053)	(381,456,123)	(32,743,404)	(414,199,527)	19,721,414,901
Residential Mortgage loans															
Loans with letters of credit	—	3,717,043	—	—	174,976	3,892,019	—	(3,918)	—	—	(8,511)	(12,429)	—	(12,429)	3,879,590
Endorsable mortgage loans	—	14,251,498	—	—	349,204	14,600,702	—	(15,588)	—	—	(28,161)	(43,749)	—	(43,749)	14,556,953
Mutual loans financed with mortgage bonds	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other mutual residential loans	—	11,044,318,423	—	—	189,029,472	11,233,347,895	—	(14,495,208)	—	—	(13,112,360)	(27,607,568)	—	(27,607,568)	11,205,740,327
Financial leasing transactions for mortgages (1)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other loans and receivables	—	158,131,377	—	—	6,182,340	164,313,717	—	(639,198)	—	—	(999,626)	(1,638,824)	—	(1,638,824)	162,674,893
Subtotal	—	11,220,418,341	—	—	195,735,992	11,416,154,333	—	(15,153,912)	—	—	(14,148,658)	(29,302,570)	—	(29,302,570)	11,386,851,763
Consumer loans															
Consumer loans in installments	—	2,925,946,520	—	—	188,507,085	3,114,453,605	—	(147,154,340)	—	—	(114,175,540)	(261,329,880)	—	(261,329,880)	2,853,123,725
Checking account debtors	—	250,308,318	—	—	3,100,784	253,409,102	—	(9,661,335)	—	—	(1,521,888)	(11,183,223)	—	(11,183,223)	242,225,879
Credit card debtors	—	1,593,759,055	—	—	29,776,399	1,623,535,454	—	(43,204,309)	—	—	(18,184,034)	(61,388,343)	—	(61,388,343)	1,562,147,111
Consumer financial leasing transactions (1)	—	502,656	—	—	—	502,656	—	(6,240)	—	—	—	(6,240)	—	(6,240)	496,416
Other loans and receivables	—	46,536	—	—	992,286	1,038,822	—	(17,722)	—	—	(963,629)	(981,351)	—	(981,351)	57,471
Subtotal	—	4,770,563,085	—	—	222,376,554	4,992,939,639	—	(200,043,946)	—	—	(134,845,091)	(334,889,037)	—	(334,889,037)	4,658,050,602
Total	14,809,238,825	20,525,822,250	287,216,211	214,661,999	707,769,115	36,544,708,400	(152,465,891)	(257,219,395)	(20,796,353)	(75,935,289)	(239,230,802)	(745,647,730)	(32,743,404)	(778,391,134)	35,766,317,266

(1) The Bank finances its customers' purchases, including real estate and other personal property, through finance lease agreements. As of December 31, 2022, ThCh$910,140,825 are real estate finance leases, and ThCh$871,755,429 are personal property finance leases.

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(e) Contingent loans

As of December 31, 2023 and 2022, the exposure to credit risk from contingent loans was as follows:

As of December 31, 2023	Contingent credit exposure before provisions						Provisions						Net credit risk exposure on contingent loans
	Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation			Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation			
	Individual ThCh$	Group ThCh$	Individual ThCh$	Individual ThCh$	Group ThCh$	Total ThCh$	Individual ThCh$	Group ThCh$	Individual ThCh$	Individual ThCh$	Group ThCh$	Total ThCh$	ThCh$
Co-debtors and guarantees	350,420,368	585,852	524,610	—	—	351,530,830	(4,511,304)	(8,727)	(72,790)	—	—	(4,592,821)	346,938,009
Letters of credit for the movement of goods	350,122,695	481,686	—	—	—	350,604,381	(862,596)	(2,302)	—	—	—	(864,898)	349,739,483
Local currency debt purchase commitments abroad	—	—	—	—	—	—	—	—	—	—	—	—	—
Transactions related to contingent events	2,524,034,608	52,139,853	45,875,794	17,884,957	361,640	2,640,296,852	(29,398,137)	(525,252)	(3,887,186)	(5,544,999)	(109,970)	(39,465,544)	2,600,831,308
Unrestricted lines of credit with immediate cancellation	1,446,598,855	8,623,438,487	5,224,110	975,501	8,220,801	10,084,457,754	(2,736,019)	(4,430,643)	(56,516)	(557,164)	(4,008,794)	(11,789,136)	10,072,668,618
Unrestricted lines of credit	—	—	—	—	—	—	—	—	—	—	—	—	—
Higher education loans in accordance with Law 20,027 (CAE)	—	—	—	—	—	—	—	—	—	—	—	—	—
Other irrevocable loan commitments	120,544,954	—	—	—	—	120,544,954	(4,514,773)	—	—	—	—	(4,514,773)	116,030,181
Other contingent loans	—	—	—	—	—	—	—	—	—	—	—	—	—
Total	4,791,721,480	8,676,645,878	51,624,514	18,860,458	8,582,441	13,547,434,771	(42,022,829)	(4,966,924)	(4,016,492)	(6,102,163)	(4,118,764)	(61,227,172)	13,486,207,599

As of December 31, 2022	Contingent credit exposure before provisions						Provisions						Net credit risk exposure on contingent loans
	Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation			Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation			
	Individual ThCh$	Group ThCh$	Individual ThCh$	Individual ThCh$	Group ThCh$	Total ThCh$	Individual ThCh$	Group ThCh$	Individual ThCh$	Individual ThCh$	Group ThCh$	Total ThCh$	ThCh$
Co-debtors and guarantees	340,789,587	574,951	7,361,922	47,718	—	348,774,178	(2,939,462)	(8,378)	(2,970,038)	(19,087)	—	(5,936,965)	342,837,213
Letters of credit for the movement of goods	423,810,295	384,675	—	—	—	424,194,970	(875,272)	(1,902)	—	—	—	(877,174)	423,317,796
Local currency debt purchase commitments abroad	—	—	—	—	—	—	—	—	—	—	—	—	—
Transactions related to contingent events	2,541,710,799	52,124,448	86,747,736	16,872,137	152,902	2,697,608,022	(25,757,998)	(533,186)	(7,888,075)	(3,527,650)	(72,857)	(37,779,766)	2,659,828,256
Unrestricted lines of credit with immediate cancellation	1,251,040,490	8,078,995,603	4,948,028	788,915	12,089,400	9,347,862,436	(2,060,662)	(4,114,891)	(66,455)	(471,450)	(5,986,028)	(12,699,486)	9,335,162,950
Unrestricted lines of credit	—	—	—	—	—	—	—	—	—	—	—	—	—
Higher education loans in accordance with Law 20,027 (CAE)	—	—	—	—	—	—	—	—	—	—	—	—	—
Other irrevocable loan commitments	—	—	—	—	—	—	—	—	—	—	—	—	—
Other contingent loans	72,355,109	—	—	—	—	72,355,109	(83,533)	—	—	—	—	(83,533)	72,271,576
Total	4,629,706,280	8,132,079,677	99,057,686	17,708,770	12,242,302	12,890,794,715	(31,716,927)	(4,658,357)	(10,924,568)	(4,018,187)	(6,058,885)	(57,376,924)	12,833,417,791

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(f) Provisions

Summary of the movement in loans and advances to banks provisions for credit risk portfolio during the year:

	Movement in provisions by portfolio during the period			
	Individual Evaluation			
Loans and advances to banks	**Normal Portfolio ThCh$**	**Substandard Portfolio ThCh$**	**Default Portfolio ThCh$**	**Total ThCh$**
Balance as of January 1, 2023	677,791	—	—	677,791
Creation / release of provisions for:				
Change in measurement without portfolio reclassification during the period:	(194,358)	—	—	(194,358)
Change in measurement with portfolio reclassification during the period [portfolio from (-) to (+)]:				
Individual normal to substandard	—	—	—	—
Individual normal to default	—	—	—	—
Individual substandard to default	—	—	—	—
Individual substandard to normal	—	—	—	—
Individual default to substandard	—	—	—	—
Individual default to normal	—	—	—	—
New loans originated	1,741,281	—	—	1,741,281
New loans for conversion from contingent to loans	—	—	—	—
New loans acquired	—	—	—	—
Sale or transfer of loans	—	—	—	—
Loan repayment	(1,486,953)	—	—	(1,486,953)
Provisions used for write-offs	—	—	—	—
Recovery of written-off loans	—	—	—	—
Exchange differences	13,322	—	—	13,322
Other changes in provisions	—	—	—	—
Balance as of December 31, 2023	751,083	—	—	751,083

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(f) Provisions (continued)

	Movement in provisions by portfolio during the period			
	Individual Evaluation			
Loans and advances to banks	**Normal Portfolio ThCh$**	**Substandard Portfolio ThCh$**	**Default Portfolio ThCh$**	**Total ThCh$**
Balance as of January 1, 2022	518,288	—	—	518,288
Creation / release of provisions for:				
Change in measurement without portfolio reclassification during the period:	(50,678)	—	—	(50,678)
Change in measurement with portfolio reclassification during the period [portfolio from (-) to (+)]:				
Individual normal to substandard	—	—	—	—
Individual normal to default	—	—	—	—
Individual substandard to default	—	—	—	—
Individual substandard to normal	—	—	—	—
Individual default to substandard	—	—	—	—
Individual default to normal	—	—	—	—
New loans originated	1,793,372	—	—	1,793,372
New loans for conversion from contingent to loans	—	—	—	—
New loans acquired	—	—	—	—
Sale or transfer of loans	—	—	—	—
Loan repayment	(1,549,286)	—	—	(1,549,286)
Provisions used for write-offs	—	—	—	—
Recovery of written-off loans	—	—	—	—
Exchange differences	(33,905)	—	—	(33,905)
Other changes in provisions	—	—	—	—
Closing balance as of December 31, 2022	677,791	—	—	677,791

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(f) Provisions (continued)

Summary of the movement in commercial loan provisions for the credit risk portfolio during the period:

	Movement in provisions by portfolio during the period							
	Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation			Deductible Guarantees FOGAPE COVID-19	
Commercial loans	Individual ThCh$	Group ThCh$	Individual ThCh$	Individual ThCh$	Group ThCh$	Subtotal ThCh$	ThCh$	Total ThCh$
Opening balance as of January 1, 2023	152,465,891	42,021,537	20,796,353	75,935,289	90,237,053	381,456,123	32,743,404	414,199,527
Creation / release of provisions for:								
Change in measurement without portfolio reclassification during the period:	(32,144,805)	(541,152)	(1,510,050)	19,715,476	31,936,758	17,456,227	—	17,456,227
Change in measurement with portfolio reclassification during the period [portfolio from (-) to (+)]:								
Individual normal to substandard	(2,845,211)	—	4,965,821	—	—	2,120,610	—	2,120,610
Individual normal to default	(79,971)	—	—	1,191,137	—	1,111,166	—	1,111,166
Individual substandard to default	—	—	(4,559,668)	16,310,412	—	11,750,744	—	11,750,744
Individual substandard to normal	903,359	—	(12,684,664)	—	—	(11,781,305)	—	(11,781,305)
Individual default to substandard	—	—	165,784	(556,640)	—	(390,856)	—	(390,856)
Individual default to normal	150	—	—	(16,627)	—	(16,477)	—	(16,477)
Group normal to default	—	(16,099,144)	—	—	41,808,225	25,709,081	—	25,709,081
Group default to normal	—	675,738	—	—	(10,938,128)	(10,262,390)	—	(10,262,390)
Individual (normal, substandard, default) to Group (normal, default)	—	—	—	—	—	—	—	—
Group (normal, default) to Individual (normal, substandard, default)	847,292	(839,004)	84,003	66,367	(142,913)	15,745	—	15,745
New loans originated	200,452,798	21,387,317	6,361,178	8,711,593	14,658,616	251,571,502	—	251,571,502
New loans for conversion from contingent to loans	13,509,624	8,387,260	966,879	1,292,424	839,106	24,995,293	—	24,995,293
New loans acquired	—	—	—	—	—	—	—	—
Sale or transfer of loans	—	—	—	(342,012)	—	(342,012)	—	(342,012)
Loan repayment	(186,160,655)	(18,536,926)	(5,351,772)	(29,647,176)	(45,434,730)	(285,131,259)	—	(285,131,259)
Provisions used for write-offs	—	—	—	(18,451,232)	(35,183,794)	(53,635,026)	—	(53,635,026)
Recovery of written-off loans	—	89,368	—	—	—	89,368	—	89,368
Changes in models and methods	—	—	—	—	—	—	—	—
Exchange differences	1,735,049	45,226	83,684	436,356	57,051	2,357,366	—	2,357,366
Other changes in provisions	—	—	—	—	—	—	(23,612,527)	(23,612,527)
Closing balance as of December 31, 2023	148,683,521	36,590,220	9,317,548	74,645,367	87,837,244	357,073,900	9,130,877	366,204,777

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Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(f) Provisions (continued)

Commercial loans	Normal Portfolio Evaluation Individual ThCh$	Normal Portfolio Evaluation Group ThCh$	Substandard Portfolio Evaluation Individual ThCh$	Default Portfolio Evaluation Individual ThCh$	Default Portfolio Evaluation Group ThCh$	Subtotal ThCh$	Deductible Guarantees FOGAPE COVID-19 ThCh$	Total ThCh$
Opening balance as of January 1, 2022	148,706,836	52,510,751	6,120,443	73,677,019	87,339,437	368,354,486	48,533,837	416,888,323
Creation / release of provisions for:								
Change in measurement without portfolio reclassification during the period:	(25,395,203)	(2,777,328)	(4,103,269)	23,724,567	15,801,202	7,249,969	—	7,249,969
Change in measurement with portfolio reclassification during the period [portfolio from (-) to (+)]:								
Individual normal to substandard	(4,203,440)	—	21,074,709	—	—	16,871,269	—	16,871,269
Individual normal to default	(1,014,928)	—	—	9,568,252	—	8,553,324	—	8,553,324
Individual substandard to default	—	—	(2,833,149)	14,814,263	—	11,981,114	—	11,981,114
Individual substandard to normal	944,487	—	(894,135)	—	—	50,352	—	50,352
Individual default to substandard	—	—	35,309	(245,800)	—	(210,491)	—	(210,491)
Individual default to normal	1,278	—	—	(372)	—	906	—	906
Group normal to default	—	(15,303,530)	—	—	35,152,698	19,849,168	—	19,849,168
Group default to normal	—	1,539,001	—	—	(10,219,956)	(8,680,955)	—	(8,680,955)
Individual (normal, substandard, default) to Group (normal, default)	—	—	—	—	—	—	—	—
Group (normal, default) to Individual (normal, substandard, default)	2,829,096	(2,274,838)	415,063	167,951	(226,089)	911,183	—	911,183
New loans originated	201,649,894	26,589,644	8,222,393	22,173,884	13,377,272	272,013,087	—	272,013,087
New loans for conversion from contingent to loans	501,996	358,750	133,295	31,166	31,928	1,057,135	—	1,057,135
New loans acquired	—	—	—	—	—	—	—	—
Sale or transfer of loans	—	—	—	(1,630,643)	—	(1,630,643)	—	(1,630,643)
Loan repayment	(171,431,515)	(18,833,076)	(7,238,643)	(48,900,707)	(24,909,831)	(271,313,772)	—	(271,313,772)
Provisions used for write-offs	—	(5,442)	—	(18,010,287)	(26,005,753)	(44,021,482)	—	(44,021,482)
Recovery of written-off loans	—	224,435	—	—	—	224,435	—	224,435
Changes in models and methods	—	—	—	—	—	—	—	—
Exchange differences	(122,610)	(6,830)	(135,663)	565,996	(103,855)	197,038	—	197,038
Other changes in provisions	—	—	—	—	—	—	(15,790,433)	(15,790,433)
Closing balance as of December 31, 2022	152,465,891	42,021,537	20,796,353	75,935,289	90,237,053	381,456,123	32,743,404	414,199,527

Movement in provisions by portfolio during the period

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Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(f) Provisions (continued)

Summary of the movement in mortgage loan provisions for the credit risk portfolio during the period:

	Movement in provisions by portfolio during the period		
	Group Evaluation		
Residential Mortgage loans	**Normal Portfolio ThCh$**	**Default Portfolio ThCh$**	**Total ThCh$**
Opening balance as of January 1, 2023	15,153,912	14,148,658	29,302,570
Creation / release of provisions for:			
Change in measurement without portfolio reclassification during the period:	4,190,940	883,871	5,074,811
Change in measurement with portfolio reclassification during the period [portfolio from (-) to (+)]:			
Group normal to default	(4,049,602)	8,493,770	4,444,168
Group default to normal	315,345	(1,901,498)	(1,586,153)
New loans originated	1,946,813	90,304	2,037,117
New loans acquired	—	—	—
Sale or transfer of loans	—	—	—
Loan repayment	(1,369,142)	(2,889,138)	(4,258,280)
Provisions used for write-offs	—	(1,008,404)	(1,008,404)
Recovery of written-off loans	—	—	—
Changes in models and methods	—	—	—
Exchange differences	—	—	—
Other changes in provisions	—	—	—
Closing balance as of December 31, 2023	16,188,266	17,817,563	34,005,829

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(f) Provisions (continued)

	Movement in provisions by portfolio during the period		
	Group Evaluation		
Mortgage loans	**Normal Portfolio ThCh$**	**Default Portfolio ThCh$**	**Total ThCh$**
Opening balance as of January 1, 2022	9,512,841	21,217,662	30,730,503
Creation / release of provisions for:			
Change in measurement without portfolio reclassification during the period:	6,227,502	1,558,896	7,786,398
Change in measurement with portfolio reclassification during the period [portfolio from (-) to (+)]:	—	—	—
Group normal to default	(2,536,589)	6,435,151	3,898,562
Group default to normal	1,773,470	(10,431,300)	(8,657,830)
New loans originated	1,333,645	279,665	1,613,310
New loans acquired	—	—	—
Sale or transfer of loans	—	—	—
Loan repayment	(1,156,957)	(3,239,797)	(4,396,754)
Provisions used for write-offs	—	(1,671,619)	(1,671,619)
Recovery of written-off loans	—	—	—
Changes in models and methods	—	—	—
Exchange differences	—	—	—
Other changes in provisions	—	—	—
Closing balance as of December 31, 2022	15,153,912	14,148,658	29,302,570

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(f) Provisions (continued)

Summary of the movement in consumer loan provisions for credit risk portfolio during the period:

Consumer loans	Movement in provisions by portfolio during the period – Group Evaluation: Portfolio Normal ThCh$	Default Portfolio ThCh$	Total ThCh$
Opening balance as of January 1, 2023	200,043,946	134,845,091	334,889,037
Creation / (release) of provisions for:			
Change in measurement without portfolio reclassification during the period:	16,273,896	187,407,908	203,681,804
Change in measurement with portfolio reclassification during the period [portfolio from (-) to (+)]:			
Group normal to default	(136,021,705)	178,062,315	42,040,610
Group default to normal	10,646,086	(33,033,464)	(22,387,378)
New loans originated	126,857,988	92,820,676	219,678,664
New loans for conversion from contingent to loans	81,700,526	3,969,941	85,670,467
New loans acquired	—	—	—
Sale or transfer of loans	—	—	—
Loan repayment	(86,983,307)	(209,361,432)	(296,344,739)
Provisions used for write-offs	—	(200,848,804)	(200,848,804)
Recovery of written-off loans	2,344,651	—	2,344,651
Changes in models and methods	—	—	—
Exchange differences	10,623	22,282	32,905
Other changes in provisions	—	—	—
Closing balance as of December 31, 2023	214,872,704	153,884,513	368,757,217

QUIÑENCO

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(f) Provisions (continued)

	Movement in provisions by portfolio during the period		
	Group Evaluation		
Consumer loans	**Normal Portfolio ThCh$**	**Default Portfolio ThCh$**	**Total ThCh$**
Opening balance as of January 1, 2022	142,633,577	127,996,472	270,630,049
Creation / (release) of provisions for:			
Change in measurement without portfolio reclassification during the period:	83,308,237	109,783,260	193,091,497
Change in measurement with portfolio reclassification during the period [portfolio from (-) to (+)]:			
Group normal to default	(84,106,559)	116,954,288	32,847,729
Group default to normal	7,922,820	(36,692,745)	(28,769,925)
New loans originated	99,204,558	45,329,444	144,534,002
New loans for conversion from contingent to loans	3,698,894	528,170	4,227,064
New loans acquired	—	—	—
Sale or transfer of loans	—	—	—
Loan repayment	(58,446,057)	(121,645,394)	(180,091,451)
Provisions used for write-offs	(7,219)	(107,604,509)	(107,611,728)
Recovery of written-off loans	6,048,350	—	6,048,350
Changes in models and methods	—	—	—
Exchange differences	(212,655)	196,105	(16,550)
Other changes in provisions	—	—	—
Closing balance as of December 31, 2022	200,043,946	134,845,091	334,889,037

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Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(f) Provisions (continued)

Summary of the movement in contingent credit risk provisions by the credit risk portfolio during the period:

	Movement in provisions by portfolio during the period					
	Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation		Total
	Individual	Group	Individual	Individual	Group	
Contingent loan exposure	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**
Opening balance as of January 1, 2023	31,716,927	4,658,357	10,924,568	4,018,187	6,058,885	57,376,924
Creation / (release) of provisions for:						
Change in measurement without portfolio reclassification during the period:	(932,805)	(286,969)	(37,273)	(25,524)	(617,041)	(1,899,612)
Change in measurement with portfolio reclassification during the period [portfolio from (-) to (+)]:						
Individual normal to substandard	(371,193)	—	783,008	—	—	411,815
Individual normal to default	(6,832)	—	—	313,088	—	306,256
Individual substandard to default	—	—	(390,730)	1,841,739	—	1,451,009
Individual substandard to normal	1,130,903	—	(3,492,575)	—	—	(2,361,672)
Individual default to substandard	—	—	1,570	(65,472)	—	(63,902)
Individual default to normal	450	—	—	(45,227)	—	(44,777)
Group normal to default	—	(111,316)	—	—	2,164,216	2,052,900
Group default to normal	—	4,441	—	—	(2,810,803)	(2,806,362)
Individual (normal, substandard, default) to Group (normal, default)	—	—	—	—	—	—
Group (normal, default) to Individual (normal, substandard, default)	51,796	(43,352)	987	4,676	(10,681)	3,426
New contingent loans	30,167,889	1,566,636	11,695,607	1,463,199	587,458	45,480,789
Contingent loans for conversion to loans	(235,447)	(349,317)	(59,511)	(222,271)	(315,511)	(1,182,057)
Changes in models and methods	—	—	—	—	—	—
Exchange differences	223,178	971	(172,037)	174	72,945	125,231
Other changes in provisions	(19,722,037)	(472,527)	(15,237,122)	(1,180,406)	(1,010,704)	(37,622,796)
Closing balance as of December 31, 2023	42,022,829	4,966,924	4,016,492	6,102,163	4,118,764	61,227,172

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(f) Provisions (continued)

	Movement in provisions by portfolio during the period					
	Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation		Total
Contingent loan exposure	Individual ThCh$	Group ThCh$	Individual ThCh$	Individual ThCh$	Group ThCh$	ThCh$
Opening balance as of January 1, 2022	34,784,437	4,370,752	4,298,023	1,280,183	9,252,664	53,986,059
Creation / (release) of provisions for:						
Change in measurement without portfolio reclassification during the period:	1,554,793	6,225,822	(784,286)	(10,507)	(2,134)	6,983,688
Change in measurement with portfolio reclassification during the period [portfolio from (-) to (+)]:						
Individual normal to substandard	(2,225,695)	—	7,201,245	—	—	4,975,550
Individual normal to default	(96,803)	—	—	1,419,129	—	1,322,326
Individual substandard to default	—	—	(497,178)	5,920,195	—	5,423,017
Individual substandard to normal	44,638	—	(59,229)	—	—	(14,591)
Individual default to substandard	—	—	546	(17,339)	—	(16,793)
Individual default to normal	724	—	—	(37,086)	—	(36,362)
Group normal to default	—	(135,677)	—	—	1,790,359	1,654,682
Group default to normal	—	78,906	—	—	(5,696,626)	(5,617,720)
Individual (normal, substandard, default) to Group (normal, default)	—	—	—	—	—	—
Group (normal, default) to Individual (normal, substandard, default)	130,257	(90,627)	80,644	2,435	(5,869)	116,840
New contingent loans	33,913,389	2,275,957	8,769,364	157,786	1,459,309	46,575,805
Contingent loans for conversion to loans	(386,407)	(1,172,185)	(56,611)	(12,033)	(11,549)	(1,638,785)
Changes in models and methods	—	—	—	—	—	—
Exchange differences	(273,752)	3,836	(11,330)	(1,608)	33,010	(249,844)
Other changes in provisions	(35,728,654)	(6,898,427)	(8,016,620)	(4,682,968)	(760,279)	(56,086,948)
Closing balance as of December 31, 2022	31,716,927	4,658,357	10,924,568	4,018,187	6,058,885	57,376,924

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

Apart from these provisions for loan losses, country-risk provisions are also made to cover foreign transactions as well as additional provisions agreed by the Board, which are shown in liabilities in Special provisions for loan losses (Note 42.24).

Complementary disclosures:

As of December 31, 2023, commercial loans include transactions that guarantee obligations with the Chilean Central Bank under the Credit Facility Conditional on Increased Lending (FCIC) program of approximately ThCh$2,573,423,000 (ThCh$3,297,016,000 as of December 31, 2022).

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(g) Economic code

As of December 31, 2023 and 2022, the economic codes for loans, contingent loans exposure and provisions are as follows:

	Loans and contingent loan exposure						Provisions					
	Loans						Loans					
	Country		Foreign		Total	Total	Country		Foreign		Total	Total
	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$
Loans and advances to banks	**1,850,913,195**	**1,801,100,000**	**330,846,923**	**373,692,370**	**2,181,760,118**	**2,174,792,370**	**(54,014)**	**—**	**(705,133)**	**(677,791)**	**(759,147)**	**(677,791)**
Commercial loans												
Agriculture and livestock	787,717,976	797,020,321	—	—	787,717,976	797,020,321	(12,486,059)	(15,876,393)	—	—	(12,486,059)	(15,876,393)
Fruit	645,469,873	663,000,049	—	—	645,469,873	663,000,049	(10,933,354)	(13,979,704)	—	—	(10,933,354)	(13,979,704)
Forestry	101,242,560	102,426,710	—	—	101,242,560	102,426,710	(2,787,585)	(2,515,130)	—	—	(2,787,585)	(2,515,130)
Fishing	26,295,617	30,492,055	—	—	26,295,617	30,492,055	(2,542,915)	(2,966,107)	—	—	(2,542,915)	(2,966,107)
Mining	417,025,417	314,851,003	—	—	417,025,417	314,851,003	(4,227,221)	(2,124,280)	—	—	(4,227,221)	(2,124,280)
Oil and natural gas	415,756	1,010,854	—	—	415,756	1,010,854	(9,815)	(18,864)	—	—	(9,815)	(18,864)
Product manufacturing industry;												
Food, beverages and tobacco	512,731,706	594,582,648	—	—	512,731,706	594,582,648	(13,657,717)	(16,314,972)	—	—	(13,657,717)	(16,314,972)
Textile, leather and footwear	33,011,130	33,129,823	—	—	33,011,130	33,129,823	(865,447)	(839,026)	—	—	(865,447)	(839,026)
Timber and furniture	78,287,438	105,502,456	—	—	78,287,438	105,502,456	(2,065,033)	(2,532,299)	—	—	(2,065,033)	(2,532,299)
Pulp, paper and printing	16,714,823	20,848,832	—	—	16,714,823	20,848,832	(721,327)	(961,887)	—	—	(721,327)	(961,887)
Chemicals and petroleum derivatives	298,711,867	365,184,929	—	—	298,711,867	365,184,929	(6,516,052)	(6,568,058)	—	—	(6,516,052)	(6,568,058)
Metallic, non-metallic, machinery and other	551,243,924	574,023,505	—	—	551,243,924	574,023,505	(12,081,801)	(11,096,736)	—	—	(12,081,801)	(11,096,736)
Electricity, gas and water	438,098,307	463,529,381	1,326,453	—	439,424,760	463,529,381	(3,907,705)	(4,879,774)	(56,706)	—	(3,964,411)	(4,879,774)
Residential construction	262,452,171	270,049,123	—	—	262,452,171	270,049,123	(9,368,764)	(11,518,213)	—	—	(9,368,764)	(11,518,213)
Non-residential construction (office, public works)	407,175,075	355,452,519	—	—	407,175,075	355,452,519	(11,125,091)	(9,937,797)	—	—	(11,125,091)	(9,937,797)
Wholesale trade	1,794,263,747	2,034,519,593	—	—	1,794,263,747	2,034,519,593	(49,373,533)	(58,704,630)	—	—	(49,373,533)	(58,704,630)
Retail, restaurants and hotels	1,011,484,095	1,039,470,574	—	6,751,708	1,011,484,095	1,046,222,282	(38,313,869)	(47,643,667)	—	(546,835)	(38,313,869)	(48,190,502)
Transportation and storage	1,101,602,668	1,208,622,060	—	—	1,101,602,668	1,208,622,060	(20,776,615)	(22,653,854)	—	—	(20,776,615)	(22,653,854)
Telecommunications	102,052,055	232,693,682	—	—	102,052,055	232,693,682	(2,395,324)	(3,439,090)	—	—	(2,395,324)	(3,439,090)
Financial services	3,219,724,328	2,990,383,258	—	—	3,219,724,328	2,990,383,258	(28,040,961)	(30,131,716)	—	—	(28,040,961)	(30,131,716)
Corporate services	1,969,605,081	1,998,911,048	—	19,424,860	1,969,605,081	2,018,335,908	(51,696,603)	(58,868,452)	—	(830,413)	(51,696,603)	(59,698,865)
Real estate services	3,359,135,295	3,338,119,319	19,930,500	3,367,634	3,379,065,795	3,341,486,953	(20,378,098)	(26,398,570)	(1,065,893)	(143,966)	(21,443,991)	(26,542,536)
Student loans	56,635,745	59,593,764	—	—	56,635,745	59,593,764	(5,093,480)	(4,555,231)	—	—	(5,093,480)	(4,555,231)
Public administration, defense and police	21,433,665	26,135,893	—	—	21,433,665	26,135,893	(287,718)	(453,289)	—	—	(287,718)	(453,289)
Social and other community services	899,491,997	832,236,058	—	—	899,491,997	832,236,058	(14,483,138)	(16,608,060)	—	—	(14,483,138)	(16,608,060)
Personal services	1,857,834,675	1,804,376,360	—	—	1,857,834,675	1,804,376,360	(40,946,953)	(41,092,514)	—	—	(40,946,953)	(41,092,514)
Subtotal	**19,969,856,991**	**20,256,165,817**	**21,256,953**	**29,544,202**	**19,991,113,944**	**20,285,710,019**	**(365,082,178)**	**(412,678,313)**	**(1,122,599)**	**(1,521,214)**	**(366,204,777)**	**(414,199,527)**
Residential Mortgage loans	**12,303,153,704**	**11,416,154,333**	**—**	**—**	**12,303,153,704**	**11,416,154,333**	**(34,005,829)**	**(29,302,570)**	**—**	**—**	**(34,005,829)**	**(29,302,570)**
Consumer loans	**5,306,435,717**	**4,992,939,639**	**—**	**—**	**5,306,435,717**	**4,992,939,639**	**(368,757,217)**	**(334,889,037)**	**—**	**—**	**(368,757,217)**	**(334,889,037)**
Contingent loan exposure	**13,547,434,771**	**12,890,794,715**	**—**	**—**	**13,547,434,771**	**12,890,794,715**	**(61,227,172)**	**(57,376,924)**	**—**	**—**	**(61,227,172)**	**(57,376,924)**

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(h) Housing loans and provisions by range of unpaid loan principal over the mortgage guarantee value (LTV) and days past due, respectively:

As of December 31, 2023

	Residential Mortgage loans (MCh$)						Provisions created for mortgage loans (MCh$)					
	Days past due at period end						Days past due at period end					
Range Loan / Guarantee Value (%)	0	1 to 29	30 to 59	60 to 89	Over 90	Total	0	1 to 29	30 to 59	60 to 89	Over 90	Total
LTV <= 40%	1,681,929,020	24,753,600	10,259,861	5,119,803	12,397,844	1,734,460,128	(1,264,658)	(341,101)	(289,355)	(179,630)	(687,785)	(2,762,529)
40% < LTV ≤ 80%	9,095,085,115	198,905,876	85,416,809	38,586,595	106,142,157	9,524,136,552	(10,392,322)	(3,540,796)	(2,618,807)	(1,490,533)	(6,234,786)	(24,277,244)
80% < LTV ≤ 90%	504,787,375	12,757,472	5,103,181	3,609,901	8,394,938	534,652,867	(1,662,132)	(476,824)	(430,400)	(378,909)	(1,422,911)	(4,371,176)
LTV > 90%	501,651,714	2,271,619	1,230,827	453,611	4,296,386	509,904,157	(1,489,787)	(81,766)	(67,024)	(20,149)	(936,154)	(2,594,880)
Total	11,783,453,224	238,688,567	102,010,678	47,769,910	131,231,325	12,303,153,704	(14,808,899)	(4,440,487)	(3,405,586)	(2,069,221)	(9,281,636)	(34,005,829)

As of December 31, 2022

	Residential Mortgage loans (MCh$)						Provisions created for mortgage loans (MCh$)					
	Days past due at period end						Days past due at period end					
Range Loan / Guarantee Value (%)	0	1 to 29	30 to 59	60 to 89	Over 90	Total	0	1 to 29	30 to 59	60 to 89	Over 90	Total
LTV <= 40%	1,502,626,258	17,899,111	7,901,096	3,158,326	9,252,995	1,540,837,786	(1,186,746)	(245,795)	(224,586)	(119,605)	(506,069)	(2,282,801)
40% < LTV ≤ 80%	8,562,729,378	143,339,495	54,538,975	24,873,201	71,356,736	8,856,837,785	(9,855,937)	(2,689,524)	(1,814,876)	(1,028,338)	(4,270,988)	(19,659,663)
80% < LTV ≤ 90%	634,976,781	10,144,269	5,605,542	2,493,020	4,185,250	657,404,862	(2,290,701)	(428,760)	(423,228)	(301,901)	(787,701)	(4,232,291)
LTV > 90%	354,688,461	1,711,049	544,776	152,242	3,977,372	361,073,900	(2,052,092)	(108,106)	(35,046)	(29,967)	(902,604)	(3,127,815)
Total	11,055,020,878	173,093,924	68,590,389	30,676,789	88,772,353	11,416,154,333	(15,385,476)	(3,472,185)	(2,497,736)	(1,479,811)	(6,467,362)	(29,302,570)

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(i) Loans and advances to banks, commercial loans and provisions by classification

The concentration of debt by banks and commercial loans and their provisions by classification is as follows:

	Individual																				Group				FOGAPE COVID-19 guarantee deductible provisions
As of December 31, 2023	Normal Portfolio							Substandard Portfolio					Default Portfolio							Total	Normal Portfolio	Default Portfolio	Total	Total	
	A1 ThCh$	A2 ThCh$	A3 ThCh$	A4 ThCh$	A5 ThCh$	A6 ThCh$	Subtotal ThCh$	B1 ThCh$	B2 ThCh$	B3 ThCh$	B4 ThCh$	Subtotal ThCh$	C1 ThCh$	C2 ThCh$	C3 ThCh$	C4 ThCh$	C5 ThCh$	C6 ThCh$	Subtotal ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Loans and advances to banks																									
Interbank liquidity loans		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Interbank commercial loans	—	—	205,361,744	—	—	—	205,361,744	—	—	—	—	—	—	—	—	—	—	—	—	205,361,744	—	—	—	205,361,744	—
Overdrafts in current accounts	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Foreign trade loans - Chilean exports	18,157,800	179,044,399	11,552,902	4,371,730	—	509,205	213,636,036	—	—	—	—	—	—	—	—	—	—	—	—	213,636,036	—	—	—	213,636,036	—
Foreign trade loans - Chilean imports	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Foreign trade loans between third party countries	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Non-transferable deposits from banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other receivables from banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal	18,157,800	179,044,399	216,914,646	4,371,730	—	509,205	418,997,780	—	—	—	—	—	—	—	—	—	—	—	—	418,997,780	—	—	—	418,997,780	—
Provisions created	6,537	147,712	474,501	76,505	—	45,828	751,083	—	—	—	—	—	—	—	—	—	—	—	—	751,083	—	—	—	751,083	—
% provisions created	0.04%	0.08%	0.22%	1.75%	—	9.00%	0.18%	—	—	—	—	—	—	—	—	—	—	—	—	0.18%	—	—	—	0.18%	—
Commercial loans																									
Commercial loans	—	1,216,976,847	1,912,516,301	2,298,992,477	3,333,215,008	2,093,898,596	10,855,599,229	122,172,471	33,524,645	23,759,363	5,787,827	185,244,306	64,782,745	47,718,578	20,667,509	21,351,165	15,543,318	27,298,001	197,361,316	11,238,204,851	3,910,753,380	321,133,221	4,231,886,601	15,470,091,452	8,604,041
Foreign trade loans - Chilean exports	—	147,251,047	361,057,519	200,803,170	250,514,864	162,400,299	1,122,026,899	2,429,417	2,709,369	533,677	—	5,672,463	204,044	—	276,370	2,897,536	323,794	2,820,013	6,521,757	1,134,221,119	3,628,989	157,558	3,786,547	1,138,007,666	—
Foreign trade loans - traded on Chilean import terms	—	—	—	—	—	93,742	93,742	—	—	—	—	—	—	—	—	—	—	—	—	93,742	—	—	—	93,742	—
Foreign trade loans - Chilean imports	—	9,723,577	75,779,395	170,551,259	126,061,999	147,850,586	529,966,816	6,437,813	146,620	—	—	6,584,433	345,742	—	—	14,965	260,133	1,481,128	2,101,968	538,653,217	41,564,511	2,544,595	44,109,106	582,762,323	—
Foreign trade loans between third party countries	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Checking account debtors	—	5,022,416	8,922,368	30,951,748	18,243,593	22,068,452	85,208,577	1,744,424	2,802,525	188,226	93,427	4,828,602	329,192	1,779,687	71,072	129,462	408,500	1,021,369	3,739,282	93,776,461	90,882,807	1,854,602	92,737,409	186,513,870	—
Credit card debtors	—	390,020	1,667,413	3,182,578	8,116,678	7,996,691	21,353,380	657,217	354,616	20,218	24,153	1,056,204	134,862	71,854	61,320	103,928	213,069	447,778	1,032,811	23,442,395	71,725,847	8,537,009	80,262,856	103,705,251	—
Factoring transactions	2,823,961	82,283,586	140,880,389	88,002,236	146,089,259	98,236,467	558,315,898	5,257,733	—	—	—	5,257,733	58,557	9,080	—	—	1,144	384,568	453,349	564,026,980	39,020,605	183,157	39,203,762	603,230,742	—
Commercial financial leasing transactions	—	57,798,708	50,596,274	348,083,095	512,701,024	493,378,839	1,462,557,940	21,049,548	6,150,019	4,462,378	355,149	32,017,094	3,226,611	27,315,989	1,220,519	3,141,335	411,779	208,699	35,524,932	1,530,099,966	277,280,259	13,685,773	290,966,032	1,821,065,998	526,836
Student loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	52,521,497	4,114,248	56,635,745	56,635,745	—
Other loans and receivables	—	374,941	1,752,204	1,084,649	2,069,014	2,136,575	7,417,383	136,806	54,968	2,696	217	194,687	216,944	77,664	93,054	335,539	1,233,201	7,247,739	9,204,141	16,816,211	10,895,425	1,295,519	12,190,944	29,007,155	—
Subtotal	2,823,961	1,519,821,142	2,553,171,863	3,141,651,212	4,397,011,439	3,028,060,247	14,642,539,864	159,885,429	45,742,762	28,966,558	6,260,773	240,855,522	69,298,697	76,972,852	22,389,844	27,973,930	18,394,938	40,909,295	255,939,556	15,139,334,942	4,498,273,320	353,505,682	4,851,779,002	19,991,113,944	—
Provisions created	1,017	940,601	4,094,233	29,970,446	42,674,388	71,002,836	148,683,521	3,436,408	1,514,669	3,883,896	482,575	9,317,548	1,385,974	7,697,285	5,597,461	11,189,572	11,956,710	36,818,365	74,645,367	232,646,436	36,590,220	87,837,244	124,427,464	357,073,900	9,130,877
% provisions created	0.04%	0.06%	0.16%	0.95%	0.97%	2.34%	1.02%	2.15%	3.31%	13.41%	7.71%	3.87%	2.00%	10.00%	25.00%	40.00%	65.00%	90.00%	29.17%	1.54%	0.81%	24.85%	2.56%	1.79%	

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(i) Loans and advances to banks, commercial loans and provisions by classification (continued)

As of December 31, 2022	Individual																				Group				FOGAPE COVID-19 guarantee deductible provisions
	Normal Portfolio							Substandard Portfolio					Default Portfolio							Total					
	A1 ThCh$	A2 ThCh$	A3 ThCh$	A4 ThCh$	A5 ThCh$	A6 ThCh$	Subtotal ThCh$	B1 ThCh$	B2 ThCh$	B3 ThCh$	B4 ThCh$	Subtotal ThCh$	C1 ThCh$	C2 ThCh$	C3 ThCh$	C4 ThCh$	C5 ThCh$	C6 ThCh$	Subtotal ThCh$	ThCh$	Normal Portfolio ThCh$	Default Portfolio ThCh$	Total ThCh$	Total ThCh$	ThCh$
Loans and advances to banks																									
Interbank liquidity loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Interbank commercial loans	—	—	186,660,058	—	—	—	186,660,058	—	—	—	—	—	—	—	—	—	—	—	—	186,660,058	—	—	—	186,660,058	—
Overdrafts in current accounts	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Foreign trade loans - Chilean exports	78,345	149,694,516	32,529,570	4,250,979	—	—	186,553,410	—	—	—	—	—	—	—	—	—	—	—	—	186,553,410	—	—	—	186,553,410	—
Foreign trade loans - Chilean imports	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Foreign trade loans between third party countries	—	478,902	—	—	—	—	478,902	—	—	—	—	—	—	—	—	—	—	—	—	478,902	—	—	—	478,902	—
Non-transferable deposits from banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Other receivables from banks	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal	78,345	150,173,418	219,189,628	4,250,979	—	—	373,692,370	—	—	—	—	—	—	—	—	—	—	—	—	373,692,370	—	—	—	373,692,370	—
Provisions created	28	123,893	479,478	74,392	—	—	677,791	—	—	—	—	—	—	—	—	—	—	—	—	677,791	—	—	—	677,791	—
% provisions created	0.04%	0.08%	0.22%	1.75%	—	—	0.18%	—	—	—	—	—	—	—	—	—	—	—	—	0.18%	—	—	—	0.18%	—
Commercial loans																									
Commercial loans	—	1,326,654,671	2,066,762,552	2,372,591,267	3,522,434,015	1,979,393,227	11,267,835,732	125,517,419	43,693,104	46,475,807	11,474,756	227,161,086	40,585,565	21,608,300	24,174,534	28,603,966	11,856,692	35,360,641	162,189,698	11,657,186,516	3,946,953,972	267,427,969	4,214,381,941	15,871,568,457	31,986,177
Foreign trade loans - Chilean exports	—	297,323,150	142,623,944	123,281,157	224,505,407	153,744,796	941,478,454	3,914,969	—	650,344	—	4,565,313	447,940	9,375	2,262,858	1,286,078	351,470	1,622,751	5,980,472	952,024,239	3,856,700	532,672	4,389,372	956,413,611	—
Foreign trade loans - traded on Chilean import terms	—	—	—	—	2,620,784	94,043	2,714,827	—	—	—	—	—	—	—	—	—	—	—	—	2,714,827	—	—	—	2,714,827	—
Foreign trade loans - Chilean imports	—	95,893,933	88,439,859	159,031,184	150,347,916	145,251,141	638,964,033	9,601,809	124,360	—	—	9,726,169	621,460	435,481	—	128,308	187,756	2,593,689	3,966,694	652,656,896	43,914,726	1,842,983	45,757,709	698,414,605	—
Checking account debtors	—	88,694	17,732,935	29,339,380	13,264,178	18,429,403	78,854,590	2,396,296	2,438,276	269,169	156,073	5,259,814	316,046	1,595,216	114,091	162,539	104,717	379,988	2,672,597	86,787,001	87,728,390	1,143,587	88,871,977	175,658,978	—
Credit card debtors	25,722	314,003	1,676,784	2,778,009	6,456,465	6,984,056	18,235,039	509,063	287,922	24,361	53,910	875,256	101,486	15,144	58,844	69,132	147,570	257,258	649,434	19,759,729	61,910,597	5,153,215	67,063,812	86,823,541	—
Factoring transactions	9,352,307	129,798,082	117,953,618	124,105,294	88,513,835	119,959,075	589,682,211	4,248,460	6,417	—	—	4,254,877	—	7,206	—	11,004	185,393	250,509	454,112	594,391,200	34,074,143	52,664	34,126,807	628,518,007	—
Commercial financial leasing transactions	—	60,748,504	49,667,565	362,068,013	442,247,254	500,286,853	1,415,018,189	19,754,468	5,304,604	9,602,344	388,725	35,050,141	1,249,274	25,829,095	1,484,760	2,297,917	468,198	62,386	31,391,630	1,481,459,960	290,771,629	9,162,009	299,933,638	1,781,393,598	757,227
Student loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	56,542,187	3,051,577	59,593,764	59,593,764	—
Other loans and receivables	4	377,407	1,265,129	1,160,669	2,052,759	1,695,373	6,551,341	72,594	149,311	6,291	95,359	323,555	179,007	79,808	83,809	2,475,459	628,775	3,910,504	7,357,362	14,232,258	9,088,480	1,289,893	10,378,373	24,610,631	—
Subtotal	9,378,033	1,911,198,444	2,486,122,386	3,174,354,973	4,452,442,613	2,925,837,967	14,959,334,416	166,015,078	52,003,994	57,028,316	12,168,823	287,216,211	43,500,778	49,579,625	28,178,896	35,034,403	13,930,571	44,437,726	214,661,999	15,461,212,626	4,534,840,824	289,656,569	4,824,497,393	20,285,710,019	—
Provisions created	3,376	1,391,269	4,031,147	28,378,981	44,646,984	74,014,134	152,465,891	3,758,350	4,221,762	10,827,374	1,988,867	20,796,353	870,016	4,957,962	7,044,724	14,013,761	9,054,871	39,993,955	75,935,289	249,197,533	42,021,537	90,237,053	132,258,590	381,456,123	32,743,404
% provisions created	0.04%	0.07%	0.16%	0.89%	1.00%	2.53%	1.02%	2.26%	8.12%	18.99%	16.34%	7.24%	2.00%	10.00%	25.00%	40.00%	65.00%	90.00%	35.37%	1.61%	0.93%	31.15%	2.74%	1.88%	

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(j) Loans and provisions by range of days past-due

The concentration of loan loss exposure by days past due is as follows:

	Financial assets before provisions						Provisions								
	Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation		Total	Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation		Sub Total	Deductible guarantees FOGAPE COVID-19	Total	Net Financial Asset
As of December 31, 2023	Individual ThCh$	Group ThCh$	Individual ThCh$	Individual ThCh$	Group ThCh$	ThCh$	Individual ThCh$	Group ThCh$	Individual ThCh$	Individual ThCh$	Group ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Loans and advances to banks															
0 days	331,229,644	—	—	—	—	331,229,644	(686,775)	—	—	—	—	(686,775)	—	(686,775)	
1 to 29 days	87,768,136	—	—	—	—	87,768,136	(64,308)	—	—	—	—	(64,308)	—	(64,308)	
30 to 59 days	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
60 to 89 days	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Over 90 days	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Subtotal	418,997,780	—	—	—	—	418,997,780	(751,083)	—	—	—	—	(751,083)	—	(751,083)	418,246,697
Commercial loans															
0 days	14,469,268,849	4,327,339,676	197,115,945	90,647,551	94,558,985	19,178,931,006	(146,687,721)	(28,206,017)	(8,043,207)	(20,577,134)	(19,228,256)	(222,742,335)	(8,700,112)	(231,442,447)	
1 to 29 days	153,429,335	117,335,416	26,505,648	9,798,864	28,281,172	335,350,435	(1,805,305)	(3,913,428)	(893,652)	(1,501,606)	(5,175,510)	(13,289,501)	(174,671)	(13,464,172)	
30 to 59 days	12,857,010	42,251,769	13,106,279	18,285,276	28,894,167	115,394,501	(189,449)	(3,012,037)	(339,444)	(3,236,111)	(5,519,362)	(12,296,403)	(88,639)	(12,385,042)	
60 to 89 days	16,208	11,346,459	4,127,628	8,628,162	21,846,468	45,964,925	(1,046)	(1,458,738)	(41,241)	(978,200)	(4,312,902)	(6,792,127)	(14,367)	(6,806,494)	
Over 90 days	—	—	22	128,579,703	179,924,890	308,504,615	—	—	(4)	(48,352,316)	(53,601,214)	(101,953,534)	(153,088)	(102,106,622)	
Subtotal	14,635,571,402	4,498,273,320	240,855,522	255,939,556	353,505,682	19,984,145,482	(148,683,521)	(36,590,220)	(9,317,548)	(74,645,367)	(87,837,244)	(357,073,900)	(9,130,877)	(366,204,777)	19,617,940,705
Mortgage loans															
0 days	—	11,732,315,441	—	—	51,137,783	11,783,453,224	—	(11,327,893)	—	—	(3,481,006)	(14,808,899)	—	(14,808,899)	
1 to 29 days	—	208,412,036	—	—	30,276,531	238,688,567	—	(2,525,632)	—	—	(1,914,855)	(4,440,487)	—	(4,440,487)	
30 to 59 days	—	74,183,707	—	—	27,826,971	102,010,678	—	(1,503,605)	—	—	(1,901,981)	(3,405,586)	—	(3,405,586)	
60 to 89 days	—	29,188,142	—	—	18,581,768	47,769,910	—	(831,136)	—	—	(1,238,085)	(2,069,221)	—	(2,069,221)	
Over 90 days	—	—	—	—	131,231,325	131,231,325	—	—	—	—	(9,281,636)	(9,281,636)	—	(9,281,636)	
Subtotal	—	12,044,099,326	—	—	259,054,378	12,303,153,704	—	(16,188,266)	—	—	(17,817,563)	(34,005,829)	—	(34,005,829)	12,269,147,875
Consumer loans															
0 days	—	4,767,940,801	—	—	91,079,004	4,859,019,805	—	(157,193,976)	—	—	(46,178,504)	(203,372,480)	—	(203,372,480)	
1 to 29 days	—	178,082,085	—	—	28,153,965	206,236,050	—	(30,682,806)	—	—	(15,170,931)	(45,853,737)	—	(45,853,737)	
30 to 59 days	—	61,487,176	—	—	32,197,456	93,684,632	—	(17,854,110)	—	—	(19,547,912)	(37,402,022)	—	(37,402,022)	
60 to 89 days	—	22,661,111	—	—	27,970,778	50,631,889	—	(9,141,812)	—	—	(15,795,963)	(24,937,775)	—	(24,937,775)	
Over 90 days	—	—	—	—	96,863,341	96,863,341	—	—	—	—	(57,191,203)	(57,191,203)	—	(57,191,203)	
Subtotal	—	5,030,171,173	—	—	276,264,544	5,306,435,717	—	(214,872,704)	—	—	(153,884,513)	(368,757,217)	—	(368,757,217)	4,937,678,500
Total Loans	15,054,569,182	21,572,543,819	240,855,522	255,939,556	888,824,604	38,012,732,683	(149,434,604)	(267,651,190)	(9,317,548)	(74,645,367)	(259,539,320)	(760,588,029)	(9,130,877)	(769,718,906)	37,243,013,777

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(j) Loans and provisions by range of days past due (continued)

	Financial assets before provisions						Provisions created								
	Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation		Total	Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation			Deductible guarantees		Net
As of December 31, 2022	Individual ThCh$	Group ThCh$	Individual ThCh$	Individual ThCh$	Group ThCh$	ThCh$	Individual ThCh$	Group ThCh$	Individual ThCh$	Individual ThCh$	Group ThCh$	Sub Total ThCh$	FOGAPE COVID-19 ThCh$	Total ThCh$	Financial Asset ThCh$
Loans and advances to banks															
0 days	271,125,186	—	—	—	—	271,125,186	(549,188)	—	—	—	—	(549,188)	—	(549,188)	
1 to 29 days	102,567,184	—	—	—	—	102,567,184	(128,603)	—	—	—	—	(128,603)	—	(128,603)	
30 to 59 days	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
60 to 89 days	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Over 90 days	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Subtotal	373,692,370	—	—	—	—	373,692,370	(677,791)	—	—	—	—	(677,791)	—	(677,791)	373,014,579
Commercial loans															
0 days	14,680,559,003	4,390,886,717	244,262,623	90,196,180	77,667,841	19,483,572,364	(150,563,923)	(34,657,786)	(18,648,760)	(24,619,808)	(20,624,248)	(249,114,525)	(31,595,178)	(280,709,703)	
1 to 29 days	120,379,814	99,475,519	22,410,392	29,695,643	24,007,668	295,969,036	(1,672,286)	(3,877,670)	(1,344,863)	(6,236,000)	(5,980,430)	(19,111,249)	(545,201)	(19,656,450)	
30 to 59 days	7,559,838	34,552,018	17,302,443	14,374,841	22,224,725	96,013,865	(173,880)	(2,312,498)	(740,588)	(5,170,956)	(5,635,751)	(14,033,673)	(193,112)	(14,226,785)	
60 to 89 days	740,170	9,926,570	3,240,753	7,906,976	14,885,659	36,700,128	(55,802)	(1,173,583)	(62,142)	(3,675,670)	(4,049,446)	(9,016,643)	(80,783)	(9,097,426)	
Over 90 days	—	—	—	72,488,359	150,870,676	223,359,035	—	—	—	(36,232,855)	(53,947,178)	(90,180,033)	(329,130)	(90,509,163)	
Subtotal	14,809,238,825	4,534,840,824	287,216,211	214,661,999	289,656,569	20,135,614,428	(152,465,891)	(42,021,537)	(20,796,353)	(75,935,289)	(90,237,053)	(381,456,123)	(32,743,404)	(414,199,527)	19,721,414,901
Mortgage loans															
0 days	—	11,002,439,936	—	—	52,580,942	11,055,020,878	—	(11,363,112)	—	—	(4,022,364)	(15,385,476)	—	(15,385,476)	
1 to 29 days	—	149,651,942	—	—	23,441,982	173,093,924	—	(1,908,168)	—	—	(1,564,017)	(3,472,185)	—	(3,472,185)	
30 to 59 days	—	50,866,482	—	—	17,723,907	68,590,389	—	(1,349,265)	—	—	(1,148,471)	(2,497,736)	—	(2,497,736)	
60 to 89 days	—	17,459,981	—	—	13,216,808	30,676,789	—	(533,367)	—	—	(946,444)	(1,479,811)	—	(1,479,811)	
Over 90 days	—	—	—	—	88,772,353	88,772,353	—	—	—	—	(6,467,362)	(6,467,362)	—	(6,467,362)	
Subtotal	—	11,220,418,341	—	—	195,735,992	11,416,154,333	—	(15,153,912)	—	—	(14,148,658)	(29,302,570)	—	(29,302,570)	11,386,851,763
Consumer loans															
0 days	—	4,535,527,532	—	—	74,062,689	4,609,590,221	—	(151,281,708)	—	—	(45,532,196)	(196,813,904)	—	(196,813,904)	
1 to 29 days	—	162,284,703	—	—	20,344,969	182,629,672	—	(25,429,440)	—	—	(12,423,845)	(37,853,285)	—	(37,853,285)	
30 to 59 days	—	52,836,141	—	—	24,344,087	77,180,228	—	(15,414,187)	—	—	(15,708,786)	(31,122,973)	—	(31,122,973)	
60 to 89 days	—	19,914,709	—	—	21,236,122	41,150,831	—	(7,918,611)	—	—	(12,436,863)	(20,355,474)	—	(20,355,474)	
Over 90 days	—	—	—	—	82,388,687	82,388,687	—	—	—	—	(48,743,401)	(48,743,401)	—	(48,743,401)	
Subtotal	—	4,770,563,085	—	—	222,376,554	4,992,939,639	—	(200,043,946)	—	—	(134,845,091)	(334,889,037)	—	(334,889,037)	4,658,050,602
Total Loans	15,182,931,195	20,525,822,250	287,216,211	214,661,999	707,769,115	36,918,400,770	(153,143,682)	(257,219,395)	(20,796,353)	(75,935,289)	(239,230,802)	(746,325,521)	(32,743,404)	(779,068,925)	36,139,331,845

Note 42 – Additional notes (continued)

Note 42.11 - Financial assets at amortized cost (continued)

(c) Finance lease contracts

The cash flows receivable by the Bank under finance lease contracts have the following maturities.

