

2020

ANNUAL REPORT





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OUR
COMPANY



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CUSTOMERS,
CULTURE
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GRUPO security



01

OUR COMPANY

Teamwork

The services provided by Grupo Security companies are distinguished by their excellence, closeness, professionalism and transparency.

⇒ 5

Business Areas

⇒ 14

Companies

⇒ 3,256

Employees

⇒ MUS\$20

Assets

GRUPO security



Letter from the Chairman

DEAR SHAREHOLDERS:

It is my pleasure to present Grupo Security's annual report for 2020, which was such a critical period for all of humanity. Our country was not left unscathed by the coronavirus pandemic that emerged in December 2019 and quickly spread around the world. It is still too early to measure the devastating impact of this tragedy in terms of human lives, suffering, poverty, unemployment and economic deterioration. Without a doubt, it is the toughest blow suffered by the whole world in many decades.

Our country has managed to navigate the pandemic, contain its effects and limit their depth and duration thanks to a responsible economic policy framework employed in recent decades. The fundamental cornerstones of this framework include successive administrations respecting fiscal rules and a system of inflation targets managed by the Chilean Central Bank. This left us with savings and cushions for providing relief packages to homes and companies totaling close to 10% of GDP. Unquestionably, it was one of the largest relief packages

in Chile's history, which also suffered one of the sharpest record falls in GDP last year.

Although we still have a long way to go before we can declare the pandemic over, there are signs of hope as the vaccination process is rolled out worldwide. The degree of normalcy that each country attains will depend on each government's effectiveness with inoculation.

Chile certainly has shown considerable proof of its organizational prowess with the vaccination process thus far, allowing the nation to anticipate coverage for most of the population in the short term and a natural improvement in expectations for daily life.

However, our country has no reason to be proud of its political handling of our internal affairs, which deteriorated in October 2019 after physical violence took control of all realms of our communities. Not only this recent urban



aggression, but also deep-rooted violence in southern Chile, illustrate the destruction of private and public property, loss of human life, insecurity and economic deterioration at every level. Unfortunately, for now, no initiatives or consensus are visible on the horizon that reveal improvements or a path to take to reestablish order and public safety, as we so urgently need.

This past year, Grupo Security was not removed from the serious repercussions of this backdrop of uncertainty, exacerbated by the public health crisis, which has entailed navigating an especially challenging and difficult environment in the different sectors in which we do business.

Thanks to our responsible handling and management, the steadfast dedication and commitment of all our employees, and our sound capital structure, we continued operating at all times, with the basic premise of always taking care of people's health and safety above all else. As a result, we

were able to continue providing our customers with the products and services they required through our different subsidiaries.

As soon as the emergency was declared in Chile, we implemented rigorous health and prevention measures to take care of our personnel, along with telecommuting systems to connect more than 80% of our employees from their homes by the end of March and 90% a few weeks later. We staffed strategic branches with a minimum number of employees to comply with regulatory requirements, while our companies focused on fortifying digital channels, in order to serve all customers and strengthen the use of websites, mobile applications, video chat and other online solutions.

With a national backdrop of uncertainty and severe hardship, we were forced to not only reorient our business strategies but also formulate specific plans for products in each business area. In some cases, they were made more flexible, while in others they



were adapted to fit regulatory instructions and the real needs of our customers.

For example, Banco Security introduced measures to defer payments and apply special rates to some loans, such as the Fogape-COVID-19 plan.

Two highly valued measures in the insurance business area included extending supplemental insurance coverage and reimbursing expenses associated with the flu vaccine. The factoring subsidiary reached agreements with the Chilean Economic Development Agency (Corporación de Fomento or Corfo) to support SMEs.

All of this was accompanied by special efforts to stay in touch with customers, a core value of our culture, to let them know we were there for them. Customer experience measurements reflected how positively customers perceived our companies' efforts.

Despite all the difficulties, we ended 2020 with favorable results, reporting total profit of MCH\$65,146. These earnings were generated mainly in the second half of the year, with

MCH\$17,328 achieved in the first half and MCH\$47,819 in the second half, reflecting how quickly the companies' adapted to the pandemic.

Banco Security's consolidated profit was MCH\$60,150, including its subsidiaries. Loans totaled BCH\$6,227, up 2.91% with respect to the previous year.

Vida Security's profit was MCH\$23,529, up 16.8% compared to 2019, despite the pandemic's impact on the financial markets. Factoring Security earned profit of MCH\$9,471, 3.3% more than the previous year, in an extremely difficult economic market. Inmobiliaria Security posted profit of MCH\$6,038, reflecting legal transfer of title on units sold towards the end of the year.

The travel agency Travel Security reported a loss of MCH\$4,742, due to the sharp contraction in the travel and tourism industry worldwide.

We completed a successful capital increase in August, which raised MCH\$51,555, almost 80% of the issuance. Options covering the remaining 92 million shares were granted on a prorated basis—approximately 0.28 shares for each share—to



the shareholders participating in this increase, to be acquired for CH\$160 per share before February 2022. We completed the placement of the Series S bonds issued in June 2020 for UF 1,000,000, which will mature in 20 years and carry an interest rate of 2.0% per annum. All of this reflects the confidence of the market, and our shareholder's constant belief in the management and future prospects of Grupo Security.

Indisputably, 2020 will go down in history. There have been so many challenges and such an intense need to adapt to unique, unexpected events that certainly will teach us all enduring lessons as individuals and organizations.

Having been put to the test in such a radical way has also managed to bring out the best in us. At Grupo Security, we have witnessed our immense capacity to navigate difficult situations and our teams' innate ability to innovate. We have confirmed, yet once more, that people are our most valuable asset and that employees respond beyond expectations when trust is placed in them. I would like to extend a special thanks to every team member at each of our companies and also to you, our shareholders, for your ongoing, unwavering support. Amid this extreme effort and sacrifice we have experienced as a company,

Grupo Security was honored with 5th place among all large companies in Chile on the Great Place to Work (GPTW) ranking.

In 2021 we will continue to develop best practices in sustainability in order to incorporate these issues into our management with a long-term outlook on employee, customer, shareholder and supplier relations.

The year 2021 should be another challenging period, marked by several monumental elections between April and December, whose results may play a decisive role in our country's future. Beyond the anxiety generated by these processes, Grupo Security would like to reaffirm our commitment to continue collaborating with domestic growth under the principles that have brought us closer to achieving wellbeing for all.

FRANCISCO SILVA S.

Chairman of the Board
Grupo Security



GRUPO SECURITY SUMMARIZED CONSOLIDATED FINANCIAL STATEMENTS

FIGURES IN MILLIONS OF NOMINAL CHILEAN PESOS

STATEMENT OF FINANCIAL POSITION	2010	2011	2012	2013	2014	2015
Total current assets	3,967,917	4,752,901	5,181,497	6,370,038	7,101,898	7,999,828
Total non-current assets	205,325	221,710	235,689	426,190	566,946	608,622
TOTAL ASSETS	4,173,242	4,974,611	5,417,186	6,796,228	7,668,844	8,608,450
Total current liabilities	3,582,463	4,319,805	4,696,348	5,917,494	6,603,976	7,521,151
Total non-current liabilities	284,440	274,901	318,914	405,500	533,833	516,022
TOTAL LIABILITIES	3,866,903	4,594,706	5,015,262	6,322,994	7,137,809	8,037,173
Equity attributable to owners of the parent	300,641	376,742	397,790	467,004	522,718	551,653
Non-controlling interests	5,699	3,163	4,134	6,230	8,317	19,624
Total equity	306,340	379,905	401,924	473,234	531,035	571,277
TOTAL LIABILITIES AND EQUITY	4,173,243	4,974,611	5,417,186	6,796,228	7,668,844	8,608,450

STATEMENT OF INCOME	2010	2011	2012	2013	2014	2015
Revenue	348,044	436,553	584,192	710,361	808,421	848,633
Cost of sales	-199,319	-274,766	-389,761	-511,620	-556,117	-585,492
GROSS PROFIT	148,725	161,787	194,431	198,741	252,304	263,141
Other income	1,281	5,047	7,809	6,000	1,789	2,142
Administrative expenses	-86,934	-93,962	-127,412	-154,805	-153,775	-179,333
Other expenses, by function	-18,059	-16,701	-18,393	-11,211	-16,077	-15,337
Other gains	2,365	4,385	1,760	2,655	5,576	10,004
NET OPERATING INCOME	47,378	60,556	58,195	41,380	89,817	80,617
Finance income	0	0	0	18	84	0
Finance costs	-4,122	-4,449	-4,950	-9,965	-12,729	-13,138
Share of profit (loss) of associates and joint ventures, equity-accounted	2,758	2,710	1,094	1,386	3,116	692
Exchange differences	4,583	-2,680	5,749	30,373	12,906	24,443
Loss on indexed assets and liabilities	-1,980	-6,462	-2,256	-80	-12,866	-13,810
Gain (loss) arising from difference between the prior carrying amount and the fair value of reclassified financial assets measured at fair value	566	303	-574	-960	-1,074	1,136
PROFIT BEFORE TAX	49,183	49,978	57,258	62,152	79,254	79,940
Income tax expense	-7,327	-7,662	-10,103	-11,181	-16,284	-13,338
PROFIT FROM CONTINUING OPERATIONS	41,856	42,316	47,155	50,971	62,970	66,602
Profit (loss) from discontinued operations	0	0	0	0	0	0
PROFIT FOR THE YEAR	41,856	42,316	47,155	50,971	62,970	66,602
Profit attributable to owners of the parent	40,852	41,883	46,561	49,843	61,010	65,022
Profit attributable to non-controlling interests	1,004	433	594	1,128	1,960	1,580
PROFIT FOR THE YEAR	41,856	42,316	47,155	50,971	62,970	66,602
TOTAL STANDALONE DEBT / EQUITY	0.31	0.25	0.26	0.37	0.36	0.35
Number of shares (in millions)	2,550	2,882	2,882	3,184	3,232	3,258
Earnings per share	16.0	14.5	16.2	15.7	18.9	20.0
Return on average equity	13.9%	12.4%	12.0%	11.5%	12.3%	12.1%