	Total receivable		Deferred interest		Net receivable (*)	
	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$
Up to 1 year	610,656,944	583,321,145	(88,444,341)	(76,613,812)	522,212,603	506,707,333
1 to 2 years	453,712,979	433,397,445	(63,078,758)	(55,714,448)	390,634,221	377,682,997
2 to 3 years	301,559,876	294,727,906	(38,839,307)	(35,132,780)	262,720,569	259,595,126
3 to 4 years	199,375,626	191,083,414	(25,017,839)	(22,481,288)	174,357,787	168,602,126
4 to 5 years	133,011,435	134,589,633	(17,248,121)	(15,613,851)	115,763,314	118,975,782
Over 5 years	383,050,760	378,279,820	(36,063,942)	(33,166,235)	346,986,818	345,113,585
Total	2,081,367,620	2,015,399,363	(268,692,308)	(238,722,414)	1,812,675,312	1,776,676,949

(*) Net receivable does not include loans in arrears of ThCh$ 8,770,713 as of December 31, 2023 (ThCh$ 5,219,305 as of December 31, 2022).

The Bank has finance lease transactions mainly related to real estate, industrial machinery, vehicles and transport equipment. These leases have an average life of 2 to 15 years.

(l) Purchase of loan portfolios

No loan portfolios were acquired during 2023 and 2022.

(m) Sale or assignment of loans

Sales during 2023 and 2022 were as follows.

	2023			
	Loan value ThCh$	Provisions ThCh$	Sale value ThCh$	Effect on net income (loss) gain ThCh$
Sale of valid loans	17,006,825	(342,012)	17,006,825	342,012
Sale of written-off loans	—	—	—	—
Total	17,006,825	(342,012)	17,006,825	342,012

	2022			
	Loan value ThCh$	Provisions ThCh$	Sale value ThCh$	Effect on net income (loss) gain ThCh$
Sale of valid loans	7,908,500	(1,630,643)	7,908,500	1,630,643
Sale of written-off loans	—	—	—	—
Total	7,908,500	(1,630,643)	7,908,500	1,630,643

(n) Securitization of own assets

No own asset securitization transactions were carried out during 2023 and 2022.

Note 42 – Additional notes (continued)

Note 42.12 – Investments in other companies

(a) Investments in other companies of ThCh$ 76,993,670 as of December 31, 2023, (ThCh$ 62,210,577 as of December 31, 2022) were as follows:

Company	Shareholder	Percentage interest 2023 %	Percentage interest 2022 %	Asset 2023 ThCh$	Asset 2022 ThCh$
Associates					
Transbank S.A.	Banco de Chile	26.16	26.16	36,084,460	29,014,915
Centro de Compensación Automatizado S.A.	Banco de Chile	33.33	33.33	4,862,139	4,400,164
Redbanc S.A.	Banco de Chile	38.13	38.13	4,783,193	5,171,826
Administrador Financiero del Transantiago S.A.	Banco de Chile	20.00	20.00	4,285,163	4,366,415
Sociedad Interbancaria de Depósitos de Valores S.A.	Banco de Chile	26.81	26.81	2,393,543	2,066,035
Sociedad Imerc OTC S.A.	Banco de Chile	12.33	12.33	1,802,765	1,661,695
Soc. Operadora de la Cámara de Compensación de Pagos de Alto Valor S.A.	Banco de Chile	15.00	15.00	1,199,235	1,144,905
Subtotal associates				55,410,498	47,825,955
Joint ventures					
Servipag Ltda.	Banco de Chile	50.00	50.00	7,832,209	6,831,153
Artikos Chile S.A.	Banco de Chile	50.00	50.00	1,839,724	1,520,010
Subtotal joint ventures				9,671,933	8,351,163
Subtotal				65,082,431	56,177,118
Minority Investments					
Holding Bursátil Regional S.A.(*) (***)	Banchile Corredores de Bolsa			10,242,689	—
Banco Latinoamericano de Comercio Exterior S.A. (Bladex) (***)	Banco de Chile			1,285,558	308,858
Chilean Electronic Exchange (***)	Banchile Corredores de Bolsa			349,500	349,500
Sociedad de Telecomunicaciones Financieras Interbancarias Mundiales (Swift)	Banco de Chile			25,505	24,714
CCLV Contraparte Central S.A.	Banchile Corredores de Bolsa			7,987	7,987
Santiago Exchange (*) (**)	Banchile Corredores de Bolsa			—	5,342,400
Subtotal Minority Investments				11,911,239	6,033,459
Total				76,993,670	62,210,577

(*) On November 14, 2023, Sociedad de Infraestructuras de Mercado S.A. ("SIM") was absorbed by Holding Bursátil Regional S.A. On the same date, the Company's issued capital was increased when the Santiago Exchange issued 3,000,000 shares.

(**) On March 1, 2023, the Santiago Exchange was split and Sociedad de Infraestructuras de Mercado S.A. (SIM) was formed from this split.

(***) Investments in shares have been irrevocably designated at fair value through other comprehensive income. Therefore, they are recorded at market value in accordance with IFRS 9.

(b) Movements in investments in other companies accounted for using the equity method in 2023 and 2022 are as follows.

	2023 ThCh$	2022 ThCh$
Opening book value	56,177,118	46,923,374
Acquisition of investments	—	—
Share of income (loss) from investments with significant influence and joint control	13,408,485	13,030,768
Dividends received	(4,674,885)	(3,621,579)
Others	171,713	(155,445)
Closing book value	65,082,431	56,177,118

(c) There was no impairment of these investments during 2023 and 2022.

Note 42 – Additional notes (continued)

Note 42.12 - Investments in other companies (continued)

(d) Summary financial information of associates and joint ventures.

	Associates							Joint ventures	
December 2023	**Centro de Compensación Automatizado S.A. ThCh$**	**Soc. Operadora de la Cámara de Compensación de Pagos de Alto Valor S.A. ThCh$**	**Sociedad Interbancaria de Depósitos de Valores S.A. ThCh$**	**Redbanc S.A. ThCh$**	**Transbank S.A. ThCh$**	**Administrador Financiero del Transantiago S.A. ThCh$**	**Sociedad Imerc OTC S.A. ThCh$**	**Artikos S.A. ThCh$**	**Servipag Ltda. ThCh$**
Current assets	6,379,708	840,503	104,075	11,054,263	1,362,960,953	66,715,635	21,041,491	3,768,043	84,568,827
Non-current assets	10,982,802	8,377,354	8,834,249	16,275,012	164,517,740	866,946	12,760,387	1,723,931	18,137,581
Total assets	**17,362,510**	**9,217,857**	**8,938,324**	**27,329,275**	**1,527,478,693**	**67,582,581**	**33,801,878**	**5,491,974**	**102,706,408**
Current liabilities	3,033,939	898,841	525,051	11,625,783	1,355,562,354	47,241,488	18,767,643	1,898,311	82,502,803
Non-current liabilities	246,475	495,576	—	3,235,956	36,641,252	—	766,520	406,044	4,539,187
Total liabilities	**3,280,414**	**1,394,417**	**525,051**	**14,861,739**	**1,392,203,606**	**47,241,488**	**19,534,163**	**2,304,355**	**87,041,990**
Equity	14,082,096	7,823,440	8,413,273	12,467,536	135,275,087	20,341,093	14,258,802	3,187,619	15,664,418
Non-controlling interests	—	—	—	—	—	—	8,771	—	—
Total liabilities and equity	**17,362,510**	**9,217,857**	**8,938,324**	**27,329,275**	**1,527,478,693**	**67,582,581**	**33,801,736**	**5,491,974**	**102,706,408**
Revenue	8,973,422	5,115,661	14,416	58,576,429	969,392,972	4,818,357	9,355,624	5,571,637	43,709,121
Operating expenses	(2,812,422)	(4,822,803)	(49,945)	(57,846,710)	(821,426,460)	(2,539,966)	(8,667,458)	(3,558,072)	(39,366,450)
Other income (expenses)	589,097	344,950	1,753,497	126,364	(113,485,369)	2,286,148	743,456	136,544	1,503,172
Net income before taxes	**6,750,097**	**637,808**	**1,717,968**	**856,083**	**34,481,143**	**4,564,539**	**1,431,622**	**2,150,109**	**5,845,843**
Income tax expense	(1,692,283)	(66,275)	—	(100,133)	(7,667,220)	(948,800)	(430,246)	(510,682)	(1,443,732)
Net income for the period	**5,057,814**	**571,533**	**1,717,968**	**755,950**	**26,813,923**	**3,615,739**	**1,001,376**	**1,639,427**	**4,402,111**

	Associates							Joint ventures	
December 2022	**Centro de Compensación Automatizado S.A. ThCh$**	**Soc. Operadora de la Cámara de Compensación de Pagos de Alto Valor S.A. ThCh$**	**Sociedad Interbancaria de Depósitos de Valores S.A. ThCh$**	**Redbanc S.A. ThCh$**	**Transbank S.A. ThCh$**	**Administrador Financiero del Transantiago S.A. ThCh$**	**Sociedad Imerc OTC S.A. ThCh$**	**Artikos S.A. ThCh$**	**Servipag Ltda. ThCh$**
Current assets	8,954,086	6,646,515	81,312	14,458,961	1,359,640,299	59,946,001	31,105,089	2,540,453	76,084,740
Non-current assets	10,387,714	1,710,745	7,636,309	16,058,183	137,504,524	792,645	4,458,538	1,984,448	14,605,890
Total assets	**19,341,800**	**8,357,260**	**7,717,621**	**30,517,144**	**1,497,144,823**	**60,738,646**	**35,563,627**	**4,524,901**	**90,690,630**
Current liabilities	3,985,520	1,003,673	463,114	17,595,337	1,385,955,507	40,113,003	20,671,931	1,326,457	73,922,929
Non-current liabilities	309,421	—	—	1,554,199	1,427,370	—	1,669,509	566,819	3,105,394
Total liabilities	**4,294,941**	**1,003,673**	**463,114**	**19,149,536**	**1,387,382,877**	**40,113,003**	**22,341,440**	**1,893,276**	**77,028,323**
Equity	15,046,859	7,353,587	7,254,507	11,367,608	109,761,946	20,625,643	13,213,088	2,631,625	13,662,307
Non-controlling interests	—	—	—	—	—	—	9,099	—	—
Total liabilities and equity	**19,341,800**	**8,357,260**	**7,717,621**	**30,517,144**	**1,497,144,823**	**60,738,646**	**35,563,627**	**4,524,901**	**90,690,630**
Revenue	7,516,467	4,550,567	16,995	51,851,020	969,177,191	4,467,706	8,881,959	5,558,747	40,403,758
Operating expenses	(2,612,522)	(4,278,985)	(48,935)	(50,155,417)	(835,125,964)	(2,295,633)	(8,412,033)	(3,905,260)	(36,347,297)
Other income (expenses)	907,025	666,992	1,540,101	264,710	(103,853,748)	2,339,770	876,980	69,880	525,144
Net income before taxes	**5,810,970**	**938,574**	**1,508,161**	**1,960,313**	**30,197,479**	**4,511,843**	**1,346,906**	**1,723,367**	**4,581,605**
Income tax expense	(1,109,266)	(8,196)	—	(249,396)	(3,952,657)	(490,401)	(473,267)	(362,050)	(849,259)
Net income for the year	**4,701,704**	**930,378**	**1,508,161**	**1,710,917**	**26,244,822**	**4,021,442**	**873,639**	**1,361,317**	**3,732,346**

Note 42 – Additional notes (continued)

Note 42.13 – Intangible assets

(a) As of December 31, 2023 and 2022, these are as follows.

	Average useful life		Average amortization remaining		Gross balance		Accumulated amortization		Net balance	
	2023 Years	2022 Years	2023 Years	2022 Years	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$
Independently generated intangible assets	6	6	5	5	322,148,071	263,268,240	(184,943,838)	(156,647,782)	137,204,233	106,620,458
Total					322,148,071	263,268,240	(184,943,838)	(156,647,782)	137,204,233	106,620,458

(b) Movements in intangible assets during 2023 and 2022 are as follows.

	2023 ThCh$	2022 ThCh$
Gross balance		
Balance as of January 1	263,268,240	209,424,789
Acquisitions	59,954,939	56,890,865
Disposals / derecognitions	(1,050,005)	(2,742,514)
Reclassification	—	(182,416)
Impairment (*)	(25,103)	(122,484)
Balance as of December 31	322,148,071	263,268,240
Accumulated amortization		
Balance as of January 1	(156,647,782)	(136,892,628)
Amortization for the year (*) (**)	(29,346,061)	(21,501,712)
Disposals / derecognitions	1,050,005	1,564,142
Reclassification	—	182,416
Impairment	—	—
Balance as of December 31	(184,943,838)	(156,647,782)
Net balance as of December 31	137,204,233	106,620,458

(*) See Note 42.37 on impairment of non-financial assets.
(**) See Note 42.36 on depreciation and amortization.

(c) As of December 31, 2023, the Bank holds ThCh$ 14,869,055 (ThCh$ 15,499,982 as of December 31, 2022) in assets associated with technological developments.

(d) As of December 31, 2023 and 2022, the Bank and its subsidiaries have no restrictions on intangible assets. There are no intangible assets pledged as collateral for the fulfillment of obligations.

Note 42 – Additional notes (continued)

Note 42.14 - Property, plant and equipment

(a) As of December 31, 2023 and 2022, property, plant and equipment is as follows.

	Average useful life		Average depreciation remaining		Gross balance		Accumulated depreciation		Net balance	
	2023 Years	2022 Years	2023 Years	2022 Years	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$
Land and buildings	25	25	18	18	322,764,015	316,966,224	(165,285,629)	(157,809,594)	157,478,386	159,156,630
Equipment	5	5	3	3	256,932,764	246,705,003	(221,084,781)	(203,137,826)	35,847,983	43,567,177
Others	7	7	4	4	61,119,078	58,890,767	(52,788,016)	(51,490,708)	8,331,062	7,400,059
Total					640,815,857	622,561,994	(439,158,426)	(412,438,128)	201,657,431	210,123,866

(b) Movements in property, plant and equipment during 2023 and 2022 are as follows.

	December 2023			
	Land and buildings ThCh$	Equipment ThCh$	Others ThCh$	Total ThCh$
Gross balance				
Balance as of January 1, 2023	316,966,224	246,705,003	58,890,767	622,561,994
Additions	10,277,163	11,136,149	3,338,197	24,751,509
Derecognitions and sales during the year	(4,479,372)	(905,714)	(1,109,886)	(6,494,972)
Impairment (**) (***)	—	(2,674)	—	(2,674)
Balance as of December 31, 2023	322,764,015	256,932,764	61,119,078	640,815,857
Accumulated depreciation				
Balance as of January 1, 2023	(157,809,594)	(203,137,826)	(51,490,708)	(412,438,128)
Depreciation for the year (*) (**)	(9,295,178)	(18,733,342)	(2,364,708)	(30,393,228)
Derecognitions and sales during the year	1,819,143	786,387	1,067,400	3,672,930
Balance as of December 31, 2023	(165,285,629)	(221,084,781)	(52,788,016)	(439,158,426)
Net balance as of December 31, 2023	157,478,386	35,847,983	8,331,062	201,657,431

	December 2022			
	Land and buildings ThCh$	Equipment ThCh$	Others ThCh$	Total ThCh$
Gross balance				
Balance as of January 1, 2022	311,278,100	243,755,824	56,582,338	611,616,262
Additions	6,040,602	9,823,231	2,842,133	18,705,966
Derecognitions and sales during the year	(352,478)	(6,899,204)	(497,744)	(7,749,426)
Transfers	—	35,960	(35,960)	—
Impairment (**)	—	(10,808)	—	(10,808)
Balance as of December 31, 2022	316,966,224	246,705,003	58,890,767	622,561,994
Accumulated depreciation				
Balance as of January 1, 2022	(148,645,367)	(191,336,584)	(49,314,912)	(389,296,863)
Reclassification	—	—	71	71
Depreciation for the year (*)	(9,227,601)	(18,650,046)	(2,701,998)	(30,579,645)
Derecognitions and sales during the year	63,374	6,883,451	490,187	7,437,012
Transfers	—	(35,944)	35,944	—
Impairment	—	1,297	—	1,297
Balance as of December 31, 2022	(157,809,594)	(203,137,826)	(51,490,708)	(412,438,128)
Net balance as of December 31, 2022	159,156,630	43,567,177	7,400,059	210,123,866

(*) See Note 42.36 on depreciation and amortization.
(**) See Note 42.37 on impairment of non-financial assets.
(***) Excludes provisions for write-offs of property, plant and equipment of ThCh$ 1,751,259.

Note 42 – Additional notes (continued)

Note 42.14 – Property, plant and equipment (continued)

(c) As of December 31, 2023 the Bank had assets under construction of ThCh$ 3,395,224 (ThCh$ 5,553,690 as of December 31, 2022).

(d) As of December 31, 2023 and 2022, there are no restrictions on the property, plant and equipment of the Bank and its subsidiaries. There are no fixed assets pledged as collateral for the fulfillment of obligations.

Note 42.15 - Right-of-use assets and lease liabilities

(a) As of December 31, 2023 and 2022, right-of-use assets are as follows.

	Gross balance		Accumulated depreciation		Net balance	
	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$
Category						
Buildings	145,849,697	144,483,565	(75,362,046)	(64,352,875)	70,487,651	80,130,690
Spaces occupied by ATMs	33,061,803	43,492,628	(2,669,197)	(35,735,146)	30,392,606	7,757,482
Leasehold improvements	30,425,024	28,594,527	(22,415,994)	(21,561,381)	8,009,030	7,033,146
Total	209,336,524	216,570,720	(100,447,237)	(121,649,402)	108,889,287	94,921,318

(b) Movements in right-of-use assets during 2022 and 2022 were as follows

	December 2023			
	Buildings ThCh$	Spaces occupied by ATMs ThCh$	Leasehold improvements ThCh$	Total ThCh$
Gross balance				
Balance as of January 1, 2023	144,483,565	43,492,628	28,594,527	216,570,720
Additions	16,788,894	31,032,943	1,992,598	49,814,435
Disposals	(14,934,795)	(42,819,626)	(162,101)	(57,916,522)
Revaluation	(487,967)	(392,025)	—	(879,992)
Other increments	—	1,747,883	—	1,747,883
Balance as of December 31, 2023	145,849,697	33,061,803	30,425,024	209,336,524
Accumulated depreciation				
Balance as of January 1, 2023	(64,352,875)	(35,735,146)	(21,561,381)	(121,649,402)
Depreciation for the year (*)	(21,459,384)	(9,736,108)	(1,016,714)	(32,212,206)
Derecognitions	10,450,213	42,802,057	162,101	53,414,371
Balance as of December 31, 2023	(75,362,046)	(2,669,197)	(22,415,994)	(100,447,237)
Net balance as of December 31, 2023	70,487,651	30,392,606	8,009,030	108,889,287

(*) See Note 42.36 on depreciation and amortization.

	December 2022			
	Buildings ThCh$	Spaces occupied by ATMs ThCh$	Leasehold improvements ThCh$	Total ThCh$
Gross balance				
Balance as of January 1, 2022	124,979,055	42,051,451	26,066,051	193,096,557
Additions	23,929,561	2,819,436	2,528,798	29,277,795
Disposals	(4,295,534)	(1,001,997)	(322)	(5,297,853)
Revaluation	(129,517)	(376,262)	—	(505,779)
Balance as of December 31, 2022	144,483,565	43,492,628	28,594,527	216,570,720
Accumulated depreciation				
Balance as of January 1, 2022	(46,743,163)	(25,566,614)	(20,598,934)	(92,908,711)
Depreciation for the year	(19,636,676)	(11,167,705)	(962,769)	(31,767,150)
Derecognitions	2,026,964	999,173	322	3,026,459
Balance as of December 31, 2022	(64,352,875)	(35,735,146)	(21,561,381)	(121,649,402)
Net balance as of December 31, 2022	80,130,690	7,757,482	7,033,146	94,921,318

Note 42 – Additional notes (continued)

Note 42.15 - Right-of-use assets and lease liabilities (continued)

(c) As of December 31, 2023 and 2022, the future maturities of lease liabilities (including unaccrued interest) are as follows.

	December 2023							
	On demand	Under 1 month	Over 1 to 3 months	Over 3 to 12 months	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Leased asset	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**
Buildings	—	1,736,614	3,428,705	12,411,781	25,177,580	18,204,578	15,944,987	76,904,245
ATMs	—	640,936	1,274,569	5,537,948	13,932,117	11,449,396	15,350	32,850,316
Total	—	2,377,550	4,703,274	17,949,729	39,109,697	29,653,974	15,960,337	109,754,561

	December 2022							
	On demand	Under 1 month	Over 1 to 3 months	Over 3 to 12 months	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Leased asset	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**	**ThCh$**
Buildings	—	1,868,613	3,672,410	15,954,032	30,707,052	19,171,931	21,533,043	92,907,081
ATMs	—	1,097,938	2,176,454	4,684,497	1,138,189	206,380	78,733	9,382,191
Total	—	2,966,551	5,848,864	20,638,529	31,845,241	19,378,311	21,611,776	102,289,272

The Bank and its subsidiaries have lease contracts with specific renewal options and it is reasonably certain that these options will be exercised. Therefore, the lease period used to value the asset and liability is an estimate of future renewals.

Note 42 – Additional notes (continued)

Note 42.15 - Right-of-use assets and lease liabilities (continued)

Movements in lease liabilities and cash flows during 2023 and 2022 are as follows:

Lease liabilities	Cash flow for the year ThCh$
Balance as of January 1, 2022	95,670,160
Liabilities for new lease contracts	16,559,052
Interest accrual expense	1,864,556
Capital and interest payments	(32,374,022)
Revaluation	(505,779)
Contracts withdrawn	(2,020,235)
Indexation	10,175,578
Balance as of December 31, 2022	89,369,310
Liabilities for new lease contracts	43,931,076
Interest accrual expense	1,979,579
Capital and interest payments	(32,083,506)
Revaluation	(879,992)
Contracts withdrawn	(4,714,225)
Indexation	3,877,673
Balance as of December 31, 2023	101,479,915

(e) Forecast payments related to short-term leases as of December 31, 2023 are ThCh$ 4,798,990 (ThCh$ 3,483,092 as of December 31, 2022).

(f) As of December 31, 2023, future minimum rentals receivable for operating leases total ThCh$ 15,723,430 (ThCh$ 14,578,182 as of December 31, 2022).

Note 42 – Additional notes (continued)

Note 42.16 - Taxation

(a) Income taxes

The Bank and its subsidiaries have provided for corporate income taxes for each year in accordance with current tax laws. This provision is disclosed as the net amount of recoverable or payable taxes in the statement of financial position as of December 31, 2023 and 2022 as follows.

	2023 ThCh$	2022 ThCh$
Income tax expense	298,876,737	311,531,954
Less:		
Provisional monthly tax payments	(429,553,909)	(492,990,361)
Training expense credits	(2,300,000)	(2,215,673)
Others	(7,408,643)	(2,795,555)
Total net recoverable taxes	(140,385,815)	(186,469,635)
Income tax rate	27%	27%

	2023 ThCh$	2022 ThCh$
Current tax assets	141,194,035	187,401,200
Current tax liabilities	(808,220)	(931,565)
Total net taxes	140,385,815	186,469,635

(b) Income tax expense

The Bank's tax expense recorded for the years ended December 31, 2023 and 2022, is detailed as follows:

	2023 ThCh$	2022 ThCh$
Income tax expense		
Current year taxes	268,317,232	369,710,368
Prior years taxes	620,249	2,931,157
Subtotal	268,937,481	372,641,525
Deferred tax expense (credit)		
Creation and reversal of temporary differences	(3,680,865)	(104,453,764)
Subtotal	(3,680,865)	(104,453,764)
Others	8,630,750	7,568,836
Net income tax expense	273,887,366	275,756,597

Note 42 – Additional notes (continued)

Note 42.16 - Taxation (continued)

(c) Reconciliation of effective tax rate

The reconciliation between the income tax rate and the effective rate applied to the income tax expense for the years ended December 31, 2023 and 2022, is as follows.

	December 2023		**December 2022**	
	Tax rate		**Tax rate**	
	%	**ThCh$**	**%**	**ThCh$**
Tax on accounting net income	27.00	409,859,986	27.00	455,444,530
Additions or deductions	(3.59)	(54,476,163)	0.34	5,699,428
Taxation indexation	(5.39)	(81,808,961)	(11.60)	(195,420,812)
Others	0.03	312,504	0.62	10,033,451
Effective rate and income tax expense	18.05	273,887,366	16.36	275,756,597

The effective rate for income tax for 2023 is 18.05% (16.36% for 2022).

Note 42 – Additional notes (continued)

Note 42.16 - Taxation (continued)

(d) Effect of deferred taxes on net income and equity

The Bank and its subsidiaries have recognized deferred taxes in their consolidated financial statements. The effects of deferred taxes on assets, liabilities and net income as of December 31, 2023, are as follows.

		Recognized in		
	Balances as of 12.31.2022 ThCh$	Net income ThCh$	Equity ThCh$	Balances as of 12.31.2023 ThCh$
Debtor differences				
Provisions for loan losses	376,742,748	(4,475,976)	—	372,266,772
Employee provisions	20,228,128	4,175,414	—	24,403,542
Unrestricted lines of credit:	3,428,861	(245,794)	—	3,183,067
Vacation provisions	11,139,347	886,349	—	12,025,696
Accrued interest and indexation on impaired portfolio	10,304,835	4,632,411	—	14,937,246
Severance indemnity provisions	1,367,846	(135,906)	20,195	1,252,135
Credit card related expenses provision	9,145,642	710,934	—	9,856,576
Accrued expenses provision	11,829,412	(1,092,201)	—	10,737,211
Revaluation of investments and shares at fair value through other comprehensive income	3,670,332	—	(3,392,695)	277,637
Leasing	89,820,930	13,530,993	—	103,351,923
Income received in advance	9,011,877	(3,862,768)	—	5,149,109
Property, plant and equipment valuation differences	402,906	2,472,756	—	2,875,662
Other adjustments	31,551,928	(544,059)	—	31,007,869
Total debtor differences	578,644,792	16,052,153	(3,372,500)	591,324,445
Creditor differences				
Intangible assets (software and others)	11,340,284	7,744,253	—	19,084,537
Transitory assets	7,953,495	921,831	—	8,875,326
Accrued loans effective rate	2,440,506	43,359	—	2,483,865
Prepaid expenses	2,688,016	8,196,759	—	10,884,775
Exchange differences	3,406,353	(1,770,630)	—	1,635,723
Capitalized bond placement expenses	5,810,104	(552,668)	—	5,257,436
Other adjustments	5,496,682	(2,211,616)	—	3,285,066
Total creditor differences	39,135,440	12,371,288	—	51,506,728
Net total	539,509,352	3,680,865	(3,372,500)	539,817,717

Note 42 – Additional notes (continued)

Note 42.16 - Taxation (continued)

(d) Effect of deferred taxes on net income and equity (continued)

The effects of deferred taxes on assets, liabilities and net income as of December 31, 2022, are as follows.

	Balances as of 12.31.2021	Recognized in: Net income	Recognized in: Equity	Balances as of 12.31.2022
	ThCh$	ThCh$	ThCh$	ThCh$
Debtor differences				
Provisions for loan losses	317,294,934	59,447,814	—	376,742,748
Employee provisions	14,303,807	5,924,321	—	20,228,128
Unrestricted lines of credit:	4,138,774	(709,913)	—	3,428,861
Vacation provisions	9,992,716	1,146,631	—	11,139,347
Accrued interest and indexation on impaired portfolio	5,073,313	5,231,522	—	10,304,835
Severance indemnity provisions	344,647	988,222	34,977	1,367,846
Credit card related expenses provision	9,774,127	(628,485)	—	9,145,642
Accrued expenses provision	12,315,432	(486,020)	—	11,829,412
Revaluation of investments and shares at fair value through other comprehensive income	2,926,905	—	743,427	3,670,332
Leasing	52,018,591	37,802,339	—	89,820,930
Income received in advance	12,367,828	(3,355,951)	—	9,011,877
Exchange differences	4,619,346	(4,619,346)	—	—
Property, plant and equipment valuation differences	—	402,906	—	402,906
Other adjustments	31,148,999	402,929	—	31,551,928
Total debtor differences	476,319,419	101,546,969	778,404	578,644,792
Creditor differences				
Intangible assets (software and others)	10,272,160	1,068,124	—	11,340,284
Property, plant and equipment valuation differences	6,173,968	(6,173,968)	—	—
Transitory assets	6,957,552	995,943	—	7,953,495
Accrued loans effective rate	2,436,562	3,944	—	2,440,506
Prepaid expenses	5,668,093	(2,980,077)	—	2,688,016
Exchange differences	—	3,406,353	—	3,406,353
Capitalized bond placement expenses	6,443,930	(633,826)	—	5,810,104
Other adjustments	4,089,970	1,406,712	—	5,496,682
Total creditor differences	42,042,235	(2,906,795)	—	39,135,440
Net total	434,277,184	104,453,764	778,404	539,509,352

Note 42 – Additional notes (continued)

Note 42.16 - Taxation (continued)

(e) In compliance with Joint Circular 47 of the Internal Revenue Service (SII) and Circular 3,478 issued by the CMF dated August 18, 2009, the movements and effects of applying Article 31 number 4 of the Income Tax Law are as follows.

The information relates just to the Bank lending services, as required by regulations, and not the transactions of the subsidiaries consolidated in these consolidated financial statements.

(e.1) Loans and advances to banks and customer loans and receivables as of 12.31.2023	Assets at book value (*) ThCh$	Assets at tax value ThCh$	Assets at tax value		
			Secured past due portfolio ThCh$	Unsecured past due portfolio ThCh$	Total Past due portfolio ThCh$
Loans and advances to banks	2,519,180,030	2,519,931,113	—	—	—
Commercial loans	17,217,022,563	17,828,755,863	41,328,609	107,463,937	148,792,546
Consumer loans	4,937,303,868	5,331,412,217	1,205,529	37,531,712	38,737,241
Residential mortgage loans	12,269,147,875	12,308,024,557	9,301,301	586,499	9,887,800
Total	36,942,654,336	37,988,123,750	51,835,439	145,582,148	197,417,587

(e.1) Loans and advances to banks and customer loans and receivables as of 12.31.2022	Assets at book value (*) ThCh$	Assets at tax value ThCh$	Assets at tax value		
			Secured past due portfolio ThCh$	Unsecured past due portfolio ThCh$	Total Past due portfolio ThCh$
Loans and advances to banks	2,174,114,579	2,174,792,369	—	—	—
Commercial loans	17,560,201,636	18,338,161,396	28,686,493	75,561,138	104,247,631
Consumer loans	4,657,554,186	5,824,164,033	756,193	28,448,091	29,204,284
Residential mortgage loans	11,386,851,763	11,420,424,529	7,312,107	669,313	7,981,420
Total	35,778,722,164	37,757,542,327	36,754,793	104,678,542	141,433,335

(*) According to that Circular and the SII instructions, the value of the assets in the financial statements is shown on an individual basis (just Banco de Chile) net of provisions for loan losses and excludes lease and factoring transactions.

Note 42 – Additional notes (continued)

Note 42.16 - Taxation (continued)

(e.2) Provisions for the past due portfolio	Balance as of 01.01.2023 ThCh$	Charged-off against provisions ThCh$	Provisions created ThCh$	Provisions released ThCh$	Closing balance as of 12.31.2023 ThCh$
Commercial loans	75,561,138	(75,702,111)	137,856,775	(30,251,865)	107,463,937
Consumer loans	28,448,091	(317,350,154)	345,142,484	(18,708,709)	37,531,712
Residential mortgage loans	669,313	(2,087,828)	3,033,171	(1,028,157)	586,499
Total	104,678,542	(395,140,093)	486,032,430	(49,988,731)	145,582,148

(e.2) Provisions for the past due portfolio	Balance as of 01.01.2022 ThCh$	Charged-off against provisions ThCh$	Provisions created ThCh$	Provisions released ThCh$	Balance as of 12.31.2022 ThCh$
Commercial loans	63,603,596	(46,736,206)	127,899,163	(69,205,415)	75,561,138
Consumer loans	10,156,642	(166,355,401)	194,339,961	(9,693,111)	28,448,091
Residential mortgage loans	362,530	(4,001,685)	16,949,398	(12,640,930)	669,313
Total	74,122,768	(217,093,292)	339,188,522	(91,539,456)	104,678,542

	2023 ThCh$	2022 ThCh$
Direct write-offs (Article 31 number 4, paragraph 2)	28,433,625	25,523,656
Debt relief that releases provisions	59,533	125,057
Recoveries or re-negotiation of written-off loans	2,139,425	62,910,869

	2023 ThCh$	2022 ThCh$
Write-offs under paragraph 1	—	—
Relief under paragraph 3	59,533	125,057

Note 42 – Additional notes (continued)

Note 42.17 – Other assets

(a) Composition

As of December 31, 2023 and 2022, these are as follows.

	2023 ThCh$	2022 ThCh$
Cash guarantees for derivative financial transactions	324,898,521	314,300,486
Debtors for financial instrument brokerage	254,360,215	128,285,521
Receivables from the Chilean Treasury and other government agencies	229,683,437	59,304,788
Assets to be leased in financial leases as lessor (*)	157,981,010	94,923,432
Receivables from third parties	99,419,918	131,612,512
Prepaid expenses	67,805,615	39,743,612
Assets for regular revenue from contracts with customers	13,832,227	6,473,398
Investment properties	11,762,676	12,119,422
Pending transactions	3,330,492	3,058,223
Other cash collateral provided	3,321,179	5,299,005
Accumulated impairment of other assets receivable	(617,684)	(881,941)
Other assets	20,231,104	19,873,224
Total	1,186,008,710	814,111,682

(*) Relates to property, plant and equipment under finance leases.

Note 42 – Additional notes (continued)

Note 42.18 - Non-current assets and disposal groups held for sale and liabilities in disposal groups held for sale

(a) As of December 31, 2023 and 2022, these are as follows.

	2023 ThCh$	2022 ThCh$
Assets received in payment or awarded at judicial auction (*)		
Assets awarded in judicial auctions	20,012,037	10,006,376
Assets received in lieu of payment	1,384,482	143,000
Provisions for assets received in payment or awarded at judicial auction	(59,738)	(24,524)
Non-current assets held for sale		
Investments in other companies	—	—
Recovery of assets under finance leases	1,554,184	743,077
Disposable groups held for sale	—	—
Total	22,890,965	10,867,929

(*) Assets received in lieu of payment relate to customers with past due debts. The assets acquired by the Bank in lieu of payment never exceed 20% of the Bank's regulatory capital.

(b) Movements in the provision for assets received in lieu of payment during 2023 and 2022 are detailed as follows.

Provisions for assets received in lieu of payment	**ThCh$**
Balance as of January 1, 2022	78,980
Provisions used	(641,269)
Provisions established	586,813
Provisions released	—
Balance as of December 31, 2022	24,524
Provisions used	(1,031,557)
Provisions established	1,066,771
Provisions released	—
Balance as of December 31, 2023	59,738

(c) The Bank had no liabilities in disposal groups during 2023 and 2022.

Note 42 – Additional notes (continued)

Note 42.19 - Financial liabilities held for trading at fair value through profit and loss

These are as follows:

	2023 ThCh$	2022 ThCh$
Financial derivative contracts	2,196,921,116	3,101,481,878
Other financial instruments	2,304,889	6,271,026
Total	2,199,226,005	3,107,752,904

a) As of December 31, 2023 and 2022, the Bank has the following portfolio of derivative instrument liabilities.

Notional contract value by final maturity

	On demand		Under 1 month		Over 1 to 3 months		Over 3 to 12 months	
	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$
Currency forwards	—	—	3,939,379,319	3,785,602,446	2,316,618,893	2,178,784,064	2,458,194,256	3,562,216,497
Interest rate swaps	—	—	512,234,769	1,905,525,945	1,843,294,490	1,837,022,742	6,210,929,760	5,208,401,078
Currency and rate swaps	—	—	101,948,433	307,671,615	404,210,118	584,427,340	1,201,166,709	1,327,827,792
Currency call options	—	—	3,886,802	17,387,321	13,859,239	18,726,384	10,050,668	26,019,529
Currency put options	—	—	4,180,947	20,571,616	51,284,019	27,619,650	124,028,813	27,610,306
Total	—	—	4,561,630,270	6,036,758,943	4,629,266,759	4,646,580,180	10,004,370,206	10,152,075,202

	Over 1 to 3 years		Over 3 to 5 years		Over 5 years		Total		Fair value liabilities	
	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$
Currency forwards	283,291,071	589,335,729	3,589,906	—	—	—	9,001,073,445	10,115,938,736	221,965,205	535,642,669
Interest rate swaps	6,735,371,899	5,173,535,042	3,815,430,497	3,743,708,968	4,322,544,877	4,398,122,930	23,439,806,292	22,266,316,705	817,966,625	1,248,414,267
Currency and rate swaps	3,331,600,785	3,271,781,560	1,712,665,968	1,872,025,449	2,845,087,048	2,844,395,304	9,596,679,061	10,208,129,066	1,152,057,048	1,311,870,876
Currency call options	—	—	—	—	—	—	27,796,709	62,133,234	1,061,293	1,664,843
Currency put options	19,566,204	—	—	—	—	—	199,059,983	75,801,572	3,870,945	3,889,223
Total	10,369,829,959	9,034,652,337	5,531,686,371	5,615,734,417	7,167,631,925	7,242,518,234	42,264,415,490	42,728,319,313	2,196,921,116	3,101,481,878

b) Other financial instruments or liabilities:

	2023 ThCh$	2022 ThCh$
Current accounts and other demand deposits	—	—
Savings accounts and time deposits	—	—
Debt instruments issued	—	—
Others	2,304,889	6,271,026
Total	2,304,889	6,271,026

Note 42 – Additional notes (continued)

Note 42.20 - Financial liabilities at amortized cost

These are as follows:

	2023 ThCh$	2022 ThCh$
Current accounts and other demand deposits	13,203,069,270	13,378,131,424
Savings accounts and time deposits	15,362,795,144	14,152,498,508
Repurchase agreement and securities lending payables	157,173,490	216,263,788
Borrowings from financial institutions	5,360,715,116	5,397,675,856
Debt financial instruments	9,360,065,185	9,267,947,051
Other financial liabilities	339,304,658	344,030,071
Total	43,783,122,863	42,756,546,698

(a) Current accounts and other demand deposits

As of December 31, 2023 and 2022, current accounts and other demand deposits are as follows:

	2023 ThCh$	2022 ThCh$
Current accounts	10,907,183,000	11,167,065,290
Other demand obligations	1,224,740,169	1,166,678,543
Demand deposits	625,923,250	657,057,129
Other demand deposits	445,222,851	387,330,462
Total	13,203,069,270	13,378,131,424

b) Savings accounts and time deposits

As of December 31, 2023 and 2022, savings accounts and time deposits are as follows:

	2023 ThCh$	2022 ThCh$
Time deposits	14,976,798,343	13,718,447,945
Term savings accounts	355,724,784	407,745,238
Other term payables	30,272,017	26,305,325
Total	15,362,795,144	14,152,498,508

Note 42 – Additional notes (continued)

Note 42.20 - Financial liabilities at amortized cost (continued)

(c) Obligations under repurchase agreements and securities lending

The Bank obtains financing by selling financial instruments and committing to purchase them at future dates, plus interest at a prefixed rate. As of December 31, 2023 and 2022, these repurchase agreements are detailed as follows:

	2023 ThCh$	2022 ThCh$
Transactions with domestic banks		
Repurchase agreements with other banks	—	—
Repurchase agreements with the Chilean Central Bank	—	—
Obligations for securities loans	—	—
Transactions with foreign banks		
Repurchase agreements with other banks	—	—
Repurchase agreements with foreign central banks	—	—
Obligations for securities loans	—	—
Transactions with other domestic entities		
Repurchase agreements	157,173,490	216,263,788
Obligations for securities loans	—	—
Transactions with other foreign entities		
Repurchase agreements	—	—
Obligations for securities loans	—	—
Total	157,173,490	216,263,788

The fair value of financial instruments given in guarantee by the Bank and its subsidiaries in sale transactions with repurchase agreements as of December 31, 2023, amounts to ThCh$ 157,089,219 (ThCh$ 215,781,454 as of December 31, 2022). If the Bank and its subsidiaries go into receivership or bankruptcy, the counterparty is authorized to sell or pledge these investments.

Note 42 – Additional notes (continued)

Note 42.20 - Financial liabilities at amortized cost (continued)

(d) Bank borrowings

As of December 31, 2023 and 2022, these are as follows.

	2023 ThCh$	2022 ThCh$
Banks in Chile		
Banco Santander	—	2,698,535
Subtotal banks in Chile	—	2,698,535
Banks abroad		
Foreign trade financing		
Bank of New York Mellon	218,685,668	77,845,702
Bank of America	142,112,537	80,509,199
Standard Chartered Bank	119,794,410	81,827,568
Zurcher Kantonalbank	92,703,566	—
HSBC Bank	87,602,423	85,152,672
Citibank N.A. USA	51,297,462	69,809,690
Caixabank S.A.	48,918,457	—
Wells Fargo Bank	42,117,001	231,310,517
Commerzbank AG	40,766,479	347,967
Bank of Nova Scotia	—	142,787,016
Industrial and Commercial Bank of China	—	1,280,077
Others	92,367	—
Loans and other obligations		
Wells Fargo Bank	132,523,143	149,943,811
Citibank N.A. USA	35,344,564	108,016,899
Commerzbank AG	116,516	109,671
Standard Chartered Bank	—	14,280,797
Deutsche Bank AG	—	3,178,983
Others	59,340	55,963
Subtotal banks abroad	1,012,133,933	1,046,456,532
Chilean Central Bank (*)	4,348,581,183	4,348,520,789
Total	5,360,715,116	5,397,675,856

(*) Financing provided by the Chilean Central Bank to provide liquidity to the economy and support the flow of credit to households and companies is the Credit Facility Conditional on Increased Lending (FCIC) program.

Note 42 – Additional notes (continued)

Note 42.20 - Financial liabilities at amortized cost (continued)

(e) Debt financial instruments issued

As of December 31, 2023 and 2022, debt financial instruments issued are as follows.

	2023 ThCh$	2022 ThCh$
Letters of credit		
Letters of credit for residential purposes	1,432,926	2,327,831
Letters of credit for general purposes	11,486	48,904
Bonds		
Ordinary bonds	9,358,620,773	9,265,570,316
Mortgage bonds	—	—
Total	9,360,065,185	9,267,947,051

During 2023, Banco de Chile placed bonds amounting to ThCh$ 1,224,480,193, consisting of short-term bonds of ThCh$286,354,500, and long-term bonds of ThCh$938,125,693, which are as follows.