SOURCE: FINANCIAL STATEMENTS / CMF

Financial Summary

STATEMENT OF FINANCIAL POSITION	2016	2017	2018	2019	2020
Total current assets	8,742,226	9,285,369	9,944,416	11,339,721	11,303,638
Total non-current assets	585,719	555,932	598,272	674,167	617,873
TOTAL ASSETS	9,327,945	9,841,301	10,542,688	12,013,888	11,921,511
Total current liabilities	8,035,493	8,437,929	9,118,439	10,474,674	10,170,167
Total non-current liabilities	686,737	680,845	675,208	742,407	889,600
TOTAL LIABILITIES	8,722,230	9,118,774	9,793,647	11,217,081	11,059,767
Equity attributable to owners of the parent	585,628	704,910	728,495	768,847	835,520
Non-controlling interests	20,087	17,617	20,546	27,960	26,224
Total equity	605,715	722,526	749,040	796,807	861,744
TOTAL LIABILITIES AND EQUITY	9,327,945	9,841,301	10,542,688	12,013,888	11,921,511

STATEMENT OF INCOME	2016	2017	2018	2019	2020
Revenue	1,026,690	1,177,768	1,024,138	1,155,866	1,090,053
Cost of sales	-700,949	-839,571	-673,104	-774,866	-738,041
GROSS PROFIT	325,741	338,197	351,034	381,000	352,012
Other income	2,777	4,252	4,685	2,995	1,368
Administrative expenses	-219,682	-215,483	-216,962	-247,037	-243,362
Other expenses, by function	-27,594	-8,560	-7,565	-15,047	-11,849
Other gains	3,013	5,457	1,742	2,531	1,040
NET OPERATING INCOME	84,255	123,863	132,934	124,442	99,209
Finance income	0	0	13	259	329
Finance costs	-13,473	-13,110	-14,837	-14,260	-14,465
Share of profit (loss) of associates and joint ventures, equity-accounted	18,835	-379	-1,775	923	-89
Exchange differences	-9,110	-4,925	1,221	11,712	2,979
Gain (loss) on indexed assets and liabilities	5,695	-4,179	-10,399	-10,150	-11,611
Gain (loss) arising from difference between the prior carrying amount and the fair value of reclassified financial assets measured at fair value	2,750	-1,586	734	48	720
PROFIT BEFORE TAX	88,952	99,684	107,891	112,974	77,072
Income tax expense	-13,866	-25,971	-24,733	-29,944	-12,774
PROFIT FROM CONTINUING OPERATIONS	75,086	73,712	83,159	83,029	64,298
Profit (loss) from discontinued operations	0	0	0	0	0
PROFIT FOR THE YEAR	75,086	73,712	83,159	83,029	64,298
Profit attributable to owners of the parent	74,522	74,708	80,548	81,156	65,146
Profit (loss) attributable to non-controlling interests	563	-996	2,610	1,873	-848
PROFIT FOR THE YEAR	75,086	73,712	83,159	83,029	64,298
TOTAL STANDALONE DEBT / EQUITY	0.36	0.29	0.34	0.36	0.37
Number of shares (in millions)	3,258	3,683	3,695	3,695	4,042
Earnings per share*	22.9	21.7	21.8	22.0	16.1
Return on average equity	13.1%	11.6%	11.2%	10.8%	8.1%

SOURCE: FINANCIAL STATEMENTS / CMF

* (PROFIT FOR THE YEAR/NUMBER OF SUBSCRIBED AND PAID SHARES AT THE END OF EACH YEAR)



History

⇒ 1981

Banco Urquijo de Chile, a subsidiary of Spain's Banco Urquijo, was created.

⇒ 1987

Corredora de Bolsa Valores Security was created to provide financial advisory and brokerage services to the Chilean capital market. Security Pacific Corporation acquired all the shares of Banco Urquijo de Chile.

⇒ 1990

Leasing Security was created, and later joined Banco Security in 2001.

⇒ 1991

Security Pacific Overseas Corporation sold 60% of Banco Urquijo and renamed it Banco Security. Grupo Security was created when Agencia de Valores Corredora de Bolsa became a Banco Security subsidiary and changed its name to Valores Security Corredores de Bolsa.

⇒ 1992

Administradora de Fondos Mutuos Security S.A. and Factoring Security S.A. were created.

⇒ 1993

Asesorías Security was created.

⇒ 1994

Bank of America was the legal successor of Security Pacific National Bank and sold its interest in the Bank to Grupo Security, which thereby gained 100% ownership.