Short-term bonds

Counterparty	Currency	Amount ThCh$	Annual interest rate %	Issue date	Maturity date
Wells Fargo Bank	USD	39,448,500	5.65	03-30-2023	08-01-2023
Wells Fargo Bank	USD	39,448,500	5.65	03-30-2023	07-28-2023
Wells Fargo Bank	USD	40,386,500	5.60	04-03-2023	10-02-2023
Wells Fargo Bank	USD	40,425,000	5.56	04-04-2023	09-01-2023
Wells Fargo Bank	USD	42,041,000	5.85	08-01-2023	02-01-2024
Wells Fargo Bank	USD	42,302,500	5.75	08-25-2023	11-27-2023
Wells Fargo Bank	USD	42,302,500	5.85	08-25-2023	01-22-2024
Total as of December 31, 2023		286,354,500			

Note 42 – Additional notes (continued)

Note 42.20 - Financial liabilities at amortized cost (continued)

(e) Debt financial instruments issued (continued)

Long-term bonds

Series	Currency	Amount ThCh$	Term years	Annual interest rate %	Issue date	Maturity date
BCHIGI0322	UF	143,509,810	12	2.61	01-06-2023	09-01-2035
BCHIDG1116	Ch$	9,178,654	4	6.55	03-16-2023	05-01-2027
BCHIDG1116	Ch$	10,603,645	4	6.55	03-23-2023	05-01-2027
BCHIGG1121	UF	23,889,263	12	2.50	04-11-2023	05-01-2035
BCHICG0815	UF	18,715,931	9	2.65	04-28-2023	08-01-2032
BCHIGB0322	UF	16,520,736	11	2.78	05-18-2023	09-01-2034
BCHICH1215	UF	10,938,826	9	2.96	06-02-2023	12-01-2032
BCHIGB0322	UF	7,746,892	11	2.78	06-06-2023	09-01-2034
BCHIBU0815	UF	10,345,742	6	3.39	06-08-2023	08-01-2029
BCHIBU0815	UF	18,201,028	8	3.39	06-09-2023	08-01-2029
BCHICE1215	UF	27,023,656	6	2.94	06-09-2023	12-01-2031
BCHIFW1121	UF	142,385,536	10	2.89	06-12-2023	05-01-2033
BCHIBU0815	UF	23,372,551	6	3.26	06-15-2023	08-01-2029
BCHIGB0322	UF	7,216,707	11	2.78	06-16-2023	09-01-2034
BCHICI0815	UF	5,657,757	10	3.04	08-01-2023	02-01-2033
BCHICI0815	UF	18,387,925	10	3.35	08-18-2023	02-01-2033
BCHICH1215	UF	8,918,622	9	3.34	08-24-2023	12-01-2032
BCHIBO0815	UF	22,243,406	4	3.61	08-25-2023	02-01-2028
BCHIBO0815	UF	48,392,453	4	3.61	08-29-2023	02-01-2028
BCHICE1215	UF	9,348,748	8	3.27	08-29-2023	12-01-2031
BCHIFB1021	UF	6,995,607	6	4.16	11-03-2023	04-01-2029
BCHIFB1021	UF	14,667,332	6	4.16	11-07-2023	04-01-2029
BCHIEY1021	UF	29,978,765	5	4.26	11-08-2023	04-01-2028
BCHIFB1021	UF	3,335,423	6	4.16	11-09-2023	04-01-2029
BCHICI0815	UF	23,719,674	9	3.90	11-14-2023	02-01-2033
BCHICH1215	UF	6,964,125	9	3.90	11-14-2023	12-01-2032
BCHIFB1021	UF	22,046,157	6	4.16	11-15-2023	04-01-2029
BCHICE1215	UF	3,571,971	8	3.64	11-22-2023	12-01-2031
BCHICE1215	UF	10,747,576	8	3.60	11-23-2023	12-01-2031
BCHIGH1221	UF	133,305,646	12	3.67	12-01-2023	06-01-2035
BCHICH1215	UF	14,144,378	9	3.55	12-05-2023	12-01-2032
BCHICG0815	UF	9,137,020	9	3.31	12-18-2023	08-01-2032
BCHICH1215	UF	9,113,181	9	3.21	12-20-2023	12-01-2032
Subtotal UF		870,324,743				
MXN BOND	MXN	31,968,440	4	TIE (28 days) + 0.85	06-01-2023	06-03-2027
JPY BOND	JPY	35,832,510	2	0.75	06-08-2023	06-16-2025
Subtotal other currencies		67,800,950				
Total as of December 31, 2023		938,125,693				

Note 42 – Additional notes (continued)

Note 42.20 - Financial liabilities at amortized cost (continued)

(e) Debt financial instruments issued (continued)

Long-term bonds (continued)

During 2022, Banco de Chile placed bonds amounting to ThCh$1,355,816,021, consisting of short-term bonds of ThCh$215,248,930, and long-term bonds of ThCh$1,140,567,091, which are as follows:

Short-term bonds

Counterparty	Currency	Amount ThCh$	Annual interest rate %	Issue date	Maturity date
Wells Fargo Bank	USD	17,065,200	1.61	05-18-2022	08-16-2022
Wells Fargo Bank	USD	41,944,000	1.61	05-19-2022	08-17-2022
Citibank N.A.	USD	8,379,100	2.25	05-20-2022	11-21-2022
Citibank N.A.	USD	5,027,460	1.60	05-20-2022	08-22-2022
Wells Fargo Bank	USD	28,702,450	2.35	06-06-2022	12-06-2022
Citibank N.A.	USD	1,652,020	2.25	06-09-2022	12-09-2022
Wells Fargo Bank	USD	85,779,000	5.40	12-13-2022	06-12-2023
Wells Fargo Bank	USD	26,699,700	5.00	12-19-2022	03-16-2023
Total as of December 31, 2022		215,248,930			

Note 42 – Additional notes (continued)

Note 42.20 - Financial liabilities at amortized cost (continued)

(e) Debt financial instruments issued (continued)

Long-term bonds

Series	Currency	Amount ThCh$	Term in years	Annual interest rate %	Issue date	Maturity date
BCHIBS0815	UF	15,706,581	14	3.00	01-05-2022	01-05-2036
BCHIBS0815	UF	15,718,635	14	3.06	01-20-2022	01-20-2036
BCHICF0815	UF	65,737,645	17	2.65	03-01-2022	03-01-2039
BCHICP0815	UF	65,882,532	19	2.80	03-01-2022	03-01-2041
BCHIBS0815	UF	32,582,909	14	2.60	03-17-2022	03-17-2036
BCHICQ1015	UF	69,443,233	19	3.20	11-02-2022	11-02-2041
BCHICN0815	UF	69,801,806	19	3.20	11-02-2022	11-02-2041
BCHICO1215	UF	70,177,518	19	3.20	11-02-2022	11-02-2041
BCHICK0815	UF	73,568,004	18	3.20	11-14-2022	11-14-2040
BCHICM1215	UF	18,618,285	18	3.20	11-18-2022	11-18-2040
BCHIDV1116	UF	9,305,422	11	4.40	11-21-2022	11-21-2033
BCHIDV1116	UF	37,270,593	11	4.40	11-22-2022	11-22-2033
BCHIBU0815	UF	20,003,481	14	3.00	12-02-2022	12-02-2036
BCHIDU0716	UF	36,536,122	11	4.40	12-02-2022	12-02-2033
BCHICM1215	UF	9,452,862	18	3.20	12-05-2022	12-05-2040
BCHICM1215	UF	46,318,056	18	3.20	12-07-2022	12-07-2040
BCHICL1015	UF	74,421,361	18	3.20	12-07-2022	12-07-2040
BCHIGJ0522	UF	141,320,231	13	2.70	12-07-2022	12-07-2035
BCHICJ1215	UF	25,912,301	18	3.20	12-12-2022	12-12-2040
BCHICJ1215	UF	48,099,229	18	3.20	12-13-2022	12-13-2040
BCHIGK1221	UF	143,020,366	14	2.70	12-22-2022	12-22-2036
Subtotal UF		1,088,897,172				
PEN BOND	PEN	51,669,919	20	8.65	03-09-2022	03-09-2042
Subtotal other currencies		51,669,919				
Total as of December 31, 2022		1,140,567,091				

The Bank has not defaulted on its payments of principal and interest on its debt instruments during 2023 and 2022. Neither has there been any non-compliance with covenants or other commitments associated with its debt instruments.

Note 42 – Additional notes (continued)

Note 42.20 - Financial liabilities at amortized cost (continued)

(f) Other financial liabilities

As of December 31, 2023 and 2022, other financial obligations are detailed as follows:

	2023 ThCh$	2022 ThCh$
Domestic financial obligations	339,280,924	343,926,951
Financial obligations to the public sector	23,734	103,120
Total	339,304,658	344,030,071

Note 42.21 - Regulatory Capital Financial Instruments

(a) As of December 31, 2023 and 2022, these are as follows.

	2023 ThCh$	2022 ThCh$
Subordinated bonds with transitional recognition	—	—
Subordinated bonds	1,039,813,847	1,010,905,166
Bonds with no maturity date	—	—
Preferential shares	—	—
Total	1,039,813,847	1,010,905,166

(b) Subordinated bonds issued during the period:

No regulatory capital financial instruments were issued during 2023 and 2022.

Note 42 – Additional notes (continued)

Note 42.21 - Regulatory Capital Financial Instruments (continued)

(c) Movement in regulatory capital financial instruments

	Subordinated bonds ThCh$	Bonds with no maturity date ThCh$	Preferential shares ThCh$
Balance as of January 1, 2022	917,509,514	—	—
New issues	—	—	—
Transaction costs	—	—	—
Amortization of transaction costs	—	—	—
Interest accrued	31,271,106	—	—
Acquisition or redemption by the issuer	—	—	—
Modification of issuance conditions	—	—	—
Interest payments and indexation for the holder	(42,865,813)	—	—
Principal payments for the holder	(15,183,679)	—	—
Accrued indexation for changes in the UF	120,174,038	—	—
Exchange differences	—	—	—
Depreciation	—	—	—
Appreciation	—	—	—
Maturity	—	—	—
Conversion to common shares	—	—	—
Balance as of December 31, 2022	1,010,905,166	—	—
Balance as of January 1, 2023	1,010,905,166	—	—
New issues	—	—	—
Transaction costs	—	—	—
Amortization of transaction costs	—	—	—
Interest accrued	34,902,846	—	—
Acquisition or redemption by the issuer	—	—	—
Modification of issuance conditions	—	—	—
Interest payments and indexation for the holder	(41,541,484)	—	—
Principal payments for the holder	(10,657,490)	—	—
Accrued indexation for changes in the UF	46,204,809	—	—
Exchange differences	—	—	—
Depreciation	—	—	—
Appreciation	—	—	—
Maturity	—	—	—
Conversion to common shares	—	—	—
Balance as of December 31, 2023	1,039,813,847	—	—

Note 42 – Additional notes (continued)

Note 42.21 - Regulatory Capital Financial Instruments (continued)

(d) As of December 31, 2023 and 2022, subordinated bonds are as follows:

December 2023						
Series	**Currency**	**Value**	**Rate %**	**Registration Date**	**Maturity Date**	**Balance Due ThCh$**
C1	UF	300,000	7.5	12-06-1999	01-01-2030	5,210,894
C1	UF	200,000	7.4	12-06-1999	01-01-2030	3,478,385
C1	UF	530,000	7.1	12-06-1999	01-01-2030	9,284,353
C1	UF	300,000	7.1	12-06-1999	01-01-2030	5,258,008
C1	UF	50,000	6.5	12-06-1999	01-01-2030	889,171
C1	UF	450,000	6.6	12-06-1999	01-01-2030	8,000,443
D1	UF	2,000,000	3.6	06-20-2002	04-01-2026	16,206,584
F	UF	1,000,000	5.0	11-28-2008	11-01-2033	35,658,343
F	UF	1,500,000	5.0	11-28-2008	11-01-2033	53,487,515
F	UF	759,000	4.5	11-28-2008	11-01-2033	28,117,571
F	UF	241,000	4.5	11-28-2008	11-01-2033	8,927,977
F	UF	4,130,000	4.2	11-28-2008	11-01-2033	155,975,716
F	UF	1,000,000	4.3	11-28-2008	11-01-2033	37,765,628
F	UF	70,000	4.2	11-28-2008	11-01-2033	2,651,767
F	UF	4,000,000	3.9	11-28-2008	11-01-2033	155,815,657
F	UF	2,300,000	3.8	11-28-2008	11-01-2033	89,943,189
G	UF	600,000	4.0	11-29-2011	11-01-2036	21,702,860
G	UF	50,000	4.0	11-29-2011	11-01-2036	1,808,572
G	UF	80,000	3.9	11-29-2011	11-01-2036	2,913,681
G	UF	450,000	3.9	11-29-2011	11-01-2036	16,405,943
G	UF	160,000	3.9	11-29-2011	11-01-2036	5,833,224
G	UF	1,000,000	2.7	11-29-2011	11-01-2036	41,234,078
G	UF	300,000	2.7	11-29-2011	11-01-2036	12,370,734
G	UF	1,360,000	2.6	11-29-2011	11-01-2036	56,249,089
J	UF	1,400,000	1.0	11-29-2011	11-01-2042	75,689,906
J	UF	1,500,000	1.0	11-29-2011	11-01-2042	81,211,483
J	UF	1,100,000	1.0	11-29-2011	11-01-2042	59,989,090
I	UF	900,000	1.0	11-29-2011	11-01-2040	47,733,986
				Total subordinated bonds		1,039,813,847

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Note 42 – Additional notes (continued)

Note 42.21 - Regulatory Capital Financial Instruments (continued)

December 2022						
Series	**Currency**	**Value**	**Rate %**	**Registration Date**	**Maturity Date**	**Balance Due ThCh$**
C1	UF	300,000	7.5	12-06-1999	01-01-2030	5,552,692
C1	UF	200,000	7.4	12-06-1999	01-01-2030	3,707,127
C1	UF	530,000	7.1	12-06-1999	01-01-2030	9,905,652
C1	UF	300,000	7.1	12-06-1999	01-01-2030	5,610,401
C1	UF	50,000	6.5	12-06-1999	01-01-2030	950,875
C1	UF	450,000	6.6	12-06-1999	01-01-2030	8,555,305
D2	UF	1,600,000	4.3	06-20-2002	04-01-2023	2,819,854
D2	UF	400,000	4.3	06-20-2002	04-01-2023	704,964
D1	UF	2,000,000	3.6	06-20-2002	04-01-2026	21,278,973
F	UF	1,000,000	5.0	11-28-2008	11-01-2033	33,929,956
F	UF	1,500,000	5.0	11-28-2008	11-01-2033	50,894,934
F	UF	759,000	4.5	11-28-2008	11-01-2033	26,834,595
F	UF	241,000	4.5	11-28-2008	11-01-2033	8,520,603
F	UF	4,130,000	4.2	11-28-2008	11-01-2033	149,084,243
F	UF	1,000,000	4.3	11-28-2008	11-01-2033	36,097,880
F	UF	70,000	4.2	11-28-2008	11-01-2033	2,535,269
F	UF	4,000,000	3.9	11-28-2008	11-01-2033	149,314,439
F	UF	2,300,000	3.8	11-28-2008	11-01-2033	86,213,705
G	UF	600,000	4.0	11-29-2011	11-01-2036	20,685,703
G	UF	50,000	4.0	11-29-2011	11-01-2036	1,723,809
G	UF	80,000	3.9	11-29-2011	11-01-2036	2,778,158
G	UF	450,000	3.9	11-29-2011	11-01-2036	15,644,622
G	UF	160,000	3.9	11-29-2011	11-01-2036	5,562,532
G	UF	1,000,000	2.7	11-29-2011	11-01-2036	39,615,805
G	UF	300,000	2.7	11-29-2011	11-01-2036	11,884,741
G	UF	1,360,000	2.6	11-29-2011	11-01-2036	54,050,441
J	UF	1,400,000	1.0	11-29-2011	11-01-2042	73,325,637
J	UF	1,500,000	1.0	11-29-2011	11-01-2042	78,679,760
J	UF	1,100,000	1.0	11-29-2011	11-01-2042	58,137,602
I	UF	900,000	1.0	11-29-2011	11-01-2040	46,304,889
				Total subordinated bonds		1,010,905,166

Note 42 – Additional notes (continued)

Note 42.22 - Contingent provisions

(a) As of December 31, 2023 and 2022, these are as follows.

	2023 ThCh$	2022 ThCh$
Provisions for employee benefit obligations	154,131,602	139,314,582
Provisions for customer loyalty and merit-based programs	36,242,358	33,609,268
Provisions for operational risk	1,514,327	2,838,338
Provisions for a foreign bank branch remitting profits to its parent	—	—
Provisions for restructuring plans	—	—
Provisions for lawsuits and litigation	—	—
Provisions for other contingencies	263,480	263,480
Total	192,151,767	176,025,668

Note 42 – Additional notes (continued)

Note 42.22 - Contingent provisions (continued)

(b) Movements in provisions during 2023 and 2022 are as follows.

	Provisions for employee benefit obligations ThCh$	Provisions for a foreign bank branch remitting profits to its parent ThCh$	Provisions for restructuring plans ThCh$	Provisions for lawsuits and litigation ThCh$	Provisions for customer loyalty and merit-based programs ThCh$	Provisions for operational risk ThCh$	Provisions for other contingencies ThCh$	Total ThCh$
Balance as of January 1, 2022	106,963,628	—	—	—	35,936,992	694,254	263,480	143,858,354
Provisions established	123,787,803	—	—	—	—	2,144,084	—	125,931,887
Provisions used	(91,436,849)	—	—	—	—	—	—	(91,436,849)
Provisions released	—	—	—	—	(2,327,724)	—	—	(2,327,724)
Balance as of December 31, 2022	139,314,582	—	—	—	33,609,268	2,838,338	263,480	176,025,668
Provisions established	124,183,311	—	—	—	2,633,090	746,163	—	127,562,564
Provisions used	(109,366,291)	—	—	—	—	(1,592,149)	—	(110,958,440)
Provisions released	—	—	—	—	—	(478,025)	—	(478,025)
Balance as of December 31, 2023	154,131,602	—	—	—	36,242,358	1,514,327	263,480	192,151,767

(c) Provisions for employee benefit obligations

	2023 ThCh$	2022 ThCh$
Provision for short-term employee benefits	144,454,705	128,579,750
Provision for employee termination benefits	9,676,897	10,734,832
Provision for post-employment employee benefits	—	—
Provision for long-term employee benefits	—	—
Provision for share-based payments to employees	—	—
Provision for defined contribution post-employment employee plans	—	—
Provision for defined benefit post-employment employee plans	—	—
Provision for other employee benefits	—	—
Total	154,131,602	139,314,582

(d) Provisions for short-term employee benefits

(i) Provision for performance bonuses

	2023 ThCh$	2022 ThCh$
Balance as of January 1	73,203,403	53,069,286
Provisions established	58,135,084	66,817,279
Provisions used	(60,236,664)	(46,683,162)
Balance as of December 31	71,101,823	73,203,403

Note 42 – Additional notes (continued)

Note 42.22 - Contingent provisions (continued)

(d) Provisions for short-term employee benefits (continued)

(ii) Vacation provisions

	2023 ThCh$	**2022 ThCh$**
Balance as of January 1	41,256,844	37,010,060
Provisions established	10,249,485	12,106,899
Provisions used	(8,249,871)	(7,860,115)
Balance as of December 31	43,256,458	41,256,844

(iii) Provision for other employee benefits

	2023 ThCh$	**2022 ThCh$**
Balance as of January 1	14,119,503	10,437,913
Provisions established	54,366,361	38,916,597
Provisions used	(38,389,440)	(35,235,007)
Balance as of December 31	30,096,424	14,119,503

(e) Provisions for employee termination benefits

(i) Movement in the provision for employee termination benefits

	2023 ThCh$	**2022 ThCh$**
Balance as of January 1	10,734,832	6,446,369
Increases in the provision	1,357,585	5,817,485
Payments	(2,490,316)	(1,658,565)
Effect of change in actuarial factors	74,796	129,543
Balance as of December 31	9,676,897	10,734,832

Note 42 – Additional notes (continued)

Note 42.22 - Contingent provisions (continued)

(e) Provisions for employee termination benefits (continued)

(ii) Net cost of benefits

	2023 ThCh$	2022 ThCh$
Increases in provisions	881,876	5,554,156
Interest cost of benefit obligations	475,709	263,329
Effect of change in actuarial factors	74,796	129,543
Net cost of benefits	1,432,381	5,947,028

(iii) Factors used to calculate the provision

The principal assumptions used to calculate termination benefits for Banco de Chile's plan are as follows.

	As of December 31, 2023 %	As of December 31, 2022 %
Discount rate	5.77	5.50
Rate of salary increase	5.60	4.80
Probability of payment	99.99	99.99

The most recent actuarial valuation of the termination benefits provision was during the fourth quarter of 2023.

(f) Provisions for share-based employee benefits

As of December 31, 2023 and 2022, the Bank and its subsidiaries have no share compensation plan.

Note 42 – Additional notes (continued)

Note 42.23 - Provisions for dividends, interest and reappraisal of regulatory capital financial instruments

(a) These are as follows:

	2023 ThCh$	2022 ThCh$
Dividend provisions	298,265,186	253,526,063
Provisions for interest on bonds with no maturity date	—	—
Provision for revaluations of bonds with no maturity date	—	—
Total	298,265,186	253,526,063

(b) Movements for each year are as follows.

	Dividend provisions ThCh$	Provisions for interest on bonds with no maturity date ThCh$	Provision for revaluations of bonds with no maturity date ThCh$	Total ThCh$
Balance as of January 1, 2022	158,223,699	—	—	158,223,699
Provisions established	253,526,063	—	—	253,526,063
Provisions used	(158,223,699)	—	—	(158,223,699)
Provisions released	—	—	—	—
Closing balance as of December 31, 2022	253,526,063	—	—	253,526,063
Provisions established	298,265,186	—	—	298,265,186
Provisions used	(253,526,063)	—	—	(253,526,063)
Provisions released	—	—	—	—
Balance as of 12/31/2023	298,265,186	—	—	298,265,186

Note 42.24 - Special provisions for loan losses

(a) As of December 31, 2023 and 2022, these are as follows.

	2023 ThCh$	2022 ThCh$
Additional provisions for loan losses	700,251,877	700,251,877
Provisions for losses on contingent loans (*)	61,227,172	57,376,924
Provisions for country risk on transactions with debtors domiciled abroad	7,668,115	8,136,717
Special provisions for foreign loans	—	—
Adjustments to the minimum provision for normal portfolios with individual evaluation	—	—
Provisions for loan losses to meet supplementary prudential requirements	—	—
Total	769,147,164	765,765,518

(*) The movement in provisions for losses on contingent loans is disclosed in Note 42.11f.

Note 42 – Additional notes (continued)

Note 42.24 - Special provisions for loan losses (continued)

(b) Movements in special provisions for loan losses are as follows.

	Additional provisions for loan losses ThCh$	Provisions for losses on contingent loans ThCh$	Provisions for country risk on transactions with debtors domiciled abroad ThCh$	Total ThCh$
Balance as of January 1, 2022	540,251,877	53,986,059	7,335,947	601,573,883
Provisions established	160,000,000	3,867,838	800,770	164,668,608
Provisions used	—	—	—	—
Provisions released	—	—	—	—
Exchange differences	—	(476,973)	—	(476,973)
Balance as of December 31, 2022	700,251,877	57,376,924	8,136,717	765,765,518
Provisions established	—	3,725,017	—	3,725,017
Provisions used	—	—	—	—
Provisions released	—	—	(468,602)	(468,602)
Exchange differences	—	125,231	—	125,231
Balance as of December 31, 2023	700,251,877	61,227,172	7,668,115	769,147,164

Note 42.25 – Other liabilities

As of December 31, 2023 and 2022, these are as follows.

	2023 ThCh$	2022 ThCh$
Third party payables	343,546,062	384,621,991
Mortgage loan obligations payable to other banks or realtors	342,314,721	203,831,867
Creditors for financial instrument brokerage	252,038,678	131,105,497
Cash guarantees received for derivative financial transactions	172,633,857	201,847,448
Liabilities for regular revenue from contracts with customers	43,877,486	59,257,716
Dividends payable	12,074,565	8,005,463
VAT payable	10,346,723	4,743,539
Pending transactions	9,288,534	1,209,150
Other cash collateral received	1,645,009	475,339
Securities being settled	455,674	27,198,308
Other liabilities	30,405,709	32,625,453
Total	1,218,627,018	1,054,921,771

Note 42 – Additional notes (continued)

Note 42.26 - Contingencies and commitments

(a) The Bank and its subsidiaries are exposed to contingent loans and other liabilities as follows:

(a.1) Contingent loans

	2023 ThCh$	2022 ThCh$
Co-debtors and guarantees		
Guarantees and surety bonds in Chilean currency	—	—
Collateral and guarantees in foreign currency	351,530,830	348,774,178
Letters of credit for the movement of goods	350,604,381	424,194,970
Local currency debt purchase commitments abroad	—	—
Transactions related to contingent events		
Transactions related to contingent events in Chilean pesos	2,209,109,177	2,230,917,029
Transactions related to contingent events in foreign currency	431,187,675	466,690,993
Unrestricted lines of credit with immediate cancellation		
Undrawn balance of line of credit and checking account overdraft - commercial portfolio	1,581,710,959	1,396,658,589
Undrawn balance on credit card - commercial portfolio	317,560,489	290,950,090
Undrawn balance of line of credit and checking account overdraft - consumer portfolio	1,476,240,714	1,457,302,796
Undrawn balance on credit card - consumer portfolio	6,708,945,592	6,202,950,961
Undrawn balance of line of credit and checking account overdraft - banking portfolio	—	—
Unrestricted lines of credit	—	—
Other commitments		
Tertiary education loans in accordance with Law 20,027 (CAE)	—	—
Other irrevocable loan commitments	120,544,954	72,355,109
Other contingent loans	—	—
Total	13,547,434,771	12,890,794,715

Note 42 – Additional notes (continued)

Note 42.26 - Contingencies and commitments (continued)

(a.2) Liabilities that satisfy customer needs

	2023 ThCh$	2022 ThCh$
Third party transactions		
Collections	176,146,397	174,238,055
Placement or sale of financial instruments	—	—
Transferred financial assets managed by the bank	—	—
Third-party resources managed by the bank	921,104,998	766,706,024
Subtotal	1,097,251,395	940,944,079
Securities custody		
Securities held by a banking subsidiary	6,267,729,492	5,593,924,154
Securities under Bank custody	3,133,769,787	3,646,535,916
Securities deposited in other entities	17,238,291,628	14,855,337,748
Instruments issued by the Bank	—	—
Subtotal	26,639,790,907	24,095,797,818
Total	27,737,042,302	25,036,741,897

(b) Lawsuits and legal proceedings

(b.1) Normal court contingencies for the industry

There are legal proceedings against the Bank with respect to its business as of the date of issuance of these consolidated financial statements. As of December 31, 2023, the Bank has provisions for legal contingencies of ThCh$1,172,413 (ThCh$ 1,789,962 as of December 31, 2022), which form part of "Provisions" in the statement of financial position.

The estimated completion dates of the respective lawsuits are as follows.

	December 31, 2023				
	2024 ThCh$	2025 ThCh$	2026 ThCh$	2027 ThCh$	Total ThCh$
Legal contingencies	881,639	290,774	—	—	1,172,413

(b.2) Contingencies for significant legal proceedings.

As of December 31, 2023 and 2022, there are no significant legal proceedings that affect or could affect these consolidated financial statements.

Note 42 – Additional notes (continued)

Note 42.26 - Contingencies and commitments (continued)

(c) Business guarantees

(c.1) Subsidiary Banchile Administradora General de Fondos S.A.

In compliance with Article 12 of Law 20,712, Banchile Administradora General de Fondos S.A., has designated Banco de Chile as the representative of the beneficiaries of the guarantees it has established and in that role the Bank has issued performance bonds totaling UF 3,284,000, maturing January 5, 2024 (UF 4,153,500, maturing January 6, 2023). The company took out guarantee insurance policies for real estate funds with Mapfre Seguros Generales S.A., for a guaranteed total of UF 915,300.

As of December 31, 2023 and 2022, there were no guaranteed mutual funds.

(c.2) Subsidiary Banchile Corredores de Bolsa S.A.

In order to ensure the correct and full compliance with all its obligations as a stockbroker in accordance with Article 30 onward of the Securities Market Law 18,045, Banchile Corredores de Bolsa S.A. contracted an insurance guarantee for UF 20,000 with Mapfre Seguros Generales S.A. that expires on April 22, 2024, whereby the Santiago Stock Exchange was appointed as the creditors' representative.

	2023 ThCh$	2022 ThCh$
Securities in guarantee		
Shares in guarantee of simultaneous sales transactions on:		
Bolsa de Comercio de Santiago, Bolsa de Valores	17,069,804	15,840,050
Bolsa Electrónica de Chile, Bolsa de Valores	11,432,052	10,323,292
Fixed-income securities to guarantee CCLV system:	7,819,504	
Bolsa de Comercio de Santiago, Bolsa de Valores	2,141,648	9,982,551
Fixed-income securities to guarantee equity short sales and hedging loans		
Bolsa de Comercio de Santiago, Bolsa de Valores	—	—
Shares to guarantee equity lending and short selling:		
Bolsa de Comercio de Santiago, Bolsa de Valores	2,350,284	7,992,361
Cash guarantees received for derivative transactions	1,062,399	743,450
Collateral granted in cash for derivative transactions	6,141,942	1,443,053
Equity securities received for derivative transactions		
Bolsa Electrónica de Chile, Bolsa de Valores	189,060	272,773
Depósito Central de Valores S.A.	275,750	1,362,720
Financial intermediation securities received for derivative transactions		
Internal custody	—	238,369
Total	48,482,443	48,198,619

Note 42 – Additional notes (continued)

Note 42.26 - Contingencies and commitments (continued)

(c) Business guarantees (continued)

(c.2) Subsidiary Banchile Corredores de Bolsa S.A. (continued)

The Company has a pledge in favor of the Santiago Stock Exchange over one million shares in that exchange and over an equal number of shares of Sociedad de Infraestructuras de Mercado S.A., in accordance with the internal regulations of the stock exchanges, and to guarantee compliance. It also has a pledge in favor of the Chilean Electronic Exchange over one hundred thousand shares in that exchange.

Banchile Corredores de Bolsa S.A. has an integral insurance policy with Chubb Seguros Chile S.A. expiring on June 30, 2024, that covers employee fidelity, physical losses, falsification or adulteration, and currency fraud with a cover of US$20,000,000.

A performance bond for UF 311,400 was granted for the benefit of investors with portfolio management contracts. This performance bond is in UF for a fixed term and not endorsable, expiring on January 8, 2024.

A cash guarantee was granted for US$ 122,494 to cover its obligations to Pershing for transactions through this broker, and US$ 1,202,005 for shorting transactions.

A performance bond for UF 10,000 has been created to guarantee compliance with the fund's investment portfolio management service agreement. This non-endorsable performance bond indexed to the UF for a fixed term, issued by Banco de Chile and expires on January 2, 2026.

(c.3) Subsidiary Banchile Corredores de Seguros Ltda

In accordance with Article 58 letter D of D.F.L. 251 as of December 31, 2023 the entity has two insurance policies for the period April 15, 2023 to April 14, 2024 covering potential damages due to breaches of the law, regulations and complementary rules that regulate insurance brokers, and especially when non-compliance results from acts, mistakes or omissions of the brokers, its representatives, agents or dependents that participate in the broking.

The policies are as follows.

Insured Item	**Amount Insured (UF)**
Responsibility for errors and omissions	500
Civil liability	60,000

Note 42 – Additional notes (continued)

Note 42.26 - Contingencies and commitments (continued)

(d) In relation to Resolution 270 dated October 30, 2014, by which the Superintendency of Securities and Insurance (currently the Financial Market Commission) fined Banchile Corredores de Bolsa S.A. UF 50,000 for breaches of the second paragraph of Article 53 of Securities Market Law, the company filed an appeal with the Court requesting that this fine be waived. On December 10, 2019, a ruling was issued reducing the fine to UF 7,500. This sentence has been the subject of various appeals filed by both parties, which are pending before the Santiago Court of Appeals. On August 21, 2023, the case was heard and is currently being analyzed.

The company has not made any provision, as its legal advisors believe that there are solid arguments that support the appeal filed by Banchile Corredores de Bolsa S.A.

Note 42.27 - Interest income and expense

(a) The interest summary for 2023 and 2022 is as follows:

	2023 ThCh$	2022 ThCh$
Interest income	3,182,101,709	2,322,219,504
Interest expense	(1,634,707,943)	(1,040,913,600)
Net interest income	1,547,393,766	1,281,305,904

(b) Interest income is as follows.

	2023 ThCh$	2022 ThCh$
Financial assets at amortized cost:		
Rights under resale agreements and securities borrowing	5,983,749	4,142,209
Debt financial instruments	21,605,003	13,991,668
Loans and advances to banks	169,593,558	154,726,470
Commercial loans	1,474,060,294	1,044,287,849
Residential Mortgage loans	367,471,497	319,749,892
Consumer loans	784,324,769	606,516,402
Other financial instruments	62,137,134	16,823,093
Financial assets at fair value through other comprehensive income:		
Debt financial instruments	327,080,782	187,072,999
Other financial instruments	477,804	1,639,696
Interest rate risk hedge losses	(30,632,881)	(26,730,774)
Total	3,182,101,709	2,322,219,504

Note 42 – Additional notes (continued)

Note 42.27 - Interest income and expense (continued)

(b.1) Unrecognized interest for 2023 and 2022 is as follows.

	2023 ThCh$	2022 ThCh$
Commercial loans	35,667,245	20,680,729
Residential Mortgage loans	3,911,407	2,596,866
Consumer loans	4,472,661	3,493,828
Total	44,051,313	26,771,423

(b.2) Interest accrued on the impaired portfolio during 2023 and 2022 is as follows.

	2023 ThCh$	2022 ThCh$
Commercial loans	932,611	750,010
Residential Mortgage loans	2,239,267	1,415,024
Consumer loans	—	—
Total	3,171,878	2,165,034

(c) Interest expense is as follows.

	2023 ThCh$	2022 ThCh$
Financial liabilities at amortized cost:		
Current accounts and other demand deposits	1,343,093	4,515,568
Savings accounts and time deposits	1,308,576,904	776,661,574
Repurchase agreement and securities lending payables	15,182,406	15,844,608
Bank borrowings	64,603,914	37,412,906
Debt financial instruments	249,436,473	210,391,839
Other financial liabilities	—	
Lease liabilities	1,979,579	1,864,556
Regulatory capital financial instruments	34,902,846	31,271,106
Interest rate risk hedge losses	(41,317,272)	(37,048,557)
Total	1,634,707,943	1,040,913,600

Note 42 – Additional notes (continued)

Note 42.27 - Interest income and expense (continued)

(d) As of December 31, 2023 and 2022, the Bank uses cross-currency and interest-rate swaps to hedge its position in the fair value of corporate bonds and commercial loans, and cross-currency swaps for hedging the risk of changes in obligation flows with banks abroad and bonds issued in foreign currency.

	2023			2022		
	Income ThCh$	**Expense ThCh$**	**Total ThCh$**	**Income ThCh$**	**Expense ThCh$**	**Total ThCh$**
Accounting fair value hedge gain	—	—	—	607,800	—	607,800
Accounting fair value hedge loss	—	—	—	(739,988)	—	(739,988)
Accounting cash flow hedge gain	274,897,129	338,551,344	613,448,473	72,354,435	112,323,326	184,677,761
Accounting cash flow hedge loss	(305,530,010)	(297,234,072)	(602,764,082)	(98,345,221)	(75,274,769)	(173,619,990)
Result adjustment hedged element	—	—	—	(607,800)	—	(607,800)
Total	(30,632,881)	41,317,272	10,684,391	(26,730,774)	37,048,557	10,317,783

Note 42.28 - Indexation income and expense

(a) The summary of indexation income for 2023 and 2022 is as follows:

	2023 ThCh$	2022 ThCh$
Indexation income	832,909,025	2,115,717,913
Indexation expense	(489,164,670)	(1,159,838,147)
Net indexation income	343,744,355	955,879,766

(b) Indexation income is as follows.

	2023 ThCh$	2022 ThCh$
Financial assets at amortized cost:		
Rights under resale agreements and securities borrowing	—	—
Debt financial instruments	27,391,647	68,107,220
Loans and advances to banks	—	—
Commercial loans	320,175,086	850,415,077
Residential Mortgage loans	546,876,054	1,335,206,098
Consumer loans	1,896,536	6,963,847
Other financial instruments	2,843,656	5,237,504
Financial assets at fair value through other comprehensive income:		
Debt financial instruments	28,397,238	70,845,289
Other financial instruments	—	—
Indexation hedge losses on movements in UF, PPI and CPI	(94,671,192)	(221,057,122)
Total	832,909,025	2,115,717,913

Note 42 – Additional notes (continued)

Note 42.28 - Indexation income and expense (continued)

(b.1) Unrecognized indexation income for 2023 and 2022 is as follows.

	2023 ThCh$	2022 ThCh$
Commercial loans	4,771,328	4,255,993
Residential Mortgage loans	6,400,740	7,061,069
Consumer loans	15,108	61,737
Total	11,187,176	11,378,799

(b.2) Indexation income accrued on the impaired portfolio during 2023 and 2022 is as follows.

	2023 ThCh$	2022 ThCh$
Commercial loans	1,344,787	1,283,719
Residential Mortgage loans	4,667,551	4,554,626
Consumer loans	11	698
Total	6,012,349	5,839,043

(c) Indexation expense is as follows.

	2023 ThCh$	2022 ThCh$
Financial liabilities at amortized cost:		
Current accounts and other demand deposits	16,675,698	40,557,605
Savings accounts and time deposits	96,444,514	195,242,672
Repurchase agreement and securities lending payables	—	—
Bank borrowings	—	—
Debt financial instruments	329,839,649	803,863,832
Other financial liabilities	—	—
Regulatory capital financial instruments	46,204,809	120,174,038
Indexation hedge losses on movements in UF, PPI and CPI	—	—
Total	489,164,670	1,159,838,147

Note 42 – Additional notes (continued)

Note 42.28 - Indexation income and expense (continued)

(d) As of December 31, 2023 and 2022, the Bank uses cross-currency and interest-rate swaps to hedge its position in the fair value of corporate bonds and commercial loans, and cross-currency swaps for hedging the risk of changes in obligation flows with banks abroad and bonds issued in foreign currency.

	2023			2022		
	Income ThCh$	**Expense ThCh$**	**Total ThCh$**	**Income ThCh$**	**Expense ThCh$**	**Total ThCh$**
Accounting fair value hedge gain	—	—	—	—	—	—
Accounting fair value hedge loss	—	—	—	—	—	—
Accounting cash flow hedge gain	2,307,704	—	2,307,704	—	—	—
Accounting cash flow hedge loss	(96,978,896)	—	(96,978,896)	(221,057,122)	—	(221,057,122)
Result adjustment hedged element	—	—	—	—	—	—
Total	(94,671,192)	—	(94,671,192)	(221,057,122)	—	(221,057,122)

Note 42.29 - Fee income and expenses

Fee income and expenses in the consolidated income statements are as follows.

	2023 ThCh$	2022 ThCh$
Fee income for services		
Credit card services	238,522,609	217,341,833
Management of mutual funds, investment funds or others	118,169,948	121,027,820
Fees for collection services	81,043,475	87,541,429
Fees for administration of accounts	62,218,110	59,812,289
Fees for guarantees and letters of credit	37,398,549	35,380,917
Branding agreements	32,655,067	26,332,707
Distribution channel income	31,183,952	27,135,296
Insurance unrelated to loans to individuals	24,772,276	21,594,073
Fees for securities brokerage	17,287,310	19,237,978
Insurance related to loans to individuals	15,427,725	14,236,799
Loan prepayment fees	11,245,865	9,486,206
Insurance unrelated to loans to legal entities	7,317,424	4,197,407
Financial advisory fees	5,141,691	8,934,912
Fees for lines of credit and checking account overdrafts	4,957,861	4,607,361
Insurance related to loans to legal entities	2,098,206	1,706,239
Factoring services	1,380,468	1,394,349
Loans funded with mortgage bonds	105,939	211,973
Other fees received	20,398,114	17,155,507
Total	711,324,589	677,335,095
Fee expenses for services		
Credit card services	54,980,904	49,222,519
Interbank transactions	50,734,032	41,011,898
Expenses for customer card loyalty and merit-based programs	39,731,446	34,323,588
License fees for using card brands	9,115,000	9,223,625
Securities transactions	4,994,699	5,599,107
Collections and payments	4,279,256	4,469,338
Fees for other services received	2,211,373	1,865,580
Total	166,046,710	145,715,655

Note 42 – Additional notes (continued)

Note 42.30 - Net finance income

(a) Net finance income in the consolidated income statements is as follows.

Net finance income	2023 ThCh$	2022 ThCh$
Financial instruments held for trading at fair value through profit and loss:		
Financial derivative contracts	4,861,431,054	5,182,011,195
Debt financial instruments	315,118,965	246,912,599
Other financial instruments	25,985,886	11,275,338
Financial liabilities held for trading at fair value through profit and loss:		
Financial derivative contracts	(4,850,495,659)	(5,177,460,038)
Other financial instruments	(688,124)	(782,540)
Subtotal	351,352,122	261,956,554
Non-trading financial assets obligatorily valued at fair value through profit or loss		
Debt financial instruments	—	—
Other financial instruments	—	—
Financial assets designated at fair value through profit and loss		
Debt financial instruments	—	—
Other financial instruments	—	—
Financial liabilities designated at fair value through profit and loss		
Deposits, demand deposits and time deposits	—	—
Debt instruments issued	—	—
Others	—	—
Derecognize financial assets and liabilities at amortized cost, and financial assets at fair value through other comprehensive income:		
Financial assets at amortized cost	342,012	1,630,643
Financial assets held at fair value through other comprehensive income	(4,522,415)	(63,401,465)
Financial liabilities at amortized cost	(430)	(1,373)
Regulatory capital financial instruments	—	—
Subtotal	(4,180,833)	(61,772,195)
Foreign currency hedges, exchange differences and indexation		
Foreign currency translation differences	36,779,139	144,079,502
Foreign currency fluctuations	4,147,825	490,746
Net income (loss) on accounting hedges for foreign currency risks	79,667,502	(41,370,089)
Subtotal	120,594,466	103,200,159
Reclassifications of financial assets due to changes in business models:		
From financial assets at amortized cost, to financial instruments held for trading at fair value through profit and loss	—	—
From financial assets at fair value through other comprehensive income, to financial instruments held for trading at fair value through profit or loss	—	—
Changes to financial assets and liabilities:		
Financial assets at amortized cost	—	—
Financial assets held at fair value through other comprehensive income	—	—
Financial liabilities at amortized cost	—	—
Contractual leasing liabilities	—	—
Regulatory capital financial instruments	—	—
Ineffective accounting hedges:		
Ineffective cash flow hedges	—	—
Ineffective net foreign investment hedges	—	—
Other accounting hedges:		
Other hedges over financial assets	—	—
Total	467,765,755	303,384,518

Note 42 – Additional notes (continued)

Note 42.30 - Net finance income (continued)

(b) The income and (expense) associated with movement in provisions for loan losses in foreign currency are as follows. These are reflected "Foreign currency hedges, exchange differences and indexation":

	2023 ThCh$	2022 ThCh$
Loans and advances to banks	(13,322)	33,905
Commercial loans	(2,357,366)	(197,038)
Residential Mortgage loans	—	—
Consumer loans	(32,905)	16,550
Contingent loans	(125,231)	249,844
Total	(2,528,824)	103,261

Note 42.31 - Investments in other companies

The income (loss) from the investments in other companies described in Note No. 42.12 is as follows:

Company	Shareholder	2023 ThCh$	2022 ThCh$
Associates			
Transbank S.A.	Banco de Chile	7,013,559	6,808,724
Centro de Compensación Automatizado S.A.	Banco de Chile	1,685,769	1,567,084
Administrador Financiero del Transantiago S.A.	Banco de Chile	723,148	804,295
Sociedad Interbancaria de Depósitos de Valores S.A.	Banco de Chile	460,543	404,306
Redbanc S.A.	Banco de Chile	288,274	652,447
Sociedad Imerc OTC S.A.	Banco de Chile	130,693	107,517
Soc. Operadora de la Cámara de Compensación de Pagos de Alto Valor S.A.	Banco de Chile	85,730	139,564
Subtotal associates		10,387,716	10,483,937
Joint ventures			
Servipag Ltda.	Banco de Chile	2,201,056	1,866,173
Artikos Chile S.A.	Banco de Chile	819,713	680,658
Subtotal joint ventures		3,020,769	2,546,831
Minority Investments			
Sociedad de Infraestructuras de Mercado S.A.	Banchile Corredores de Bolsa	894,951	—
Bolsa de Comercio de Santiago, Bolsa de valores	Banchile Corredores de Bolsa	50,480	486,930
Banco Latinoamericano de Comercio Exterior S.A. (Bladex)	Banco de Chile	49,765	50,249
Bolsa Electrónica de Santiago, Bolsa de Valores	Banchile Corredores de Bolsa	19,143	11,961
CCLV Contraparte Central S.A.	Banchile Corredores de Bolsa	9,317	—
Subtotal minority investments		1,023,656	549,140
Total		14,432,141	13,579,908

Note 42 – Additional notes (continued)

Note 42.32 - Gain (loss) from non-current assets and disposable groups not qualifying as discontinued operations

	2023 ThCh$	2022 ThCh$
Income (loss) on assets received in lieu of payment or awarded at judicial auction		
Income from sale of assets received in lieu of payment or awarded at judicial auction	5,283,532	8,039,384
Other income from assets received in lieu of payment or awarded at judicial auction	53,090	163,699
Net realizable value provisions on assets received in lieu of payment or awarded at judicial auction	(1,069,814)	(620,011)
Charged-off assets received in lieu of payment or awarded at judicial auction	(5,251,991)	(6,838,141)
Maintenance expenses for assets received in lieu of payment or awarded at judicial auction	(1,164,508)	(1,076,706)
Non-current assets held for sale		
Investments in other companies	—	(434,521)
Intangible assets	—	—
Property, plant and equipment	2,970,581	1,043,061
Recovery of assets under finance leases	2,325,243	1,727,319
Other assets	—	—
Disposable groups held for sale	—	—
Total	3,146,133	2,004,084

Note 42.33 - Other operating income and expenses

(a) Other operating income of the Bank and its subsidiaries during 2023 and 2022 is as follows.

	2023 ThCh$	2022 ThCh$
Recoverable expenses	25,937,204	1,936,362
Release of provisions not related to loan losses	23,354,701	—
Indexation income on monthly tax prepayments	9,145,667	17,043,913
Indexation of tax refunds for prior years	6,905,000	204,828
Net income from investment properties	6,792,838	6,765,236
Correspondent bank income	2,923,378	3,115,944
Custody and trust services	132,450	135,091
Foreign trade income	98,168	75,139
Income from recoverable expenses	64,456	47,814
Other income	642,071	334,077
Total	75,995,933	29,658,404

Note 42 – Additional notes (continued)

Note 42.33 - Other operating income and expenses (continued)

(b) Other operating expenses of the Bank and its subsidiaries during 2023 and 2022 are as follows.

	2023 ThCh$	2022 ThCh$
Write-offs for operating risks	30,763,357	18,389,632
Financial leasing credit expenses	4,070,519	4,787,220
Legal expenses	2,918,142	1,916,591
Correspondent bank costs	2,592,998	3,321,770
Card administration	606,052	2,086,196
Write-offs of recovered leased assets	493,144	130,291
Insurance premiums on renegotiated loans	290,201	351,463
Mortgage-protection insurance	275,270	257,525
Revaluation expenses	249,741	225,857
Provisions for lawsuits and litigation	145,258	56,429
Operational risk provision expenses (releases)	(1,324,010)	1,523,066
Expense recoveries on operational risk events	(9,215,503)	(6,050,150)
Other expenses	1,040,047	705,506
Total	32,905,216	27,701,396

Note 42.34 - Employee benefit expenses

Employee benefit expenses for 2023 and 2022 are as follows.

	2023 ThCh$	2022 ThCh$
Short-term employee benefits expense	534,171,377	491,698,090
Employee termination benefits expense	35,391,225	27,380,945
Training expenses	3,750,734	2,596,682
Nursery and infant school expenses	1,513,849	1,403,557
Other employee expenses	7,857,260	5,146,792
Total	582,684,445	528,226,066

Note 42 – Additional notes (continued)

Note 42.35 - Administrative expenses

Administrative expenses are as follows.

	2023 ThCh$	2022 ThCh$
General administrative expenses		
Data processing and communications	144,518,530	125,762,847
Maintenance and repair of property, plant and equipment	49,630,042	42,155,533
External professional and consultancy fees	11,576,483	15,265,992
Security services and armored transport	11,264,852	12,995,252
Insurance premiums, except to cover operational risk events	9,946,795	8,466,165
Office supplies	8,661,057	9,288,243
External financial reporting and fraud prevention services	7,483,887	6,543,114
Legal and notary costs	5,431,577	3,731,994
Lighting, heating and other services	5,513,739	5,305,951
Postal and courier delivery services	4,838,779	4,371,390
Other expenses for lease liabilities	4,431,208	3,732,074
External document custody services	3,942,775	3,846,217
Expenses for short-term leases	3,859,162	2,782,490
Donations	3,251,603	1,665,751
Employee travel and entertainment expenses	3,250,330	2,448,732
Card embossing service	1,748,185	1,267,433
Fees for technical reports	1,034,133	799,618
External auditors' fees for the financial statements	749,935	838,753
Low-value lease contract expenses	510,403	491,486
Fines imposed by other agencies	107,720	210,819
Fees for advisory and consulting services provided by external auditor	72,483	28,096
Other general administrative expenses	11,404,763	9,265,571
Subcontracted services		
Technology development, certification and testing services	23,715,300	17,938,438
Data processing	11,906,437	8,385,383
External credit assessment services	5,728,890	5,207,859
Outsourced collections services	4,413,909	—
External human resources management and staffing services	1,724,119	1,437,807
External cleaning, meals, document custody, and furniture and equipment storage services	389,770	357,859
Call Center services for sales, marketing, and quality control over customer services	112,753	91,882
Board expenses		
Directors' remuneration	3,347,208	3,095,302
Other board expenses	118,724	102,372
Advertising	39,616,333	35,276,907
Income taxes, property taxes and other legal costs		
Contribution to regulator's inspections	14,785,454	13,566,291
Property taxes	5,521,175	4,727,207
Taxes other than income taxes	2,530,132	2,207,172
Municipal taxes	1,646,124	1,568,590
Other legal costs	59,597	46,986
Total	408,844,366	355,273,576

Note 42 – Additional notes (continued)

Note 42.36 - Depreciation and amortization

Depreciation and amortization during 2023 and 2022 are as follows.

	2023 ThCh$	2022 ThCh$
Amortization of intangible assets		
Intangible assets generated from business combinations	—	—
Independently generated intangible assets	29,346,061	21,501,712
Depreciation of property, plant and equipment		
Buildings and land	9,295,178	9,227,601
Other property, plant and equipment	21,098,050	21,352,043
Amortization and depreciation of right-to-use leased assets		
Buildings and land	31,195,492	30,804,381
Other property, plant and equipment	—	—
Depreciation on leasehold improvements	1,016,714	962,769
Amortization of right to use other leased intangible assets	—	—
Depreciation of investment properties	356,746	356,746
Amortization of assets that produce income	—	—
Total	92,308,241	84,205,252

Note 42.37 - Impairment of non-financial assets

As of December 31, 2023 and 2022, impairment of non-financial assets is as follows.

	2023 ThCh$	2022 ThCh$
Impairment of intangible assets	25,103	122,484
Impairment of property, plant and equipment	1,753,933	9,511
Impairment of assets generating regular revenue from contracts with customers	(17,388)	(54,872)
Total	1,761,648	77,123

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Note 42 – Additional notes (continued)

Note 42.38 - Loan loss expense

(a) This is as follows:

	2023 ThCh$	2022 ThCh$
Provisions for loan losses	423,015,198	326,948,003
Special provisions for loan losses	3,256,415	164,668,608
Recovery of written-off loans	(62,265,888)	(64,508,158)
Impairment losses on financial assets at fair value through other comprehensive income	(2,753,628)	8,008,567
Total	361,252,097	435,117,020

(b) Summary of loan loss provision expense:

	Loan loss provision expense for the year							
	Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation			Deductible Guarantees	Total
As of December 31, 2023	Individual ThCh$	Group ThCh$	Individual ThCh$	Individual ThCh$	Group ThCh$	Subtotal ThCh$	FOGAPE COVID-19 ThCh$	ThCh$
Loans and advances to banks								
Provisions established	59,970	—	—	—	—	59,970	—	59,970
Provisions released	—	—	—	—	—	—	—	—
Subtotal	59,970	—	—	—	—	59,970	—	59,970
Commercial loans								
Provisions established	—	—	—	24,790,960	71,608,930	96,399,890	—	96,399,890
Provisions released	(5,681,861)	(5,468,296)	(11,570,268)	—	—	(22,720,425)	(23,612,527)	(46,332,952)
Subtotal	(5,681,861)	(5,468,296)	(11,570,268)	24,790,960	71,608,930	73,679,465	(23,612,527)	50,066,938
Residential mortgage loans								
Provisions established	—	1,034,355	—	—	12,392,943	13,427,298	—	13,427,298
Provisions released	—	—	—	—	—	—	—	—
Subtotal	—	1,034,355	—	—	12,392,943	13,427,298	—	13,427,298
Consumer loans								
Provisions established	—	14,797,287	—	—	344,663,705	359,460,992	—	359,460,992
Provisions released	—	—	—	—	—	—	—	—
Subtotal	—	14,797,287	—	—	344,663,705	359,460,992	—	359,460,992
Loan loss provision expense/(release)	(5,621,891)	10,363,346	(11,570,268)	24,790,960	428,665,578	446,627,725	(23,612,527)	423,015,198
Recovery of written-off loans								
Loans and advances to banks								—
Commercial loans								(19,540,118)
Residential Mortgage loans								(11,156,003)
Consumer loans								(31,569,767)
Subtotal								(62,265,888)
Loan loss expense								360,749,310

Note 42 – Additional notes (continued)

Note 42.38 - Loan loss expense (continued)

(b) Summary of loan loss provision expense (continued)

	Loan loss provision expense for the year							
	Normal Portfolio Evaluation		Substandard Portfolio Evaluation	Default Portfolio Evaluation			Deductible Guarantees FOGAPE COVID-19	Total
As of December 31, 2022	Individual	Group	Individual	Individual	Group	Subtotal		
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Loans and advances to banks								
Provisions established	276,263	—	—	—	—	276,263	—	276,263
Provisions released	—	—	—	—	—	—	—	—
Subtotal	276,263	—	—	—	—	276,263	—	276,263
Commercial loans								
Provisions established	3,728,196	—	16,363,921	28,165,064	61,459,375	109,716,556	—	109,716,556
Provisions released	—	(10,448,043)	—	—	—	(10,448,043)	(15,790,433)	(26,238,476)
Subtotal	3,728,196	(10,448,043)	16,363,921	28,165,064	61,459,375	99,268,513	(15,790,433)	83,478,080
Residential mortgage loans								
Provisions established	—	5,641,070	—	—	3,977,288	9,618,358	—	9,618,358
Provisions released	—	—	—	—	—	—	—	—
Subtotal	—	5,641,070	—	—	3,977,288	9,618,358	—	9,618,358
Consumer loans								
Provisions established	—	57,379,270	—	—	176,196,032	233,575,302	—	233,575,302
Provisions released	—	—	—	—	—	—	—	—
Subtotal	—	57,379,270	—	—	176,196,032	233,575,302	—	233,575,302
Loan loss provision expense/(release)	4,004,459	52,572,297	16,363,921	28,165,064	241,632,695	342,738,436	(15,790,433)	326,948,003
Recovery of written-off loans								
Loans and advances to banks								—
Commercial loans								(26,312,967)
Residential Mortgage loans								(10,239,757)
Consumer loans								(27,955,434)
Subtotal								(64,508,158)
Loan loss expense								262,439,845

Note 42 – Additional notes (continued)

Note 42.38 - Loan loss expense (continued)

(c) Summary of special provisions for loan losses expense

	2023 ThCh$	2022 ThCh$
Contingent provisions for loan losses expense (release)		
Loans and advances to banks	—	—
Commercial loans	5,585,458	6,577,782
Consumer loans	(1,860,441)	(2,709,944)
Country risk provision expense for transactions with debtors domiciled abroad	(468,602)	800,770
Special foreign loans provision expense	—	—
Additional provisions on loans expense		
Commercial loans	—	160,000,000
Residential Mortgage loans	—	—
Consumer loans	—	—
Other special loans provision expense	3,256,415	164,668,608

Note 42.39 - Income (loss) from discontinued operations

As of December 31, 2023 and 2022, the Bank has no discontinued operations.

Note 42.40 - Related party disclosures

The Bank and its subsidiaries consider as related parties any individuals or legal entities who are related by ownership or management to the Bank, directly or through third parties, in accordance with the provisions of the Compendium of Accounting Standards and Chapter 124 of the Updated Compilation of Standards of the CMF.

Therefore, the Bank has defined related parties as individuals or legal entities having an interest either directly or through third parties in the ownership of the Bank that exceeds 5% of shares as well as persons without an ownership interest that have authority and responsibility in the planning, management and control of the Bank's activities or those of its subsidiaries. Companies are also considered related when their related parties have an interest in the Bank that exceeds 5%, or where they hold the position of Director, CEO or equivalent.

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Note 42 – Additional notes (continued)

Note 42.40 - Related party disclosures (continued)

(a) Assets and liabilities for transactions with related parties

Assets and liabilities with related parties as of December 31, 2023	Related Party				
ASSETS	Parent Company ThCh$	Other Legal Entity ThCh$	Senior Executives of the Consolidated Bank ThCh$	Other Related Parties ThCh$	Total ThCh$
Financial instruments held for trading at fair value through profit and loss					
Financial derivative contracts	—	212,147,327	—	—	212,147,327
Debt financial instruments	—	—	—	—	—
Other financial instruments	—	1,409,616	—	—	1,409,616
Non-trading financial assets obligatorily valued at fair value through profit or loss	—	—	—	—	—
Financial assets designated at fair value through profit and loss	—	—	—	—	—
Financial assets held at fair value through other comprehensive income	—	6,328,359	—	—	6,328,359
Financial derivative contracts for hedging purposes	—	—	—	—	—
Financial assets at amortized cost					
Rights under resale agreements and securities borrowing	—	—	—	—	—
Debt financial instruments	—	—	—	—	—
Commercial loans	—	199,564,444	1,027,735	11,340,375	211,932,554
Residential Mortgage loans	—	—	17,974,576	60,153,429	78,128,005
Consumer loans	—	5,297	1,968,539	11,739,164	13,713,000
Provisions for loan losses created	—	(1,708,909)	(19,324)	(311,835)	(2,040,068)
Other assets	10,107	159,805,332	13,163	15,590	159,844,192
Contingent loans	—	119,510,117	4,058,155	17,714,242	141,282,514
LIABILITIES					
Financial liabilities held for trading at fair value through profit and loss					
Financial derivative contracts	—	242,098,165	—	—	242,098,165
Financial liabilities at fair value through profit and loss	—	—	—	—	—
Financial derivative contracts for hedging purposes	—	5,674,128	—	—	5,674,128
Financial liabilities at amortized cost					
Current accounts and other demand deposits	335,612	200,018,821	2,161,389	7,652,491	210,168,313
Savings accounts and time deposits	85,903,801	160,759,658	4,391,705	24,265,240	275,320,404
Repurchase agreement and securities lending payables	—	2,002,893	—	—	2,002,893
Bank borrowings	—	86,642,026	—	—	86,642,026
Debt financial instruments	—	—	—	—	—
Other financial liabilities	—	—	—	—	—
Lease liabilities	—	10,845,072	—	—	10,845,072
Other liabilities	—	152,456,915	492,757	52,902	153,002,574

Note 42 – Additional notes (continued)

Note 42.40 - Related party disclosures (continued)

(a) Assets and liabilities for transactions with related parties (continued)

Assets and liabilities with related parties as of December 31, 2022	Related Party				
ASSETS	**Parent Company ThCh$**	**Other Legal Entity ThCh$**	**Senior Executives of the Consolidated Bank ThCh$**	**Other Related Parties ThCh$**	**Total ThCh$**
Financial instruments held for trading at fair value through profit and loss					
Financial derivative contracts	—	343,278,082	—	—	343,278,082
Debt financial instruments	—	—	—	—	—
Other financial instruments	—	3,354,382	—	—	3,354,382
Non-trading financial assets obligatorily valued at fair value through profit or loss	—	—	—	—	—
Financial assets designated at fair value through profit and loss	—	—	—	—	—
Financial assets held at fair value through other comprehensive income	—	16,759,236	—	—	16,759,236
Financial derivative contracts for hedging purposes	—	—	—	—	—
Financial assets at amortized cost					
Rights under resale agreements and securities borrowing	—	—	—	—	—
Debt financial instruments	—	—	—	—	—
Commercial loans	—	609,154,995	1,384,250	12,024,410	622,563,655
Residential Mortgage loans	—	—	15,221,007	58,607,837	73,828,844
Consumer loans	—	—	2,068,184	10,879,486	12,947,670
Provisions for loan losses created	—	(4,153,437)	(21,344)	(401,208)	(4,575,989)
Other assets	9,201	149,096,384	207	20,507	149,126,299
Contingent loans	—	177,834,473	4,118,637	17,871,611	199,824,721
LIABILITIES					
Financial liabilities held for trading at fair value through profit and loss					
Financial derivative contracts	—	400,984,283	—	—	400,984,283
Financial liabilities at fair value through profit and loss	—	—	—	—	—
Financial derivative contracts for hedging purposes	—	7,646,971	—	—	7,646,971
Financial liabilities at amortized cost					
Current accounts and other demand deposits	217,232	206,465,230	3,080,612	6,528,943	216,292,017
Savings accounts and time deposits	4,642,636	274,318,064	3,814,928	24,124,735	306,900,363
Repurchase agreement and securities lending payables	—	—	—	—	—
Bank borrowings	—	177,826,589	—	—	177,826,589
Debt financial instruments	—	—	—	—	—
Other financial liabilities	—	—	—	—	—
Lease liabilities	—	11,251,957	—	—	11,251,957
Other liabilities	—	108,766,888	517,278	52,212	109,336,378

Note 42 – Additional notes (continued)

Note 42.40 - Related party disclosures (continued)

(b) Income and expenses for related party transactions (*):

As of December 31, 2023	Parent Company	Other Legal Entity	Senior Executives of the Consolidated Bank	Other Related Parties	Total
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Interest income	—	25,438,566	498,610	2,768,138	28,705,314
Indexation income	—	3,993,385	798,807	3,266,174	8,058,366
Fee income	164,934	103,906,063	21,927	85,766	104,178,690
Net finance income	—	(18,367,205)	—	—	(18,367,205)
Other income	—	214,869	32	—	214,901
Total revenue	164,934	115,185,678	1,319,376	6,120,078	122,790,066
Interest expense	1,997,685	7,328,730	537,988	2,504,416	12,368,819
Indexation expense	—	377	7,623	733	8,733
Fee expense	—	29,507,940	—	—	29,507,940
Loan loss expense	—	(2,077,829)	(3,514)	(15,419)	(2,096,762)
Expenses for employee benefit obligations	—	420,669	38,083,220	80,427,901	118,931,790
Administrative expenses	—	11,776,360	3,786,024	229,337	15,791,721
Other expenses	—	—	2,348	22,537	24,885
Total expenses	1,997,685	46,956,247	42,413,689	83,169,505	174,537,126

As of December 31, 2022	Parent Company	Other Legal Entity	Senior Executives of the Consolidated Bank	Other Related Parties	Total
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Interest income	—	23,467,188	423,615	2,087,255	25,978,058
Indexation income	—	25,559,837	1,958,456	7,649,061	35,167,354
Fee income	92,278	112,307,880	20,005	69,267	112,489,430
Net finance income	—	88,102,838	—	—	88,102,838
Other income	—	78,526	—	339	78,865
Total revenue	92,278	249,516,269	2,402,076	9,805,922	261,816,545
Interest expense	871,556	11,307,236	170,334	1,366,282	13,715,408
Indexation expense	—	161	12,480	26,756	39,397
Fee expense	—	35,947,645	—	—	35,947,645
Loan loss expense	—	241,664	(5,314)	31,251	267,601
Expenses for employee benefit obligations	—	173,445	32,894,039	71,503,650	104,571,134
Administrative expenses	—	22,253,570	3,603,478	119,552	25,976,600
Other expenses	—	10,067	2,556	14,502	27,125
Total expenses	871,556	69,933,788	36,677,573	73,061,993	180,544,910

(*) This does not constitute an Income Statement of related party transactions as these related party assets are not necessarily equal to the liabilities and total income and expenses are reflected for each transaction and not those of matched transactions.

Note 42 – Additional notes (continued)

Note 42.40 - Related party disclosures (continued)

(c) Related party transactions

As of December 31, 2023

Company name	Bank Relationship	Description: Service	Description: Term	Description: Renewal conditions	Equivalent transactions to those with mutual independence between the parties	Amount ThCh$	Effect on income statement: Income ThCh$	Effect on income statement: Expense ThCh$	Effect on statement of financial position: Receivable ThCh$	Effect on statement of financial position: Payable ThCh$
Ionix SpA	Other related parties	IT license services	30 days	As contract	Yes	637,175	—	637,175	—	61,338
		IT support services	30 days	As contract	Yes	348,960	—	348,960	—	—
Servipag Ltda.	Joint venture	IT support services	30 days	As contract	Yes	385,690	—	385,690	—	—
		Collection services	30 days	As contract	Yes	4,357,806	—	4,357,806	—	432,000
		Software development services	30 days	As contract	Yes	219,784	—	219,784	—	—
Bolsa de Comercio de Santiago, Bolsa de Valores	Minority Investments	Financial information service	30 days	As contract	Yes	362,353	—	362,353	—	500
		Brokerage fees	30 days	As contract	Yes	343,736	—	343,736	—	—
		IT support services	30 days	As contract	Yes	288,787	—	288,787	—	—
DCV Registros S.A.	Other related parties	Computer services	30 days	As contract	Yes	319,294	—	319,294	—	—
CCLV Contraparte Central S.A.	Minority investments	Brokerage fees	30 days	As contract	Yes	271,721	—	271,721	—	—
Redbanc S.A.	Associates	Electronic transaction management services	30 days	As contract	Yes	15,570,301	—	15,570,301	—	1,589,306
		IT project services	30 days	As contract	Yes	542,130	—	542,130	—	—
		Computer services	30 days	As contract	Yes	330,179	—	330,179	—	—
		Fraud prevention services	30 days	As contract	Yes	82,190	—	82,190	—	—
Sistemas Oracle de Chile Ltda.	Other related parties	Computer services	30 days	As contract	Yes	91,166	—	91,166	—	—
		IT support services	30 days	As contract	Yes	1,325,500	—	1,325,500	—	—
Depósitos Central de Valores S.A.	Other related parties	Quality control and custody services	30 days	As contract	Yes	1,026,392	—	1,026,392	—	42,000
		Custodial services	30 days	As contract	Yes	1,041,635	—	1,041,635	—	—
Manantial S.A.	Other related parties	General expenses	30 days	As contract	Yes	366,170	—	366,170	—	—
Universidad del Desarrollo	Other related parties	Loyalty programs	30 days	As contract	Yes	115,000	—	115,000	—	6,664
Universidad Adolfo Ibáñez	Other related parties	Training	30 days	As contract	Yes	333,678	—	333,678	—	—
Canal 13 S.A.	Other related parties	Advertising services	30 days	Monthly	Yes	92,329	—	92,329	—	36,134
Nexus S.A.	Other related parties	General income	30 days	As contract	Yes	147,866	147,866	—	—	—
		Card processing	30 days	As contract	Yes	3,487,351	—	3,487,351	—	—
		Computer services	30 days	As contract	Yes	404,787	—	404,787	—	—
		Packaging services	30 days	As contract	Yes	235,389	—	235,389	—	—
		Product deliveries to customers	30 days	As contract	Yes	272,715	—	272,715	—	—
		Fraud prevention services	30 days	As contract	Yes	380,188	—	380,188	—	—
Sociedad Operadora de la Cámara de Compensación de Pagos de Alto Valor S.A.	Associates	Collection services	30 days	As contract	Yes	669,492	—	669,492	—	60,500
Comder Contraparte Central S.A.	Other related parties	Armored transportation services	30 days	As contract	Yes	703,270	—	703,270	—	—
Bolsa Electrónica de Chile S.A.	Minority Investments	Brokerage fees	30 days	As contract	Yes	141,106	—	141,106	—	—
		Financial information service	30 days	As contract	Yes	84,210	—	84,210	—	—
Citigroup Global Markets INC	Other related parties	Brokerage fees	30 days	As contract	Yes	363,166	—	363,166	—	—
Transbank S.A.	Associates	Card processing	30 days	As contract	Yes	580,078	—	580,078	—	50,874
		Consulting for projects	30 days	As contract	Yes	152,802	—	152,802	—	—
		Foreign exchange fees	30 days	As contract	Yes	93,167,816	93,167,816	—	9,096	—
Centro de Compensación Automatizado S.A.	Associates	Fraud prevention services	30 days	As contract	Yes	553,249	—	553,249	—	299,583
		Transfer services	30 days	As contract	Yes	2,580,776	—	2,580,776	—	—
		Collection services	30 days	As contract	Yes	180,053	—	180,053	—	—
Artikos Chile S.A.	Joint venture	IT support services	30 days	As contract	Yes	456,681	—	456,681	—	18,580
		Computer services	30 days	As contract	Yes	383,182	—	383,182	—	—
Citibank N.A.	Other related parties	Connectivity business fees	Quarterly	As contract	Yes	5,866,500	5,866,500	—	2,517,027	—
Nuevos Desarrollos S.A.	Other related parties	Finance lease contracts	30 days	As contract	Yes	335,180	—	—	—	129,191
Plaza Vespucio SPA	Other related parties	Finance lease contracts	30 days	As contract	Yes	81,804	—	—	—	261,146
Plaza Oeste	Other related parties	Finance lease contracts	30 days	As contract	Yes	243,058	—	—	—	962,506
Plaza del Trebol	Other related parties	Finance lease contracts	30 days	As contract	Yes	291,607	—	—	—	373,447
Plaza Tobalaba	Other related parties	Finance lease contracts	30 days	As contract	Yes	127,815	—	—	—	229,386
Plaza la Serena	Other related parties	Finance lease contracts	30 days	As contract	Yes	245,743	—	—	—	714,432
Inmobiliaria Mall Calama	Other related parties	Finance lease contracts	30 days	As contract	Yes	161,704	—	—	—	305,800
Plaza Antofagasta	Other related parties	Finance lease contracts	30 days	As contract	Yes	86,828	—	—	—	—

Note 42 – Additional notes (continued)

Note 42.40 - Related party disclosures (continued)

(c) Related party transactions (continued)

As of December 31, 2022

		Description					Effect on income statement		Effect on statement of financial position	
Company name	Bank Relationship	Service	Term	Renewal conditions	Equivalent transactions to those with mutual independence between the parties	Amount ThCh$	Income ThCh$	Expense ThCh$	Receivable ThCh$	Payable ThCh$
Ionix SpA	Other related parties	IT license services	30 days	As contract	Yes	440,416	—	440,416	—	31,514
		IT support services	30 days	As contract	Yes	334,076	—	334,076	—	—
Canal 13 S.A.	Other related parties	Advertising services	30 days	Monthly	Yes	583,509	—	583,509	—	134,328
Servipag Ltda.	Joint venture	Software services	30 days	As contract	Yes	768,482	—	768,482	—	—
		Collection services	30 days	As contract	Yes	4,404,967	—	4,404,967	—	464,595
Bolsa de Comercio de Santiago, Bolsa de Valores	Minority Investments	IT support services	30 days	As contract	Yes	258,500	—	258,500	—	—
		Financial information service	30 days	As contract	Yes	334,557	—	334,557	—	—
		Brokerage fees	30 days	As contract	Yes	310,018	—	310,018	—	—
Enex S.A.	Other related parties	Leased ATM area	30 days	As contract	Yes	1,182,896	—	1,182,896	—	167,971
Redbanc S.A.	Associates	Software development	30 days	As contract	Yes	399,411	—	399,411	—	—
		Electronic transaction management services	30 days	As contract	Yes	13,379,758	—	13,379,758	—	1,222,885
Sistemas Oracle de Chile Ltda.	Other related parties	Software services	30 days	As contract	Yes	6,028,920	—	6,028,920	—	2,280,712
		IT support services	30 days	As contract	Yes	2,872,658	—	2,872,658	—	—
Depósitos Central de Valores S.A.	Other related parties	Custodial services	30 days	As contract	Yes	2,229,762	—	2,229,762	—	53,014
Inmobiliaria e Inversiones Capitolio S.A.	Other related parties	Leased ATM area	30 days	As contract	Yes	81,567	—	81,567	—	—
Tagle y Compañía Ltda.	Other related parties	Legal services	30 days	As contract	Yes	125,839	—	125,839	—	6,319
Manantial S.A.	Other related parties	Materials and supplies	30 days	As contract	Yes	223,748	—	223,748	—	14,930
Radiodifusión SpA	Other related parties	Advertising services	30 days	As contract	Yes	105,090	—	105,090	—	4,392
Nexus S.A.	Other related parties	Product deliveries to customers	30 days	As contract	Yes	1,185,118	—	1,185,118	—	1,679,027
		Card processing	30 days	As contract	Yes	11,178,386	—	11,178,386	—	—
		IT development services	30 days	As contract	Yes	1,565,047	—	1,565,047	—	—
		Packaging services	30 days	As contract	Yes	723,853	—	723,853	—	—
		Fraud prevention services	30 days	As contract	Yes	1,233,603	—	1,233,603	—	—
Artikos Chile S.A.	Joint venture	IT support services	30 days	As contract	Yes	421,250	—	421,250	—	17,451
		Computer services				340,451	—	340,451	—	—
DCV Registros S.A.	Other related parties	Computer services	30 days	As contract	Yes	275,010	—	275,010	—	—
Sociedad Operadora de la Cámara de Compensación de Pagos de Alto Valor S.A.	Associates	Collection services	30 days	As contract	Yes	588,031	—	588,031	—	55,600
Comder Contraparte Central S.A.	Other related parties	Armored transportation services	30 days	As contract	Yes	830,281	—	830,281	—	—
Citigroup Global Markets INC	Other related parties	Brokerage fees	30 days	As contract	Yes	480,456	—	480,456	—	—
Bolsa Electrónica de Chile S.A.	Minority Investments	Brokerage fees	30 days	As contract	Yes	153,219	—	153,219	—	—
Transbank S.A.	Associates	Processing fees	30 days	As contract	Yes	1,149,816	—	1,149,816	—	90,533
		Foreign exchange fees	30 days	As contract	Yes	94,489,150	94,489,150	—	8,448	—
Centro de Compensación Automatizado S.A.	Associates	Transfer services	30 days	As contract	Yes	2,339,743	—	2,339,743	—	378,264
Citibank N.A.	Other related parties	Connectivity business fees	Quarterly	As contract	Yes	10,582,626	10,582,626	—	6,702,215	—
Centros Comerciales Vecinales Arauco Express S.A.	Other related parties	Finance lease contracts	30 days	As contract	Yes	113,927	—	—	—	169,758
Nuevos Desarrollos S.A.	Other related parties	Finance lease contracts	30 days	As contract	Yes	302,789	—	—	—	391,712
Plaza Oeste	Other related parties	Finance lease contracts	30 days	As contract	Yes	221,152	—	—	—	1,038,734
Plaza del Trebol	Other related parties	Finance lease contracts	30 days	As contract	Yes	263,081	—	—	—	592,920
Plaza Tobalaba	Other related parties	Finance lease contracts	30 days	As contract	Yes	113,630	—	—	—	319,711
Plaza la Serena	Other related parties	Finance lease contracts	30 days	As contract	Yes	243,479	—	—	—	—
Inmob Mall Calama	Other related parties	Finance lease contracts	30 days	As contract	Yes	178,163	—	—	—	504,512

Note 42 – Additional notes (continued)

Note 42.40 - Related party disclosures (continued)

(d) Payments to the Board of Directors and Senior Executives of the Bank and its subsidiaries.

	2023 ThCh$	2022 ThCh$
Board of Directors		
Director's remuneration and fees for the Bank and its subsidiaries	3,347,208	3,095,302
Senior Executives of the Bank and its subsidiaries		
Short-term employee benefits	36,535,551	31,195,800
Employee termination benefits	1,547,669	1,698,239
Post-employment employee benefits	—	—
Long-term employee benefits	—	—
Share-based payments to employees	—	—
Post-employment defined contribution plans	—	—
Post-employment defined benefit plans	—	—
Other employee benefits	—	—
Subtotal	38,083,220	32,894,039
Total	41,430,428	35,989,341

(e) Composition of the Board of Directors and Senior Executives of the Bank and its subsidiaries:

	2023	2022
	Number of Executives	
Board of Directors		
Directors of the Bank and its subsidiaries	16	17
Senior Executives of the Bank and its subsidiaries		
Chief Executive Officer - Bank	1	1
Chief Executive Officers - Subsidiaries	5	5
Divisional / Area Managers - Bank	90	92
Divisional / Area Managers - Subsidiaries	30	32
Subtotal	126	130
Total	142	147

Note 42 – Additional notes (continued)

Note 42.41 - Fair value of financial assets and liabilities

The Bank and its subsidiaries have developed a valuation and control framework to measure fair value.

This includes product control, which is independent of the business units and reports to the Divisional Manager for Financial Control and Productivity. The Financial Control, Treasury and Capital Department through the Financial Risk Control and Reporting Department is responsible for independently verifying the results of trading, investment and hedging transactions and all measurements of fair value.

The Bank and its subsidiaries take into account at least the following aspects in order to achieve suitable measurements and controls.

(i) Standard industry valuation.

The standard industry model is used to value financial instruments: quota value, share price, discounted cash flows and valuation of options using the Black-Scholes-Merton valuation model, as appropriate. The entry parameters for the valuation are rates, prices and volatility for various maturities and market factors that are traded on the domestic and international markets and are provided by principal market sources.

(ii) Prices quoted on active markets.

The fair value of instruments quoted on active markets is determined using the daily quotations through electronic information systems (Santiago Stock Exchange, Bloomberg, LVA, Risk America, etc.). This represents the value at which these instruments are regularly traded in the financial markets.

(iii) Valuation techniques.

Should no specific quotations be available for the instrument to be valued, techniques will be used to determine its fair value.

As valuation models generally require the entry of market parameters, it is sought to maximize the information based on observable or derivative quotations of prices for similar instruments on active markets. Should there be no information directly from markets or information from external providers of information, similar instrument prices and historic information are used to validate the valuation parameters.

Note 42 – Additional notes (continued)

Note 42.41 – Fair value of financial assets and liabilities (continued)

(iv) Valuation adjustments.

Three adjustments apply to the market value calculated from market parameters during the valuation process. These are a liquidity adjustment, a Bid/Offer adjustment and a derivative credit risk adjustment (CVA and DVA). Furthermore, the portion of the fair value adjustment caused by counterparty credit risk impairment is calculated for certain fixed-income instruments held in investment portfolios.

The liquidity adjustment is calculated using the position of each factor together with the relative size of Banco de Chile with respect to the market and the liquidity observed in recent market operations. The Bid/Offer adjustment represents the impact on the valuation of an instrument depending on whether the position is long (bought) or short (sold). Direct market quotes or indicative prices or derivatives of similar assets are used to calculate this adjustment, depending on the instrument, considering the respective Bid, Mid and Offer. Finally, the CVA and DVA adjustment for derivatives is defined as recognizing the issuer's credit risk, either of the counterparty (CVA) or Banco de Chile (DVA). Similarly, credit risk impairment is based on the counterparty risk implicit in the market rate for that instrument.

Liquidity adjustments only affect trading instruments including derivatives, while Bid/Offer adjustments affect trading instruments and financial instruments at fair value through other comprehensive income. CVA/DVA adjustments only affect derivatives. Credit risk impairment is calculated for fixed income instruments at fair value through other comprehensive income (FVTOCI) and fixed income instruments at amortized cost that are held to maturity.

(v) Valuation controls.

Prices and rates are independently valued every day, in order to ensure that the market parameters Banco de Chile uses to value its financial instruments represent the present state of the market and the best estimate of fair value. The purpose is to check that the market parameters provided by the respective business areas and entered into the official valuation system are within acceptable ranges, by comparing them with the same combination of parameters prepared independently by the Financial Risk Control and Reporting Department. Differences in value are thus obtained by currency, product and portfolio. Should there be important differences, these are scaled according to their individual materiality for each market factor and for the portfolio, according to the scaling tables within previously-defined ranges. These ranges are approved by the finance, international and financial risk committee.

At the same time and complementarily, the Financial Risk Control and Reporting Department prepares daily reports of gains and losses and exposure to market risks, which ensure adequate control and consistency with the parameters used in the valuation.

(vi) **Management analysis and information.**

In special cases where there are no market quotations for the instrument to be valued and there are no transaction prices for similar instruments or indicative parameters, a specific control and thorough analysis is used to produce the best estimate of the reasonable value of the transaction. Within the framework for the valuation described in the reasonable value policy and procedure approved by the Board of Banco de Chile, the approval required to execute transactions is established where there is no market information, or it is impossible to infer prices or rates from them.

Note 42 – Additional notes (continued)

Note 42.41 – Fair value of financial assets and liabilities (continued)

(a) Hierarchy of instruments valued at fair value

Banco de Chile and its subsidiaries classify their financial instruments as follows.

Level 1: Those financial instruments whose fair value is calculated from quoted prices (unadjusted) from liquid and extensive markets. There are observable quoted market prices for these instruments (internal rate of return, unit value, and price), so no assumptions are needed for their valuation.

This level includes currency forwards, fixed income instruments issued by the Chilean Central Bank and the Chilean Treasury that are included in benchmarks, investments in mutual funds and shares.

For instruments of the Chilean Central Bank and the Chilean Treasury, Level 1 includes all ticker codes belonging to a benchmark, i.e. that correspond to one of the following categories published by Santiago Stock Exchange: Pesos-02, Pesos-03, Pesos-04, Pesos-05, Pesos-07, Pesos-10, UF-02, UF-04, UF-05, UF-07, UF-10, UF-20, UF-30. A benchmark is a group of ticker codes that are similar in terms of maturity and are traded similarly, i.e. the price obtained (internal rate of return in this case) is the same for all instruments comprising a benchmark. These characteristics define a greater market depth, with daily quotations that permit classifying these instruments as Level 1.

In the case of government debt, the market internal rate of return is used to discount all cash flows to present value. In the case of mutual funds and shares, the current price per unit or share is multiplied by the number of instruments, to give their fair value.

The above valuation technique is equivalent to that used by the Santiago Stock Exchange and is the standard methodology used in the market.

Note 42 – Additional notes (continued)

Note 42.41 – Fair value of financial assets and liabilities (continued)

(a) Hierarchy of instruments valued at fair value (continued)

Level 2: These are financial instruments whose fair value is calculated on the basis of prices other than those quoted in Level 1 that are observable for the asset or liability, either directly (as internal prices or rates of return) or indirectly (derived from internal prices or rates of return for similar instruments). These categories include:

a) Prices quoted for similar assets or liabilities in active markets.
b) Prices quoted for similar assets or liabilities in markets that are not active.
c) Inputs other than quoted prices for the asset or liability.
d) Inputs corroborated by the market.

This level mainly includes derivative instruments, debt issued by banks, debt issued by Chilean and foreign companies in Chile or abroad, mortgage-funding notes, financial trading instruments and some issuances by the Chilean Central Bank and the Treasury that are not included in benchmarks.

The valuation of derivatives will depend on whether these are affected by volatility as an important market factor in the standard valuation methodologies. The Black-Scholes-Merton model is used for options, while the discounted cash flow method is used for other derivatives, forwards and swaps.

The remaining instruments at this level and level 1 debt issuances are valued using the discounted cash flow method at an internal rate of return that can be derived or estimated from internal rates of return for similar instruments, as described above.

Should there be no observable price for a specific term, this is inferred from the interpolation between maturities that do have observable information in active markets. The models incorporate various market variables including the credit rating of the counterparties, exchange rates and interest-rate curves.

Note 42 – Additional notes (continued)

Note 42.41 – Fair value of financial assets and liabilities (continued)

(a) Hierarchy of instruments valued at fair value (continued)

Valuation techniques and inputs for Level 2 instruments

Financial instrument	Valuation method	Description: Inputs and sources of information
Local bank and corporate bonds	Discounted cash flow method	Prices (internal rates of return) are obtained from suppliers of external prices that are normally used in the Chilean market. The model is based on a base curve (central bank bonds) and an issuer spread. The model considers daily prices and similarities of risk/maturity ratios between instruments.
Offshore bank and corporate bonds		Prices are obtained from suppliers of external prices that are normally used in the Chilean market. The model is based on daily prices.
Local Central Bank and Treasury bonds		Prices (internal rates of return) are obtained from suppliers of external prices that are normally used in the Chilean market. The model is based on daily prices.
Mortgage-funding notes		Prices (internal rates of return) are obtained from suppliers of external prices that are normally used in the Chilean market. The model is based on a base curve (central bank bonds) and an issuer spread. The model considers daily prices and similarities of risk/maturity ratios between instruments.
Time deposits		Prices (internal rates of return) are obtained from suppliers of external prices that are normally used in the Chilean market. The model considers daily prices and similarities of risk/maturity ratios between instruments.
Cross-currency swaps, interest-rate swaps, FX forwards, Inflation forwards		Forward points, inflation forwards and local rate swaps are obtained from brokers, which are normally used in the Chilean market. Offshore rates and spreads are obtained from external suppliers of prices normally used in the Chilean market. Zero coupon rates are calculated using the Bootstrapping method on the swap rates.
FX options	Black-Scholes model	Prices for the calculation of the surface of volatilities are obtained from brokers that are normally used in the Chilean market.

Note 42 – Additional notes (continued)

Note 42.41 – Fair value of financial assets and liabilities (continued)

(a) Hierarchy of instruments valued at fair value (continued)

Level 3: These are financial instruments whose fair value is determined using unobservable inputs for the asset, liability or similar instruments. An adjustment of input that is significant for complete measurement can lead to a fair value measurement classified in Level 3 of the fair value hierarchy, if the adjustment uses significant unobservable input.

The instruments classified in Level 3 are mainly debt issuances of Chilean and foreign companies, made in Chile or abroad.

Valuation techniques and inputs for Level 3 instruments

Financial instrument	Valuation method	Description: Inputs and sources of information
Local bank and corporate bonds	Discounted cash flow method	Entry data for these instruments is not observable in a market, so internal rates of return are modeled using a base rate (Central Bank Bonds) and the issuer's credit spread. This input (base rate and issuer spread) are provided daily by external price suppliers that are widely used in the Chilean market.
Offshore bank and corporate bonds		Entry data for these instruments is not observable in a market, so internal rates of return are modeled using a base rate (US-Libor) and the issuer's credit spread. This input (base rate and issuer spread) are provided daily by external price suppliers that are widely used in the Chilean market.

Note 42 – Additional notes (continued)

Note 42.41 – Fair value of financial assets and liabilities (continued)

(b) Level table

The classification of financial instruments by level measured at fair value are as follows.

	Level 1		Level 2		Level 3		Total	
	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$
Financial Assets								
Financial instruments held for trading at fair value through profit and loss								
Financial derivative instruments:								
Forwards	—	—	212,475,182	565,372,750	—	—	212,475,182	565,372,750
Swaps	—	—	1,818,154,681	2,389,577,045	—	—	1,818,154,681	2,389,577,045
Call options	—	—	3,435,322	2,321,327	—	—	3,435,322	2,321,327
Put options	—	—	1,311,215	2,758,342	—	—	1,311,215	2,758,342
Futures	—	—	—	—	—	—	—	—
Subtotal	—	—	2,035,376,400	2,960,029,464	—	—	2,035,376,400	2,960,029,464
Debt financial instruments:								
Instruments issued by the State and the Chilean Central Bank	181,702,376	28,128,155	2,845,610,464	3,031,163,331	—	—	3,027,312,840	3,059,291,486
Debt financial instruments issued locally	—	—	301,947,285	273,934,184	34,363,379	100,519,129	336,310,664	374,453,313
Debt financial instruments issued abroad	—	—	—	—	—	—	—	—
Subtotal	181,702,376	28,128,155	3,147,557,749	3,305,097,515	34,363,379	100,519,129	3,363,623,504	3,433,744,799
Others	409,328,195	257,324,696	—	—	—	—	409,328,195	257,324,696
Financial assets at fair value through other comprehensive income								
Debt financial instruments: (1)								
Instruments issued by the State and the Chilean Central Bank	532,202,942	552,763,470	1,305,448,958	1,706,092,950	—	—	1,837,651,900	2,258,856,420
Debt financial instruments issued locally	—	—	1,653,182,327	1,499,624,897	88,483,348	41,283,465	1,741,665,675	1,540,908,362
Debt financial instruments issued abroad	—	—	207,207,837	167,627,113	—	—	207,207,837	167,627,113
Subtotal	532,202,942	552,763,470	3,165,839,122	3,373,344,960	88,483,348	41,283,465	3,786,525,412	3,967,391,895
Financial derivative contracts for hedging purposes								
Forwards	—	—	—	—	—	—	—	—
Swaps	—	—	49,064,753	27,076,908	—	—	49,064,753	27,076,908
Call options	—	—	—	—	—	—	—	—
Put options	—	—	—	—	—	—	—	—
Futures	—	—	—	—	—	—	—	—
Subtotal	—	—	49,064,753	27,076,908	—	—	49,064,753	27,076,908
Total	1,123,233,513	838,216,321	8,397,838,024	9,665,548,847	122,846,727	141,802,594	9,643,918,264	10,645,567,762
Financial Liabilities								
Financial liabilities held for trading at fair value through profit and loss								
Financial derivative instruments:								
Forwards	—	—	221,965,205	535,642,669	—	—	221,965,205	535,642,669
Swaps	—	—	1,970,023,673	2,560,285,143	—	—	1,970,023,673	2,560,285,143
Call options	—	—	1,061,293	1,664,843	—	—	1,061,293	1,664,843
Put options	—	—	3,870,945	3,889,223	—	—	3,870,945	3,889,223
Futures	—	—	—	—	—	—	—	—
Subtotal	—	—	2,196,921,116	3,101,481,878	—	—	2,196,921,116	3,101,481,878
Others	—	—	2,304,889	6,271,026	—	—	2,304,889	6,271,026
Financial derivative contracts for hedging purposes								
Forwards	—	—	—	—	—	—	—	—
Swaps	—	—	160,602,210	223,015,559	—	—	160,602,210	223,015,559
Call options	—	—	—	—	—	—	—	—
Put options	—	—	—	—	—	—	—	—
Futures	—	—	—	—	—	—	—	—
Subtotal	—	—	160,602,210	223,015,559	—	—	160,602,210	223,015,559
Total	—	—	2,359,828,215	3,330,768,463	—	—	2,359,828,215	3,330,768,463

(1) As of December 31, 2023, all the instruments classified as Level 3 are investment grade. Also, all these financial instruments are from local issuers.

Note 42 – Additional notes (continued)

Note 42.41 – Fair value of financial assets and liabilities (continued)

(c) Reconciliation level 3

The following table shows the reconciliation between the opening and closing balances of instruments classified in Level 3, whose fair value is shown in the consolidated financial statements.

	December 2023							
	Balance as of 01-01-2023 ThCh$	Gain (loss) recognized in net income (1) ThCh$	Gain (loss) recognized in equity (2) ThCh$	Purchases ThCh$	Sales ThCh$	Transfers from Levels 1 and 2 ThCh$	Transfers to Levels 1 and 2 ThCh$	Balance as of 12-31-2023 ThCh$
Financial instruments held for trading at fair value through profit and loss								
Debt financial instruments:								
Other debt financial instruments issued in Chile	100,519,129	767,382	—	18,084,603	(62,179,473)	15,190,343	(38,018,605)	34,363,379
Subtotal	100,519,129	767,382	—	18,084,603	(62,179,473)	15,190,343	(38,018,605)	34,363,379
Financial assets at fair value through other comprehensive income								
Debt financial instruments:								
Other debt financial instruments issued in Chile	41,283,465	4,092,870	(7,354,757)	63,929,766	(1,695,317)	3,950,960	(15,723,639)	88,483,348
Subtotal	41,283,465	4,092,870	(7,354,757)	63,929,766	(1,695,317)	3,950,960	(15,723,639)	88,483,348
Total	141,802,594	4,860,252	(7,354,757)	82,014,369	(63,874,790)	19,141,303	(53,742,244)	122,846,727

	December 2022							
	Balance as of 01-01-2022 ThCh$	Gain (loss) recognized in net income (1) ThCh$	Gain (loss) recognized in equity (2) ThCh$	Purchases ThCh$	Sales ThCh$	Transfers from Levels 1 and 2 ThCh$	Transfers to Levels 1 and 2 ThCh$	Balance as of 12-31-2022 ThCh$
Financial instruments held for trading at fair value through profit and loss								
Debt financial instruments:								
Other debt financial instruments issued in Chile	51,484,182	902,145	—	111,960,304	(63,827,502)	—	—	100,519,129
Subtotal	51,484,182	902,145	—	111,960,304	(63,827,502)	—	—	100,519,129
Financial assets at fair value through other comprehensive income								
Debt financial instruments:								
Other debt financial instruments issued in Chile	25,202,617	(1,476,693)	4,921,258	25,044,735	(12,408,452)	—	—	41,283,465
Subtotal	25,202,617	(1,476,693)	4,921,258	25,044,735	(12,408,452)	—	—	41,283,465
Total	76,686,799	(574,548)	4,921,258	137,005,039	(76,235,954)	—	—	141,802,594

(1) Recorded in income under "Net finance income"
(2) Recorded in equity under "Accumulated other comprehensive income"

Note 42 – Additional notes (continued)

Note 42.41 – Fair value of financial assets and liabilities (continued)

d) Sensitivity of instruments classified in Level 3 to changes in key model assumptions.

The following table shows the sensitivity as of December 31 of instruments classified in Level 3 to changes in the key valuation assumptions.

	As of December 31, 2023		As of December 31, 2022	
	Level 3 ThCh$	Sensitivity to changes in key model assumptions ThCh$	Level 3 ThCh$	Sensitivity to changes in key model assumptions ThCh$
Financial instruments held for trading at fair value through profit and loss				
Debt financial instruments:				
Other debt financial instruments issued in Chile	34,363,379	(695,960)	100,519,129	(996,659)
Subtotal	34,363,379	(695,960)	100,519,129	(996,659)
Financial assets measured at fair value with changes in other comprehensive income				
Debt financial instruments:				
Other debt financial instruments issued in Chile	88,483,348	(2,720,514)	41,283,465	(1,262,792)
Subtotal	88,483,348	(2,720,514)	41,283,465	(1,262,792)
Total	122,846,727	(3,416,474)	141,802,594	(2,259,451)

In order to measure the sensitivity of the financial investments to changes in relevant market factors, the Bank has made alternative calculations of fair value, changing those key parameters for the valuation which are not directly observable. The financial assets in the above table are bank and corporate bonds, and prices based on broker quotes or runs were used as input prices, as these instruments do not have observable prices. Prices are generally calculated as a base rate plus a spread. For domestic bonds, this was determined by applying a 10% impact on the price, while for offshore bonds this was determined by applying a 10% impact on the spread because the base rate is hedged with interest-rate swap instruments using hedge accounting. The impact of 10% is considered as a reasonable movement considering the market performance of these instruments and comparing it against the bid/offer adjustment that is provided for these instruments.

Note 42 – Additional notes (continued)

Note 42.41 – Fair value of financial assets and liabilities (continued)

(e) Other assets and liabilities

The following table summarizes the fair values of the main financial assets and liabilities that are not recorded at fair value in the statement of financial position. The values shown in this note do not attempt to estimate the value of the Bank's income-generating assets, nor forecast their future behavior. The estimated fair value is as follows:

	Book value		Estimated fair value	
	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$
Assets				
Cash and due from banks	2,464,647,680	2,764,883,901	2,464,647,680	2,764,883,901
Transactions in the course of collection	415,505,444	772,195,964	415,505,444	772,195,964
Subtotal	2,880,153,124	3,537,079,865	2,880,153,124	3,537,079,865
Financial assets at amortized cost				
Rights under resale agreements and securities borrowing	71,822,359	54,061,245	71,822,359	54,061,245
Debt financial instruments	1,431,082,669	902,355,480	1,368,415,984	836,526,557
Loans and advances to banks				
Banks in Chile	—	—	—	—
Chilean Central Bank	2,100,933,333	1,801,100,000	2,100,933,333	1,801,100,000
Banks abroad	418,246,697	373,014,579	412,661,649	369,525,833
Subtotal	4,022,085,058	3,130,531,304	3,953,833,325	3,061,213,635
Customer loans and receivables				
Commercial loans	19,617,940,705	19,721,414,901	19,193,778,274	19,161,773,675
Residential Mortgage loans	12,269,147,875	11,386,851,763	11,656,071,118	11,138,046,243
Consumer loans	4,937,678,500	4,658,050,602	5,025,163,227	4,608,040,682
Subtotal	36,824,767,080	35,766,317,266	35,875,012,619	34,907,860,600
Total	43,727,005,262	42,433,928,435	42,708,999,068	41,506,154,100
Liabilities				
Transactions in the course of payment	356,870,828	681,791,990	356,870,828	681,791,990
Financial liabilities at amortized cost				
Current accounts and other demand deposits	13,203,069,270	13,378,131,424	13,203,069,270	31,378,131,424
Savings accounts and time deposits	15,362,795,144	14,152,498,508	15,361,005,639	14,136,352,823
Payables from repurchase agreements and securities lending	157,173,490	216,263,788	157,173,490	216,263,788
Bank borrowings	5,360,715,116	5,397,675,856	5,152,775,500	4,844,427,350
Debt financial instruments				
Mortgage bonds for residential purposes	1,432,926	2,327,831	1,533,464	2,466,443
Mortgage bonds for general purposes	11,486	48,904	12,290	51,816
Senior bonds	9,358,620,773	9,265,570,316	9,090,187,954	9,030,442,761
Other financial liabilities	339,304,658	344,030,071	339,327,381	363,808,723
Subtotal	43,783,122,863	42,756,546,698	43,305,084,988	41,971,945,128
Regulatory capital financial instruments				
Subordinated bonds	1,039,813,847	1,010,905,166	1,035,800,537	1,002,249,844
Total	45,179,807,538	44,449,243,854	44,697,756,353	43,655,986,962

Note 42 – Additional notes (continued)

Note 42.41 – Fair value of financial assets and liabilities (continued)

(e) Other assets and liabilities (continued)

Other financial assets and liabilities not measured to fair value but for which a fair value is estimated even when they are not managed based on that value, include assets and liabilities like placements, deposits and other term placements, debt instruments issued and other financial assets and obligations with different maturities and characteristics. The fair values of these assets and liabilities are calculated by applying the discounted cash flow model and using various data sources such as yield curves, credit risk spreads, etc. In addition, as some of these assets and liabilities are traded on the market, regular analyses and revisions are required to determine the suitability of the inputs and the resulting fair values.

(f) Levels of other assets and liabilities

The estimated fair values of financial assets and liabilities not valued at fair value, as of December 31, 2023 and 2022 are as follows.

	Level 1 Estimated fair value		Level 2 Estimated fair value		Level 3 Estimated fair value		Total Estimated fair value	
	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$	2023 ThCh$	2022 ThCh$
Assets								
Cash and due from banks	2,464,647,680	2,764,883,901	—	—	—	—	2,464,647,680	2,764,883,901
Transactions in the course of collection	415,505,444	772,195,964	—	—	—	—	415,505,444	772,195,964
Subtotal	2,880,153,124	3,537,079,865	—	—	—	—	2,880,153,124	3,537,079,865
Financial assets at amortized cost								
Rights under resale agreements and securiti borrowing	71,822,359	54,061,245	—	—	—	—	71,822,359	54,061,245
Debt financial instruments	1,368,415,984	836,526,557	—	—	—	—	1,368,415,984	836,526,557
Loans and advances to banks								
Banks in Chile	—	—	—	—	—	—	—	—
Chilean Central Bank	2,100,933,333	1,801,100,000	—	—	—	—	2,100,933,333	1,801,100,000
Banks abroad	—		—	—	412,661,649	369,525,833	412,661,649	369,525,833
Subtotal	3,541,171,676	2,691,687,802	—	—	412,661,649	369,525,833	3,953,833,325	3,061,213,635
Customer loans and receivables								
Commercial loans	—	—	—	—	19,193,778,274	19,161,773,675	19,193,778,274	19,161,773,675
Residential Mortgage loans	—	—	—	—	11,656,071,118	11,138,046,243	11,656,071,118	11,138,046,243
Consumer loans	—	—	—	—	5,025,163,227	4,608,040,682	5,025,163,227	4,608,040,682
Subtotal	—	—	—	—	35,875,012,619	34,907,860,600	35,875,012,619	34,907,860,600
Total	6,421,324,800	6,228,767,667	—	—	36,287,674,268	35,277,386,433	42,708,999,068	41,506,154,100
Liabilities								
Transactions in the course of payment	356,870,828	681,791,990	—	—	—	—	356,870,828	681,791,990
Financial liabilities at amortized cost								
Current accounts and other demand deposit	13,203,069,270	13,378,131,424	—	—	—	—	13,203,069,270	13,378,131,424
Savings accounts and time deposits	—	—	—	—	15,361,005,639	14,136,352,823	15,361,005,639	14,136,352,823
Payables from repurchase agreements and securities lending	157,173,490	216,263,788	—	—	—	—	157,173,490	216,263,788
Bank borrowings	—	—	—	—	5,152,775,500	4,844,427,350	5,152,775,500	4,844,427,350
Debt financial instruments								
Mortgage bonds for residential purposes	—	—	1,533,464	2,466,443	—	—	1,533,464	2,466,443
Mortgage bonds for general purposes	—	—	12,290	51,816	—	—	12,290	51,816
Senior bonds	—	—	9,090,187,954	9,030,442,761	—	—	9,090,187,954	9,030,442,761
Other financial liabilities	—	—		—	339,327,381	363,808,723	339,327,381	363,808,723
Subtotal	13,717,113,588	14,276,187,202	9,091,733,708	9,032,961,020	20,853,108,520	19,344,588,896	43,661,955,816	42,653,737,118
Regulatory capital financial instruments								
Subordinated bonds	—	—	—	—	1,035,800,537	1,002,249,844	1,035,800,537	1,002,249,844
Total	13,717,113,588	14,276,187,202	9,091,733,708	9,032,961,020	21,888,909,057	20,346,838,740	44,697,756,353	43,655,986,962

Note 42 – Additional notes (continued)

Note 42.41 – Fair value of financial assets and liabilities (continued)

(f) Levels of other assets and liabilities (continued)

The Bank calculates the fair value of these assets and liabilities as follows:

- Short-term assets and liabilities: The book values of short-term assets and liabilities are assumed to be approximately equal to their fair values. This assumption is applied to the following assets and liabilities:

Assets	**Liabilities**
- Cash and due from banks	- Current accounts and other demand deposits
- Transactions in the course of collection	- Transactions in the course of payment
- Rights under resale agreements and securities borrowing	- Repurchase agreement and securities lending payables
- Loans with Chilean banks	

- Customer loans and receivables and loans to foreign banks: Fair value is calculated using a discounted cash flow model and discount rates generated internally, based on internal transfer rates derived from the internal transfer pricing process. After calculating the present value, the provisions for loan losses are deducted, in order to incorporate the credit risk associated with each contract or loan. Due to the use of parameters generated internally, these instruments are classified at Level 3.