⇒ 1995

Grupo Security placed its shares on the stock market. It acquired a majority interest in AFP Protección as well as the insurance companies Previsión Vida and Previsión Generales.

⇒ 1996

Grupo Security acquired 62.69% of Previsión Vida and Previsión Generales. Merchant Security and Inmobiliaria Security joined the Group.

⇒ 1997

Securitizadora Security joined the Group.

⇒ 1998

Sale of interest in AFP Protección. Previsión Vida and Previsión Generales insurance companies were transferred to the parent company, Inversiones Seguros Security Limitada.

⇒ 1999

Travel Security joined the Group and Corredora de Seguros Security was created.

⇒ 2001

Servicios Security S.A., Corredora de Reaseguros Security and Agencia Security were formed.

⇒ 2002

Asesorías Security S.A. was created to operate Asesorías Security's international asset management business and Banco Security's international private banking business. The names of the insurance companies were changed to Seguros Vida Security Previsión S.A. and Seguros Security Previsión.

⇒ 2004

Banco Security acquired 99.67% of Dresdner Bank Lateinamerika A.G. and 100% of Dresdner Lateinamerika S.A. Corredora de Bolsa. Banco Dresdner then merged with Banco Security. Seguros Generales Las Américas merged with Seguros Security Previsión Generales. An alliance with Europ Assistance was formed, creating Europ Assistance Chile. Grupo Security partnered with English reinsurance brokerage firm, Cooper Gay, and Cooper Gay Chile was born.

⇒ 2006

Interamericana Rentas Seguros de Vida was acquired, which changed its name to Rentas Security.

⇒ 2007

Grupo Security and Grupo Ultramar merged their travel agencies, Travel Security and Turismo Tajamar, under the name Travel Security S.A. The merger of subsidiaries Vida Security and Rentas Security was also finalized. Grupo Security acquired Cigna Compañía de Seguros de Vida and Cigna Asistencia Administrativa Ltda. Vida Security then merged with Cigna Seguros de Vida.

⇒ 2009

Through an alliance with American Express, Travel Security was awarded exclusive representation of the world's largest travel agency in Chile.

⇒ 2012

Travel Security acquired a 75% interest in Travex, Peru's third largest travel agency.



⇒ 2013

Grupo Security acquired Compañía de Vida Cruz del Sur, Cruz del Sur Administradora General de Fondos, Cruz del Sur Corredora de Bolsa and Cruz del Sur Capital. Grupo Security sold its interest in Cooper Gay Chile.

⇒ 2014

Vida Security merged with Compañía de Seguros de Vida Cruz del Sur S.A. and Cruz del Sur Capital S.A. merged with Invest Security. The name of the merged company was changed to Capital S.A. Administradora General de Fondos Security merged with Cruz del Sur Administradora General de Fondos. Banco Security opened a representative office in Hong Kong.

⇒ 2015

Corredora de Bolsa Security merged with Cruz del Sur Corredora de Bolsa. The Group acquired 61% of Protecta in Peru.

⇒ 2016

The acquisition and merger with AGF and Valores Security was completed. Sale of interest in Penta Security to Liberty International Holdings.

⇒ 2017

Capital increase was completed, raising MCH\$93,424, or 97.3% of the offering.

⇒ 2018

A corporate order was issued in which Protecta Compañía de Seguros was placed under the control of Security International SpA and capital was raised for MPEN 70 to strengthen the company's business plan in the Peruvian market.

⇒ 2019

Grupo Security shareholders approved a capital increase by issuing 415 million shares over three years.

Milestones in 2020



In March, Eduardo Olivares Veloso took over as CEO of Banco Security, replacing Bonifacio Bilbao Hormaeche.



Before becoming CEO, Mr. Olivares was Corporate Digital Business Manager at Grupo Security, where he led the process to modernize Banco Security, in order to update its business models, adapt its processes, incorporate technology and improve its distribution channels, in order to adapt to changes in the environment and meet customer requirements, while

preserving the Security values of closeness, transparency, flexibility and knowledge of customer needs.