- Debt financial instruments at amortized cost: Fair value is calculated using the Santiago Stock Exchange's method, using the market IRR. Since the instruments in this category are Benchmark Treasury Bonds, they are classified as Level 1.

- Letters of credit and senior bonds: In order to calculate the present value of contractual cash flows, we apply a discounted cash flow model using interest rates that are available in the market, either for instruments with similar characteristics or that suit the valuation requirements, in terms of currency, maturity and liquidity. Interest rates are obtained from market price suppliers widely used by the market. As a result of the valuation technique and quality of inputs (observables) used for the valuation, these financial liabilities are classified at Level 2.

- Savings accounts, time deposits, bank obligations including the Chilean Central Bank, subordinated bonds and other financial obligations: A discounted cash flow model is used to obtain the present value of committed cash flows, using a range of maturities and average discount rates derived from instruments with similar characteristics and internal transfer pricing process. Due to the use of internal parameters and/or critical judgments for valuation purposes, these financial liabilities are classified at Level 3.

Note 42 – Additional notes (continued)

Note 42.42 - Maturity of financial assets and liabilities by their remaining terms

The principal financial assets and liabilities grouped according to their remaining term, including accrued interest as of Decemb
are as follows. Instruments held for trading and financial instruments at fair value through other comprehensive income are valu

	December 2023						
Assets	**On demand ThCh$**	**Under 1 month ThCh$**	**Over 1 to 3 months ThCh$**	**Over 3 to 12 months ThCh$**	**Subtotal under 1 year ThCh$**	**Over 1 to 3 years ThCh$**	**Over 3 to 5 years ThCh$**
Cash and due from banks	2,464,647,680	—	—	—	2,464,647,680	—	—
Transactions in the course of collection	—	415,505,444	—	—	415,505,444	—	—
Financial instruments held for trading at fair value through profit and loss							
Financial derivative contracts	—	56,847,789	130,506,956	309,217,917	496,572,662	560,640,791	314,648,956
Debt financial instruments	—	3,363,623,504	—	—	3,363,623,504	—	—
Others	—	409,328,195	—	—	409,328,195	—	—
Financial assets held at fair value through other comprehensive income	—	180,968,937	721,297,066	1,790,912,919	2,693,178,922	257,309,675	478,174,813
Derivative contracts for hedging purposes	—	—	—	14,320,604	14,320,604	1,530,051	21,062,363
Financial assets at amortized cost							
Rights under resale agreements and securities borrowing	—	61,004,957	10,322,304	495,098	71,822,359	—	—
Debt financial instruments	—	—	—	507,202,533	507,202,533	478,818,238	128,728,020
Loans and advances to banks (*)	—	2,216,941,639	73,506,391	229,483,083	2,519,931,113	—	—
Customer loans and receivables (*)	—	5,421,343,112	2,587,415,938	6,993,528,514	15,002,287,564	7,092,458,079	3,965,966,319
Total financial assets	2,464,647,680	12,125,563,577	3,523,048,655	9,845,160,668	27,958,420,580	8,390,756,834	4,908,580,471

	December 2023						
Liabilities	**On demand ThCh$**	**Under 1 month ThCh$**	**Over 1 to 3 months ThCh$**	**More than 3 months and up to 12 months ThCh$**	**Subtotal under 1 year ThCh$**	**Over 1 to 3 years ThCh$**	**Over 3 to 5 years ThCh$**
Transactions in the course of payment	—	356,870,828	—	—	356,870,828	—	—
Financial liabilities held for trading at fair value through profit and loss							
Financial derivative contracts	—	57,325,005	141,763,519	319,272,513	518,361,037	566,762,062	431,075,631
Others	—	2,159,533	126,136	—	2,285,669	19,220	—
Financial derivative contracts for hedging purposes	—	—	—	—	—	20,505,189	3,188,581
Financial liabilities at amortized cost							
Current accounts and other demand deposits	13,378,131,424	—	—	—	13,378,131,424	—	—
Savings accounts and time deposits (**)	—	10,037,240,230	3,458,535,078	1,449,536,377	14,945,311,685	60,622,334	594,810
Repurchase agreement and securities lending payables	—	157,015,054	158,436	—	157,173,490	—	—
Bank borrowings	—	176,909,092	65,902,348	5,091,283,434	5,334,094,874	26,620,242	—
Debt financial instruments							
Mortgage bonds	—	174,421	282,344	415,923	872,688	171,340	79,999
Senior bonds	—	52,442,300	186,628,984	956,608,352	1,195,679,636	2,138,819,974	2,075,249,380
Other financial liabilities	—	339,292,877		11,781	339,304,658		
Lease liabilities	—	2,180,737	4,313,940	16,655,168	23,149,845	35,619,219	27,834,688
Regulatory capital financial instruments	—	1,472,008	—	113,255,603	114,727,611	18,825,812	10,216,203
Total financial liabilities	13,378,131,424	11,183,082,085	3,857,710,785	7,947,039,151	36,365,963,445	2,867,965,392	2,548,239,292
Gap	(10,913,483,744)	949,449,954	(334,662,130)	1,898,121,517	(8,407,542,865)	5,522,791,442	2,360,341,179

(*) These balances are without deducting the respective provisions, which amount to ThCh$ 768,967,823 for customer loans and receivables and ThCh$ 751,083 for loans and advances to banks.
(**) Excludes term savings accounts totaling ThCh$ 355,724,784.

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Note 42 – Additional notes (continued)

Note 42.42 - Maturity of financial assets and liabilities by their remaining terms (continued)

	December 2022									
Assets	**On demand ThCh$**	**Under 1 month ThCh$**	**Over 1 to 3 months ThCh$**	**Over 3 to 12 months ThCh$**	**Subtotal under 1 year ThCh$**	**Over 1 to 3 years ThCh$**	**Over 3 to 5 years ThCh$**	**Over 5 years ThCh$**	**Subtotal over 1 year ThCh$**	**Total ThCh$**
Cash and due from banks	2,764,883,901	—	—	—	2,764,883,901	—	—	—	—	2,764,883,901
Transactions in the course of collection	—	772,195,964	—	—	772,195,964	—	—	—	—	772,195,964
Financial instruments held for trading at fair value through profit and loss										
Financial derivative contracts	—	174,943,503	243,090,898	637,829,981	1,055,864,382	701,848,205	415,817,206	786,499,671	1,904,165,082	2,960,029,464
Debt financial instruments	—	3,433,744,799	—	—	3,433,744,799	—	—	—	—	3,433,744,799
Others	—	257,324,696	—	—	257,324,696	—	—	—	—	257,324,696
Financial assets held at fair value through other comprehensive income	—	71,345,010	231,924,564	2,143,837,569	2,447,107,143	718,240,795	80,008,485	722,035,472	1,520,284,752	3,967,391,895
Derivative contracts for hedging purposes	—	—	—	15,863,451	15,863,451	442,979	8,051,941	2,718,537	11,213,457	27,076,908
Financial assets at amortized cost										
Rights under resale agreements and securities borrowing	—	35,548,913	14,324,313	4,188,019	54,061,245	—	—	—	—	54,061,245
Debt financial instruments	—	—	—	—	—	16,279,594	445,624,397	440,451,489	902,355,480	902,355,480
Loans and advances to banks (*)	—	1,904,367,506	63,395,938	207,028,926	2,174,792,370	—	—	—	—	2,174,792,370
Customer loans and receivables (*)	—	4,940,664,555	2,937,024,096	6,830,833,681	14,708,522,332	7,253,672,282	3,752,729,708	10,829,784,078	21,836,186,068	36,544,708,400
Total financial assets	2,764,883,901	11,590,134,946	3,489,759,809	9,839,581,627	27,684,360,283	8,690,483,855	4,702,231,737	12,781,489,247	26,174,204,839	53,858,565,122

	December 2022									
Liabilities	**On demand ThCh$**	**Under 1 month ThCh$**	**Over 1 to 3 months ThCh$**	**Over 3 to 12 months ThCh$**	**Subtotal under 1 year ThCh$**	**Over 1 to 3 years ThCh$**	**Over 3 to 5 years ThCh$**	**Over 5 years ThCh$**	**Subtotal over 1 year ThCh$**	**Total ThCh$**
Transactions in the course of payment	—	681,791,990	—	—	681,791,990	—	—	—	—	681,791,990
Financial liabilities held for trading at fair value through profit and loss										
Financial derivative contracts	—	167,935,962	222,880,084	588,342,268	979,158,314	692,759,387	465,828,163	963,736,014	2,122,323,564	3,101,481,878
Others	—	4,354,745	1,916,281	—	6,271,026	—	—	—	—	6,271,026
Financial derivative contracts for hedging purposes	—	—	—	1,461,129	1,461,129	20,240,058	15,639,257	185,675,115	221,554,430	223,015,559
Financial liabilities at amortized cost										
Current accounts and other demand deposits	13,378,131,424	—	—	—	13,378,131,424	—	—	—	—	13,378,131,424
Savings accounts and time deposits (**)	—	9,342,195,562	2,962,616,639	1,319,445,276	13,624,257,477	113,901,032	5,939,583	655,178	120,495,793	13,744,753,270
Repurchase agreement and securities lending payables	—	216,211,911	51,877	—	216,263,788	—	—	—	—	216,263,788
Bank borrowings	—	289,675,215	84,391,035	675,088,817	1,049,155,067	4,348,520,789	—	—	4,348,520,789	5,397,675,856
Debt financial instruments										
Mortgage bonds	—	337,290	364,190	528,236	1,229,716	743,821	39,395	363,803	1,147,019	2,376,735
Senior bonds	—	38,469,393	173,247,505	1,248,410,317	1,460,127,215	1,895,121,280	2,282,247,835	3,628,073,986	7,805,443,101	9,265,570,316
Other financial liabilities	—	343,942,909	10,570	54,285	344,007,764	22,307	—	—	22,307	344,030,071
Lease liabilities	—	2,618,537	7,644,169	17,352,579	27,615,285	27,634,050	15,009,381	19,110,594	61,754,025	89,369,310
Regulatory capital financial instruments	—	1,153,916	—	117,261,792	118,415,708	20,156,974	12,344,651	859,987,833	892,489,458	1,010,905,166
Total financial liabilities	13,378,131,424	11,088,687,430	3,453,122,350	3,967,944,699	31,887,885,903	7,119,099,698	2,797,048,265	5,657,602,523	15,573,750,486	47,461,636,189
Gap	(10,613,247,523)	501,447,516	36,637,459	5,871,636,928	(4,203,525,620)	1,721,479,748	1,905,183,472	7,123,886,724	10,750,549,944	6,396,928,733

(*) These balances are shown without deducting the respective provisions, which amount to ThCh$778,391,134 for customer loans and receivables and ThCh$677,791 for loans and advances to banks.
(**) Excludes term savings accounts totaling ThCh$407,745,238

Note 42 – Additional notes (continued)

Note 42.43 - Financial and non-financial assets and liabilities by currency

As of December 31, 2023	Chilean peso ThCh$	UF ThCh$	Indexed exchange rate ThCh$	US dollar ThCh$	Colombian peso ThCh$	Pound sterling ThCh$	Euro ThCh$	Swiss Franc ThCh$	Japanese yen ThCh$	Chinese Yuan ThCh$	Others ThCh$	Total ThCh$
Assets												
Financial assets	26,148,436,678	21,206,715,459	145,584,290	5,593,506,012	—	42,300,199	176,379,886	3,987,811	18,085,377	16,224,541	19,699,765	53,370,920,018
Non-financial assets	2,024,901,071	30,486,979	13,710,481	344,211,040	—	23,108	1,289,406	1,029	—	—	36,442	2,414,659,556
Total assets	28,173,337,749	21,237,202,438	159,294,771	5,937,717,052	—	42,323,307	177,669,292	3,988,840	18,085,377	16,224,541	19,736,207	55,785,579,574
Liabilities												
Financial liabilities	29,850,995,517	9,998,525,125	277,901	6,018,902,550	—	9,950,489	195,817,738	291,395,817	226,388,029	5,715,981	729,351,750	47,327,320,897
Non-financial liabilities	2,184,490,098	350,671,033	721,080	252,955,402	—	46,822	3,810,928	6,001	12,598	5,260	74,904	2,792,794,126
Total liabilities	32,035,485,615	10,349,196,158	998,981	6,271,857,952	—	9,997,311	199,628,666	291,401,818	226,400,627	5,721,241	729,426,654	50,120,115,023
Financial assets and liabilities mismatch (*)	**(3,702,735,197)**	**10,777,331,976**	**145,306,389**	**(425,396,538)**	**—**	**32,349,710**	**(19,437,852)**	**(287,408,006)**	**(208,302,652)**	**10,508,560**	**(709,651,985)**	**5,612,564,405**

(*) This value does not include non-financial assets and liabilities and the notional values of derivative instruments, as these are disclosed at fair value.

As of December 31, 2022	Chilean peso ThCh$	UF ThCh$	Indexed exchange rate ThCh$	US dollar ThCh$	Colombian peso ThCh$	Pound sterling ThCh$	Euro ThCh$	Swiss Franc ThCh$	Japanese yen ThCh$	Chinese Yuan ThCh$	Others ThCh$	Total ThCh$
Assets												
Financial assets	27,002,194,666	19,512,398,591	118,264,692	6,164,921,861	—	40,692,902	191,525,388	2,645,632	13,243,110	14,491,310	19,114,622	53,079,492,774
Non-financial assets	1,676,512,488	25,186,730	4,625,500	318,509,211	—	23,259	911,082	34	412	330	759	2,025,769,805
Total assets	28,678,707,154	19,537,585,321	122,890,192	6,483,431,072	—	40,716,161	192,436,470	2,645,666	13,243,522	14,491,640	19,115,381	55,105,262,579
Liabilities												
Financial liabilities	29,120,058,360	10,283,890,387	232,593	6,624,180,686	—	23,465,288	237,470,198	364,359,022	194,284,714	3,485,337	751,216,499	47,602,643,084
Non-financial liabilities	1,981,735,639	209,270,412	355,047	323,995,658	—	28,411	2,106,045	56,205	36,998	117,248	207,465	2,517,909,128
Total liabilities	31,101,793,999	10,493,160,799	587,640	6,948,176,344	—	23,493,699	239,576,243	364,415,227	194,321,712	3,602,585	751,423,964	50,120,552,212
Financial assets and liabilities mismatch (*)	**(2,117,863,694)**	**9,106,797,285**	**118,032,099**	**(459,258,825)**	**—**	**17,227,614**	**(45,944,810)**	**(361,713,390)**	**(181,041,604)**	**11,005,973**	**(732,101,877)**	**5,355,138,771**

(*) This value does not include non-financial assets and liabilities and the notional values of derivative instruments, as these are disclosed at fair value.

Note 42 – Additional notes (continued)

Note 42.44 - Risk management

(1) Introduction

Banco de Chile's risk profile ensures sustainable growth and is aligned with its strategic objectives, in order to maximize value creation and guarantee its long-term solvency. Overall risk management takes into consideration the business segments served by the Bank with an integrated and differentiated perspective.

Risk management policies identify and analyze the Bank's risks, set suitable risk limits, warnings and controls, monitor risks and compliance with limits and warnings, in order to implement action plans where necessary. The Bank ensures a disciplined and constructive control environment, through its management regulations and procedures. Risk management policies, standards, procedures and systems are regularly reviewed.

The Bank has teams with extensive experience and knowledge in every matter related to risk, who ensure that these are carefully managed by the Bank and its subsidiaries.

(a) Risk management structure

Credit, market and operational risk management takes place at all levels of the organization, with a corporate governance structure that recognizes its importance and all the various types of risk.

The board establishes the risk policies, the risk appetite framework, and the guidelines to develop, validate and monitor its models. It approves the provisioning models, the additional provisions policy and ensures that provisions are sufficient every year. It ratifies the strategies, policies, functional structure and integrated operational risk management model. It guarantees that this model is aligned with the Bank's strategy and ensures that it is appropriately implemented throughout the organization. It establishes Risk Control Policy at Subsidiaries and describes the Bank's supervision of its subsidiaries, in order to monitor their risks. Management is responsible for defining associated standards and procedures, then monitoring compliance with the instructions issued by the Board of Directors. They ensure that the criteria applied by the Bank and its subsidiaries are consistently applied, and carefully coordinate corporate reporting to the Board of Directors where required.

The Bank's Corporate Governance is actively driven by the Board of Directors, both directly and through various committees composed of Directors and Senior Executives. Banco de Chile's Board of Directors is continually informed of risk developments through its Finance, International and Financial Risk, Credit Risk, Portfolio Risk and Superior Operational Risk Committees, which review the status of credit, market and operational risks. These committees are described in the following paragraphs.

Risk is managed jointly by the Wholesale Credit Risk Division, the Retail Credit Risk and Overall Risk Control Division and the Cyber-security Division, which constitute the corporate risk governance structure. They have highly experienced and specialized teams and a robust regulatory framework, which ensures that they can optimally and effectively manage these issues.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(1) Introduction (continued)

(a) Risk management structure (continued)

The Wholesale Credit Risk Division and the Retail Credit Risk and Overall Risk Control Division contribute to the effective governance of the Corporation's main risks, with a focus on optimizing the risk-return relationship, ensuring business continuity, and building a robust risk prevention culture. They identify potential losses arising from counterparty default, market factor movements, inadequate processes, people or systems, which contribute to comprehensive capital management.

They also manage risk knowledge using an integral approach, in order to contribute to the business and anticipate threats that may damage its solvency or the quality of their loan portfolio, by developing a unique risk prevention and training culture throughout the bank.

Both divisions are responsible for credit risk during the loan origination, monitoring and recovery stages for these respective segments. The structure of the Wholesale Credit Risk Division includes the Market Risk Department that measures, limits, checks and reports on this risk, as well as defining valuation standards and asset and liability management standards.

The Origination Department of the Retail Credit Risk and Overall Risk Control Division prepares the regulatory framework for credit risk issues, and the Risk Models Department prepares the methods related to credit risk. Model monitoring, validation and model risk management are carried out by the respective departments in this Division, which safeguards independence.

This Division also has Operational Risk and Business Continuity Departments that manage policies, standards and procedures, and ensures their compliance within the Bank and its subsidiaries. The Operational Risk Department is responsible for ensuring that operational risks are efficiently identified and managed, for promoting a risk awareness culture to prevent financial losses and improve process quality, and for proposing continuous improvements to risk management that are aligned with regulations and business objectives.

The Business Continuity Department manages the business continuity strategy for the Bank's operational and technological departments. It prepares plans and conducts controlled tests to reduce the impact of disruptive events that may affect the bank. The Information Security Officer (ISO) is independent and responsible for designing and implementing an environment that monitors the implementation of data security and cyber-security strategy and controls, and the independence of the control functions of the Cyber-security Division.

The Operational Risk and Business Continuity methods, controls and scopes apply to Banco de Chile and are replicated in its subsidiaries. This guarantees their standardization in line with the bank's overall management model.

The Cybersecurity Division is responsible for defining, implementing and reporting on progress with the Strategic Cybersecurity Plan, which is aligned with the bank's business strategy. It focuses on protecting internal, customer and employee information.

Note 42.44 – Risk management (continued)

(1) Introduction (continued)

(a) Risk management structure (continued)

This Division is composed of the Cyber-security Engineering Department, the Cyber Defense Department, the Strategic Management Department and the Cyber Intelligence and Advanced Analytics Department. The Technological Risk and the Cyber-security Departments have been established as control units. Section 5 of this Note describes the responsibilities of all these departments.

(i) Finance, International and Financial Risk Committee

The objectives of this committee are to review the liquidity status, trends in the most important financial positions, their associated results, and their price and liquidity risks. Its specific functions include reviewing proposals to the Board of Directors of the Risk Appetite Framework (RAF), the Funding Plan and the structure of limits and alerts for price and liquidity risks, reviewing and approving the Comprehensive Risk Measurement for subsequent review by the Capital Management Committee and subsequent approval by the Board of Directors, designing policies and procedures related to limits and alerts for price and liquidity risks, reviewing the trends in financial positions and market risks, monitoring exceeded limits and activated alerts, ensuring that the risk factors affecting financial positions are adequately identified, ensuring that the price and liquidity risk management guidelines at the Bank's subsidiaries are consistent with those of the Bank and that these are reflected in its own policies and procedures.

(iii) Credit committees

The credit approval process is controlled by various credit committees composed of trained professionals with sufficient authority to make decisions.

Each committee defines the terms and conditions under which the Bank accepts counterparty risks and the Wholsale Credit Risk Division and the Retail Credit Risk and Overall Risk Control Division participate independently of the commercial areas. Their membership is based on commercial segment requirements and approval limits. They meet at various frequencies.

The Directors' Credit Committee is the highest authority within the Bank's risk management structure. It meets every week and is comprised of the Chairman of the Board and all standing and alternate directors, the CEO and the Wholesale Credit Risk Division Manager. It analyzes and approves all credit transactions equal to or greater than UF 750,000 for customers and economic groups. It is also responsible for analyzing and resolving all credit transactions that must be approved by this Committee, in accordance with the Bank's internal regulations, except for any special authority delegated by the Board to Management.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(1) Introduction (continued)

(a) Risk management structure (continued)

(iv) Portfolio Risk Committee

The Portfolio Risk Committee must understand the composition, concentration and risks attached to the Bank's loan portfolio, from a overall, sectoral and business unit perspective. It must review and approve Comprehensive Risk Measurement and the Risk Appetite Framework (RAF) for credit risks, review the main debtors, their delinquency, past-due portfolio and impairment indicators, together with the write-offs and loan portfolio provisions for each segment. It must propose differentiated management strategies, and analyze credit policy proposals to be approved by the board of directors. This committee also reviews and ratifies the approvals of management models and methods previously approved by the Internal Modeling Technical Oversight Committee, as well as proposes final approval to the Board of Directors for regulatory models and methods.

(iv) Internal Modeling Technical Oversight Committee

This committee must ensure compliance with the guidelines for model construction, analyze the criteria used and review and approve methods associated with non-regulatory models, which must be submitted to the Portfolio Risk Committee for final ratification. This committee can only review regulatory models, with approval remaining with the Portfolio Risk Committee and subsequently the Board of Directors. It is also responsible for monitoring the quality of internal models, in accordance with specific guidelines, which are also approved by the Board of Directors.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(1) Introduction (continued)

(a) Risk management structure (continued)

(v) Risk Management Model Committee

Its main function is to establish and supervise the risk management model framework and the corresponding methods throughout the bank. This committee reviews and evaluates risk models based on aggregate results, ensures that the inventory of institutional models is updated and submits the Risk Management Model Policy to the Board for review and approval.

(vi) Senior Operational Risk Committee

The Senior Operational Risk Committee makes any necessary changes to the processes, controls and data systems that support the bank's transactions, in order to mitigate operational risks, and assure that areas can appropriately manage and control these risks.

This committee has many functions dedicated to supervising appropriate operational risk management at the bank and its subsidiaries. This committee is responsible for sanctioning and updating the Regulatory Framework related to Policies and Bylaws associated with the Bank's comprehensive operational risk management model, incorporating plans and initiatives to develop and publish it, while promoting a culture of operational risk management throughout the Bank and its subsidiaries. Also, reviewing the comprehensive risk measurement in Operational Risk matters, reviewing and approving the Bank's operational risk appetite framework, ensuring compliance with the regulatory framework, receiving reports of frauds, incidents, events and their root causes, impacts and corrective measures, ensuring the long-term solvency of the organization by avoiding those risk factors that may endanger business continuity, taking decisions on new products and services, verifying the consistency of associated policies in the Bank's subsidiaries and monitoring their compliance, receiving reports on operational risk management in subsidiaries, receiving reports on risk exposures with the bank´s outsourced services, and many other functions.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(1) Introduction (continued)

(a) Risk management structure (continued)

(vii) Operational Risk Committee

This committee is authorized to make any changes to the processes, controls and information systems that support the Bank's transactions, in order to mitigate operational risks, and assure that areas can appropriately manage and control these risks.

The Operational Risk Committee is responsible for developing a comprehensive operational risk management model, ensuring the implementation and updating of the regulatory framework, plans and initiatives to develop the model and publishing it while promoting a culture of operational risk management throughout the Bank. Also receiving reports on the results from comprehensive measurement of operational risk risks, reviewing the operational risk appetite framework, establishing the regulatory framework in matters related to operational risk, reviewing the level of operational risk exposure at the Bank and those risks, receiving reports on frauds, incidents, operational events and their root causes, impacts and corrective measures as appropriate, and operational risk assessments, proposing, approving or prioritizing strategies to mitigate the main operational risks, securing the long-term solvency of the organization, ensuring that the Operational Risk policies are aligned with the Bank's objectives and strategies, receiving reports on risk exposures with the Bank´s outsourced services, and many other functions.

(viii) Capital Management Committee

The main purpose of this committee is to assess, monitor and review capital adequacy in accordance with the principles in the bank's capital management policy and its risk framework, to ensure that capital resources are adequately managed, the CMF's principles are respected, and the bank's medium-term sustainability.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(b) Internal Audit

Risk management processes throughout the Bank are continually audited by the Internal Audit Area, which analyzes the adequacy of the procedures and their compliance. Internal Audit discusses the results of all evaluations with management and reports its findings and recommendations to the Board through the Audit Committee.

(c) Measurement Method

Provisions and portfolio expenses are basic measurements used to determine the credit quality of our portfolio, in terms of credit risk.

Banco de Chile evaluates its loan portfolio on an ongoing basis and promptly recognizes the risk level associated with the portfolio. There are specific guidelines for this purpose that generate credit risk models, covering management models (reactive and proactive admission models and collection models), provisioning models (both under local standards in accordance with the instructions issued by the CMF and with IFRS criteria) and stress tests that are part of the Bank's effective equity self-assessment process. These guidelines and models are approved by the Board of Directors.

In order to cover losses in the event of potential payment default by customers, the Bank determines how much to provision as follows:

- Individual assessment is used for legal entities that the Bank needs to understand in detail or on a case-by-case basis because of their size, complexity or borrowings. Each debtor is classified into one of 16 categories defined by the CMF, in order to establish timely and sufficient provisions. The Bank reviews the portfolio's risk ratings on an ongoing basis, including each customer's financial situation, payment behavior and environment.

- Group assessment uses criteria that are applied to individuals and smaller companies. These monthly assessments use statistical models that estimate the provisions required to cover the portfolio risk. The results for the commercial and mortgage portfolios are contrasted with the standard models provided by the regulator, with the resulting provision being the higher of the two methods. The consistency of these models is validated independently of the unit that develops them and subsequent back-testing contrasts actual losses with expected losses.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(1) Introduction (continued)

(c) Measurement Methodology (continued)

In order to verify the quality and soundness of its risk assessment process, every year the Bank tests the adequacy of its provisions for its entire loan portfolio, thereby confirming that provisions are sufficient to cover losses that may arise from loans granted. The results of this analysis are presented to the Board, which then issues a formal opinion on the adequacy of the Bank's provisions for each year.

Banco de Chile records additional provisions to protect against unforeseeable economic fluctuations that may affect the macroeconomic environment or circumstances of a specific economic sector. Additional provisions or releases are proposed at least every year, first to the Portfolio Risk Committee and then to the board for approval.

The Bank did not change its additional provisions this year.

The monitoring and control of risks are mainly carried out based on limits set by the Board. These limits reflect the Bank's business and market strategy, and also the level of risk it is prepared to accept, with additional emphasis on selected industries.

The Bank has integrated its capital planning process into its strategic planning, in line with the risks inherent to its business, the financial and competitive environment, its business strategy, corporate values, and its risk governance, management and control systems. Its capital planning is also aligned with the regulator's requirements, so it obtained risk weighted assets calculations and stress tests for credit, market and operational risks, and the integrated measurement of financial and non-financial risks.

The Bank reviews and updates its Risk Appetite Framework every year, which is approved by the Board. This exercise identifies, evaluates, measures, mitigates and proactively controls all the significant risks that could arise in the normal course of business. Therefore, the Bank uses several management tools and defines an appropriate structure of limits and warnings within this framework, which constantly monitor the performance of various indicators and trigger prompt corrective measures, if required. These indicators are included in the annual regulatory capital self-assessment report that is approved by the board and submitted to the CMF.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(2) Credit risk

Credit risk assesses the probability that the counterparty in a loan transaction does not meet its contractual obligation because of payment incapacity or financial insolvency, and that leads to a potential loan loss.

The Bank seeks an adequate risk-return and an appropriate risk balance, through careful credit risk management, which covers the loan origination, monitoring and recovery processes. This requires developing a risk management framework for the business segments served by the Bank, responding to regulatory requirements and commercial dynamism, contributing to digital transformation, and contributing to the Bank's businesses from a risk management perspective. It adopts a portfolio perspective that efficiently and proactively manages, resolves and controls the business approval and monitoring process.

When required corporate segments apply additional management processes for financing requests that involve greater exposure to environmental or social risks.

The bank integrates socio-environmental criteria into its evaluations for granting financing for domestic and regional projects that might generate such an impact, wherever executed. Projects must have the corresponding permits, authorizations, patents and analyses for their impacts. For large customers, the Bank also has specialized customer service units involved in the process of financing large-scale projects such as public works concessions that include building infrastructure and mining, power or real estate developments, all of which may have an environmental impact.

Progress was achieved with the methods to identify risks related to the climate factor in the portfolio during 2023. This includes specialized ESG risk training for executives from various divisions, including risk executives, which strengthened the Bank's ability to proactively address these emerging challenges.

Credit policies and processes are based on the following management principles, which use a specialized approach according to the characteristics of the Bank's markets and segments, and acknowledges their peculiarities:

1. Perform a rigorous evaluation during the loan origination process, based on credit policies, rules and procedures and making sure that sufficient, accurate information is available. This involves analyzing whether the customer's cash flow generation is sufficient to meet its payment commitments and, when necessary, requiring suitable guarantees to mitigate the risk associated with the customer.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(2) Credit risk (continued)

2. Also, implementing a robust portfolio monitoring process using systems that warn the Bank of potential impairment at the customer when compared to the original assessment. It should also indicate any potential business opportunities with customers with good payment behavior.

3. Develop credit risk modeling guidelines, covering regulatory aspects (provisions, capital, stress tests) and management (origination, management, collection), for efficient decision making at each stage of the credit process.
4. Having a timely, flexible, efficient collections structure that can be used to take the appropriate steps depending on customer type and payment problems, strictly adhering at all times to regulations and the Bank's reputation-related policies.

5. Efficiently managing teams, tools and information availability to ensure optimal credit risk management.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(2) Credit risk (continued)

The credit risk divisions use these management principles to contribute to the business and anticipate threats that may affect the solvency and quality of the portfolio. They provide timely responses to customers, while maintaining the solid fundamentals that characterize the Bank's portfolio in each segment and product.

Portfolio performance has been monitored within the risk management framework, including the loans associated with the FOGAPE Covid and FOGAPE Reactivación, FOGAPE Chile Apoya and FOGAES programs.

(a) Retail segments

Loan origination for these segments is mainly managed using risk evaluation scoring tools, supported by an appropriate credit attribution model, which is required to approve each transaction. These assessments examine factors such as total borrowings, payment capacity and maximum acceptable exposure for the customer.

The Bank's risk functions for these segments are segregated into the following areas:

- The **Retail and Regulatory Department** evaluates customers and transactions specialized by product and segment. Maintains a framework of policies and standards to ensure that portfolio quality remains within the desired risk, and defines guidelines for customer origination and their respective parameterization in the assessment systems. These definitions are publicized within the commercial and risk areas through programs and continuous training, and they are monitored by credit review processes.

- The **Risk Models Department** develops, maintains and updates credit risk models for regulatory and management uses, in accordance with local and international regulations. It selects the functional specifications and the most appropriate statistical techniques to develop the required models. These models are validated by the Model Validation Department and then submitted to the corresponding governing body, such as the Internal Modeling Technical Development and Oversight Committee, the Portfolio Risk Committee, or the board, as appropriate.

- The purpose of the **Risk Models and Internal Control Department** is to manage the risks associated with models and processes, based on model validation, model risk management and internal control.

  Model validation independently reviews risk models, including risk-weighted assets and stress testing, during their construction and implementation stages. It validates compliance with board-approved guidelines and addresses aspects such as governance, data quality, modeling techniques, implementation, methodological and parametric analysis and documentation. The results of these reviews are submitted to the respective committees.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(2) Credit risk (continued)

(a) Retail segments (continued)

Model risk management is responsible for monitoring models and ensuring that they fulfill their life cycle status.

The internal control function ensures the maintenance of a control model aligned with performance, financial and operating objectives, and protects assets against potential losses. This ensures that the financial and non-financial information reported by the Bank is reliable and transparent. Therefore, a regular evaluation, based on the risks that could have a material impact, evaluates the design and operating effectiveness of controls to ensure they comply with the objectives of operation, information and compliance.

- The **Models and Retail Monitoring Department** measures portfolio performance by monitoring the main indicators of the aggregate portfolio using batch analysis, which is reported to management, thus generating important information for decision-making. It also conducts special monitoring based on important events occurring in the market. This department ensures that the strategies achieve their risk quality objectives.

  The risk model monitoring function monitors risk models and ensures that they comply with the standards that assure their predictive and discriminant capacity.

  This department manages the credit risk provision calculations and ensures that these processes are correctly executed and produce results.

- **The Collections Department** universally manages debt collections at the Bank and defines refinancing criteria using predefined negotiating guidelines to refinance borrowings for viable customers with the intention to pay, while maintaining an adequate risk-return ratio. It uses robust tools that control its differentiated collection management, in accordance with institutional policies and strict compliance with the regulatory framework.

  The Bank has specific rules regarding customer collections and loan rescheduling, which ensure the quality of its portfolio, in accordance with its credit policies and risk appetite framework. Collection management supports customers with temporary cash flow problems by proposing loan rescheduling plans to viable customers, in order to preserve a long-term relationship after their situation has been resolved. The recovery of assets at risk is maximized and collection measures are promptly and appropriately implemented to ensure that loans are recovered or to reduce any potential loss.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(2) Credit risk (continued)

(b) Wholesale segments

Origination management for this segment involves an individual assessment of the customer and if it belongs to a group of companies then this takes into consideration the Bank's relationship with the rest of the group. This individual (and group, if appropriate) assessment considers generation capacity, financial situation with emphasis on solvency, exposure levels, industry variables, an evaluation of the partners and management and aspects particular to the transaction such as the financing structure, terms and any guarantees.

This assessment is supported by a rating model that brings homogeneity to individual and group customer assessments. The Bank has several specialized segments that require more expert knowledge such as real estate, construction, agriculture, financial and international.

The portfolio is continually monitored in a centralized manner by individual customer, business segment and economic sector, based on regularly updated information from the customer and the industry. This process generates warnings that ensure that risks are correctly and promptly recognized in the individual portfolio, and any special conditions established at the origination stage are monitored, such as financial covenants, coverage of certain guarantees and conditions imposed at the time of approval.

Loan origination departments monitor loans from application to recovery, in order to ensure that portfolio risks are promptly and correctly identified, and anticipate any problems in cases with higher risks.

By identifying customers with signs of deterioration or default on any condition, the customer's commercial area and the Wholesale Credit Risk Division work together to devise action plans to correct the situation. In more complex cases requiring specialized management, the Special Asset Management Area, which reports to the Wholesale Credit Risk Division, is directly responsible for managing collections, establishing action plans and negotiating based on each customer's particular circumstances.

(c) Portfolio concentration

The maximum exposure to credit risk by customer or counterparty, without considering collateral and other credit improvements, as of December 31, 2023 and 2022, does not exceed 10% of the Bank's regulatory capital.

The following tables show the exposure to credit risk by component of the statement of financial position, including derivatives, both by geographic region and industrial sector as of December 31, 2023:

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(2) Credit risk (continued)

(c) Portfolio concentration (continued)

	Chile MCh$	USA MCh$	England MCh$	Brazil MCh$	Others MCh$	Total MCh$
Financial Assets						
Cash and due from banks	1,536,512	811,198	27,492	9	89,437	2,464,648
Financial instruments held for trading at fair value through profit and loss						
Financial derivative instruments						
Forwards (*)	129,596	13,712	27,450	—	41,717	212,475
Swaps (**)	739,444	59,478	856,718	—	162,515	1,818,155
Call options	1,939	248	955	—	293	3,435
Put options	542	70	654	—	45	1,311
Futures	—	—	—	—	—	—
Subtotal	871,521	73,508	885,777	—	204,570	2,035,376
Debt financial instruments						
Instruments issued by the State and the Chilean Central Bank	3,027,313	—	—	—	—	3,027,313
Other debt financial instruments issued in Chile	336,311	—	—	—	—	336,311
Other debt financial instruments issued abroad	—	—	—	—	—	—
Subtotal	3,363,624	—	—	—	—	3,363,624
Other financial instruments						
Investments in mutual funds	405,752	—	—	—	—	405,752
Equity instruments	2,058	485	—	—	—	2,543
Other	844	145	—	—	44	1,033
Subtotal	408,654	630	—	—	44	409,328
Financial assets at fair value through other comprehensive income						
Debt financial instruments						
Instruments issued by the State and the Chilean Central Bank	1,837,652	—	—	—	—	1,837,652
Other debt financial instruments issued in Chile	1,741,665	—	—	—	—	1,741,665
Other debt financial instruments issued abroad	—	207,208	—	—	—	207,208
Subtotal	3,579,317	207,208	—	—	—	3,786,525
Financial derivative contracts for hedging purposes						
Forwards	—	—	—	—	—	—
Swaps	—	11,975	18,712	—	18,378	49,065
Call options	—	—	—	—	—	—
Put options	—	—	—	—	—	—
Futures	—	—	—	—	—	—
Subtotal	—	11,975	18,712	-	18,378	49,065
Financial assets at amortized cost						
Rights under resale agreements and securities borrowing	71,822	—	—	—	—	71,822
Debt financial instruments						
State and Chilean Central Bank	1,431,141	—	—	—	—	1,431,141
Impairment	(58)	—	—	—	—	(58)
Subtotal	1,431,083	—	—	—	—	1,431,083
Loans and advances to banks						
Chilean Central Bank	2,100,933	—	—	—	—	2,100,933
Banks in Chile	—	—	—	—	—	—
Banks abroad (***)	—	—	436	205,362	213,200	418,998
Subtotal	2,100,933	—	436	205,362	213,200	2,519,931
Customer loans and receivables						
Commercial loans	19,962,888	—	—	—	21,257	19,984,145
Residential Mortgage loans	12,303,154	—	—	—	—	12,303,154
Consumer loans	5,306,436	—	—	—	—	5,306,436
Subtotal	37,572,478	—	—	—	21,257	37,593,735

(*) Others include: France Ch$ 33,034 million and Spain Ch$ 7 million.
(**) Others include: France Ch$ 38,199 million and Spain Ch$ 31,881 million.
(***) Others include: China Ch$ 109,229 million.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(2) Credit risk (continued)

	Chilean Central Bank MCh$	Government MCh$	Individuals MCh$	Financial services MCh$	Commerce MCh$	Manufacturing MCh$	Mining MCh$	Electricity, gas and water MCh$	Agriculture and livestock MCh$	Fishing MCh$	Transport and telecom MCh$	Construction MCh$	Services MCh$	Others MCh$	Total MCh$
Cash and due from banks	590,426	—	—	1,874,222	—	—	—	—	—	—	—	—	—	—	2,464,648
Financial instruments held for trading at fair value through profit and loss															
Financial derivative contracts															
Forwards	—	—	—	124,644	15,853	6,396	132	1,834	3,529	3	1,074	1,589	57,421	—	212,475
Swaps	—	—	243	1,739,380	2,610	10,797	—	15,664	3,848	2,609	24,116	14,914	3,974	—	1,818,155
Call options	—	—	—	1,899	422	252	—	—	834	—	—	—	28	—	3,435
Put options	—	—	—	809	277	212	—	—	—	—	—	—	13	—	1,311
Futures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal	—	—	243	1,866,732	19,162	17,657	132	17,498	8,211	2,612	25,190	16,503	61,436	—	2,035,376
Debt financial instruments															
Instruments issued by the State and the Chilean Central Bank	2,799,442	227,871	—	—	—	—	—	—	—	—	—	—	—	—	3,027,313
Other debt financial instruments issued in Chile	—	—	—	336,311	—	—	—	—	—	—	—	—	—	—	336,311
Other debt financial instruments issued abroad	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal	2,799,442	227,871	—	336,311	—	—	—	—	—	—	—	—	—	—	3,363,624
Other financial instruments															
Investments in mutual funds	—	—	—	405,752	—	—	—	—	—	—	—	—	—	—	405,752
Equity instruments	—	—	—	2,543	—	—	—	—	—	—	—	—	—	—	2,543
Others	—	—	—	1,033	—	—	—	—	—	—	—	—	—	—	1,033
Subtotal	—	—	—	409,328	—	—	—	—	—	—	—	—	—	—	409,328
Financial assets at fair value through other comprehensive income															
Debt financial instruments															
Instruments issued by the State and the Chilean Central Bank	473,642	1,364,010	—	—	—	—	—	—	—	—	—	—	—	—	1,837,652
Other debt financial instruments issued in Chile	—	—	—	1,457,305	17,791	—	—	12,507	7,277	—	4,837	—	—	241,948	1,741,665
Other debt financial instruments issued abroad	—	—	—	207,208	—	—	—	—	—	—	—	—	—	—	207,208
Subtotal	473,642	1,364,010	—	1,664,513	17,791	—	—	12,507	7,277	—	4,837	—	—	241,948	3,786,525
Hedge accounting derivative contracts															
Forwards	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Swaps	—	—	—	49,065	—	—	—	—	—	—	—	—	—	—	49,065
Call options	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Put options	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Futures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal	—	—	—	49,065	—	—	—	—	—	—	—	—	—	—	49,065
Financial assets at amortized cost (*)															
Repurchase agreement rights	—	—	—	54,329	—	—	—	—	—	—	—	—	15,189	2,304	71,822
Debt financial instruments															
Instruments issued by the State and the Chilean Central Bank	507,261	923,880	—	—	—	—	—	—	—	—	—	—	—	—	1,431,141
Impairment	(21)	(37)	—	—	—	—	—	—	—	—	—	—	—	—	(58)
Subtotal	507,240	923,843	—	—	—	—	—	—	—	—	—	—	—	—	1,431,083
Loans and advances to banks															
Chilean Central Bank	2,100,933	—	—	—	—	—	—	—	—	—	—	—	—	—	2,100,933
Banks in Chile	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Banks abroad	—	—	—	418,998	—	—	—	—	—	—	—	—	—	—	418,998
Subtotal	2,100,933	—	—	418,998	—	—	—	—	—	—	—	—	—	—	2,519,931

(*) Economic business of Customer loans and receivables as disclosed in Note 42.11g.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(2) Credit risk (continued)

The following tables show the exposure to credit risk by component of the statement of financial position, including derivatives, both by geographic region and industrial sector as of December 31, 2022:

	Chile MCh$	USA MCh$	England MCh$	Brazil MCh$	Others MCh$	Total MCh$
Financial Assets						
Cash and due from banks	1,448,441	1,227,305	24,982	8	64,148	2,764,884
Financial instruments held for trading at fair value through profit and loss						
Financial derivative instruments						
Forwards (*)	315,527	38,355	91,832	—	119,659	565,373
Swaps (**)	1,037,521	32,161	1,095,040	—	224,855	2,389,577
Call options	2,321	—	—	—	—	2,321
Put options	2,758	—	—	—	—	2,758
Futures	—	—	—	—	—	—
Subtotal	1,358,127	70,516	1,186,872	—	344,514	2,960,029
Debt financial instruments						
Instruments issued by the State and the Chilean Central Bank	3,059,292	—	—	—	—	3,059,292
Other debt financial instruments issued in Chile	374,453	—	—	—	—	374,453
Other debt financial instruments issued abroad	—	—	—	—	—	—
Subtotal	3,433,745	—	—	—	—	3,433,745
Other financial instruments						
Investments in mutual funds	257,325	—	—	—	—	257,325
Subtotal	257,325	—	—	—	—	257,325
Financial assets at fair value through other comprehensive income						
Debt financial instruments						
Instruments issued by the State and the Chilean Central Bank	2,258,857	—	—	—	—	2,258,857
Other debt financial instruments issued in Chile	1,540,908	—	—	—	—	1,540,908
Other debt financial instruments issued abroad	—	167,627	—	—	—	167,627
Subtotal	3,799,765	167,627	—	—	—	3,967,392
Financial derivative contracts for hedging purposes						
Forwards	—	—	—	—	—	—
Swaps	118	18,368	8,142	—	449	27,077
Call options	—	—	—	—	—	—
Put options	—	—	—	—	—	—
Futures	—	—	—	—	—	—
Subtotal	118	18,368	8,142	—	449	27,077
Financial assets at amortized cost						
Rights under resale agreements and securities borrowing	54,061	—	—	—	—	54,061
Debt financial instruments						
State and Chilean Central Bank	902,355	—	—	—	—	902,355
Subtotal	902,355	—	—	—	—	902,355
Loans and advances to banks						
Chilean Central Bank	1,801,100	—	—	—	—	1,801,100
Banks in Chile	—	—	—	—	—	—
Banks abroad	—	—	18,679	182,320	172,693	373,692
Subtotal	1,801,100	—	18,679	182,320	172,693	2,174,792
Customer loans and receivables						
Commercial loans	20,106,070	—	—	—	29,544	20,135,614
Residential Mortgage loans	11,416,154	—	—	—	—	11,416,154
Consumer loans	4,992,940	—	—	—	—	4,992,940
Subtotal	36,515,164	—	—	—	29,544	36,544,708

(*) Others include: France Ch$92,885 million and Spain Ch$18,923 million.
(**) Others include: France Ch$62,731 million and Spain Ch$45,189 million.

QUIÑENCO

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(2) Credit risk (continued)

	Chilean Central Bank MCh$	Government MCh$	Individuals MCh$	Financial services MCh$	Commerce MCh$	Manufacturing MCh$	Mining MCh$	Electricity, gas and water MCh$	Agriculture and livestock MCh$	Fishing MCh$	Transport and telecom MCh$	Construction MCh$	Services MCh$	Others MCh$	Total MCh$
Cash and due from banks	384,230	—	—	2,380,654	—	—	—	—	—	—	—	—	—	—	2,764,884
Financial instruments held for trading at fair value through profit and loss															
Financial derivative contracts															
Forwards	—	—	—	371,960	28,966	12,435	124	2,153	8,456	18	144	1,602	139,515	—	565,373
Swaps	—	—	—	2,311,655	9,770	9,123	—	10,148	4,236	3,848	16,166	14,493	10,138	—	2,389,577
Call options	—	—	—	123	601	61	—	—	90	6	1	1,437	2	—	2,321
Put options	—	—	—	752	1,412	481	—	—	5	—	21	—	87	—	2,758
Futures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal	—	—	—	2,684,490	40,749	22,100	124	12,301	12,787	3,872	16,332	17,532	149,742	—	2,960,029
Debt financial instruments															
Instruments issued by the State and the Chilean Central Bank	3,019,487	39,805	—	—	—	—	—	—	—	—	—	—	—	—	3,059,292
Other debt financial instruments issued in Chile	—	—	—	374,453	—	—	—	—	—	—	—	—	—	—	374,453
Other debt financial instruments issued abroad	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal	3,019,487	39,805	—	374,453	—	—	—	—	—	—	—	—	—	—	3,433,745
Other financial instruments															
Investments in mutual funds	—	—	—	257,325	—	—	—	—	—	—	—	—	—	—	257,325
Subtotal	—	—	—	257,325	—	—	—	—	—	—	—	—	—	—	257,325
Financial assets at fair value through other comprehensive income															
Debt financial instruments															
Instruments issued by the State and the Chilean Central Bank	—	2,258,857	—	—	—	—	—	—	—	—	—	—	—	—	2,258,857
Other debt financial instruments issued in Chile	—	—	—	1,513,240	13,591	—	—	4,934	—	—	4,639	4,504	—	—	1,540,908
Other debt financial instruments issued abroad	—	—	—	167,627	—	—	—	—	—	—	—	—	—	—	167,627
Subtotal	—	2,258,857	—	1,680,867	13,591	—	—	4,934	—	—	4,639	4,504	—	—	3,967,392
Hedge accounting derivative contracts															
Forwards	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Swaps	—	—	—	27,077	—	—	—	—	—	—	—	—	—	—	27,077
Call options	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Put options	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Futures	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Subtotal	—	—	—	27,077	—	—	—	—	—	—	—	—	—	—	27,077
Financial assets at amortized cost (*)															
Repurchase agreement rights	—	—	—	43,116	469	—	—	—	—	—	—	—	7,950	2,526	54,061
Debt financial instruments															
Instruments issued by the State and the Chilean Central Bank	—	902,355	—	—	—	—	—	—	—	—	—	—	—	—	902,355
Subtotal	—	902,355	—	—	—	—	—	—	—	—	—	—	—	—	902,355
Loans and advances to banks															
Chilean Central Bank	1,801,100	—	—	—	—	—	—	—	—	—	—	—	—	—	1,801,100
Banks in Chile	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Banks abroad	—	—	—	373,692	—	—	—	—	—	—	—	—	—	—	373,692
Subtotal	1,801,100	—	—	373,692	—	—	—	—	—	—	—	—	—	—	2,174,792

(*) Economic business of Customer loans and receivables is disclosed in Note 42.11g.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(2) Credit risk (continued)

(d) Collateral and other credit improvements

The collateral's value and requirements depend on the counterparty's credit risk assessment.

The Bank has guidelines with respect to the acceptability of collateral and valuation parameters.

The main types of collateral obtained are:

- For commercial loans: residential and non-residential real estate, liens and inventory.
- For consumer loans: mortgages over residential properties.

The Bank also obtains collateral from parent companies for loans granted to their subsidiaries.

Management is committed to obtaining acceptable collateral according to external regulations and in accordance with internal policy guidelines and parameters. The Bank has around 246,063 separate collateral instruments as of December 31, 2023 (244,033 as of December 31, 2022), with the highest value in properties. Collateral is as follows.

		Collateral				
December 2023	**Loans**	**Mortgages**	**Pledges**	**Securities**	**Warrants**	**Total**
	MCh$	**MCh$**	**MCh$**	**MCh$**	**MCh$**	**MCh$**
Corporations	15,142,365	4,157,394	204,423	610,957	3,503	4,976,277
SMEs	4,841,780	3,330,145	16,097	10,464	—	3,356,706
Consumer	5,306,436	363,923	607	2,633	—	367,163
Residential mortgage	12,303,154	10,510,587	125	301	—	10,511,013
Total	**37,593,735**	**18,362,049**	**221,252**	**624,355**	**3,503**	**19,211,159**

		Collateral				
December 2022	**Loans**	**Mortgages**	**Pledges**	**Securities**	**Warrants**	**Total**
	MCh$	**MCh$**	**MCh$**	**MCh$**	**MCh$**	**MCh$**
Corporations	15,319,348	3,993,984	193,235	590,126	4,386	4,781,731
SMEs	4,816,266	3,352,055	20,294	11,700	—	3,384,049
Consumer	4,992,940	364,469	912	3,364	—	368,745
Residential mortgage	11,416,154	9,928,827	133	607	—	9,929,567
Total	**36,544,708**	**17,639,335**	**214,574**	**605,797**	**4,386**	**18,464,092**

The Bank also uses credit-risk mitigating elements for derivative transactions. The mitigating elements currently used are:

- Accelerating transactions and net payment using market values at the date of default of one of the parties.
- Options for both parties to terminate early any transaction with a counterparty at a given date, using market values as of the respective date.

  Margins in the form of time deposits by customers who have forward contracts in the subsidiary Banchile Corredores de Bolsa S.A.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(2) Credit risk (continued)

(d) Collateral and other credit improvements (continued)

The value of collateral held by the Bank relating to loans individually classified as impaired as of December 31, 2023 and 2022, is Ch$140,371 million and Ch$110,686 million, respectively.

The value of collateral held by the Bank relating to past due loans not impaired as of December 31, 2023 and 2022, is Ch$459,858 million and Ch$325,079 million respectively.

(e) Credit quality by class of assets

The Bank determines the credit quality of financial assets using internal credit classifications. The classification process is linked to the approval and follow-up processes, and is carried out according to the risk categories under current regulations, constantly updating this according to the favorable or unfavorable evolution shown by the customers and their environment, considering commercial and payment behavior as well as financial information.

The Bank also makes focused revisions of companies in specific economic sectors that are affected by macroeconomic or the sector's own variables. Such reviews allow the Bank to opportunely establish any necessary provisions that are sufficient to cover losses for potentially uncollectable loans.

The credit quality by asset class for each line in the statement of financial position is as follows, based on the Bank's loan classification system disclosed in Note 42.11d.

The past due but not impaired portfolio is as follows.

	Past due but not impaired portfolio (*)			
	1 to 29 days MCh$	**30 to 59 days MCh$**	**60 to 89 days MCh$**	**Over 90 days MCh$**
December 2023	729,515	201,364	65,003	—
December 2022	622,379	157,852	46,762	—

(*) These amounts include the past due portion and the remaining balance.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(2) Credit risk (continued)

(f) Assets received in lieu of payment

The Bank has assets received in lieu of payment amounting to Ch$ 21,396 million and Ch$ 10,149 million as of December 31, 2023 and 2022, respectively, which are mainly properties. All these assets are held for sale.

(g) Restructured loans

Loans shown as restructured in the statement of financial position relate to those where the corresponding financial commitments have been restructured and where the Bank considers that the probability of recovery is sufficiently high.

The following table details the book value of loans with renegotiated terms by financial asset class.

Financial Assets	2023 MCh$	2022 MCh$
Loans and advances to banks		
Chilean Central Bank	—	—
Banks in Chile	—	—
Banks abroad	—	—
Subtotal	—	—
Customer loans and receivables, net		
Commercial loans	445,462	381,171
Residential Mortgage loans	266,920	251,380
Consumer loans	306,632	258,434
Subtotal	1,019,014	890,985
Total restructured financial assets	1,019,014	890,985

(h) Compliance with the limit on loans to related debtors

The following figures disclose compliance with the limits to debtors related to the Bank and its subsidiaries in accordance with Article 84 number 2 of General Banking Law, which states that all these loans must never exceed its regulatory capital.

	MCh$	MCh$
Total related party payables	476,459	960,640
Consolidated regulatory capital	6,578,584	6,373,416
Percentage of limit	7.24%	15.07%

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(3) Market risk

The Bank may be exposed to risks due to insufficient liquidity to pay its liabilities or close financial transactions on time (liquidity risk), or adverse movements in the prices of market variables (price risk). These risks are correctly managed using guidelines in the Liquidity Risk Management Policy and the Market Risk Management Policy. Both are reviewed by the Market Risk Manager and approved by the Board every year.

(a) Liquidity risk

Measurement and limits of liquidity risk

The Bank manages liquidity risk in accordance with the Liquidity Risk Management Policy, and it manages Trading Liquidity Risk separately from Funding Liquidity Risk.

Trading Liquidity Risk is the inability to cover or close open financial positions at current market prices mainly in the Trading Book. This is valued daily at market prices and any differences in value are instantly recognized in the income statement. This risk is limited and controlled by setting limits on Trading Book positions based on estimates of what can be quickly liquidated. There is a negative impact on the Bank's income statement whenever it considers that the size of a specific position in the Trading Book exceeds a reasonable amount traded in secondary markets that could be sold without altering market prices.

Liquidity Funding Risk refers to the inability of the Bank to obtain sufficient cash to meet its immediate obligations. This risk is mitigated by holding minimum highly liquid assets called a liquidity buffer, and by establishing limits and internal control metrics, including the MAR (Market Access Report). This report estimates the funding that the Bank would need from the financial wholesale segment for the next 30 and 90 days in each of the significant currencies on the balance sheet, to meet its cash requirements under normal operating conditions.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(3) Market risk (continued)

(a) Liquidity risk (continued)

As of December 31, 2023, these are as follows. (LCCY = local currency; FCCY = foreign currency).

	MAR LCCY + FCCY BCh$		MAR FCCY MUS$	
	1 - 30 days	1 - 90 days	1 - 30 days	1 - 90 days
Maximum	1,858	4,180	Maximum	994
Minimum	(1,359)	917	Minimum	-131
Average	347	2,375	Average	387

The Bank also monitors the local currency assets that are funded with foreign currency liabilities including cash flows generated by derivative payments requiring physical delivery and all maturities. This metric is known as Cross-Currency Funding. The Bank supervises and limits this amount to take precautions not only against a Banco de Chile event but also against an adverse environment caused by a country event.

The values for Cross-Currency Funding for 2023 are as follows:

	Cross Currency Funding MUS$
Maximum	2,359
Minimum	477
Average	1,251

In addition, the Bank establishes thresholds that trigger warnings when indicators exceed the expected ranges at a normal or prudent operating level, with the aim of prudently controlling other dimensions of liquidity risk such as a concentration of fund maturities, the diversification of funding sources by counterparty or product, etc.

Trends in the Bank's financial ratios are monitored, in order to detect structural changes in its financial position statement. The 2023 values of its most important ratios are presented in the table below:

	Liquid Assets/ Net Funds < 30 days	Liabilities > 1 year / Assets > 1 year	Deposits/ Loans
Maximum	228%	101%	66%
Minimum	147%	89%	63%
Average	188%	94%	64%

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(3) Market risk (continued)

(a) Liquidity risk (continued)

Furthermore, specific market indices, prices and monetary decisions taken by the Chilean Central Bank are monitored to detect structural changes in market conditions that can trigger a liquidity shortage or even a financial crisis.

The Bank's Liquidity Risk Management Policy requires regular stress testing, which is contrasted against the potential action plans for each scenario, according to the guidelines in the Liquidity Contingency Plan. The outcome of this process forms an essential component of the Bank's liquidity risk appetite framework.

The Bank measures cash flow mismatches under regulatory standards using the C46 index report, which represents the expected net cash flow forecasts as a result of almost all assets and liabilities maturing. The Financial Market Commission (hereinafter, indistinctly "CMF") requires that the adjusted C46 index is reported, which includes assumptions regarding extinguishing some liabilities, such as demand deposits and time deposits, and also requires some refinancing assumptions for the loan portfolio.

The CMF has currently established the following requirements for the C46 index.

Financial position items in foreign currency: 1 to 30 day C46 index standard limit < 1 times core capital

During 2023 this index has been as follows.

	Adjusted C46 Index LCCY + FCCY as % of Core Capital		Adjusted C46 Index FCCY as % of Core Capital
	1 - 30 days	1 - 90 days	1 - 30 days
Maximum	0.20	0.11	0.20
Minimum	(0.36)	(0.32)	0.05
Average	(0.11)	(0.15)	0.14
Standard limit	N/A	N/A	1.0

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(3) Market risk (continued)

(a) Liquidity risk (continued)

The individual and consolidated term mismatches are as follows.

BANCO DE CHILE
QUARTERLY STATEMENT OF INDIVIDUAL LIQUIDITY POSITION
AS OF DECEMBER 31, 2023 CONTRACTUAL BASIS
Figures in Ch$ millions

CONSOLIDATED CURRENCY	0 to 7 days past due	0 to 15 days past due	0 to 30 days past due	0 to 90 days past due
Cash flows receivable (assets) and income	7,451,342	10,025,598	11,358,013	14,885,569
Cash flows payable (liabilities) and expenses	18,521,274	20,729,699	24,705,312	29,572,694
Gap	**11,069,932**	**10,704,101**	**13,347,299**	**14,687,125**
FOREIGN CURRENCY	**0 to 7 days past due**	**0 to 15 days past due**	**0 to 30 days past due**	**0 to 90 days past due**
Cash flows receivable (assets) and income	1,626,253	1,940,382	1,977,205	2,202,851
Cash flows payable (liabilities) and expenses	2,847,205	3,088,720	3,605,349	4,188,405
Gap	**1,220,952**	**1,148,338**	**1,628,144**	**1,985,554**
Limits:				
Capital x1			5,175,878	
AVAILABLE MARGIN			**3,547,734**	

* The Bank has a liquidity buffer of Ch$ 3,547,734,515,499 in the limit up to 30 days in foreign currency.

BANCO DE CHILE
QUARTERLY STATEMENT OF INDIVIDUAL LIQUIDITY POSITION
AS OF DECEMBER 31, 2023 ADJUSTED BASIS
Figures in Ch$ millions

CONSOLIDATED CURRENCY	0 to 7 days past due	0 to 15 days past due	0 to 30 days past due	0 to 90 days past due
Cash flows receivable (assets) and income	7,212,899	9,484,396	10,274,614	12,835,250
Cash flows payable (liabilities) and expenses	8,783,153	9,584,013	11,078,718	13,602,290
Gap	**1,570,254**	**99,617**	**804,104**	**767,040**
FOREIGN CURRENCY	**0 to 7 days past due**	**0 to 15 days past due**	**0 to 30 days past due**	**0 to 90 days past due**
Cash flows receivable (assets) and income	1,580,416	1,831,846	1,697,506	1,615,215
Cash flows payable (liabilities) and expenses	1,890,932	2,044,398	2,418,213	2,883,055
Gap	**310,516**	**212,552**	**720,707**	**1,267,840**
Limits:				
Capital x1			5,175,878	
AVAILABLE MARGIN			**4,455,171**	

* The Bank has a liquidity buffer of Ch$ 4,455,172,085,877 in the limit up to 30 days in foreign currency.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(3) Market risk (continued)

(a) Liquidity risk (continued)

BANCO DE CHILE
QUARTERLY STATEMENT OF CONSOLIDATED LIQUIDITY POSITION
AS OF DECEMBER 31, 2023 CONTRACTUAL BASIS
Figures in Ch$ millions

CONSOLIDATED CURRENCY	0 to 7 days past due	0 to 15 days past due	0 to 30 days past due	0 to 90 days past due
Cash flows receivable (assets) and income	8,219,299	10,802,541	12,160,473	15,703,453
Cash flows payable (liabilities) and expenses	19,142,529	21,350,955	25,326,568	30,194,109
Gap	**10,923,230**	**10,548,414**	**13,166,095**	**14,490,656**
FOREIGN CURRENCY	**0 to 7 days past due**	**0 to 15 days past due**	**0 to 30 days past due**	**0 to 90 days past due**
Cash flows receivable (assets) and income	1,626,308	1,940,437	1,977,260	2,202,906
Cash flows payable (liabilities) and expenses	2,847,205	3,088,720	3,605,349	4,188,460
Gap	**1,220,897**	**1,148,283**	**1,628,089**	**1,985,554**
Limits:				
Capital x1			5,175,878	
AVAILABLE MARGIN			**3,547,789**	

* The Bank has a liquidity buffer of Ch$ 3,547,789,431,676 in the limit up to 30 days in foreign currency.

BANCO DE CHILE
QUARTERLY STATEMENT OF CONSOLIDATED LIQUIDITY POSITION
AS OF DECEMBER 31, 2023 ADJUSTED BASIS
Figures in Ch$ millions

CONSOLIDATED CURRENCY	0 to 7 days past due	0 to 15 days past due	0 to 30 days past due	0 to 90 days past due
Cash flows receivable (assets) and income	7,980,856	10,261,339	11,077,074	13,653,134
Cash flows payable (liabilities) and expenses	9,404,409	10,205,269	11,699,974	14,223,706
Gap	**1,423,553**	**(56,070)**	**622,900**	**570,572**
FOREIGN CURRENCY	**0 to 7 days past due**	**0 to 15 days past due**	**0 to 30 days past due**	**0 to 90 days past due**
Cash flows receivable (assets) and income	1,580,471	1,831,901	1,697,561	1,615,270
Cash flows payable (liabilities) and expenses	1,890,932	2,044,398	2,418,213	2,883,110
Gap	**310,461**	**212,497**	**720,652**	**1,267,840**
Limits:				
Capital x1			5,175,878	
AVAILABLE MARGIN			**4,455,226**	

* The Bank has a liquidity buffer of Ch$ 4,455,227,002,053 in the limit up to 30 days in foreign currency.

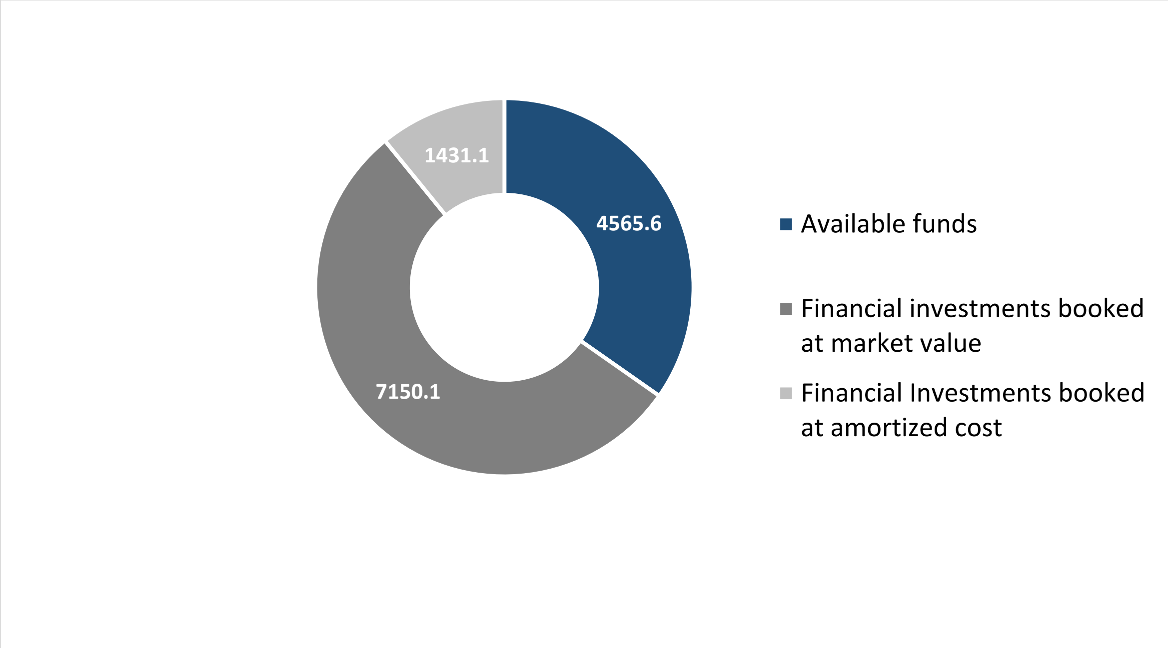
Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(3) Market risk (continued)

(a) Liquidity risk (continued)

Liquid Assets, Consolidated Balance Sheet as of December 31, 2023, amounts in BCh$



Source: Financial Statements Banco de Chile as of December 31, 2023

The regulatory authorities require the measurement of the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) using similar assumptions to those used by an international bank. The minimum level required for the former is the LCR indicator, while for the latter the limit is 0.7 of the NSFR indicator. The trends in the LCR and NSFR metrics during 2023 are as follows.

	LCR	NSFR
Maximum	3.43	1.37
Minimum	2.42	1.27
Average	3.01	1.33
Standard limit	1.0	0.7 (*)

(*) A transitional provision issued by the Central Bank of Chile in Chapter III.B.2.1 of the Compendium of Financial Standards will gradually increase this limit to 1.0 in January 2026.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(3) Market risk (continued)

(a) Liquidity risk (continued)

The contractual maturity profile of the consolidated financial liabilities of Banco de Chile and its subsidiaries as of December 31, 2023 and 2022, is as follows.

	Under 1 month MCh$	1 to 3 months MCh$	3 to 12 months MCh$	1 to 3 years MCh$	3 to 5 years MCh$	Over 5 years MCh$	Total MCh$
Liabilities as of December 31, 2023							
Transactions in the course of collection	356,871	—	—	—	—	—	356,871
Physically settled derivatives	449,301	883,862	946,696	1,138,243	738,806	1,481,105	5,638,013
Financial liabilities at amortized cost:							
Current accounts and other demand deposits	13,321,572	—	—	—	—	—	13,321,572
Savings accounts and time deposits	10,432,630	3,513,898	1,516,468	66,062	595	542	15,530,195
Repurchase agreement and securities lending payables	156,846	158	—	—	—	—	157,004
Bank borrowings	44,475	65,210	5,079,495	157,383	—	—	5,346,563
Debt financial instruments in every currency	55,897	196,986	1,097,658	2,537,939	2,351,864	4,422,665	10,663,009
Other financial liabilities	338,891	—	24	—	—	—	338,915
Regulatory capital financial instruments (subordinated bonds)	3,006	—	46,575	95,774	85,615	1,146,822	1,377,792
Total (excluding derivatives under offsetting agreements)	25,159,489	4,660,114	8,686,916	3,995,401	3,176,880	7,051,134	52,729,934
Derivatives under offsetting agreements	339,148	339,427	1,033,954	1,245,586	964,056	1,879,807	5,801,978

	Under 1 month MCh$	1 to 3 months MCh$	3 to 12 months MCh$	1 to 3 years MCh$	3 to 5 years MCh$	Over 5 years MCh$	Total MCh$
Liabilities as of December 31, 2022							
Transactions in the course of payment	681,792	—	—	—	—	—	681,792
Physically settled derivatives	743,686	780,406	1,375,700	1,581,587	756,582	1,743,275	6,981,236
Financial liabilities at amortized cost							
Current accounts and other demand deposits	13,383,203	—	—	—	—	—	13,383,203
Savings accounts and time deposits	9,774,591	3,013,166	1,358,262	121,808	5,940	655	14,274,422
Repurchase agreement and securities lending payables	219,043	52	—	—	—	—	219,095
Bank borrowings	158,173	83,612	795,721	4,348,400	—	—	5,385,906
Debt financial instruments in every currency	13,442	170,745	1,349,567	2,286,711	2,555,020	4,119,530	10,495,015
Other financial liabilities	343,526	21	110	45	—	—	343,702
Regulatory capital financial instruments (subordinated bonds)	2,869	—	48,017	94,649	84,952	1,135,504	1,365,991
Total (excluding derivatives under offsetting agreements)	25,320,325	4,048,002	4,927,377	8,433,200	3,402,494	6,998,964	53,130,362
Derivatives under offsetting agreements	686,308	751,720	1,595,212	1,283,629	683,109	2,161,307	7,161,285

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(3) Market risk (continued)

(b) Pricing risk

Measurement and limits of pricing risk

Price risk measurement and management processes are carried out in accordance with the Market Risk Management Policy using internal metrics developed by the Bank for both the Accrual Book and the Trading Book. The Accrual Book includes all items on the statement of financial position, including all the items in the Trading Book, but they are reported with a delayed interest rate adjustment of one day, thus avoiding an interest rate accrual risk. The portfolio at fair value through other comprehensive income (hereinafter FVTOCI) is included, which is a subset of the Accrual Book, and given its nature it is measured independently. The Bank also reports indicators to the regulatory entities, in accordance with their models.

The Bank has established various internal limits for financial positions in the Trading Book, such as internal limits for net positions with spot exchange rates (delta FX), sensitivity limits for interest rate positions (DV01 or rho) and options volatility sensitivity limits (vega). The limits are established on an aggregate basis, but also for specific interest rate adjustment points. These limits are monitored, controlled and reported to the Bank's senior management on a daily basis by independent control departments within the business. The internal governance framework also establishes that these limits are approved by the Bank's Board of Directors and reviewed at least annually.

The Bank measures and controls the portfolio risk in the Trading Book using the Value at Risk (VaR) tool. The model includes the 99% confidence level and the price trends for the last 12 months.

The values of VaR for 2023 are as follows.

	Value-at-Risk 99% confidence level **MCh$**
Maximum	3,909
Minimum	796
Average	2,172

The Bank performs measurements, limitations, controls and reports on interest rate exposures and risks in the Accrual Book using internally developed methods based on the differences between assets and liabilities considering the adjustment dates of interest rates. Exposures are measured according to the Interest Rate Exposure (IRE) and the risks according to the Earnings at Risk (EaR) indicators. These metrics include the prepayment risk, which is the customer's capacity to totally or partially repay the debt before maturity. This requires a cash flow allocation model for loans with exposure to interest rate fluctuations, according to their prepayment behavior, which reflects a gradual decrease in the average maturity of these loans.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(3) Market risk (continued)

(b) Pricing risk (continued)

The values of EaR for 2023 are as follows.

	12 months Earnings-at-Risk 99% confidence level 3 months from the period close **MCh$**
Maximum	286,176
Minimum	178,417
Average	248,157

The measurement of regulatory risk for the Trading Book (the market risk-weighted assets report) is produced using the guidelines provided by the Chilean Central Bank (hereinafter "BCCh") and the CMF. These methodologies estimate the potential loss that the Bank will incur considering standardized fluctuations in the value of market factors such as exchange rates, interest rates and volatilities that may adversely affect the value of foreign currency positions, interest rate exposures and volatility exposures, respectively. Changes in interest rates are provided by the regulator. Furthermore, very conservative correlation and term factors are included to explain changes in the curve of non-parallel yields.

The risk for the Banking Book is measured using standardized methods provided by regulatory entities (BCCh and CMF), in accordance with regulatory guidelines (RMLB report), as a result of fluctuations in interest rates. The report includes models to report interest rate mismatches and how their value varies according to rate fluctuations that are defined by scenarios in the regulations. The regulatory agency has also requested banks to establish separate short-term and long-term internal limits (NII and EVE respectively) for these regulatory measurements.

The results of trading activities during the month are checked to see if they exceed defined loss limits. If this happens, senior management is notified in order to assess any potential corrective measures.

The Bank’s Market Risk Management Policy requires daily stress testing for the Trading Book and monthly stress testing for the Accrual Book. Also, daily stress testing for the FVTOCI portfolio. The outcome of stress testing is checked to see if they exceed trigger points. If this happens, senior management is notified and measures are implemented, if necessary. These book tests are a fundamental component of the Bank's risk appetite framework.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(3) Market risk (continued)

(b) Pricing risk (continued)

	Under 1 month MCh$	1 to 3 months MCh$	3 to 12 months MCh$	1 to 3 years MCh$	3 to 5 years MCh$	Over 5 years MCh$	Total MCh$
Assets as of December 31, 2023							
Cash and due from banks	2,441,580	—	—	—	—	—	2,441,580
Transactions in the course of collection	403,734	—	—	—	—	—	403,734
Financial assets at fair value through other comprehensive income:							
Debt financial instruments	282,697	748,488	1,864,717	461,590	270,129	157,313	3,784,934
Financial derivative contracts for hedging purposes	773	5,738	208,234	328,274	531,229	929,754	2,004,002
Financial assets at amortized cost:							
Rights under resale agreements and securities borrowing	74,796	—	—	—	—	—	74,796
Debt financial instruments		9,012	530,044	503,956	159,932	312,570	1,515,514
Loans and advances to banks	2,216,985	74,312	233,533				2,524,830
Customer loans and receivables	5,464,339	2,859,489	8,212,594	9,064,150	5,082,957	14,106,472	44,790,001
Total assets	10,884,904	3,697,039	11,049,122	10,357,970	6,044,247	15,506,109	57,539,391

	Under 1 month MCh$	1 to 3 months MCh$	3 to 12 months MCh$	1 to 3 years MCh$	3 to 5 years MCh$	Over 5 years MCh$	Total MCh$
Assets as of December 31, 2022							
Cash and due from banks	2,624,888	—	—	—	—	—	2,624,888
Transactions in the course of payment	743,379	—	—	—	—	—	743,379
Financial assets held at fair value through other comprehensive income							
Debt financial instruments	82,025	324,492	2,487,874	614,944	220,962	248,832	3,979,129
Financial derivative contracts for hedging purposes	378	4,040	296,187	347,208	352,502	1,033,196	2,033,511
Financial assets at amortized cost							
Rights under resale agreements and securities borrowing	—	—	—	—	—	—	—
Debt financial instruments	—	8,816	11,222	56,159	459,884	452,991	989,072
Loans and advances to banks	1,904,368	63,569	209,047	—	—	—	2,176,984
Customer loans and receivables	5,061,294	3,188,902	7,913,635	9,165,338	4,722,852	13,044,702	43,096,723
Total assets	10,416,332	3,589,819	10,917,965	10,183,649	5,756,200	14,779,721	55,643,686

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(3) Market risk (continued)

(b) Pricing risk (continued)

	Under 1 month MCh$	1 to 3 months MCh$	3 to 12 months MCh$	1 to 3 years MCh$	3 to 5 years MCh$	Over 5 years MCh$	Total MCh$
Liabilities as of December 31, 2023							
Transactions in the course of collection	317,056	—	—	—	—	—	317,056
Financial derivative contracts for hedging purposes	1,508	1,777	179,604	319,178	498,973	1,245,545	2,246,585
Financial liabilities at amortized cost:							
Current accounts and other demand deposits	13,321,572	—	—	—	—	—	13,321,572
Savings accounts and time deposits	10,432,630	3,513,898	1,516,468	66,062	595	542	15,530,195
Repurchase agreement and securities lending payables	10,450	—	—	—	—	—	10,450
Bank borrowings	44,475	65,210	5,079,495	157,383	—	—	5,346,563
Debt financial instruments issued (*)	55,897	196,986	1,097,658	2,537,939	2,351,864	4,422,665	10,663,009
Regulatory capital financial instruments (subordinated bonds)	3,006	—	46,575	95,774	85,615	1,146,822	1,377,792
Other liabilities	338,891	—	24	—	—	—	338,915
Total liabilities	24,525,485	3,777,871	7,919,824	3,176,336	2,937,047	6,815,574	49,152,137

	Under 1 month MCh$	1 to 3 months MCh$	3 to 12 months MCh$	1 to 3 years MCh$	3 to 5 years MCh$	Over 5 years MCh$	Total MCh$
Liabilities as of December 31, 2022							
Transactions in the course of payment	650,640	—	—	—	—	—	650,640
Financial derivative contracts for hedging purposes	1,440	1,006	272,568	341,455	332,705	1,503,902	2,453,076
Financial liabilities at amortized cost							
Current accounts and other demand deposits	13,454,259	—	—	—	—	—	13,454,259
Savings accounts and time deposits	9,774,591	3,013,166	1,358,263	121,808	5,940	655	14,274,423
Repurchase agreement and securities lending payables	7,344	—	—	—	—	—	7,344
Bank borrowings	158,173	83,612	795,721	4,348,400	—	—	5,385,906
Debt financial instruments issued (*)	13,443	170,745	1,349,566	2,286,711	2,555,020	4,119,530	10,495,015
Regulatory capital financial instruments (subordinated bonds)	2,869	—	48,017	94,649	84,952	1,135,504	1,365,991
Other liabilities	343,526	21	110	45	—	—	343,702
Total liabilities	24,406,285	3,268,550	3,824,245	7,193,068	2,978,617	6,759,591	48,430,356

(*) These values do not coincide with the liquidity analysis liabilities table, due to differences in the presentation of mortgage notes issued by the Bank in both reports.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(3) Market risk (continued)

(b) Pricing risk (continued)

Pricing Risk Sensitivity Analysis

The Bank uses stress tests as the principal sensitivity analysis tool for pricing risk. The Trading Book, the Accrual Book and the FVTOCI portfolio are analyzed separately. The Bank adopts this tool as it is more useful than the normal evaluations of fluctuations such as the VaR or EaR, as:

(i) The financial crises showed fluctuations substantially in excess of those used with VaR with 99% confidence or EaR with 99% confidence.

(ii) The crises also showed that correlations between these fluctuations are substantially different to those used to calculate VaR metrics, since there was important decoupling between the trends in market variables compared to those observed under normal conditions.

(iii) Trading liquidity decreases dramatically during crises and especially in emerging markets. Therefore, the one-day VaR may not be representative of a situation such as the one described, given that the closing periods for exposures may be much longer than one business day. This may also occur when calculating EaR, even when determining it by considering a three-month closing period.

The impacts are determined using mathematical simulations of fluctuations in the values of market factors and estimating the changes in book and/or economic values of financial positions.

In order to comply with IFRS 9, the following table shows the forecast impact of extreme though feasible fluctuations in interest rates, swap yields, exchange rates and exchange rate volatilities, which are used to assess the Trading Book, Accrual Book and FVTOCI portfolio. Given that the Bank's portfolio includes positions denominated in nominal and real interest rates, these fluctuations should be aligned with extreme though feasible estimates of changes in inflation in Chile.

The exercise is implemented for the Trading Book by multiplying the sensitivities by the potential variations over a two-week time horizon as a result of mathematical simulations and the maximum historical volatility within a significant period for each of the market factors. A 4-week horizon is used for the FVTOCI portfolio. The impact of the Accrual Book is calculated by multiplying the accumulated mismatches by the forward interest rate fluctuations modeled over a three-month time horizon using the maximum historical interest rate volatility, but bounded by the maximum fluctuations over a significant period. The method may overlook part of the convexity of interest rates, since this is not adequately captured when large fluctuations are modeled. In any event, given the size of these changes, the methodology is reasonably precise for the purposes and scope of the analysis.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(3) Market risk (continued)

(b) Pricing risk (continued)

The following table illustrates the fluctuations resulting from the main market factors during maximum, or more adverse, stress testing for the Trading Book.

The sign of these fluctuations causes an adverse impact in aggregate.

Average market factor fluctuations for the maximum stress exercise
Trading Book

	Ch$ Derivatives (bps)	Ch$ Bonds (bps)	CLF Derivatives (bps)	CLF Bonds (bps)	USD Offshore Libor Derivatives (bps)	USD Spread On/Off Derivatives (bps)
Under 1 year	31	186	101	553	(7)	17
Over 1 year	8	101	107	199	(18)	8

bps = basis points

The worst impact in the Bank's Trading Book as of December 31, 2023, as a result of the simulations described above, is as follows.

Maximum Stress Exercise
Trading Book
(MCh$)

Interest rates in Ch$		(11,113)
Derivatives	(1,467)	
Debt instruments	(9,645)	
Interest rates in CLF		(12,073)
Derivatives	(1,619)	
Debt instruments	(10,454)	
USD offshore interest rates		(34)
USD local/offshore interest rate spreads+basis		92
Total Interest Rate		**(23,128)**
Bank Spread		**(629)**
Total Exchange Rate and Foreign Exchanges Options		**(168)**
Total		**(23,925)**

This scenario would generate losses in the Trading Book of around Ch$ 23,925 million. In any case, these fluctuations would not lead to material losses compared to Core Capital or to earnings forecasts for the next 12 months.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(3) Market risk (continued)

(b) Pricing risk (continued)

The impact on the Accrual Book as of December 31, 2023, which is not necessarily a net loss/gain but higher/lower net income from funds generation for the next 12 months (resulting in generating net interest) and is shown below.

Maximum Stress Exercise over 12-months net income
Accrual Book
(MCh$)

Impact of shock on base interest rate	(167,484)
Impact of shock on spreads	(4,700)
Higher/(Lower) Net Income	**(172,184)**

The impact on the FVTOCI portfolio, whose changes in value are reflected in equity accounts, is summarized in the following tables. The first table illustrates the fluctuations in the main market factors during maximum, or more adverse, stress testing for this portfolio.

The sign of these fluctuations causes an adverse impact in aggregate.

Average market factor fluctuations for the maximum stress exercise
FVTOCI portfolio

	Ch$ Bonds (bps)	CLF Bonds (bps)	USD Offshore Libor Derivatives (bps)	USD Spread On/Off Derivatives (bps)
Under 1 year	245	685	12	45
Over 1 year	132	238	38	21

bps: basis points

The worst impact on the Bank's FVTOCI portfolio as of December 31, 2023, as a result of the simulations described above, is as follows.

Maximum Stress Exercise
FVTOCI portfolio
(MCh$)

Ch$ Debt Instruments	(39,477)
CLF Debt Instruments	(56,968)
USD offshore interest rates	(5,217)
USD local/offshore interest rate spreads+basis	—
Bank Spread	(6,076)
Corporate Spread	(22,474)
Total	**(130,212)**

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(3) Market risk (continued)

(b) Pricing risk (continued)

The scenario modeled for the FVTOCI portfolio would generate potential impacts on patrimonial accounts of Ch$130,212 million.

The main negative impact on the Trading Book would occur as a result of an increase in debt instruments in CLF greater than 1 year, followed by an increase in debt instruments in Ch$ greater than 1 year, while the main impact for the FVTOCI Portfolio comes from upward fluctuations in interest rates of debt instruments in both Ch$ and CLF greater than 1 year and for the simulated corporate spread. A scenario with sharply falling nominal interest and inflation rates would cause lower potential earnings over the next 12 months in the Accrual Book.

(4) Information related to financial risks

(a) Libor transition project

As of 12/31/2021 Libor rates in currencies other than US$ will no longer be published and as of 01/01/2022 transactions will no longer use Libor rates, then as of 06/30/2023 Libor rates in US$ will no longer be published, due to decisions taken by the Financial Conduct Authority (FCA) in the United Kingdom and recommendations of the Alternative Reference Rates Committee (ARRC) composed of the Federal Reserve Board and the New York FED. Therefore, published US$ Libor rates may only be recommended for contracts valid as of 12/31/2021 until the last date that Libor is published.

The Bank has been gradually implementing risk-free rates ("RFR") since 2020 for foreign currency transactions as of January 1, 2022.

The process has been structured in 5 phases:

- **First phase**

- Identification of the risks associated with the Libor transition process by collecting information on the number of transactions, amounts involved, remaining maturities and the products and currencies.
- Regular information exchanges with major global banks regarding the RFRs that will replace Libor rates.
- Review the documents published by the ARRC with its recommendations.

- **Second phase**

- Preparation and presentation to the CMF of Banco de Chile's situational analysis in 2021, as a result of terminating Libor. This included reporting the information gathered during the first stage and the impact of terminating Libor on the Bank's products and departments.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(4) Information related to financial risks (continued)

(a) Libor transition project (continued)

- **Third phase**

- Definition of the RFRs to be used for each currency, such as daily SOFR, forward SOFR, TONAR, SONIA, etc.
- Implementation of RFRs in the Bank's systems.

- **Fourth phase**

- Testing financial transactions and reviewing whether RFRs have been correctly accrued.
- Preparation of documentation for RFRs.

- **Fifth phase**

- Renegotiation of contracts with floating Libor rates and maturity after June 2023 in process.

(b) FCA Publication dated April 3, 2023

In November 2022 the FCA announced a consultation on continuing to publish 1, 3 and 6 month USD synthetic LIBOR rates after the LIBOR panel ceases on June 30, 2023.

After the consultation, the FCA announced on April 3, 2023 that it will require the LIBOR panel to continue publishing 1, 3 and 6 month Libor rate adjustments using a non-representative 'synthetic' method.

The FCA intends to cease publishing synthetic adjustments on September 30, 2024. However, it will take into account any unforeseen material events.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(4) Information related to financial risks (continued)

(c) Offset of financial assets and liabilities

The Bank negotiates financial derivatives with foreign counterparties using ISDA Master Agreement documentation (International Swaps and Derivatives Association, Inc.), under legal jurisdiction of the city of New York, USA, or the City of London, United Kingdom. The legal framework in these jurisdictions, along with the documentation mentioned, grants Banco de Chile the right to anticipate the maturity of transactions and simultaneously offset the net value of those transactions in case of default by the respective counterparty. The Bank has also agreed with counterparties an additional appendix (CSA credit support annex) which includes other credit mitigating elements such as providing margins over a certain threshold of net value of transactions, early termination (optional or mandatory) of transactions on certain future dates, coupon adjustment of transactions in exchange for payment of the debtor counterparty over a certain threshold amount, etc.

Contracts that can be offset are detailed as follows.

	Fair value in statement of financial position		Negative fair value contracts with right to offset		Positive fair value contracts with right to offset		Financial guarantees		Net fair value	
	2023 MCh$	2022 MCh$	2023 MCh$	2022 MCh$	2023 MCh$	2022 MCh$	2023 MCh$	2022 MCh$	2023 MCh$	2022 MCh$
Financial derivative contract assets	2,084,441	2,987,106	(929,115)	(1,014,141)	(816,457)	(1,508,710)	(160,133)	(180,863)	178,736	283,392
Financial derivative contract liabilities	2,357,523	3,324,498	(929,115)	(1,014,141)	(816,457)	(1,508,710)	(294,409)	(302,571)	317,542	499,076

(5) Operational risk

The Bank aims to monitor and control its exposure to losses from deficiencies or failures in internal processes, staff or systems, or from external events. This definition includes legal risks and excludes strategic and reputational risks.

Operational risk is inherent to all activities, products and systems, as well as strategic, business and support processes throughout the organization. All bank employees are responsible for managing and controlling operational risks, since they may cause direct or indirect financial losses.

The Bank has addressed this risk by creating a Regulatory Framework and a governance structure commensurate with the volume and complexity of its business. This risk is managed by the Retail Credit Risk and Overall Risk Control Division, which has created an Operational Risk Department. It is supervised by the "Senior Operational Risk Committee" and the "Operational Risk Committee".

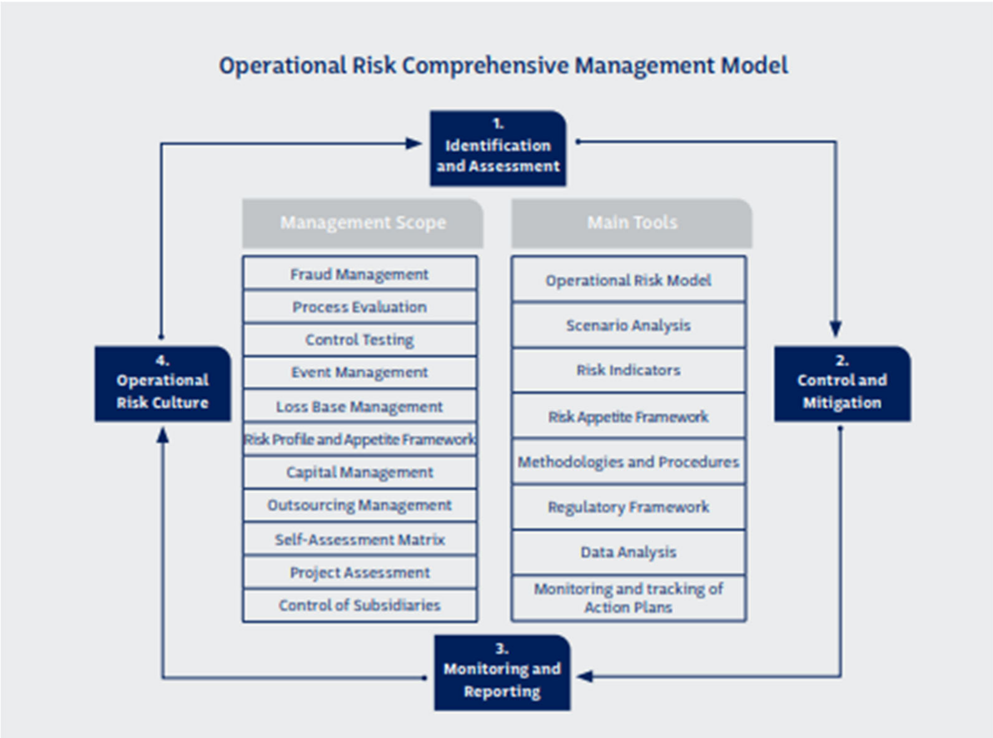
Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(5) Operational risk (continued)

The Operational Risk Policy defines an integral management model based on four processes that ensure an adequate control environment for the organization.

These processes are implemented where operational risk occurs, using various management and control tools.



Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(5) Operational risk (continued)

The processes are:

1. Identification and assessment. Identification and assessment is an important feature of operational risk management. At Banco de Chile, the identification and assessment process considers internal and external factors, which helps the Bank to understand operational risk, allocate resources and define strategies in an efficient and effective manner.

The Bank uses methods and procedures with the aim of securing appropriate identification and assessment of inherent and residual risks. These are performed with a frequency that promptly identifies and assesses operational risks.

2. Control and mitigation. Determine acceptable risk levels and mitigation action plans in case these levels are exceeded. The objective of this process is to maintain risk exposure within adequate levels.

Banco de Chile will implement a set of control and mitigation tools in departments, which will trigger alerts if operational risk exposure deviates, and mitigation measures will resolve them.

3. Monitoring and reporting. Monitoring and reporting is an important feature of operational risk management, as it ensures that risks are monitored and that stakeholders are aware of them.

Monitoring and reporting at Banco de Chile considers information related to various business aspects. If necessary, monitoring results will be reported to the appropriate governance bodies.

4. Operational risk prevention culture. The Operational Risk Department plans operational risk prevention culture programs, aimed at raising awareness and training the Bank's employees in risk identification, control effectiveness and event detection in their normal duties, so that each employee contributes to reducing the exposure to risk events and mitigating their impact on the business. This may require coordination with the organizational departments, as required.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(5) Operational risk (continued)

Integral operational risk management considers the following:

- Fraud Management
- Process Evaluation
- Control Testing
- Incident Management
- Loss Database Management
- Risk Appetite Profile and Framework
- Operational Risk for Capital Management
- Supplier management
- Self-Evaluation Matrix
- Operational Risk Evaluation for Projects
- Subsidiary Control

The combination of all these initiatives, together with the regulatory framework and corresponding governance structure, comprise comprehensive operational risk management. Each of these initiatives is based on a process of risk identification, assessment and mitigation, regardless of whether they have happened, and which may trigger action plans or indicators that suitably monitor each risk. This ensures an adequate operational risk management environment for Banco de Chile and its subsidiaries.

The exposure to net loss, gross loss and recoveries for operational risk events as of December 31, 2023 and 2022 are as follows.

	December 2023			December 2022		
Category	**Gross Loss MCh$**	**Recoveries MCh$**	**Net Loss MCh$**	**Gross Loss MCh$**	**Recoveries MCh$**	**Net Loss MCh$**
Internal fraud	222	(14)	208	77	(7)	70
External fraud	26,969	(8,918)	18,051	16,197	(5,806)	10,391
Labor and safety practices in the workplace	3,034	—	3,034	1,391	(3)	1,388
Customers, products and business practices	1,169	—	1,169	1,082	—	1,082
Damage to property, plant and equipment	1,208	(161)	1,047	527	(3)	524
Business interruption and system failures	951	—	951	175	—	175
Process execution, delivery and management	3,182	(609)	2,573	4,691	(425)	4,266
Total	36,735	(9,702)	27,033	24,140	(6,244)	17,896

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(5) Operational risk (continued)

Cyber-security

The Cyber-security Engineering Department defines, implements and maximizes cyber-threat protection technologies, and it defines and maintains the security architecture. The Cyber-defense Department protects information by proactively managing threat detection, response and containment. This department assertively and promptly manages cyber-security incidents. It minimizes the impact and improves response times, in order to protect the Bank's business. The Strategic Management Department defines, manages and monitors compliance with the Cyber-security Division's Strategic Plan. It ensures that resources are effectively and efficiently used, and it provides and monitors the Cyber-security guidelines for suppliers. The Technology Risk Department identifies, assesses, resolves and reports on information security, technology and cyber-security risks, and it manages the technology risks within the Bank's projects. The Cyber-security Assurance Department ensures compliance with the Strategic Plan, and the associated policies, procedures and regulatory framework. It develops and implements the Cyber-security Awareness Program. Finally, the Cyber Intelligence and Advanced Analytics Department obtains, analyzes and processes timely threat information to provide cyber intelligence, to facilitate decision making within the corporation and keep it safe, secure and resilient.

(6) Business Continuity

The Bank strives to achieve its customer service objectives and has created the Business Continuity Department, which is responsible for preparing plans to safeguard critical products and services during situations that could affect the continuity of the organization or the country.

The Business Continuity Department defines the overall and regulatory framework in the policy and regulations, by developing a Continuity Plan for the Bank and its subsidiaries, to manage business continuity strategy and control in the operational and technological lines. It develops alternative operating plans and controlled testing and simulations to reduce the impact of disruptive events. It provides the organization with resilience by establishing integrated strategies to ensure the safety of employees, protect the Bank's assets in catastrophic scenarios, keep documentation up to date and arrange the associated training courses. It designs and implements independent controls under the Information Security Officer (ISO).

The Business Continuity Department uses methods and controls that help the organization to implement the integrated model, mainly represented by the following.

- **Document management.** This involves submitting any documentation that supports operational and technological business continuity to methodical updating processes, in order to keep the Bank's strategy aligned with the BCM (Business Continuity Management) guidelines.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(6) Business Continuity (continued)

- **Business continuity testing.** This refers to annual simulations that address the Bank's five risk scenarios. These are a technological infrastructure failure, physical infrastructure failure, large-scale staff absence, critical supplier failure and a cyber-security attack. It continually trains and integrates critical staff operating the payment chain in the emergency procedures that support the Bank's critical products and services.

- **Crisis management.** This internal Bank process maintains and trains the main executive roles associated with Crisis Groups, together with the main strategic recovery processes and structures in the business continuity model, in order to strengthen departments involved in preparing, executing and monitoring these processes. This will ensure that the Bank can handle crises.

- **Critical supplier management.** This process manages, controls and tests Business Continuity Plans implemented by suppliers involved in processing critical products and services for the Bank. These plans are associated with the risks directly related to that service.

- **Alternative site management.** This process continually manages and controls secondary physical locations for the Bank's critical units, in order to continue operating if services at its principal location fail. The objective is to safeguard the technological and operational functionality of alternative sites, in order to reduce recovery times in the event of a crisis and to ensure that activation is effective when required.

- **Relationship with subsidiaries and external organizations**. This process manages, controls and compares subsidiary's compliance with the Bank's methods and strategies during crises and business continuity management. It includes overall management of the requirements set by internal and external regulators.

- **Continual improvement.** This process applies automation and sufficiency to the resources used by internal processes within the business continuity model, in order to improve response times to information received during emergencies that complement the processes managed by business continuity management.

- **Training.** This includes the development and implementation of processes and initiatives using various learning methods that empower and equip employees to apply the business continuity model.

Note 42 – Additional notes (continued)

Note 42.44 – Risk management (continued)

(6) Business Continuity (continued)

- **Cyber-security Control.** This process designs and implements independent controls by monitoring the tasks performed by the organizational departments responsible for the Bank's data security and cyber-security.

The business continuity model of Banco de Chile constitutes managing and unifying these processes, together with complying with regulations and structured governance.

Note 42.45 - Information on regulatory capital and capital adequacy indicators

Capital requirements and management

The Bank's capital management objectives are to ensure the adequacy and quality of its consolidated capital, based on adequately managing the risks inherent to its business, establishing sufficient capital in an internal objective that supports both business strategy in normal circumstances and in short and medium term stress scenarios, thus ensuring compliance with regulatory requirements, material risk coverage, a solid credit rating and adequate capital buffers. During 2023, the Bank has comfortably complied with its capital requirements and internal capital sufficiency targets.

The Bank’s capital management policy has established Board-approved capital sufficiency warnings and limits, which are monitored by its associated governance structures including the Capital Management Committee. None of the internal warnings in the Bank’s capital risk appetite framework were triggered during 2023. The Bank manages capital based on its strategic objectives, risk profile, cash flow capacity, and its economic and business context. Therefore, the Bank can change its dividends, issue core capital instruments, or issue additional Tier 1 or Tier 2 instruments.