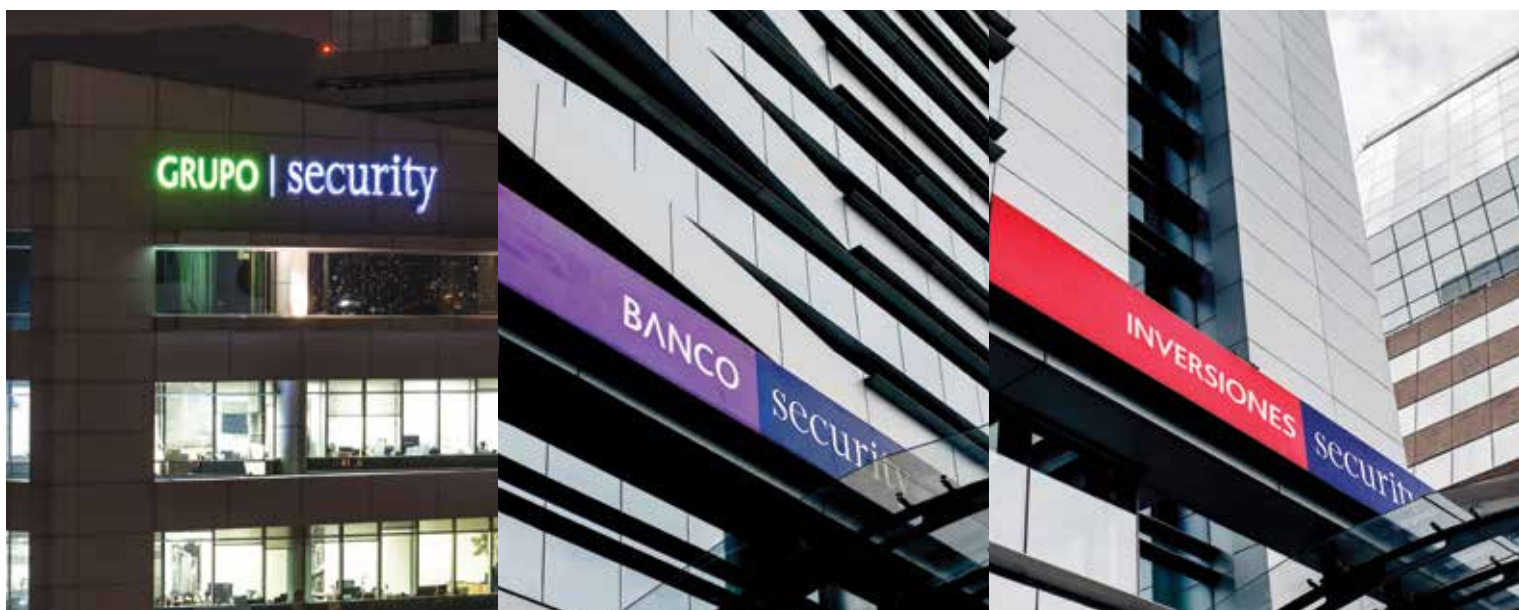
In August, Grupo Security successfully completed a capital increase, raising MCH\$51,555, almost 80% of the issuance. The remaining 92 million shares were granted on a prorated basis—approximately 0.28 shares for each share subscribed—to the shareholders participating in this increase, to be acquired by them for CH\$160 per share before February 2022.



In September, Grupo Security completed the placement of UF 1,000,000 in 20-year bonds (series S) issued in June 2020 at an interest rate of 2.0% annual.