Note 42 – Additional notes (continued)

Note 42.45 - Information on regulatory capital and capital adequacy indicators (continued)

Capital requirements and management (continued)

Capital requirements

According to General Banking Law, a bank's regulatory capital may not be less than 8% of its risk-weighted assets (RWA), net of required provisions. Also, that core capital may not be less than 4.5% of its RWA or 3% of its total assets net of required provisions. Tier 1 capital is the sum of core capital and Tier 1 additional capital, where the latter is composed of bonds with no maturity date and preferred shares, which may not be less than 6% of its RWA net of required provisions. Banks must have capital buffers, such as the conservation buffer, systemically important buffer, countercyclical buffer and Pillar 2 capital charges, as required by current regulations.

The Basel III standard

During 2019, the CMF began the regulatory process to implement the Basel III standards in Chile, in accordance with Law 21,130 that modernizes banking legislation. During 2020 and 2021, the CMF issued the regulations for local banks to adopt the Basel III standards, which became applicable as of December 1, 2021. The regulations include standard methods for calculating credit, operational and market risk-weighted assets, regulatory capital, leverage ratio and systemically important banks. The regulations describe requirements and conditions applicable to: (i) proposed internal models to calculate certain risk-weighted assets, (ii) the issuance of Tier 1 and 2 additional capital hybrid instruments, (iii) market disclosure requirements (Pillar 3), (iv) the principles for calculating countercyclical and conservation capital buffers, (v) additional requirements that may apply to systemically important banks, (vi) the criteria that define banks as atypical, then subject them to exhaustive supervision and additional capital requirements (Pillar 2).

On March 31, 2023, the CMF ratified Banco de Chile as a systemically important bank, and confirmed the required systemic buffer of 1.25%, with the graduality defined by the regulations. The CMF did not establish additional Pillar 2 capital requirements for the Bank, based on the conclusions of its capital self-assessment for the year ended December 31, 2021.

On May 23, 2023, the Central Bank reported that its board agreed to activate the countercyclical capital requirement for the local banking industry, which is equivalent to 0.5% of the risk-weighted assets of banking institutions, due within one year.

On January 17, 2024, the Financial Market Commission (CMF) reported that it will apply additional Pillar 2 capital requirements of 0.5% for Banco de Chile over a four-year period, as a result of the supervisory process. This requirement must reach 25% by June 30, 2024. The remaining amounts for the following three years will be adjusted according to an annual capital adequacy evaluation by the CMF, taking into consideration the amendments to the Banks' total additional requirements. At least 56.3% of this requirement must be met by core capital. As of the issuance of these financial statements,

Note 42 – Additional notes (continued)

Note 42.45 - Information on regulatory capital and capital adequacy indicators (continued)

the Bank's core capital ratio is 8.61% in relation to the financial requirements, which exceed this additional requirement.

These Basel III bank solvency standards include transitional provisions. Such as i) the gradual adoption of the conservation buffer and requirements for systemic banks, ii) the gradual application of regulatory capital changes, iii) the temporary substitution of additional Tier 1 (AT1) capital for Tier 2 capital instruments, which are subordinated bonds and additional provisions, and iv) the gradual recognition of subordinated bonds issued by banking subsidiaries as regulatory capital.

Information on regulatory capital and capital adequacy indicators is as follows.

Item number	Total assets, risk-weighted assets and regulatory capital components under Basel III Description	Local and global consolidation Dec-2023 MCh$	Local and global consolidation Dec-2022 MCh$
1	Total assets according to the statement of financial position	55,792,552	55,255,362
2	Investment in unconsolidated subsidiaries	—	—
3	Assets discounted from regulatory capital, other than item 2	168,765	165,833
4	Derivative loan equivalents	886,789	1,276,512
4.1	Financial derivative contracts	2,084,441	2,987,106
5	Contingent loans	2,827,120	2,756,396
6	Assets generated by the intermediation of financial instruments	—	—
7	**= (1-2-3+4-4.1+5-6) Total assets for regulatory purposes**	**57,253,255**	**56,135,331**
8.a	Credit risk-weighted assets, estimated using standard method (CRWA)	31,887,173	30,657,020
8.b	Credit risk-weighted assets, estimated using internal methods (CRWA)	—	—
9	Market risk-weighted assets (MRWA)	1,693,317	1,365,367
10	Operational risk-weighted assets (ORWA)	4,110,324	3,630,835
11.a	**= (8.a/8.b+9+10) Risk-weighted assets (RWA)**	**37,690,814**	**35,653,222**
11.b	**= (8.a/8.b+9+10) Risk-weighted assets, after applying the output floor (RWA)**	**37,690,814**	**35,653,222**
12	Equity attributable to owners	5,237,283	4,858,325
13	Non-controlling interests	2	2
14	Goodwill	—	—
15	Excess minority investments	—	—
16	**= (12+13-14-15) Common equity tier 1 equivalent (CET1)**	**5,237,285**	**4,858,327**
17	Additional deductions to common equity tier 1, other than item 2	60,992	18,940
18	**= (16-17-2) Common Equity Tier 1 (CET1)**	**5,176,293**	**4,839,387**
19	Voluntary additional provisions as Additional Tier 1 capital (AT1)	—	178,266
20	Subordinated bonds as Additional Tier 1 capital (AT1)	—	—
21	Preferred shares as Additional Tier 1 capital (AT1)	—	—
22	Bonds with no fixed maturity as Additional Tier 1 capital (AT1)	—	—
23	Discounts applied to AT1	—	—
24	**= (19+20+21+22+22-23) Additional Tier 1 capital (AT1)**	—	**178,266**
25	**= (18+24) Tier 1 Capital**	**5,176,293**	**5,017,653**
26	Voluntary additional provisions as Tier 2 capital (T2)	398,590	383,213
27	Subordinated bonds as Tier 2 capital (T2)	1,003,701	972,550
28	**= (26+27) Tier 2 capital equivalent (T2)**	**1,402,291**	**1,355,763**
29	Discounts applied to T2	—	—
30	**= (28-29) Tier 2 capital (T2)**	**1,402,291**	**1,355,763**
31	**= (25+30) Regulatory capital**	**6,578,584**	**6,373,416**
32	**Additional core capital required for the conservation buffer**	**706,706**	**445,669**
33	**Additional core capital required for the countercyclical buffer**	—	—
34	**Additional core capital required for systemic banks**	**235,569**	**111,417**
35	**Additional capital required for sufficient regulatory capital (Pillar 2)**	—	—

Note 42 – Additional notes (continued)

Note 42.45 - Information on regulatory capital and capital adequacy indicators (continued)

Basel III solvency indicators and regulatory compliance indicators	Local and global consolidation Dec 2023 %	Local and global consolidation Dec 2022 %
Leverage indicator	9.04%	8.62%
The Bank's leverage indicator, considering the minimum requirements	3%	3%
Core capital indicator	13.73%	13.57%
The Bank's core capital indicator, considering the minimum requirements	5.13%	4.81%
Capital buffer deficit	0%	0%
Tier 1 capital indicator	13.73%	14.07%
The Bank's Tier 1 capital indicator, considering the minimum requirements	6%	6%
Regulatory capital indicator	17.45%	17.88%
The Bank's regulatory capital indicator, considering the minimum requirements	8.63%	8.31%
The Bank's regulatory capital indicator, considering the charge for Article 35 bis	8%	8%
The Bank's regulatory capital indicator, considering the minimum requirements, conservation buffer and countercyclical buffer	10.50%	9.56%
Solvency rating	A	A
Regulatory solvency compliance indicators		
Additional voluntary provisions as Tier 2 capital (T2) in relation to CRWAs	1.25%	1.25%
Subordinated bonds as Tier 2 capital (T2) in relation to core capital	19.16%	20.02%
Additional Tier 1 capital (AT1) in relation to core capital	0%	3.68%
Voluntary additional provisions and subordinated bonds as Additional Tier 1 capital (AT1) in relation to RWAs	0%	0.50%

Note 42.46 - Subsequent events for the banking subsidiaries

a) On January 15, 2024, a placement was made in the local market of senior, virtual, bearer bonds issued by Banco de Chile and registered in the Securities Registry of the Financial Market Commission under number 11/2022.

The placement terms were as follows:

Series EZ bond totaling UF 3,100,000 maturing on May 1, 2028 and at an average placement rate of 3.72%.

b) On January 16, 2024, a placement was made in the local market of senior, virtual, bearer bonds issued by Banco de Chile and registered in the Securities Registry of the Financial Market Commission under number 11/2022.

The placement terms were as follows:

Series EZ bond totaling UF 900,000 maturing on May 1, 2028 and at an average placement rate of 3.72%.

Note 42 – Additional notes (continued)

Note 42.46 – Subsequent events for the banking subsidiaries (continued)

c) On January 25, 2024, the Board of Directors of Banco de Chile agreed to call an Annual General Shareholders' Meeting for March 28, 2024, in order to propose the following dividend distribution for the year ended December 31, 2023, and other matters:

   a. Deduct and retain from net distributable income for the year an indexation adjustment on the issued capital and reserves for the change in the Consumer Price Index between November 2022 and November 2023, amounting to Ch$ 223,719,568,421, which will be added to retained earnings for previous years.

   b. Distribute a dividend of 80% of the remaining net distributable income, which is a dividend of Ch$ 8.07716286860 per share payable for each of the Bank's 101,017,081,114 shares.

   Consequently, the proposed dividend will be 65.6% of net income for the year ended December 31, 2023.

The consolidated financial statements for Banco de Chile for the year ended December 31, 2023, were approved by the Board of Directors on January 25, 2024.

In management's opinion, there are no other significant subsequent events that affect or may affect Banco de Chile's consolidated financial statements between December 31, 2023, and the date of issuance of these consolidated financial statements.

Note 43 – Material events

Quiñenco S.A. reported a Material Event on January 18, 2023:

"In accordance with the provisions of Articles 9 and 10-2 of Law 18,045 on the Securities Market, and number 5.1.7 of Section IV of General Standard 30 issued by the Financial Market Commission (hereinafter the "CMF"), being duly authorized, I hereby report that on this date, Quiñenco S.A. has placed virtual bearer bonds in the local market belonging to Series Z (hereinafter the "Series Z Bonds"), issued against the line registered in the Securities Registry of the CMF under No. 930.

The Series Z Bonds mature on June 1, 2050 and totaled UF 5 million at an average placement interest rate of 2.98%."

On March 1, 2023, the subsidiary Invexans reported the following material event.

"In accordance with the provisions of Articles 9 and 10-2 of Law 18,045 and General Regulation 30 issued by the Financial Market Commission, duly authorized, I inform you of the following material event of Invexans S.A. (hereinafter the "Company") and its business.

The Office of Foreign Assets Control of the United States Department of the Treasury (hereinafter "OFAC") imposed a sanction on Mr. Horacio Cartes Jara last January 26 (which also extends to all entities where he directly or indirectly owns a 50% or more interest, hereinafter the "OFAC Sanction"), and in line with Information of Interest to the Market published by the Company on the same day, the Company's subsidiary, Enex Investments Paraguay S. A. (hereinafter "Enex"), has been engaged in implementing measures to end its association with HC Energía S.A. (a Paraguayan company owned and controlled by Mr. Cartes, hereinafter "HCE") in the company Enex Paraguay S.A.E. and its subsidiaries (hereinafter "Enex Paraguay"), in which Enex and HCE each have a 50% ownership interest.

On this date, Enex, HCE and Enex Paraguay signed a binding agreement in Asunción, Paraguay called a "Private Agreement", which stipulated the conditions, terms and procedures for:

(i) the acquisition by a third party unrelated to HCE or Mr. Cartes and his business group, of all the shares owned by HCE in Enex Paraguay, within the term that expires on March 17, 2023, subject to Enex agreeing with such third party that it transfers a 1% shareholding in Enex Paraguay, to grant Enex effective control of the former, together with the other amendments to the shareholders' agreement for Enex Paraguay; and,
(ii) if the aforementioned acquisition does not happen, and without violating the OFAC Sanction, the acquisition by Enex of all the shares owned by HCE in Enex Paraguay.

The purchase price referred to above is US$ 35 million.

It is not possible to reasonably estimate the financial effects that the Private Agreement may have on the assets, liabilities or results of the Company, which will be promptly and duly reported to the CMF and the market in general, in accordance with Circular 988 issued by the CMF".

On March 16, 2023, the subsidiary Invexans reported the following material event.

"In accordance with the provisions of Articles 9 and 10-2 of Law 18,045 and General Regulation 30 issued by the Financial Market Commission, duly authorized, I inform you of the following material event of Invexans S.A. (hereinafter the "Company") and its business, which complements the material event dated March 1, 2023 (hereinafter the 'Material Event").

The Material Event was reported on March 1, 2023 and reported that a binding agreement called a "Private Agreement" (hereinafter the "Agreement") was signed in Asunción, Paraguay, between the Company's subsidiary, Enex Investments Paraguay S.A. (hereinafter "Enex") and HC Energía S.A. (a Paraguayan company owned by Mr. Horacio Cartes Jara, hereinafter "HCE"), to terminate their association in that country through their participation in the company Enex Paraguay S.A.E. (hereinafter "Enex Paraguay"), where each had a 50% ownership interest.

Note 43 – Material events (continued)

The conditions in the Agreement for a third party to acquire shares in Enex Paraguay were fulfilled on this date, so the Paraguayan bank Sudameris Bank S.A.E.C.A. (hereinafter "Sudameris") acquired from HCE its entire interest in Enex Paraguay and its subsidiaries. Sudameris signed a new Shareholders' Agreement with Enex, which contains the usual corporate governance clauses, in accordance with the new ownership structure, and the usual share transfer and other clauses for such contracts, and a Put & Call Option Agreement on the shares in Enex Paraguay owned by Sudameris, which can be exercised by the parties at the beginning of 2024.

Subsequently, Enex acquired from Sudameris a 5% shareholding in Enex Paraguay, for US$ 3,500,000, which increased Enex's interest in Enex Paraguay to 55% and made it the parent company and controller. Meanwhile, Sudameris was left with a 45% ownership interest.

Accordingly, the Company will consolidate the financial information of Enex Paraguay. However, it cannot reasonably estimate the financial effects that the transactions under the Agreement may have on the assets, liabilities or results of the Company, which will be duly and promptly reported to the CMF and the market in general, in accordance with Circular 988 issued by the CMF."

On April 4, 2023, the subsidiary Invexans reported the following material event.

"In accordance with Articles 9 and 10-2 of Law 18,045 and General Regulation 30 issued by the Financial Market Commission, duly authorized, I inform you of the following material event of Invexans S.A. (hereinafter the "Company") and its business.

The Company's subsidiary, Invexans Limited, announced on this date its intention to sell 4.2 million shares of the French company Nexans S.A. (hereinafter "Nexans"), through an accelerated bookbuilding offering of a private placement to institutional investors (hereinafter the "Offering"). The Offering bookbuilding will commence immediately and the results of the placement will be announced after it has closed. It is expected that the Offering final terms will be announced no later than April 5, 2023 and that the settlement of the shares will begin on April 11, 2023.

Invexans Limited reported that the objective of the sale would be to adjust its interest in Nexans, whose value has increased significantly in recent years, and to diversify its investment portfolio. If the shares in the Offering were sold, the proceeds would be used for strategic investments and other corporate purposes.

If the Offering is successful, Invexans Limited reported that its interest in Nexans added to that of its related company Tech Pack S.A. who owns 0.5% in the French company, would be reduced to 19.2%. The Company's subsidiary also reported that, if the shares in the Offering were sold, it would remain a referential shareholder of Nexans with active representation on its Board of Directors. This commitment was emphasized by a "lock-up period" or obligation not to sell its shares of Nexans excluded from the Offering for 180 days, subject to certain customary exceptions, in favor of the Banks (as described below).

This announcement does not constitute an offer to sell or a request to purchase securities, and that the Offering is not a public offering in any country.

This announcement also reported that Goldman Sachs International, Morgan Stanley and Société Générale (collectively the "Banks") are acting as overall coordinators and joint placement agents for the Offering. It was also reported that Lazard is acting as financial advisor to Invexans Limited.

It is not possible to reasonably estimate the financial effects of the Offering on the Company's results, as its results are not yet known. They will be promptly and duly reported to the CMF and to the market in general, in accordance with Circular 988 issued by the CMF."

Note 43 – Material events (continued)

On April 5, 2023, Quiñenco S.A. reported the following material event:

"In accordance with Articles 9 and 10, second paragraph, of Securities Market Law 18,045, and the instructions given by the Financial Market Commission in its General Regulation 30, and being duly empowered to do so by the Board of Directors, I hereby report the following material event with respect to Quiñenco S.A. (hereinafter "Quiñenco") and its business.

On this date, Quiñenco's subsidiary, Invexans Limited, reported that it sold 4,203,638 shares of the French company Nexans S.A. (hereinafter "Nexans"), through an accelerated bookbuilding offering, in a private placement to institutional investors (hereinafter the "Sale").

The Sale attracted strong interest from a broad base of institutional investors, was priced at €80 per share and raised US$367 million net. As a result of the Sale, the Quiñenco's subsidiaries' ownership interest in Nexans was reduced to 19.2%.

Invexans Limited also reported that after the Sale it would continue to be a referential shareholder of Nexans with active representation on its Board of Directors. This commitment was emphasized by a "lock-up period" or obligation not to sell its shares of Nexans excluded from the Offering for 180 days, subject to certain customary exceptions, in favor of the Banks who acted as overall coordinators and joint placement agents for the Sale.

Pursuant to Circular 988 issued by the CMF, Quiñenco has preliminarily estimated that the Sale will generate a positive pre-tax financial gain of approximately US$148 million."

On April 6, 2023, Quiñenco S.A. reported the following material event:

"In accordance with Articles 9 and the second paragraph of Article 10 of Law 18,045 on the Securities Market, and General Standard 30 and Circular 660 issued by the CMF, being duly empowered to do so, it is my duty to report a material event that a meeting of the Board held on April 6, 2023, it proposed that at the next Annual General Shareholders' Meeting to be held on April 28, 2023, the shareholders approve the distribution of a minimum dividend of Ch$ 1,060,596,527,226, being 30% of net income attributable to the owners of the controlling company for 2022.

This dividend is Ch$637.85320 (six hundred and thirty-seven point eight five three two zero Chilean pesos) per share, and will be proposed to be paid from May 26, 2023, to the shareholders registered in the respective registry at midnight on the fifth business day prior to that date, which will be May 20, 2023."

On May 3, 2023, Quiñenco S.A. reported the following material event.

"In accordance with Articles 9 and the second paragraph of Article 10 of Law 18,045 and General Standard 30, being duly empowered to do so, it is my duty to report the following material event as representative of SOCIEDAD MATRIZ SAAM S.A. (hereinafter "SM SAAM").

On May 6, 2022, SM SAAM signed an asset purchase agreement in the name of its subsidiary SAAM Towage Brasil S.A. (hereinafter "ST Brasil") with the Brazilian company Starnav Serviços Marítimos Ltda. (hereinafter "Starnav"), which established the terms and conditions to acquire 17 tugboats for the towage business of ST Brasil in Brazil and 4 tugboats under construction.

The price for the 17 operating tugboats is US$150 million and the price for the 4 tugboats under construction is US$48 million.

Today, May 3, 2023, the anti-trust authorization has been granted and all the other preceding conditions have been met, so ST Brasil and Starnav completed the purchase.

The financial debt on these tug boats is approximately US$83 million and was transferred to ST Brasil, who deducted it from the price paid to Starnav.

Note 43 – Material events (continued)

As a result of this acquisition, ST Brasil now has 69 tug boats. This transaction will enable the company to modernize its fleet, strengthen its growth capacity and its position in Brazil. It will also strengthen SM SAAM's leadership position in the towage market in the Americas.

The impact of the events reported on SM SAAM's financial statements will be communicated promptly in accordance with accounting standards."

On July 19, 2023, SM SAAM reported the following material event.

"In accordance with Articles 9 and the second paragraph of Article 10 of Law 18,045 on the Securities Market and General Standard 30, being duly empowered to do so, it is my duty to report the following material event regarding Sociedad Matriz SAAM SA (hereinafter "SM SAAM" or the "Company").

On October 4, 2022, the Company signed an agreement (hereinafter the "Agreement") with Hapag-Lloyd Aktiengesellschaft (hereinafter "Hapag-Lloyd") in which it agreed to sell (i) all its shares of the companies SAAM Ports S.A. and SAAM Logistics S.A., both direct subsidiaries of SM SAAM, and (ii) specific real estate owned by the indirect subsidiary of SM SAAM, Inmobiliaria Marítima Portuaria S.A., which SAAM Logistics S.A. currently uses (hereinafter the "Real Estate").

The transaction was subject to a series of regulatory approvals from anti-trust authorities in Chile and abroad and other conditions customary for such transactions.

On this date, the National Economic Prosecutor's Office in Chile notified the Company and Hapag Lloyd of its decision to approve the Agreement outright without conditions. This approval concluded the regulatory approvals required to complete the Agreement. Consequently, today the Company and Hapag Lloyd are preparing all the documents to close the Agreement, which is expected to occur within the next 15 days.

Upon completion, SM SAAM will have sold its entire port terminals business to Hapag-Lloyd, which includes 10 terminals in 6 countries in the Americas and the entire inland logistics business. Subsequently, SM SAAM will continue to operate towage and air cargo logistics businesses.

The price for the shares of SAAM Ports S.A. and SAAM Logistics S.A. and the Real Estate, plus certain adjustments previously agreed with Hapag Lloyd, will be approximately US$ 1,000 million.

It is estimated that the Agreement will represent a net gain of approximately US$ 400 million for the Company after costs, taxes and associated expenses, in accordance with Circular 988 issued by the Financial Market Commission.

As this is a related party transaction, the Agreement and its closure were authorized by the unanimous vote of the Directors not involved in it, with the abstention of the Directors related to the controlling group, in compliance with the procedure in Chapters VI and XVI of Law 18,046 on Corporations. It was also approved at an Extraordinary Shareholders' Meeting of SM SAAM held on October 19, 2022, in accordance with Articles 57 number 4 and 67 number 9 of Law 18,046.

SM SAAM will keep the CMF and the market duly informed of any relevant development to be communicated in this regard."

Note 43 – Material events (continued)

On August 1, 2023, SM SAAM reported the following material event.

> "In accordance with Articles 9 and the second paragraph of Article 10 of Law 18,045 on the Securities Market and General Standard 30, being duly empowered to do so, it is my duty to report the following material event regarding Sociedad Matriz SAAM SA (hereinafter "SM SAAM" or the "Company").
>
> On October 4, 2022, the Company signed an agreement (hereinafter the "Agreement") with Hapag-Lloyd Aktiengesellschaft (hereinafter "Hapag-Lloyd") in which it agreed to sell (i) all its shares of the companies SAAM Ports S.A. and SAAM Logistics S.A., both direct subsidiaries of SM SAAM, and (ii) specific real estate owned by the indirect subsidiary of SM SAAM, Inmobiliaria Marítima Portuaria S.A., which SAAM Logistics S.A. currently uses (hereinafter the "Real Estate").
>
> The transaction was subject to a series of regulatory approvals from anti-trust authorities in Chile and abroad and other conditions customary for such transactions.
>
> After receiving all the required regulatory approvals and meeting all other preceding conditions, the Company and Hapag Lloyd closed the transaction on this date. Consequently, as of today Hapag Lloyd owns all the shares of SAAM Ports S.A., and SAAM Logistics S.A. This includes the entire port terminals business, which includes 10 terminals in 6 countries in the Americas, and the entire inland logistics business. SM SAAM will continue to operate its towage business, through SAAM Towage, and the air cargo logistics business.
>
> The price for the shares of SAAM Ports S.A., SAAM Logistics S.A. and the Real Estate was US$ 995 million. It is reported that the Agreement will represent a net gain of approximately US$ 420 million for the Company after costs, taxes and associated expenses, in accordance with Circular 988 issued by the Financial Market Commission.
>
> As this is a related party transaction, the Agreement and its closure were authorized by the unanimous vote of the Directors not involved in it, with the abstention of the Directors related to the controlling group, in compliance with the procedure in Chapters VI and XVI of Law 18,046 on Corporations. It was also approved at an Extraordinary Shareholders' Meeting of SM SAAM held on October 19, 2022, in accordance with Articles 57 number 4 and 67 number 9 of Law 18,046."

On September 28, 2023, the subsidiary Compañía Sud Americana de Vapores S.A. reported the following material event.

> "In accordance with Article 9 and the second paragraph of Article 10 of Law 18,045 on the Securities Market and General Rule 30 issued by the Financial Market Commission and its subsequent amendments, I am duly authorized by the Board of Directors of Compañía Sud Americana de Vapores S.A. (hereinafter the "Company") to inform you of the following material event.
>
> At an Extraordinary Board Meeting held on this date, Mr. Andrónico Luksic Craig tendered his resignation as Vice Chairman and Director of the Company, with effect from December 29, 2023. The Board of Directors accepted Mr. Luksic's resignation under these terms and expressed its special gratitude for his dedication for more than 10 years as Vice Chairman of the Board and his contribution to the Company, both as Director and as representative of CSAV's shareholders, especially in very difficult periods that were decisive for the history and future of the Company.
>
> The Board of Directors then appointed Mr. Pablo Granifo Lavín as replacement Director, with effect from December 29, 2023, and the Board of Directors will be completely renewed at the next Annual General Shareholders' Meeting, in accordance with Article 32 of Law 18,046 on Corporations.
>
> After deliberating on the matter, the Board of Directors appointed Mr. Pablo Granifo Lavín as the Vice Chairman of the Board with effect from the resignation of Mr. Andrónico Luksic Craig."

Note 43 – Material events (continued)

On September 28, 2023, the subsidiary Invexans S.A. reported the following material event.

> "In accordance with Article 9 and the second paragraph of Article 10 of Law 18,045 on the Securities Market and General Rule 30 issued by the Financial Market Commission and its subsequent amendments, I am duly authorized by the Board of Directors of Invexans S.A. (hereinafter the "Company") to inform you of the following material event.
>
> At an Ordinary Board Meeting held on this date, Mr. Andrónico Luksic Craig tendered his resignation as Director of the Company, with effect from December 29, 2023. The Board accepted Mr. Luksic's resignation under these terms and thanked him for his dedication on the Board for more than 41 years. During this period, his valuable contribution has helped the Company to diversify its international investment portfolio and secure many other achievements.
>
> The Board of Directors then appointed Mr. Vicente Mobarec Katunaric as replacement Director, with effect from December 29, 2023, and the Board of Directors will be completely renewed at the next Annual General Shareholders' Meeting, in accordance with Article 32 of Law 18,046 on Corporations."

On September 28, 2023, the subsidiary LQ Inversiones Financieras S.A. reported the following material event.

> "In accordance with Article 9 and the second paragraph of Article 10 of Law 18,045 on the Securities Market and General Rule 30 issued by the Financial Market Commission and its subsequent amendments, I am duly authorized by the Board of Directors of LQ Inversiones Financieras S.A. (hereinafter the "Company") to inform you of the following material event.
>
> At an Ordinary Board Meeting held on this date, Mr. Andrónico Luksic Craig tendered his resignation as Chairman and Director of the Company, with effect from December 29, 2023. The Board of Directors accepted Mr. Luksic's resignation under these terms and expressed its special gratitude for his dedication over the past 16 years.
>
> The Board of Directors then appointed Mr. Rodrigo Hinzpeter Kirberg as replacement Director, with effect from December 29, 2023, and the Board of Directors will be completely renewed at the next Annual General Shareholders' Meeting, in accordance with Article 32 of Law 18,046 on Corporations
>
> After deliberating on the matter, the Board of Directors appointed Mr. Francisco Pérez Mackenna as the Chairman of the Board with effect from the resignation of Mr. Andrónico Luksic Craig."

On September 28, 2023, Quiñenco S.A. reported the following material event.

> "In accordance with Article 9 and the second paragraph of Article 10 of Law 18,045 and in accordance with General Rule 30 and its subsequent amendments, I am duly authorized by the Board of Directors of Quiñenco S.A. (hereinafter the "Company") to inform you of the following material event.
>
> At an Extraordinary Board Meeting held on this date, Mr. Andrónico Luksic Craig tendered his resignation as Chairman and Director of the Company, with effect from December 29, 2023. The Board of Directors accepted Mr. Luksic's resignation under these terms and expressed its special gratitude for his dedication as Chairman of the Board for more than 10 years and for his commitment as a Director since Quiñenco was incorporated as a publicly listed corporation in 1996.
>
> The Board of Directors then appointed Ms. Paola Luksic Fontbona as replacement Director, with effect from December 29, 2023, and the Board of Directors will be completely renewed at the next Annual General Shareholders' Meeting, in accordance with Article 32 of Law 18,046 on Corporations
>
> After deliberating on the matter, the Board of Directors appointed Mr. Pablo Granifo Lavín as the Chairman of the Board with effect from the resignation of Mr. Andrónico Luksic Craig."

Note 43 – Material events (continued)

On November 23, 2023, the subsidiary Invexans S.A. reported the following material event.

> "Resolution 8633, dated November 20, 2023 issued by the Financial Market Commission granted the request to cancel shares in INVEXANS S.A. registered on the Securities Registry of the Financial Market Commission.
>
> Accordingly, the Company ceased to be subject to supervision by this Commission and became a privately-held corporation with effect from the date of this resolution."

On December 1, 2023, the subsidiary SM SAAM S.A. reported the following material event.

> "Pursuant to Circular 660 dated October 22, 1986 issued by the CMF, I am duly authorized to report as a Material Event to the CMF that a Board Meeting of Sociedad Matriz SAAM S.A. (hereinafter the "Company") held on December 1, 2023 approved the distribution of interim dividend 12 of US$ 125,000.000 (one hundred and twenty-five million United States dollars), which means a dividend of US$ 0.0128 per share, to be paid from earnings for 2023 on January 4, 2024, in its equivalent in Chilean pesos, according to the exchange rate of the fifth day prior to the payment date, which is December 28, 2023. The shareholders registered in the Shareholders Register at midnight on December 28, 2023 shall have the right to receive this dividend."

Management's Analysis of the Consolidated Financial Statements
As of December 31, 2023

I. Summary

During 2023, Quiñenco reported net income[4] of Ch$841,967 million, 76.2% lower than in 2022. This decrease is largely attributable to the Transport segment, where its main asset, the shipping liner Hapag-Lloyd, reported net income of US$3,175 million, decreasing 82.3% compared to the previous year. The demand for containerized transport weakened in the first part of the year, while supply chains recovered and extra capacity was added. This has negatively impacted average freight rates with a 47.6% contraction for the German company, along with transported volumes varying by a slight 0.5%. CSAV, in turn, registered an income tax expense of Ch$547,186 million, mostly attributable to using its deferred tax assets when receiving dividends from Germany during the period. Accordingly, CSAV's contribution to the holding company fell by Ch$3,083,146 million, to Ch$137,294 million. However, non-recurring gains associated with two transactions completed during the year were reported: the sale of SM SAAM's port terminals and inland logistics businesses to Hapag-Lloyd, and the sale of approximately one third of Quiñenco's interest in Nexans. These transactions resulted in gains of Ch$207 billion and Ch$119 billion for Quiñenco, respectively. As a result of the transaction between SM SAAM and Hapag-Lloyd materialized on August 1, 2023, and the increase in Quiñenco's interest from 60.0% as of December 31, 2022 to 62.6% as of December 31, 2023, the contribution from the Port Services segment increased significantly. SM SAAM's continuing tug boat business achieved good operating performance, driven by acquiring new businesses and higher volumes, while the others segment was negatively impacted by non-recurring expenses and inflationary pressures on costs and expenses. As a result of the sale of 4.2 million shares of Nexans in April 2023, Quiñenco's interest in the French multinational fell to 19.3% as of December 2023, receiving Ch$301,827 million in proceeds and generating the gain mentioned above. In addition, at the corporate level Quiñenco registered a favorable effect of lower inflation on index-linked liabilities and higher corporate finance income. In the Financial segment, Banco de Chile reported a decrease of 11.8% in net income, primarily attributable to higher operating expenses, largely affected by the impact of inflation on salaries and lower operating revenues, mainly due to a lower increase in the UF, partially offset by lower expected credit losses, mostly due to no additional provisions being established this year. Enex's contribution in the Energy segment declined by 57.1%, mainly due to a lower favorable effect of inventory revaluation this year compared to the previous year, and higher expenses due to inflationary pressures and increases in transport costs, despite a 7.1% increase in revenue. Nexans' contribution in the Other segment fell by 40.4%, reflecting Quiñenco's reduced ownership interest, combined with a 9.8% decrease in the French company's net income to €221 million during 2023. This was attributable to lower non-operating income, partially offset by an improved operating performance, driven by the electrification segments, particularly in distribution and usages, where revenue grew by focusing on higher value-added products and services. The generation and transmission segment was negatively impacted by exiting the telecommunications business. Finally, CCU achieved good operating performance, driven by the Chile segment, which reflect its revenue management initiatives and offsetting lower performance from the Wine segment. However, net income decreased by 10.6% compared to 2022, due to lower non-operating income, largely due to foreign exchange losses in Argentina and expenses associated with the integration of the water business joint venture in the same country. IRSA's contribution increased to Ch$30,291 million, due to the favorable impact of lower inflation on its indexed liabilities.

II. Analysis of Results

The analysis of Quiñenco's financial statements has been separated into the banking sector and the non-banking sector, to improve understanding.

The subsidiaries Invexans and Techpack were incorporated into Quiñenco corporate level for 2023. Therefore, the Other segment includes the investment in the indirect associate Nexans, and the manufacturing segment is no longer presented. The Segment Note for the prior period was reclassified using the same criteria, for comparative purposes.

[4] Net income refers to net income attributable to owners of the controller.

1. Analysis of the Non-Banking Sector

The following segments are included in the non-banking sector:

a) Financial
    - LQ Inversiones Financieras Holding (LQIF Holding)
b) Energy
    - Enex
c) Transport
    - Compañía Sud Americana de Vapores (CSAV)
d) Port Services
    - Sociedad Matriz SAAM (SM SAAM)
e) Others
    - Quiñenco and others (includes CCU, Quiñenco parent company and eliminations).

As of December 31, 2023, Quiñenco indirectly owns 19.27%[5] of the French company Nexans, lower than the 29.02% maintained as of December 31, 2022, as a result of selling approximately 4.2 million shares in April 2023.

Quiñenco has a 100% indirect interest in Enex as of December 31, 2023, through its subsidiary Invexans.

As of December 31, 2022, Quiñenco directly and through its subsidiaries Inv. Rio Bravo and Inmobiliaria Norte Verde held a 60.02% interest in SM SAAM. During 2023, Quiñenco acquired an additional 2.58% stake, bringing its interest to 62.60% as of December 31, 2023.

On October 19, 2022, an Extraordinary Shareholders' Meeting of SM SAAM approved the sale of all the shares of SAAM Ports S.A. and SAAM Logistics S.A., together with associated properties, to the shipping company Hapag-Lloyd. The closure of this transaction was subject to regulatory approvals and the usual terms and conditions for such transactions, and was materialized on August 1, 2023. Accordingly, the entire Port Terminals and Logistics businesses have been classified as discontinued operations for 2022 and 2023 in the Income statement. SM SAAM also defined two operating segments: Tug Boats and Other. The latter includes air cargo logistics services, corporate expenses and inter-segment eliminations.

As of December 31, 2023, CSAV has a 30.0% interest in the German shipping company Hapag-Lloyd. As of December 31, 2023, Quiñenco directly and through its subsidiaries Inv. Rio Bravo and Inmobiliaria Norte Verde holds a 66.45% interest in CSAV.

LQIF's interest in Banco de Chile was 51.15% as of December 31, 2023. Quiñenco's interest in LQIF remains at 50% as of December 31, 2023.

[5] This shareholding excludes the treasury shares held by Nexans.

Non-banking sector	Figures in MCh$	
	12/31/2023	12/31/2022
Revenue	5,258,859	4,891,035
Gross income	595,495	615,941
Operating income	187,974	88,296
Non-operating income	753,578	4,531,131
Income tax income (expense)	(569,366)	164,109
Net income from discontinued operations	359,327	19,661
Consolidated net income from non-banking sector	**731,513**	**4,803,197**

Revenue

Revenue increased by 7.5% to reach Ch$5,258,859 million during 2023, mainly due to increased revenue at Enex, and to a lesser extent, at SM SAAM. Consolidated revenue is as follows: Enex (91.4%) and SM SAAM (8.6%).

Enex's revenue for 2023 was Ch$4,803,813 million, an increase of 7.1% over 2022, mainly as a result of higher fuel prices in Chile and the USA, and the consolidation of the business in Paraguay as of March 2023.

SM SAAM's revenue for 2023 was Ch$454,541 million, an increase of 12.5% over 2022 in Chilean peso terms, reflecting growth in both operating segments, driven mainly by a higher level of activity, new acquisitions and higher rates for some services.

Gross income

In 2023 gross income reached Ch$595,495 million, decreasing 3.3% from 2022, mainly due to a decrease at Enex, partially offset by growth at SM SAAM.

Gross income at Enex decreased by 6.5%, mainly due to a less favorable fuel price dynamics on inventory, partially offset by the increase in revenue explained above.

Gross margin at SM SAAM increased by 9.9%, driven by the tug boat segment, but partially offset by a decrease in the other segment. Revenue growth in the tug boat segment was partially offset by higher costs associated with the larger operating fleet, inflation effects and local currency appreciation. Gross income from the other segment decreased due to foreign exchange effects and inflationary pressures on employee costs and expenses.

Operating income[6]

Operating income amounted to Ch$187,974 million in 2023, significantly higher than the Ch$88,296 million reported in 2022, mainly due to higher operating income at Quiñenco and others, and to a lesser extent, a favorable increase at CSAV, partially offset by lower operating income at Enex, and to a lesser extent, at SM SAAM and LQIF.

This variation is largely due to the Ch$134,201 million increase in other gains at Quiñenco corporate level, due to the gain on the sale of Nexans shares in April 2023 for Ch$119,295 million. Operating income at CSAV improved, reflecting lower administrative expenses in 2023.

These favorable effects were partially offset by lower operating income at Enex due to higher logistics and commercial expenses along with the decrease in gross income explained above, lower gross income at SM SAAM, where its growth in gross income was exceeded by higher expenses, particularly in the other segment, and lower operating income at LQIF, due to higher administrative expenses.

[6] Operating income includes gross income, other revenue by function, distribution costs, administrative expenses, other expenses by function and other gains (losses).

Non-operating income

Non-operating income was Ch$753,578 million in 2023, significantly lower than the gain of Ch$4,531,131 million reported in 2022, mainly explained by lower income from associates, which was Ch$834.875 million during 2023, a decrease of 82.5% over the Ch$4,775,369 million in 2022, mainly due to the lower contribution of CSAV's share in Hapag-Lloyd's net income adjusted for fair value accounting, which decreased by Ch$3,923,550 million. To a lesser extent, it was attributable to the lower contribution from Nexans, mainly due to the reduction in Quiñenco's ownership interest, following the sale of 4.2 million shares in April 2023, and Nexans' lower net income in 2023, partially offset by a higher contribution from IRSA, increasing by 15.9% to Ch$30,291 million, mainly reflecting a lower indexation loss at IRSA, partially offset by a lower contribution from CCU in 2023, and a higher contribution from SM SAAM's associates reaching Ch$2,506 million in 2023. Higher finance costs also explain the lower non-operating results, mainly attributable to Enex, SM SAAM and Quiñenco corporate level, partially offset by lower finance costs at CSAV.

These effects were partially offset by a lower indexation loss, mainly attributable to Quiñenco corporate level and, to a lesser extent, LQIF holding, due to the effect of lower inflation on indexed liabilities, an increase in finance income, mainly at Quiñenco corporate level due to a higher average cash balance and higher interest rates, and to a lesser extent, a gain from exchange differences of Ch$4,758 million in 2023, which compares positively with the loss of Ch$8,240 million in 2022, mainly attributable to CSAV and Enex.

Non-banking sector net income

Consolidated non-banking sector net income was Ch$731,513 million in 2023, significantly lower than the net income of Ch$4,803,197 million for 2022. This decline in consolidated net income is mainly explained by the decrease in net income from the Transport segment and, to a lesser extent, the Energy segment, partially offset by an increase from the Port Services and Other segments. CSAV's net income decreased due to the substantial drop in net income the German shipping company Hapag-Lloyd's net income, mainly due to weakening global demand for container transport and an increase in capacity, which resulted in lower average freight rates, and due to a tax expense at CSAV. To a lesser extent, the reduction in consolidated net income is due to Enex's lower performance, mainly due to the revaluation of its inventory and higher operating expenses, and to Nexans, as a result of its lower net income and the reduction in Quiñenco's ownership interest. These effects were partially offset by better results at SM SAAM, Quiñenco corporate level and IRSA. Net income from SM SAAM for 2023 mainly reflects the gain on the transaction with Hapag-Lloyd, whereby it sold its port terminals and inland logistics businesses. At Quiñenco corporate level, the improvement mainly reflects the non-recurring gain on the sale of Nexans shares, lower losses from the impact of inflation on index-linked liabilities, and higher finance income. IRSA's contribution increased by 15.9% compared to 2022, due to lower indexation adjustments at IRSA, which offset lower net income from CCU.

2. Analysis of the banking sector

The Banking sector includes Banco de Chile, which presents its financial statements partially under IFRS in 2023 and 2022. As of January 2022, new rules came into effect that update the instructions of the Compendium of Accounting Standards for Banks (CNCB).

Banking sector	**Figures in MCh$**	
	12/31/2023	**12/31/2022**
Operating revenues	2,997,756	3,117,432
Expected credit losses	(361,252)	(435,117)
Operating expenses	(1,118,504)	(995,483)
Income tax expense	(273,887)	(275,757)
Consolidated net income from banking sector	**1,244,113**	**1,411,075**

Operating revenues
Operating revenue amounted to Ch$2,997,756 million in 2023, a decrease of 3.8% over 2022. This decrease was mainly explained by a smaller increase in the UF on the Bank's net structural position in UF and on its treasury income. This was partially offset by an increase in income from demand deposits, due to higher interest rates that compensated for lower average balances, higher loan income and higher fee income.

Expected credit losses
Expected credit losses at Banco de Chile were Ch$361,251 million during 2023, lower than the Ch$435,118 million reported in 2022. This decrease was mainly due to the absence of additional provisions during the year, compared to Ch$160,000 million established in 2022. This was partially offset by an increase in expected loan losses in line with the general deterioration of customer credit quality, particularly in the retail segment, and an increase in average loan balances of 4.1% for the year, driven by growth of 6.4% in retail banking.

Operating expenses
Operating expenses amounted to Ch$1,118,504 million in 2023, an increase of 12.4% over the Ch$995,483 million in 2022. This increase was largely due to higher personnel expenses, mostly due to inflation and higher IT expenses, property, plant and equipment maintenance expenses, and publicity expenses.

Income tax expense
As of December 31, 2023, income tax expense was Ch$273,887 million, a decrease of 0.7% over the Ch$275,757 million for 2022, mainly attributable to lower net income before taxes for the year and other deductions, mostly offset by the effects of lower inflation on equity.

Banking sector net income
Consolidated banking net income for 2023 reached Ch$1,244,113 million, a decrease of 11.8% over 2022, mainly due to higher operating expenses and lower operating income, partially offset by lower expected credit losses.

3. Net income attributable to owners of the controller

	Figures in MCh$	
	12/31/2023	12/31/2022
Consolidated net income	1,975,626	6,214,272
Net income attributable to non-controlling interests	1,133,659	2,678,950
Net income attributable to owners of the controller	**841,967**	**3,535,322**

Quiñenco's consolidated net income for 2022 was Ch$1,975,626 million, substantially lower than the prior year, due to the significant decrease in the consolidated net income from non-banking services, and to a lesser extent the decrease in consolidated net income from banking services.

Net income attributable to non-controlling interests was Ch$1,133,659 million in 2023, a decrease of 57.7% over 2022. This decrease is mainly due to the non-controlling interest in lower net income from the Transport segment, and to a lesser extent, the non-controlling interest in lower net income from the Financial Services segment, partially offset by the non-controlling interest in higher net income from the Port Services segment.

Net income attributable to owners of the controller was Ch$841,967 million in 2023, significantly lower than the Ch$3,535,322 million reported in 2022.

4. Results Analysis by Segment

The following shows the composition of results by segment.

Figures in MCh$												
Business / Segment	**Financial**		**Energy**		**Transport**		**Port Services**		**Others**		**Total**	
	As of December 31,											
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Non-banking sector												
Net income from continuing operations before taxes	(24,587)	(39,815)	41,819	100,869	753,783	4,628,544	52,545	50,156	117,992	(120,327)	941,552	4,619,427
Income tax benefit (expense)	970	(1,180)	(7,426)	(20,749)	(547,185)	217,604	(32,055)	(23,051)	16,329	(8,515)	(569,366)	164,109
Net income (loss) from discontinued operations	-	-	-	-	-	(66)	359,327	18,161	-	1,566	359,327	19,661
Consolidated net income (loss) from the non-banking sector	**(23,617)**	**(40,995)**	**34,393**	**80,120**	**206,598**	**4,846,082**	**379,818**	**45,266**	**134,320**	**(127,277)**	**731,513**	**4,803,197**
Banking sector												
Net income before taxes	1,517,522	1,685,192	-	-	-	-	-	-	478	1,640	1,518,000	1,686,832
Income tax expense	(273,887)	(275,757)	-	-	-	-	-	-	-	-	(273,887)	(275,757)
Consolidated net income from the banking sector	**1,243,635**	**1,409,435**	**-**	**-**	**-**	**-**	**-**	**-**	**478**	**1,640**	**1,244,113**	**1,411,075**
Consolidated net income (loss)	**1,220,018**	**1,368,441**	**34,393**	**80,120**	**206,598**	**4,846,082**	**379,818**	**45,266**	**134,798**	**(125,637)**	**1,975,626**	**6,214,272**
Non-controlling interests	913,696	1,028,404	-	-	69,304	1,625,642	151,383	24,271	(725)	632	1,133,659	2,678,950
Net income (loss) attributable to owners of the controller (1)	**306,322**	**340,036**	**34,393**	**80,120**	**137,294**	**3,220,440**	**228,434**	**20,994**	**135,523**	**(126,269)**	**841,967**	**3,535,322**
EBITDA (2)	**1,604,184**	**1,766,351**	**128,406**	**182,739**	**(12,540)**	**(34,749)**	**133,685**	**131,087**	**(30,192)**	**(38,542)**	**1,823,543**	**2,006,886**

(1) Net income attributable to owners of the controller for each segment is the final contribution from each segment, and the companies they comprise, to Quiñenco's net income. Note 1 to Quiñenco's financial statements describes its interests in its principal subsidiaries and associates.
(2) EBITDA is defined as Operating income, excluding Other gains (losses), plus Depreciation and Amortization.

Financial segment

	Figures in MCh$	
	12/31/2023	12/31/2022
LQIF Holding	(11,808)	(20,497)
Banking sector	318,130	360,534
Net income for the financial segment	**306,322**	**340,036**

The financial segment contributed Ch$306,322 million to Quiñenco's net income in 2023, decreasing 9.9% over 2022.

Banking services are provided by Banco de Chile.

LQIF Holding

	Figures in MCh$	
	12/31/2023	12/31/2022
Operating loss	(6,090)	(3,487)
Non-operating income	(18,496)	(36,327)
Net loss from the non-banking services	**(23,617)**	**(40,995)**

LQIF holding incurred a net loss of Ch$23,617 million in 2023, lower than the net loss of Ch$40,995 million reported in 2022, mainly due to lower indexation adjustments, attributable to lower inflation on debt denominated in UF (the UF rose by 4.8% in 2023 compared to 13.3% in 2022), and, to a lesser extent, to an income tax benefit in the current year compared to an income tax expense in 2022, and higher finance income, partially offset by higher administrative expenses.

Banco de Chile

	Figures in MCh$	
	12/31/2023	12/31/2022
Operating revenues	2,997,276	3,115,793
Expected credit losses	(361,251)	(435,118)
Operating expenses	(1,118,503)	(995,483)
Net income attributable to owners of the controller	**1,243,634**	**1,409,433**

Banco de Chile reported net income of Ch$1,243,634 million in 2023, decreasing of 11.8% over 2022. This decrease was mainly due to an increase in operating expenses, as well as a reduction in operating revenues, due to lower non-customer related income, partially offset by lower expected credit losses.

Operating income for 2023 decreased by Ch$118,517 million or 3.8%, mainly due to:

- A decrease of Ch$180,506 million in net finance income, due to: i) an annual decrease of Ch$341,592 million in the Bank's structural net position in UF, given lower inflation during the year (the value of the UF rose by 4.8% in 2023, compared to 13.3% in 2022); ii) an annual decrease of Ch$62,398 million in treasury income, due to lower income from the investment and trading desks, affected by lower inflation and unfavorable changes in medium and long-term interest rates.
  These effect were partially offset by: i) an increase in the contribution of demand deposits to cots of funds of Ch$98,780 million, as local and foreign interest rates were higher in comparison to 2022, partially offset by an annual decrease in average balances of 17.4%; ii) an increase in income from loans of Ch$78,627 million, with growth in all three segments, led by consumer loans, driven by higher spreads and higher average balances, followed by residential mortgage and commercial loans; iii) an annual increase of Ch$34,334 million in income from time deposits, mainly due to higher spreads and 30.0% growth in average balances.
- An increase of Ch$13,659 million in net fee income, mainly due to growth in fees associated with insurance brokerage and transactional fees, partially offset by the reclassification of collection service fees to other operating income.

- An increase of Ch$48,330 million in other operating income, mainly attributable to the reclassification of collection fees and a release of non-loan provisions.

Banco de Chile's expected credit losses amounted to Ch$361,251 million in 2023, decreasing 17.0% compared to the Ch$435,118 million reported in 2022, mainly due to an annual decrease of Ch$160,000 million in additional provisions (Ch$160,000 million were established in 2022 given the expected normalization of credit quality, while in 2023 none were established), and, to a lesser extent, to an annual decrease of Ch$10,763 million in financial asset impairment. This was partially offset by an increase of Ch$75,898 million in expected credit losses due to an overall deterioration in credit quality following periods of exceptionally low risk expense attributable to retail banking, partially offset by a net improvement in wholesale banking credit quality. Also, to a lesser extent, an increase of Ch$22,268 million is explained by a 4.1% annual growth in average loans, driven by retail banking with growth of 6.4%.

The Bank had a 90 day past due portfolio over total loans indicator of 1.43% as of December 31, 2022, which was higher than the 1.08% reported as of December 31, 2022.