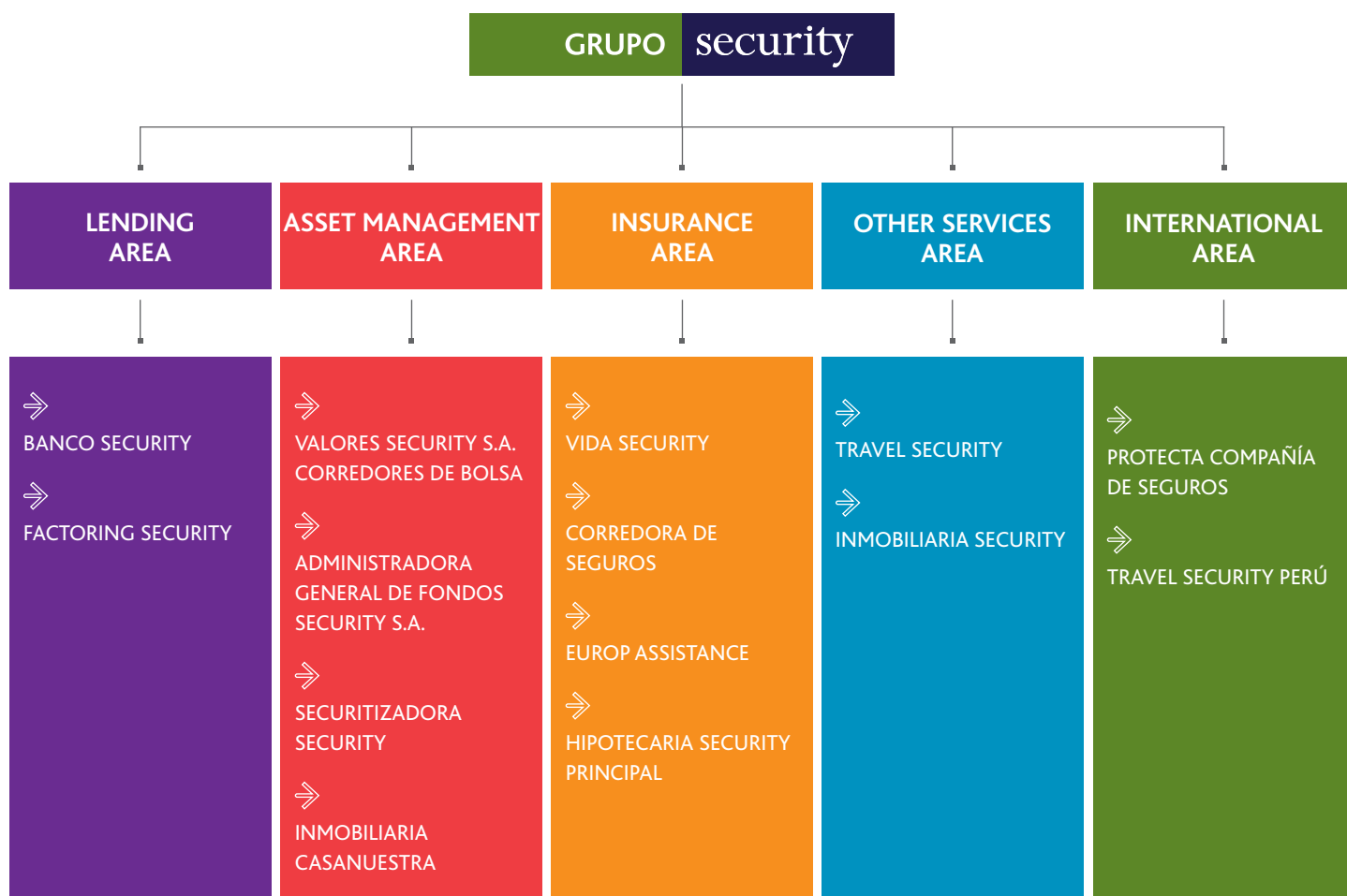


Corporate reorganization of Security subsidiaries: Travel absorbed its subsidiary REPSE. Merger of Asesorías with Capital S.A. and Servicios is absorbed by Inversiones Previsión Security.



Grupo Security at a Glance

Grupo Security is a diversified financial group with 14 companies structured into five business areas: lending, insurance, asset management, other services and international business, which includes businesses in Peru. Each area groups together the subsidiaries and divisions that share common business objectives.





3,256

EMPLOYEES



61.5%

FEMALE EMPLOYEES



38.5%

MALE EMPLOYEES



MCH\$65,146

PROFIT



BUS\$20

ASSETS



MUS\$750

MARKET CAPITALIZATION



AA-

RISK RATING

FROM FITCH RATINGS (LOCAL) AND ICR (LOCAL)



UF9,732,844

BONDS



CH\$131.93

SHARE PRICE



Mission, Vision and Values

The Security culture is based on solid, shared values that reinforce its corporate identity and are the foundation for common goals.



VISION

We want to set the standard in all of our relationships, both in business and among employees, in order to comprehensively meet the needs of our customers, shareholders, employees and the world in which we do business, while encouraging a healthy work-family-life balance.



MISSION

To satisfy our customers' requirements for lending, asset management, insurance, travel and real estate projects, by providing comprehensive services of exceptional quality that exceed their expectations.



Corporate Values



CLOSENESS

Inspired by a strong vocation for service and concern for others, listening to others and meeting their needs.



TRANSPARENCY

Love of truth, transparency in relationships and honorable conduct.



PROFESSIONALISM

Loyalty and commitment to our Company's objectives and motivated to do a "good job" the first time.



Business Strategy



Grupo Security has always created value for our shareholders through a track record of earnings growth, conservative risk management, diversification within the financial sector and a business model with a long-term outlook.

Grupo Security is a financial conglomerate based in Chile and strategic controller of its companies. It provides a comprehensive range of financial services that span the lifecycle of its customers, and complementary services such as travel agency and real estate services. The Group is distinguished by its excellence in service, closeness, professionalism and transparency.

Grupo Security ensures that all its businesses achieve regulatory compliance and respect corporate governance.

VALUE CREATION

Grupo Security has always created value for our shareholders through a track record of earnings growth, conservative risk management, diversification within the financial sector and a business model with a long-term outlook. The Group operates a corporate shared service center that achieves synergies. It also provides strategic guidelines and best practices to its companies, which improves customer service.

Its employees work in a setting that values individual dignity and work-family-life balance. Human Resource management at Grupo Security ensures that employees see their job as a way to grow professionally and personally, and as a path to becoming better people every day and giving back to their family and society.

Suppliers play a fundamental role by providing the goods and services required to operate Grupo Security's companies. These processes are all guided by the principles of transparency and fairness.



Board of Directors



FRANCISCO SILVA SILVA CHAIRMAN OF THE BOARD

Chilean National ID: 4.103.061-5
Date elected: 04.29.2019

EDUCATION

Mr. Silva holds a degree in civil engineering from Pontificia Universidad Católica de Chile and a Master of Science in Engineering from Stanford University.

PARTICIPATION IN BOARDS AND COMPANIES

He has been chairman of the board of Grupo Security since 1996 and also chairs the boards of Banco Security, AGF, Factoring, Inmobiliaria, Securitizadora and Travex Security. He is also a director of Protecta Security (Peru) and Travel Security.

PREVIOUS BOARD PARTICIPATION AND WORK EXPERIENCE

He was a director of Cemento Polpaico (2001-2013), AES Gener S.A. (1988-2000), Grupo Banmédica (1990-1992), Enersis (1988-1991) and Chilectra (1988 to 1989). He joined Security Pacific National Bank of California in 1987 as its representative in Chile and as chairman of Banco Security Pacific in Chile, which became Banco Security in 1990. He led the creation of Grupo Security from that position. Between 1976 and 1979 he worked as Chief Financial Officer of Banco del Trabajo and then between 1979 and 1980 as Vice President of Chase Manhattan Bank N.A. Subsequently, from 1981 to 1984 he was Director of Operations at the Chilean Central Bank, and then between 1984 and 1986 he was the Chief Executive Officer of the pension fund manager AFP Unión. Between 2007 and 2017 he served as a director, vice chairman and then chairman of the professional business organization ICARE. Subsequently, from 1981 to 1984 he was Director of Operations at the Chilean Central Bank, and then between 1984 and 1986 he was the Chief Executive Officer of the pension fund manager AFP Unión. Between 2007 and 2017 he served as a director, vice chairman and then chairman of the professional business organization ICARE.



HERNÁN DE LAS HERAS MARÍN INDEPENDENT DIRECTOR

Chilean National ID: 6.381.765-1
Date elected: 04.29.2019

EDUCATION

Mr. de las Heras has a degree in business administration from Universidad de Chile.

PARTICIPATION IN BOARDS AND COMPANIES

He has been a director of Banco Security since 2013. Since 2002, he has been dedicated to his personal businesses, which mainly involve asset management, real estate and textile importing. He is CEO of Inversiones y Servicios Víctor Ltda., and CFO of De Las Heras Hermanos Ltda.

PREVIOUS BOARD PARTICIPATION AND WORK EXPERIENCE

He was a director of Banco Torquist (Argentina) and Banco de Santiago. He worked for Banco de Santiago and its subsidiaries for more than 25 years, serving in many positions and making an important contribution to the bank's success. These positions included advisor to the chairman of Banco de Santiago (1996-2002), Executive Director of Santiago Leasing (1987-2001) and Executive Director of Santiago Corredores de Bolsa (1987-2001). Before that, he was Commercial Manager and Loan Manager at Banco Colocadora Nacional de Valores (1976-1987).



JORGE MARÍN CORREA DIRECTOR

Chilean National ID: 7.639.707-4
Date elected: 04.29.2019

EDUCATION

Business administrator.

PARTICIPATION IN BOARDS AND COMPANIES

He has been a director of Banco Security since 1994. He is CEO of Constructora de Viviendas Económicas Santa Marta Ltda. and Inversiones Hemaco Ltda., both family investment companies. He is also a founding partner of the brokerage firm Nevasa S.A. Corredores de Bolsa, which began in 1990. He is currently a director of CMPC S.A. and Detroit S.A.

PREVIOUS BOARD PARTICIPATION AND WORK EXPERIENCE

He was chairman of the board of directors of Grupo CGE between 2006 and 2014 and was a director of EMEL Norte S.A., Gasco S.A., Indiver S.A. and Transnet S.A. Previously he was a director of Sopraval S.A. (1993-1996), Eléctrica Pirque S.A. (1994-2002), Compañía de Seguros de Vida El Raulí (2000-2009), Emec S.A. (2001-2004), and subsidiaries of CGE S.A. in Argentina since 2006 including EDET, EJESA and Energía San Juan.



Board of Directors

CONTINUED



NAOSHI MATSUMOTO TAKAHASHI DIRECTOR

Chilean National ID: 3.805.153-9
Date elected: 04.29.2019

EDUCATION

Mr. Matsumoto has a degree in business administration from Pontificia Universidad Católica de Chile.

PARTICIPATION IN BOARDS AND COMPANIES

He has been a director of Banco Security since 1991. He is vice chairman of the board of Sigdo Koppers S.A., an industrial group where he has been a founding partner since 1974 and member of the Directors' Committee. He is also a director of several Sigdo Koppers group companies, including Ingeniería y Construcción Sigdo Koppers S.A., Inversiones Automotrices S.A., Inversiones Petroquímicas S.A., SK Rental Group S.A. and Converge S.A.

PREVIOUS BOARD PARTICIPATION AND WORK EXPERIENCE

During his career he has held various positions of responsibility, in Ingeniería y Construcción Sigdo Koppers S.A., where he started in 1961, and in Sigdo Koppers S.A., including Controller and Vice-President Comptroller. He was a director of Enaex S.A., Ferrocarril del Pacifico S.A. and Puerto Ventanas S.A.