Operating expenses increased by 12.4% to Ch$1,118,503 million in 2023, compared to Ch$995,483 million in 2022. This increase was mainly due to: (i) an increase of Ch$54,458 million in personnel expenses, due to an increase in salaries, largely due to the effect of past inflation on salaries, offsetting a lower workforce, and to a lesser extent, higher severance payments and an increase in other benefits following collective bargaining agreements signed prior to the expiry date; (ii) an increase of Ch$53,570 million in administrative expenses, mostly attributable to technology expenses for software licenses, IT infrastructure improvements and data processing services. Also, although to a lesser extent, property, plant and equipment maintenance expenses, publicity expenses, institutional loyalty campaigns, the addition of VAT to outsourced collection services, depreciation and amortization of intangible assets, and other operating expenses, also increased.

Income tax expense decreased by 0.7% to Ch$273,887 million for 2023, mainly attributable to lower net income for the year and other deductions, which was largely offset by the effect of lower inflation on equity.

Energy Segment

	Figures in MCh$	
	12/31/2023	**12/31/2022**
Enex	34,393	80,120
Net income from the energy segment	**34,393**	**80,120**

The energy segment contributed a gain of Ch$34,393 million to Quiñenco's net income for 2023, down by 57.1% from the gain of Ch$80,120 million reported in 2022.

Enex

	Figures in MCh$	
	12/31/2023	**12/31/2022**
Revenue	4,803,813	4,486,363
Operating income	71,562	128,192
Net income attributable to owners of the controller	**34,393**	**80,120**

Enex reported net income of Ch$34,393 million[7] for 2023, decreasing 57.1% from Ch$80,120 million in 2022. This decrease is mainly due to lower operating performance, reflecting lower inventory revaluations and higher operating expenses, despite revenue growth, and, to a lesser extent, lower non-operating performance, partially offset by a lower income tax expense.

Revenue at Enex amounted to Ch$4,803,813 million in 2023, increasing 7.1% from 2022, mainly due to higher fuel prices in all segments in Chile, and to a lesser extent, to higher sales volumes of fuels in the industrial segment in Chile and service stations in the USA, and ten months of consolidating income from Enex Paraguay after achieving control[8]. Sales volumes in 2023 were 4,907,000 cubic meters, up by 3.1% from 2022, of which 99% were fuels.

Gross income amounted to Ch$462,238 million, decreasing 6.5% with respect to 2022, mainly due to the effect of fuel price dynamics on its inventory during the year, as prices were falling in the first half followed by a rise during the second half, compared to a favorable effect throughout 2022. This decrease was partially offset by revenue growth in Chile and the USA as mentioned above, and contributions from the business in Paraguay for the last ten months of 2023.

Operating income at Enex amounted to Ch$71,562 million in 2023, decreasing from the operating income of Ch$128,192 million reported in 2022, mainly due to a 9.3% increase in administrative expenses and the decline in gross income explained above. The increase in administrative expenses is largely due to greater logistics expenses in Chile, due to inflation and fuel costs, plus higher commercial expenses due to an rise in service station operating costs in Chile and higher sales volumes in the USA. Furthermore, the business in Paraguay has been consolidated for ten months in 2023. This was partially offset by lower other expenses, due to lower contingency provisions, and a gain on the revaluation to fair value of the investment in Paraguay, which was included in other gains.

Non-operating losses amounted to Ch$29,743 million in 2023, increasing from the non-operating loss of Ch$27,323 million registered in 2022, mainly due to higher finance costs, partially offset by a gain from exchange differences and a positive contribution from associates compared to a loss in 2022.

Income tax expense in 2023 amounted to Ch$7,426 million, decreasing from the expense of Ch$20,749 million in 2022.

[7] The analysis of Enex is based on the financial statements of Enex PLC prepared in Quiñenco's functional currency. However, Enex PLC and Quiñenco have different functional currencies.

[8] Note 17 Business Combinations in Quiñenco's consolidated financial statements contains further information on the accounting treatment of Enex Paraguay.

Transport Segment

	Figures in MCh$	
	12/31/2023	**12/31/2022**
CSAV	137,294	3,220,440
Net income from the transport segment	**137,294**	**3,220,440**

The transport segment contributed a gain of Ch$137,294 million to Quiñenco's net income for 2023, which was substantially lower than the gain of Ch$3,220,440 million for 2022.

The result for CSAV includes the revaluation to fair value of Quiñenco's investment in CSAV. This revaluation resulted in a loss of Ch$2 million as of December 31, 2023 compared to a loss of Ch$951 million as of December 31, 2022.

CSAV

	Figures in MCh$	
	12/31/2023	**12/31/2022**
Operating loss	(12,920)	(33,021)
Non-operating income	766,708	4,663,525
Income tax expense	(547,186)	217,075
Net income attributable to owners of the controller	**206,602**	**4,847,513**

CSAV achieved net income of Ch$206,602 million[9] in 2023, significantly lower than the net income of Ch$4,847,513 million reported as of yearend 2022, primarily due to lower performance of its main asset, the German shipping liner Hapag-Lloyd.

CSAV's operating loss amounted to Ch$12,920 million in 2023, decreasing from the loss of Ch$33,021 million reported in 2022, reflecting lower administrative expenses.

Non-operating income reached Ch$766,708 million in 2023, significantly lower than the non-operating income of Ch$4,663,525 million in 2022. This decrease is mainly due to the results of its equity investment, Hapag-Lloyd. CSAV's direct share of Hapag-Lloyd's results fell substantially compared to the previous year, from a gain of US$5,384.0 million in 2022, to a gain of US$952.4 million in 2023, together with a negative adjustment to fair value of US$5.7 million in 2022 and a negative adjustment of US$5.4 million in 2023, resulting in a net decrease of US$4,431.3 million (Ch$3,923,550 million). Thus, CSAV's share of Hapag-Lloyd's net income plus all the adjustments described above, was a net gain of Ch$762,105 million in 2023, down from the net gain of Ch$4,685,655 million obtained in 2022. This reduced contribution was slightly offset by higher finance income from higher cash surpluses, lower finance costs reflecting the reduction in borrowings, lower interest costs on foreign exchange hedges contracted in June 2022, and a foreign exchange gain in the current year vis-à-vis a loss in 2022.

CSAV's income tax expense was Ch$547,186 million in 2023, contrasting unfavorably with the income tax credit of Ch$217,075 million in 2022, mainly due to the use of deferred tax assets and tax-loss carry-forwards at the end of 2022, and registering deferred taxes and an income tax provision for CSAV's subsidiary in Germany[10] and for CSAV in Chile.

The loss from discontinued operations amounted to Ch$66 million in 2022 only, due to the car carrier business that was closed in July 2020.

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[9] The analysis of CSAV is based on its financial statements prepared in Quiñenco's functional currency. However, CSAV and Quiñenco have different functional currencies.

[10] CSAV's subsidiary in Germany is CSAV Germany Container Holding GmbH.

Hapag-Lloyd

	Figures in MUS$	
	12/31/2023	12/31/2022
Revenue	19,391	36,401
Operating income	2,721	18,373
Net income before taxes and interest	2,738	18,467
Net income attributable to owners of the controller	**3,175**	**17,946**

In 2023 Hapag-Lloyd's net income amounted to US$3,175 million, 82.3% below the net income of US$17,946 million reported in 2022. The year 2023 was characterized by the normalization of supply chains and weakened demand for containerized transport during the first part of the year, along with the entry of new capacity, which drove down average freight rates across the industry. Hapag-Lloyd's sales for 2023 reached US$19,391 million, decreasing 46.7% compared to 2022, mainly due to a 47.6% decrease in average container freight rates, together with sales volumes that varied by 0.5%. Operating expenses decreased by 7.5% compared to 2022 mainly due to the normalization of supply chains and lower fuel costs, partially offset by higher personnel expenses, mainly due to an adjustment to the bonus system, and an increase in the workforce following the acquisition of SM SAAM's port businesses. Accordingly, the German shipping company achieved net income before interest and taxes (EBIT) of US$2,738 million for 2023, substantially lower than its EBIT of US$18,467 million for 2022. EBITDA amounted to US$4,825 million, significantly lower than the US$20,474 million for 2022. Of total reported EBITDA, US$4,775 million corresponds to the shipping segment and US$50 million to the terminals and infrastructure segment. These segments were defined after the acquisition of SM SAAM's port and inland logistics businesses on August 1, 2023.

Port Services Segment

	Figures in MCh$	
	12/31/2023	12/31/2022
SM SAAM	228,434	20,994
Net income from the port services segment	**228,434**	**20,994**

The port services segment contributed a gain of Ch$228,434 million to Quiñenco's net income for 2023, an increase over the gain of Ch$20,994 million reported in 2022.

This contribution reflects the improved performance of SM SAAM during 2023. In addition, Quiñenco's ownership interest increased from 60.02% as of December 31, 2022, to 62.60% as of December 31, 2023. SM SAAM's net income includes the revaluation to fair value of Quiñenco's investment in SM SAAM. This revaluation resulted in a loss of Ch$32,491 million in 2023 and a loss of Ch$3,055 million in 2022.

SM SAAM

	Figures in MCh$	
	12/31/2023	**12/31/2022**
Revenue	454,541	404,207
Operating income	57,221	65,571
Non-operating income	(2,939)	(13,294)
Discontinued operations	411,587	22,212
Net income attributable to owners of the controller	**427,261**	**40,194**

SM SAAM sold its port terminals and inland logistics businesses to Hapag-Lloyd on August 1, 2023. Therefore, these businesses were classified as discontinued, and its continuing operations were separated in two operating segments: Tug boats and Other. The Other segment encompasses air cargo logistics operations, real estate assets, corporate expenses and inter-segment eliminations.

SM SAAM achieved net income of Ch$427,261 million[11] in 2023, a significant increase compared to its net income of Ch$40,194 million in 2022, mainly due to the non-recurring gain associated with the sale of the port terminals and inland logistics businesses to Hapag-Lloyd, partly offset by a reduction in net income from continuing operations, mainly due to non-recurring effects.

SM SAAM's revenue amounted to Ch$454,541 million in 2023, an increase of 12.5% in Chilean peso terms over 2022, mainly due to growth in tug boats. Revenue at the Tug boats segment increased by 13.3% in Chilean peso terms compared to 2022, mainly due to growth in sales volumes, both in harbor towage and in dedicated services at oil, gas and mining terminals, driven by increased demand, and revenue associated with the fleet expansion in Brazil following the acquisition of 21 tugboats during 2023, and the new operations in Peru following the acquisition of Ian Taylor's tug boat business in October 2022. Revenue at the Other segment increased by 7.6% in Chilean peso terms compared to 2022, driven by Aerosan, as a result of higher tariffs in some services, a 12.1% increase in export volumes driven by acquiring the air logistics company Pertraly in Ecuador, and an increase in passenger services, compensating a 16.4% decrease in import volumes in Chile and Colombia, due to lower dynamism within these economies.

SM SAAM's gross income amounted to Ch$133,074 million in 2023, 9.9% higher than the gross income of Ch$121,116 million reported in 2022, due to the revenue growth described above, partially offset by an increase in costs. In the Tug boat segment, revenue growth was partially offset by an increase in costs due to the expanded operating fleet, together with inflation and local currency appreciation against the U.S. dollar. In the Other segment, the increment in revenue was more than offset by an increase in costs, mainly associated with inflationary pressures on various costs and on personnel expenses. Non-operating income amounted to Ch$57,221 million in 2023, 12.7% lower than the gain of Ch$65,571 million obtained in 2022. The increase in gross income was offset by higher administrative expenses, particularly in the Other segment where they increased by 32.7% in Chilean peso terms, mainly due to higher non-recurring expenses related to the transaction with Hapag-Lloyd.

Non-operating income amounted to a loss of Ch$2,939 million in 2023, 77.9% lower than the loss of Ch$13,294 million reported in 2022. This decrease was mainly due to lower net finance costs, and to a lesser extent, to a greater contribution from the associate Transbordadora Austral Broom.

Net income from discontinued operations in 2023 amounted to Ch$411,587 million, significantly higher than in 2022. This increase is primarily due to the transaction with Hapag-Lloyd, which was materialized on August 1, 2023 and generated a net gain of Ch$389,771 million in 2023.

Income tax expenses increased by 36.0% in Chilean peso terms to Ch$32,784 million, mainly due to using foreign tax assets and the effects on deferred taxes of variations in local currencies.

[11] The analysis of SM SAAM is based on its financial statements prepared in Quiñenco's functional currency. However, SM SAAM and Quiñenco have different functional currencies.

Other segment

	Figures in MCh$	
	12/31/2023	12/31/2022
IRSA	30,291	26,138
Nexans	38,879	65,249
Quiñenco and others	66,353	(217,656)
Net income from the other segment	**135,523**	**(126,269)**

The other segment contributed a gain of Ch$135,523 million to Quiñenco's net income for 2023, which compares favorably with the net loss of Ch$126,269 million in 2022, primarily due to a better result at Quiñenco and others. It is worth noting that Quiñenco sold approximately 4.2 million shares of Nexans in April 2023, thus reducing its ownership interest from 29.02% as of December 2022 to 19.27% as of December 31, 2023.

IRSA

The contribution of IRSA, CCU's parent company, to Quiñenco's net income in 2023 amounted to Ch$30,291 million, an increase over its contribution of Ch$26,138 million in 2022. This mainly reflects lower indexation adjustments at IRSA, partially offset by lower net income from CCU.

CCU

	Figures in MCh$	
	12/31/2023	12/31/2022
Revenue	2,565,556	2,711,435
Operating income	239,967	218,762
Non-operating income	(136,809)	(83,013)
Net income attributable to owners of the controller	**105,653**	**118,168**

CCU reports its consolidated financial statements in accordance with its operating segments. These are defined as the geographical areas of its commercial business: Chile, International business, Wine, and Other[12].

CCU reported net income of Ch$105,653 million in 2023, 10.6% lower than the net income of Ch$118,168 million in 2022. Improvements in its operating performance driven by the Chile segment were offset by lower non-operating income, largely due to non-operating losses in Argentina.

CCU's revenue for 2023 amounted to Ch$2,565,556 million, decreasing 5.4% from 2022, due to consolidated sales volumes falling by 3.4% and a 2.0% fall in average prices in Chilean peso terms. Sales growth by business segment is as follows. Sales in the Chile segment increased by 5.1% due to an increment in average prices of 7.9%, mainly due to revenue management initiatives, partially offset by a negative mix effect, together with a 2.6% decrease in sales volumes. Sales in the International Business segment decreased by 25.1% due to a decrease in average prices of 21.5% in Chilean peso terms, mostly due to a negative translation effect owing to the significant depreciation of the Argentine peso against the US dollar and hyperinflationary accounting, as local prices were increased in line with inflation as a result of revenue management in Argentina, together with a 4.5% decrease in sales volumes. Sales in the Wine segment decreased by 14.7%, due to a 14.4% decrease in sales volumes, as a result of a challenging scenario for wine exports and lower demand in domestic markets. Average prices decreased by 0.3% compared to 2022, given the appreciation of the Chilean peso against the US dollar and a negative mix effect, partially offset by revenue management initiatives in the local market.

[12] Chile: includes the commercialization of beer, soft drinks and spirits in Chile and strategic service units in the Chilean market. International Business: includes the sale of beer, cider, soft drinks and spirits in Argentina, Uruguay, Paraguay and Bolivia. Wine: includes the sale of Chilean wine, primarily to export markets. Others: includes corporate income and expenditures, and eliminates transactions between segments.

CCU's gross income amounted to Ch$1,186,944 million in 2023, decreasing 0.8% compared to 2022. This decline was partially offset by a decrease in cost of sales compared to 2022, reflecting in a lower average cost per hectoliter, together with a lower sales volume. The decrease in gross income is mostly attributable to the International Business segment and to a lesser extent, the Wine segment, partially offset by an increase in the Chile segment. Gross income from the International Business segment decreased by 23.5%. The reduction in revenue described above was partially offset by a 23.1% decrease in the cost of sales per hectoliter due to translation effects in Argentina, while the cost increased in local currency terms, driven by higher raw material costs, inflationary pressures and the depreciation of the Argentine peso against the US dollar affecting dollar-denominated costs. Gross income from the Wine segment decreased by 14.9%, due to the decrease in revenue described above, and a stable cost per hectoliter compared to the previous year. Gross income from the Chile segment increased by 14.8%, mainly due to the increase in revenue described above, partially offset by a 0.7% increase in cost of sales per hectoliter mostly due to an increase in raw material costs, partially offset by lower aluminum, PET and energy costs and manufacturing cost efficiencies. Marketing, distribution, administrative and selling (MSD&A) expenses decreased by 3.3% compared to 2022, mainly due to the International Business segment, due to conversion effects in Argentina, given that in local currency expenses increased due to inflationary pressures. In the Chile segment MSD&A expenses increased 10.5%, mainly due to higher marketing and distribution expenses. Finally, in the Wine segment, MSD&A expenses increased by 3.0%, reflecting higher marketing expenses. As a proportion of revenue, MSD&A expenses increased by 80bp from 35.7% to 36.5%. EBITDA reached Ch$379,402 million, an increase of 6.0% compared to 2022, mainly driven by an increase in the Chile segment, partially offset by a decrease in the International Business and Wine segments. As a result, the EBITDA margin increased from 13.2% to 14.8%.

The non-operating loss amounted to Ch$136,809 million, increasing from the loss of Ch$83,013 million in 2022, mainly, due to higher loss from exchange rate differences, mainly in Argentina, and a lower indexation gain, also concentrated in Argentina, and a higher loss from associates, largely due to costs related to integrating the water business in Argentina, partially offset by lower net finance costs.

Income taxes were a credit of Ch$15,267 million for 2023, which compares positively with the income tax expense of Ch$264 million for 2022, mainly due to lower net income, together with the net effect of stable permanent tax differences.

Nexans

	Figures in M€	
	12/31/2023	**12/31/2022**
Revenue	7,790	8,369
Operating income[13]	432	420
Net income attributable to owners of the controller	**221**	**245**

Nexans reported net income of €221 million in 2023, 9.8% lower than the net income of €245 million obtained in 2022. Operating income improved despite a downturn in sales, but was offset by lower non-operating income. Sales at current prices for 2023 were €7,790 million, a decrease of 6.9% compared to sales of €8,369 million in 2022, with a 0.9% organic decrease in sales decrease of 0.9%.

[13] This is the "Operating Margin" reported by Nexans, which includes sales revenue, cost of sales, selling and administrative expenses and research and development expenses.

Nexans reported an organic decrease in sales[14] of 0.9% in 2023 and operating income of €432 million, an increase of 2.9% compared to 2022. Growth in the electrification segments was led by the former construction segment, which has now been separated into the distribution and usages segments. Operating income from the distribution segment increased by €66 million or 101.5%, which reflects organic sales growth of 4.5%. This was mainly due to the increased investments in electrical wiring renovation and renewable energy projects mostly in Europe and North America, with solid demand. Operating income from the usages segment increased by €7 million or 3.5%, despite an organic decrease in sales of 6.3%, which reflect sales volumes returning to normal, mainly in Canada. Nexans benefited from an improved product mix focused on value-added customer solutions, driven by the development of its Fire Safety cables and the launch of new products and solutions. Operating losses from the generation and transmission segment decreased by €110 million to a loss of €9 million, despite organic sales growth of 0.8%, largely reflecting its exit from the umbilical cable business. Business improved during the fourth quarter of 2023, due to the execution of wind projects in the USA and connection projects in the Mediterranean. Regarding the segments not related to electrification, the industry segment increased its operating income by €51 million or 53.1%, due to an organic increase in sales of 13.7%, supported by continued growth in automotive harnesses, shipbuilding, railroads and mining, together with a recovery in aerospace. The operating loss from the other segment decreased by €1 million and sales organically decreased by 17.9%, reflecting the strategy of reducing external copper sales and telecommunications systems sales in line with the company's long-term strategy. Adjusted EBITDA[15] amounted to €665 million for 2023, an increase of 8.0% compared to 2022. The adjusted EBITDA margin for the electrification business was 12.5% in 2023, and for the non-electrification business excluding the other segment it was 10.6%.

At a non-operating level, Nexans registered a favorable variation of €18 million associated with its core exposure on un-hedged inventory, varying from a loss of €30 million in 2022 to a loss of €12 million in 2023. Nexans incurred restructuring costs of €49 million during 2023, mainly due to completing umbilical cable projects in Norway, restructuring costs to implement a leaner organization, together with the transformation plan, thus increasing from the €39 million incurred the prior year. Other operating income reached €1 million, decreasing from income of €46 million for 2022, mainly due to the loss on the sale of an associate in the first half of 2023 compared to a gain of €54 million in 2022, mostly related to the sale of a plant in Germany, partially offset by the reversal of impairment on property, plant and equipment in Australia and the USA in 2023. Net finance costs increased by €26 million mainly due to higher net borrowing costs and a negative exchange rate impact. Finally, income taxes decreased by €22 million compared to 2022. Thus, Nexans achieved net income of €221 million in 2023, below the net income of €245 million reported in 2022.

Quiñenco and others

Quiñenco and others recorded net income of Ch$66,353 million in 2023, which compares favorably with the net loss of Ch$205,886 million obtained in 2022. This improvement is primarily due to a better result at Quiñenco corporate level, mainly due to a non-recurring pre-tax gain of Ch$119,295 million on the sale of 4.2 million shares of Nexans, and to a lesser extent, a lower loss associated with the impact of lower inflation on indexed liabilities, higher finance income, a better tax result, and lower administrative expenses. These favorable effects were partially offset by higher finance costs, reflecting the new bond issued in January 2023.

[14] Organic growth: Nexans compares sales on the same consolidation basis, excluding the impact between one year and another of acquisitions and divestitures, exchange rate effects and changes in the prices of base metals.

[15] From 2023, Nexans defines adjusted EBITDA as operating income before (i) depreciation and amortization, (ii) share-based payment expenses, and (iii) certain other specific operating items that are not representative of business performance.

III. Analysis of the Statement of Financial Position

Assets

Quiñenco's consolidated assets as of December 31, 2023, totaled Ch$69,348,511 million, increasing 0.3% over its assets of Ch$69,583,052 million as of December 31, 2022, due to a decrease in non-banking sector assets, partially offset by higher banking sector assets.

The composition of consolidated assets at the end of each year is as follows:

	Figures in MCh$	
	12/31/2023	**12/31/2022**
Financial		
LQIF Holding	845,275	845,746
Energy		
Enex	2,004,453	1,789,629
Transport		
CSAV	7,252,604	8,812,427
Port Services		
SM SAAM	1,925,708	1,617,630
Others		
Quiñenco and others	1,534,891	1,412,357
Total assets for the non-banking sector	**13,562,931**	**14,477,789**
Banking services assets	55,785,580	55,105,263
Total consolidated assets	**69,348,511**	**69,583,052**

	Figures in MCh$	
	12/31/2023	**12/31/2022**
Non-banking sector current assets	3,897,029	2,491,560
Non-banking sector non-current assets	9,665,902	11,986,229
Total assets for the non-banking sector	**13,562,931**	**14,477,789**
Banking services assets	55,785,580	55,105,263
Total consolidated assets	**69,348,511**	**69,583,052**

Non-banking sector current assets

Non-banking sector current assets amounted to Ch$3,897,029 million as of December 31, 2023, increasing 56.4% compared to December 31, 2022. This variation is mainly due to higher cash and cash equivalents, reflecting net dividends received during the year including net retentions at CSAV, the proceeds received by SM SAAM from the sale of the port and inland logistics businesses to Hapag-Lloyd and the funds received by Quiñenco holding from the sale of Nexans shares and a bond issue carried out at the beginning of the year. These cash inflows were partially offset by net loan repayments by CSAV and SM SAAM, tax payments by CSAV and property, plant and equipment acquired by Enex and SM SAAM. The increase in current assets is also due to an increase in current tax assets, mainly withholding tax credits denominated in Euros[16] applied to dividends paid to CSAV's subsidiary in Germany by Hapag-Lloyd and to CSAV (Chile) by its subsidiary in Germany, and foreign tax credits also at CSAV. These increases were partially offset by lower held-for-sale assets, mainly at SM SAAM, following the completion of the transaction with Hapag-Lloyd.

Non-banking sector non-current assets

Non-banking sector non-current assets amounted to Ch$9,665,902 million as of December 31, 2023, decreasing 19.4% compared to as of December 31, 2022. This variation is mostly due to the decrease in equity method investments, primarily due to a reduction in the book value of Hapag-Lloyd (reflecting dividends paid during the period, partially offset by period earnings and a positive translation adjustment), and to a lesser extent, a lower book value of Nexans (reflecting the sale of 4.2 million shares, partially offset by period earnings net of dividends), and IRSA (reflecting a negative translation adjustment, partially offset by period earnings net of dividends. A decrease in deferred tax assets at CSAV also contributed. These

[16] CSAV's Euro-denominated withholding tax credits are not hedged.

decreases were partially offset by a higher balance of property, plant and equipment, mainly at Enex and SM SAAM, following investments carried out during 2023.

Banking sector assets
Banking sector assets as of December 31, 2023, amounted to Ch$55,785,580 million, increasing 1.2% with respect to December 31, 2022.

Liabilities
The consolidated liabilities of Quiñenco at the end of each year were as follows:

	Figures in MCh$	
	12/31/2023	**12/31/2022**
Financial		
LQIF Holding	287,365	291,471
Energy		
Enex	1,141,097	1,052,131
Transport		
CSAV	157,975	2,038,726
Port Services		
SM SAAM	882,266	867,584
Others		
Quiñenco and others	1,575,995	1,211,175
Total non-banking liabilities	**4,044,698**	**5,461,086**
Banking sector liabilities	50,120,115	50,120,552
Total consolidated liabilities	**54,164,813**	**55,581,638**

	Figures in MCh$	
	12/31/2023	**12/31/2022**
Non-banking sector current liabilities	1,341,580	2,952,929
Non-banking sector non-current liabilities	2,703,118	2,508,157
Total non-banking liabilities	**4,044,698**	**5,461,086**
Banking sector liabilities	50,120,115	50,120,552
Total consolidated liabilities	**54,164,813**	**55,581,638**
Total equity	15,183,698	14,001,414
Total equity and liabilities	**69,348,511**	**69,583,052**

Non-banking sector current liabilities
As of December 31, 2023, non-banking sector current liabilities amounted to Ch$1,341,580 million, decreasing 54.6% from December 31, 2022. This reduction is mainly due to a lower other current non-financial liabilities, corresponding to lower dividends payable to Quiñenco's shareholders and to CSAV's minority shareholders, based on lower net income for the year, partially offset by higher dividends payable to minority shareholders of SM SAAM. To a lesser extent, the decline is also explained by lower other current financial liabilities, mainly due to debt repayments by CSAV, partially offset by higher balance at Enex and, to a lesser extent, at SM SAAM, and lower liabilities for asset groups held for sale, attributable to SM SAAM after the sale of the port terminals and inland logistics businesses to Hapag-Lloyd. These effects were partially offset by higher current tax liabilities, mainly corresponding to SM SAAM.

Non-banking sector non-current liabilities
Non-banking sector non-current liabilities amounted to Ch$2,703,118 million, up 7.8% from December 31, 2022. This increase is due to higher financial liabilities, mainly attributable to Quiñenco holding, due to a bond issuance carried out in January 2023, and to a lesser extent, to Enex, partially offset by lower borrowing at CSAV, as it prepaid its outstanding bonds at the end of 2023, and SM SAAM mainly due to the transfer of long-term debt to short-term. Higher non-current liabilities are also explained by higher deferred tax liabilities, mainly at CSAV and SM SAAM, and higher lease liabilities, mainly at Enex.

Total non-banking liabilities amounted to Ch$4,044,698 million as of December 31, 2023, increasing 25.9% over the balance as of December 31, 2022, due to the increase in current liabilities and, to a lesser extent, the increase in non-current liabilities.

Banking sector liabilities
Banking sector liabilities remained stable in comparison to December 31, 2022.

Equity[17]
Quiñenco's equity amounted to Ch$8,047,560 million as of December 31, 2023, up 9.8% from December 31, 2022. This increase is mainly due to the period's net income net of dividends and an increase in other reserves, mostly explained by favorable translation, attributable mostly to Quiñenco holding, CSAV and to a lesser extent, SM SAAM, partially offset by unfavorable adjustments at IRSA (CCU).

[17] Equity refers to equity attributable to owners of the controller.

IV. Trends in Indicators

Financial Indicators		12/31/2023	12/31/2022
LIQUIDITY*			
Current Liquidity	times	2.9	0.8
(Current assets/Current liabilities)			
Acid ratio	times	1.2	0.2
(Cash & cash equivalents/Current liabilities)			
DEBT*			
Leverage ratio	times	0.50	0.75
(Total liabilities/Equity attributable to owners of the controller)			
Current debt/Total debt	%	33.2%	54.1%
(Current liabilities/Total liabilities)			
Non-current debt/Total debt	%	66.8%	45.9%
(Non-current liabilities/Total liabilities)			
Financial expense coverage	times	11.11	43.48
((Non-banking net income + Income tax expense + Finance costs)/Finance costs)			
ACTIVITY*			
Inventory turnover	times	20.62	23.76
(Cost of sales/Average inventory)			
PROFITABILITY			
Return on equity	%	11.0%	55.7%
(Net income attributable to the controller/Average equity attributable to owners of the controller)			
Return on assets of non-financial segments	%	4.1%	28.2%
(Net income of controller - non-financial segments/Average assets - non-financial segments)			
Return on assets of financial segment	%	0.5%	0.6%
(Net income attributable to the controller - financial segment/Average assets - financial segment)			
Earnings per share	Ch$	506.37	2,126.18
(Net income attributable to the controller/Weighted average number of shares)			
Dividend yield	%	22.2%	16.2%
(Dividend payments last 12 months per share/Closing share price)			

* Excludes banking sector assets and liabilities
** Excludes liabilities included in disposal groups held for sale.

Liquidity
The non-banking sector current liquidity ratio increased from 0.8 as of December 31, 2022, to 2.9 as of December 31, 2023. The 56.4% increase in current assets was complemented by a 54.6% decrease in current liabilities, as explained above.

Borrowing
The non-banking sector borrowing ratio decreased from 0.75 as of December 31, 2022, to 0.50 as of December 31, 2023. This is mainly explained by a 25.9% decrease in liabilities and a 9.8% increase in equity attributable to the parent company. Non-banking sector current liabilities represent 33.2% of total non-banking sector liabilities as of December 31, 2023, compared to 54.1% as of December 31, 2022.

The interest expense coverage ratio for the non-banking sector decreased from 43.48 as of December 31, 2022, to 11.11 as of December 31, 2023. This decrease was mainly due to the substantial decrease in non-banking net income (-84.8%), partially offset by an increase in Finance costs (17.8%).

Activity
Inventory turnover decreased from 23.76 as of December 31, 2022, to 20.62 as of December 31, 2023. This decrease is due to an increase in average inventory (25.7%), partially offset by a higher cost of sales (9.1%).

Profitability
Return on equity decreased from 55.7% as of December 31, 2022, to 11.0% as of December 31, 2023. This decrease is mainly due to the decrease in net income attributable to the parent company for 2023 (-76.2%), and the increase in average equity (21.0%).

The return on assets ratio for the non-financial segments decreased from 28.2% as of December 31, 2022, to 4.1% as of December 31, 2023, due to the decrease in the net income attributable to the parent company for the non-financial segments in 2023 (-83.2%), together with the increase in average non-financial segment assets (15.5%).

Earnings per share decreased from Ch$2,126.18 as of December 31, 2022, to Ch$506.37 as of December 31, 2023. This decrease is mainly due to the substantial decrease in net income attributable to the parent company in 2023, as previously explained.

The dividend yield increased from 16.2% as of December 31, 2022, to 22.2% as of December 31, 2023, due to an increase in dividends paid over the last twelve months (36.8%) and a slight fall in the market price of shares (-0.2%).

V. Summarized Statement of Cash Flow

Non-banking cash flow	Figures in MCh$	
	12/31/2023	12/31/2022
Net cash flow from (used in) operating activities	(440,893)	61,179
Net cash flow from (used in) financing activities	(2,266,874)	(1,358,530)
Net cash flow from (used in) investing activities	3,415,036	1,041,649
Total net cash flow for the year	**707,269**	**(255,703)**

As of December 31, 2023, Quiñenco reported a total positive net cash flow of Ch$707,269 million for the non-banking sector, explained by positive cash flow from investing activities of Ch$3,415,036 million, partially offset by negative cash flow used in financing activities of Ch$2,266,874 million and to a lesser extent negative cash flow used in operating activities of Ch$440,893 million.

The positive investing cash flow is primarily explained by dividends received of Ch$3,018,424 million from Hapag-Lloyd, and to a lesser extent, from Nexans and SM SAAM's associates. It is also explained by other cash proceeds (payments) of Ch$309,734 million, explained by the proceeds received by SM SAAM from Hapag-Lloyd for the transaction completed in August 2023, partially offset by the net provisional retentions on Hapag-Lloyd dividends received by CSAV in Germany, and to a lesser extent, by the net investment in time deposits by Quiñenco holding company, the proceeds from the sale of 4.2 million shares of Nexans for Ch$301,827 million, and to a lesser extent, by interest received of Ch$106,501 million, mainly due to Quiñenco holding company, and to a lesser extent, SM SAAM and CSAV. These effects were partially offset by the net acquisitions of property, plant and equipment for Ch$284,666 million, mostly by Enex and SM SAAM.

The negative financing cash flow is mainly explained by the payment of dividends for Ch$1,722,395 million, mainly by Quiñenco holding company, and to third parties by CSAV, LQIF and to a lesser extent, SM SAAM, the repayment of net loans of Ch$399,547 million, mainly by CSAV and to a lesser extent, by SM SAAM, partially offset by increases in net borrowings at Quiñenco holding, and to a lesser extent, interest payments of Ch$115,706 million, mainly by Quiñenco holding, Enex, and to a lesser extent, by SM SAAM, CSAV and LQIF.

The negative operating cash flow is mainly composed of customer collections of Ch$6,179,291 million by Enex and, to a lesser extent, SM SAAM, which were more than offset by supplier payments of Ch$5,738,102 million, primarily by Enex and to a lesser extent, SM SAAM, an income tax expense of Ch$382,005 million, mainly at CSAV, and to a lesser extent, Enex and SM SAAM, partially offset by an income tax credit at Quiñenco holding, payments to employees of Ch$262,786 million mainly by SM SAAM, Enex, and to a lesser extent, Quiñenco, other cash payments of Ch$205,335 million, mostly attributable to CSAV, for retentions on dividends received in Chile from its German subsidiary, which constitute a recoverable tax, and other net payments for operating activities of Ch$32,961 million, mostly at SM SAAM.

Banking sector cash flow	Figures in MCh$	
	12/31/2023	12/31/2022
Net cash flow from (used in) operating activities	1,161,623	530,188
Net cash flow from (used in) financing activities	(1,096,536)	(538,516)
Net cash flow from (used in) investing activities	(416,017)	(894,002)
Total net cash flow for the year	**(350,930)**	**(902,330)**

As of December 31, 2023 Quiñenco reported a total negative net cash flow of Ch$350,930 million for the banking sector, primarily due to the negative flow used by financing activities of Ch$1,096,536 million, and to a lesser extent, the negative flow used by investing activities of Ch$416,017 million, partially offset by the positive flow from operating activities of Ch$1,161,623 million.

VI. Summarized Income Statement

	Figures in MCh$		
	12/31/2023	12/31/2022	Change
Non-banking sector			
Revenue	**5,258,859**	**4,891,035**	**7.5%**
Financial	-	-	-
Energy	4,803,813	4,486,363	7.1%
Transport	-	-	-
Port Services	454,541	404,207	12.5%
Other	504	465	8.5%
Cost of sales	**(4,663,363)**	**(4,275,093)**	**9.1%**
Financial	-	-	-
Energy	(4,341,576)	(3,991,763)	8.8%
Transport	-	-	-
Port Services	(321,467)	(283,091)	13.6%
Other	(320)	(240)	33.6%
Operating income	**187,974**	**88,296**	**112.9%**
Financial	(6,090)	(3,487)	74.6%
Energy	71,562	128,192	-44.2%
Transport	(12,920)	(33,021)	-60.9%
Port Services	57,221	65,571	-12.7%
Other	78,201	(68,959)	n.a.
Non-operating income	**753,578**	**4,531,131**	**-83.4%**
Finance income	110,624	33,928	226.1%
Finance costs	(128,624)	(109,198)	17.8%
Share of income (loss) of associates & joint ventures	834,875	4,775,369	-82.5%
Exchange differences	4,758	(8,240)	n.a.
Gain (loss) on indexed assets and liabilities	(68,055)	(160,727)	-57.7%
Income tax income (expense)	(569,366)	164,109	n.a.
Net income from discontinued operations	359,327	19,661	1727.6%
Consolidated net income from non-banking sector	**731,513**	**4,803,197**	**-84.8%**
Banking sector			
Operating revenues	2,997,756	3,117,432	-3.8%
Operating expenses	(1,118,504)	(995,483)	12.4%
Expected loan losses	(361,252)	(435,117)	-17.0%
Net income before taxes	1,518,000	1,686,832	-10.0%
Income tax expense	(273,887)	(275,757)	-0.7%
Consolidated net income from banking sector	**1,244,113**	**1,411,075**	**-11.8%**
Consolidated net income	**1,975,626**	**6,214,272**	**-68.2%**
Net income attributable to non-controlling interests	1,133,659	2,678,950	-57.7%
Net income attributable to owners of the controller	**841,967**	**3,535,322**	**-76.2%**

VII. Risk Analysis

Quiñenco and its subsidiaries and associates face risks inherent to their markets and economies in Chile and abroad. These risks reflect the prices, costs and sales volumes of the products and services manufactured and commercialized. Quiñenco's subsidiaries and associates are also exposed to price risk on products and raw materials held in inventory.

Economic Environment
The Company is domiciled and conducts a significant portion of its business in Chile. Therefore, its operating results and financial position are largely dependent on the general state of the Chilean economy. The Chilean economy grew by an estimated 0.2% in 2023, after growing 2.4% in 2022, 12.0% in 2021 and contracting by 5.8% in 2020. There is no certainty about future economic growth. The factors that might have an adverse effect on the Company's businesses and its performance include slowdowns in the Chilean economy, persistently high inflation, fluctuations in foreign currencies, tax reforms, constitutional reform, changes in the regulatory frameworks governing its subsidiaries' and associates' industries, increases in labor costs and a shortage of skilled labor. The Company's businesses are diversified across six economic sectors.

Apart from its businesses in Chile, some of the Company's industrial businesses directly and indirectly operate and export to other countries and regions, which have suffered from volatile or at least unfavorable, economic, political and social conditions on various occasions in the past. The Company's business, results and assets may be severely and adversely affected by events relating to inflation, interest rates, currency fluctuations, government policies, changes in sectoral and environmental regulatory frameworks, price and wage controls, exchange control regulations, taxes, expropriation, social instability and other political, economic or diplomatic events that affect these countries. The current conflicts in Ukraine and the Middle East have increased uncertainty, which has impacted energy prices, commodities and transport operating costs, and caused other potential large-scale economic impacts that could affect the Company's business. The gradual internationalization of some of the Company's businesses diversifies the risk associated with a specific sector or country.

Global or regional events, such as the global COVID-19 pandemic, generally considered to be of low probability and high impact, imply the risk that the Company, its employees, suppliers, partners, subsidiaries or associates may be seriously affected or prevented from carrying out their business for an indefinite period. This may result in facilities being closed at the request of government authorities and potential difficulties arising in supply chains, greater uncertainty and negative effects on economies and markets. In such a case, Quiñenco and its subsidiaries took measures to safeguard their employees and business continuity.

Competition
Quiñenco believes that its businesses face a high level of competition. This is reflected in the prices, costs and sales volumes of the products and services produced and sold by Quiñenco's businesses. While the Company expects that its businesses will be capable of continuing to compete successfully in their respective areas based on its past experience and records, there is no certainty that competition will not continue to grow in the future, including a possible continued consolidation trend in some industries. The imbalance between supply and demand in the maritime shipping industry could affect shipping operators to a greater or lesser extent, depending on the type of fleet they operate and the proportion of their fleet that is owned rather than chartered in comparison to the industry. An imbalance between supply and demand can trigger volatility in freight tariffs, vessel charter rates and financial performance, as happened in container shipping. There have been periods in the past when the installed capacity exceeded global demand, and other periods when capacity was insufficient in the face of growing demand, such as in 2021 and much of 2022. Greater competition and an imbalance between supply and demand could affect the profit margins and operating results of Quiñenco's businesses which, as a result, might significantly and adversely affect the dividend flows that Quiñenco receives from its businesses. However, the Company's businesses are diversified across various sectors and countries.

The Company's businesses also face technological and business model risks that could affect the competitive positioning of its companies in their respective industries and could impact their results and market value.

Raw Materials Risk
Quiñenco's subsidiaries and associates are exposed to raw material price and availability risks, which could affect their production processes and operating margins.

Fuels sold by the subsidiary Enex in Chile are primarily bought from Enap under annual supply contracts that regulate the formulas that index the prices of each product to relevant international market benchmarks, which in this case is the United States Gulf Coast. These contracts also reward compliance with monthly and annual purchase programs and apply fines when actual purchases are outside an agreed range. Enex usually maintains an average stock of between one and two week's sales in Chile, which limits exposure to price changes. However, strong fluctuations in demand may increase this exposure, as occurred during the second quarter of 2020 as a result of the COVID-19 pandemic. Road Ranger sells fuels in the U.S. and has a wide range of suppliers, allowing it to change suppliers with relative ease and maintain an average inventory of less than one week's sales.

The Shell and Pennzoil brand lubricants sold by Enex are supplied by Shell, which sets its prices based on trends in raw materials, production costs and local market conditions. Price changes are notified in advance, which are generally passed on in the commercial terms.

Fuel is an important cost component of the shipping industry for the subsidiary CSAV, where its associate and main asset Hapag-Lloyd operates. A significant proportion of maritime freight sales are agreed in contracts and a percentage of those rates are subject to price adjustments, based on changes in the cost of fuel. Hapag-Lloyd reduces the impact of potential upward volatility in bunker prices on sales and contracts that have such a clause but only with limited coverage, or that are at a fixed price, by taking out fuel price hedges on unhedged volumes, although the use of this tool is limited.

The associate Nexans reports its raw material risks in its annual report, highlighting it is mainly exposed to copper and aluminum prices. It also reports its associated risk mitigation measures. CCU also describes the risks associated with raw materials and supplies in its annual reports, as fluctuations in their cost or shortages in their availability could negatively impact its profitability, supply chain and results. It also reports its associated risk mitigation measures.

Information Security and Cyber-security Risks

Quiñenco and its operating companies face risks associated with information security and cyber-security, which could negatively impact the operational continuity of its businesses or part of them, result in the unauthorized disclosure of confidential information, or cause financial losses. Quiñenco and its subsidiaries have cyber-security plans and processes that monitor and mitigate these risks.

Banking Business Risks

Overall risk management at the subsidiary Banco de Chile is approached from an integrated perspective, based on the business segments served by the Bank and its subsidiaries. This overall perspective is fundamental for its strategy and sustainability. Risk management policies are established with the objective of analyzing the risks faced by the Bank, setting its risk appetite, setting adequate limits, alerts and controls, and monitoring these risks and compliance with limits and alerts. Risk management policies, standards, procedures and systems are regularly reviewed. The management of credit, market and operational risk resides at all levels of the organization. Risk management resides within the Retail Credit Risk and Overall Risk Control Division, the Wholesale Credit Risk Division and the Cyber-security Division. Origination management in the Retail segment mainly uses scoring tools and an appropriate credit attribution model. Origination management in the Wholesale segment is based on an individual evaluation of the customer and its group. The Bank analyzes and manages price risk and monitors and manages liquidity risk. The Market Risk Department is responsible for identifying, and correctly measuring, limiting, warning, controlling and reporting market risks within the Bank and providing guidelines for its subsidiaries. One of the main objectives of the Cyber-security Division is to protect the internal information of its customers and employees.

Financial risks

Credit Risk

Surplus cash at the corporate level is invested with first-class Chilean and foreign financial entities under limits established for each entity, and which have a credit rating of at least the limits established for each instrument.

The subsidiary Enex controls its customer credit risks using various internal control mechanisms, which act on the exposure of customers, based on their credit capacity and payment behavior.

Enex's financial investments are limited to fixed-income instruments, such as resale agreements and time deposits, with financial entities that are evaluated at least once a year, with exposure limits assigned by entity according to reports and opinions issued by prestigious and experienced credit rating agencies, in line with Enex's current treasury policy.

The subsidiary LQ Inversiones Financieras has no receivables subject to credit risk. Cash surpluses are invested under market conditions in fixed-income instruments, according to the maturities of its financial commitments and operating expenses.

The subsidiary CSAV has no direct customers. The subsidiary CSAV has an investment policy to manage its financial assets, which include time deposits, repurchase agreements and hedge contracts. These assets are held by financial institutions with investment grade credit ratings. It may also contract financial hedges to cover its interest rate and exchange rate risks within its risk control policy. As of December 31, 2023, CSAV has no foreign exchange or interest rate hedge contracts.

Credit granted to customers at the subsidiary SM SAAM is evaluated regularly in order to apply its policies and monitor the status of its receivables.

Cash surpluses at the subsidiary SM SAAM can be invested in high quality fixed income financial instruments with financial institutions that have a good national and international risk rating.

Note 29 on Classes of financial assets and liabilities contains the details of financial assets.

Liquidity risk

Quiñenco finances its corporate activities and investments with dividend and profit distributions from the companies in which it holds an interest and with funds obtained from the sale of assets and by issuing debt or shares.

Quiñenco prefers corporate long-term financing in order to maintain a financial structure in line with the liquidity of its assets whose maturities are compatible with cash flow generation.

The subsidiary Enex regularly updates its short-term cash flow projections based on information received from its commercial areas. Enex has credit lines available with its main banks in order to cover unexpected cash deficits.

The subsidiary LQIF distributes dividends based on available cash flow taking into account the company's actual and forecast costs, including financial obligations. The main source of funds to pay interest and capital on the financial obligations of LQIF are the dividends received from its direct and indirect shareholdings in Banco de Chile. Consequently, its ability to meet the scheduled payments of interest and principal depends entirely on the ability of Banco de Chile to generate positive net income from its operations, and the agreements approved annually at its shareholders' meetings regarding the distribution of dividends.

CSAV is not directly exposed to the container shipping business, but indirectly as one of the main shareholders of Hapag-Lloyd. This limits liquidity risk to the expected flow of dividends or any additional capital required by this joint venture.

Note 35 – Financial risk management policy (continued)

The subsidiary SM SAAM estimates its forecast liquidity needs for each year, covering receipts such as customer receivables and dividends, payments such as commercial and financial liabilities, and available cash balances. SM SAAM ensures that financing has a balanced short and long-term structure, a low risk exposure and that repayments match the company's cash flows.

Note 23 on Other current and non-current financial liabilities contains details and maturities of financial liabilities.

Market risk

Market risk exposure refers to exposure to financial assets and liabilities[18].

Exchange rate risk
As of December 31, 2023, the net corporate exposure to exchange rate risk is an asset equivalent to Ch$43,044 million. The estimated effect on comprehensive income before taxes of a 5% change in the exchange rate of currencies other than the functional currency on this exposure would be Ch$2,152 million.

As of December 31, 2023, the net exposure to exchange rate risk at the subsidiary Enex is a liability equivalent to Ch$360,203 million. The estimated effect on comprehensive income before taxes of a 5% change in the exchange rate of currencies other than the functional currency on this exposure would be Ch$18,010 million.

The subsidiary LQIF has no exposure to exchange rate risk as it has no foreign currency assets or liabilities as of December 31, 2023 and 2022.

The subsidiary CSAV has financial assets and liabilities primarily denominated in its functional currency, the US dollar. However, it also has assets and liabilities in other currencies. The company reduces the risk of exchange-rate fluctuations by regularly converting any balance in local currency that exceeds payment needs in that currency to US dollars. As of December 31, 2023, the net exposure to exchange rate risk at CSAV is an asset equivalent to Ch$7,696 million. The estimated effect on comprehensive income before taxes of a 5% change in the exchange rate of the USD dollar against other currencies would be Ch$385 million.

The major currencies to which the subsidiary SM SAAM is exposed, other than the functional currency (US dollar), are the Chilean peso, Mexican peso, Brazilian real, Canadian dollar and Colombian peso. SM SAAM seeks to balance its net financial positions in its subsidiaries to ease the effects of exchange rate risks. When this balance is not possible, the company evaluates acquiring financial hedges, in order to efficiently manage these risks. As of December 31, 2023, the net exposure to exchange rate risk at SM SAAM is an asset equivalent to Ch$28,800 million. The estimated effect on comprehensive income before taxes of a 5% change in the exchange rate of the USD dollar against other currencies would be Ch$1,440 million.

Exchange rate differences produced by translating to Chilean pesos balances in the functional currencies of consolidated entities or associates whose functional currency is other than the Chilean peso, are recognized as a credit or charge to equity, until they are settled when they are recognized in net income.

Note 37 describes assets and liabilities by currency, including the financial assets and liabilities described here.

[18] This exposure is measured on a consolidated basis, where any balances between subsidiaries have already been eliminated in consolidation. In some cases these individual balances may affect consolidated financial performance with a corresponding equal effect on equity.

Note 35 – Financial risk management policy (continued)

Interest rate risk
As of December 31, 2023, Quiñenco has corporate financial assets at fair value through profit and loss of Ch$372,595 million, which are subject to interest rate risk. A change of 10 basis points in the interest rate would generate an effect on finance income for the year of Ch$44 million.

Quiñenco has all its corporate financial obligations at fixed interest rates, which implies a low exposure to interest-rate risk.

The energy segment has 42.3% of its obligations at fixed rates and 57.7% at variable rates.

LQIF Holding has all its financial obligations at fixed interest rates, which implies a low exposure to interest rate risk.

CSAV has no interest-bearing obligations.

SM SAAM has 74.1% of its obligations at fixed rates, 9.6% at protected rates and 16.3% at variable rates.

The consolidated interest-rate structure is as follows: As can be seen, the consolidated interest-rate risk is low, as 86.4% of debt is structured with fixed or protected interest rates.

Consolidated financial liabilities by interest rate	12/31/2023	12/31/2022
Fixed interest rate	85.0%	78.5%
Protected interest rate	1.4%	3.4%
Variable interest rate	13.6%	18.1%
Total	**100.0%**	**100.0%**

As of December 31, 2023, the consolidated exposure to variable interest rates was a liability of Ch$329,020 million. A 100-basis-point change in the interest rate would generate an effect on finance costs for the year of Ch$3,290 million.