HORACIO PAVEZ GARCÍA DIRECTOR

Chilean National ID: 3.899.021-7
Date elected: 04.29.2019

EDUCATION

Mr. Pavez has a degree in civil construction from Universidad Federico Santa María.

PARTICIPATION IN BOARDS AND COMPANIES

He has been a director of Grupo Security since 1991, Banco Security since 2009 and Vida Security since 2005. Since 1986 he is the chairman of Empresas Villuco Group, a family holding company. He is also a director of Sigdo Koppers (since 1987), ENAEX S.A. (since 2002), FEPASA (2010) and Energía Latina S.A. (2009).

PREVIOUS BOARD PARTICIPATION AND WORK EXPERIENCE

He was chairman of the board of directors at Industrias Forestales Copihue (1993-2001), the CChC's Corporación de Salud (2003-2009), the Council of Universidad Técnica Federico Santa María (2004-2010), and the CChC's Empresa Inversiones y Servicios (1998-2007). He was a director of AFP Hábitat (1991-1995), AFP Protección (1996-1998) and Leasing Security (1991-2009). He was chairman of the Chilean Chamber of Construction between 1998 and 2000.



JUAN CRISTÓBAL PAVEZ RECART DIRECTOR

Chilean National ID: 9.901.478-4
Date elected: 04.29.2019

EDUCATION

Mr. Pavez has a degree in business administration from Pontificia Universidad Católica de Chile and an MBA from Massachusetts Institute of Technology.

PARTICIPATION IN BOARDS AND COMPANIES

He has been a director of Grupo Security since 2002 and Vida Security since 2008. He has been CEO of Centinela since 2001, which is an investment company with various interests, including the finance and energy industries. He co-founded Eventures in 1999, which is an Internet company with subsidiaries in Chile, Argentina and Brazil. He is a director of GeoPark and is chairman of Instituto de Estudios de la Sociedad, a Chilean think tank.

PREVIOUS BOARD PARTICIPATION AND WORK EXPERIENCE

He was a portfolio analyst at Moneda Asset Management and CEO of Santana, an investment company. While at Santana, he was Vice chairman and Deputy CEO of Laboratorios Andrómaco, one of Santana's main assets.



**BRUNO PHILIPPI
IRARRÁZABAL**
DIRECTOR

Chilean National ID: 4.818.243-7
Date elected: 04.29.2019

EDUCATION

Mr. Philippi has a degree in civil engineering from Pontificia Universidad Católica de Chile and a Master of Science in Operational Research and a Ph.D in Engineering Economic Systems from Stanford University.

**PARTICIPATION IN BOARDS
AND COMPANIES**

He has been a director of Banco Security since 2013. He is a director of Aguas Andinas S.A., Transelec and Magotteaux (Belgium). He is a member of the Conicyt Council (Chilean National Commission on Scientific and Technological Research), Fundación Chile's Educational Management Council, Fosis Council, Fulbright Commission and AGCI.

**PREVIOUS BOARD PARTICIPATION
AND WORK EXPERIENCE**

He was chairman of the board of directors of Telefónica Chile and its subsidiaries (2001-2006), a director of AES Gener S.A. and of Sofofa (Sociedad de Fomento Fabril, a Chilean industry and business services association) between 2005 and 2009. He was on the board of ICARE (Instituto Chileno de Administración Racional de Empresas) between 1993 and 2000, of CEP (Centro de Estudios Públicos) and of Empresa Eléctrica Pilmaiquén S.A.



**ANA SAÍNZ DE VICUÑA
BEMBERG**
DIRECTOR

Chilean National ID: 48.128.454-6
Date elected: 04.29.2019

EDUCATION

Ms. Sáinz de Vicuña has a degree in agricultural economics from the University of Reading, and completed the 77th session of Harvard Business School's Management Development Program in 2002.

**PARTICIPATION IN BOARDS
AND COMPANIES**

She has been a director of Grupo Security in Chile since 2009. She has been a director of Corporación Financiera Guadamar since 2004, which is a diversified Family Wealth Management Office, with assets in Spain and Latin America, mainly Argentina and Chile. She supervises the Financial Investment Committee and investments in Chile. She is a director of Inmobiliaria Colonial S.A., a publicly traded holding company that owns real estate in Madrid, Barcelona and Paris, and a member of the Audit Committee. She is also a director of Acciona S.A., which is a leading company in infrastructure, renewable energy and water services, where she serves on the Audit Committee.

**PREVIOUS BOARD PARTICIPATION
AND WORK EXPERIENCE**

From 1984 to 2003 she worked for Merrill Lynch in Spain in the Private Banking and Investment Banking units in various management positions.



**MARIO WEIFFENBACH
OYARZÚN**
DIRECTOR

Chilean National ID: 4.868.153-0
Date elected: 04.29.2019

EDUCATION

Mr. Weiffenbach has a degree in business administration and auditing from Universidad de Chile.

**PARTICIPATION IN BOARDS
AND COMPANIES**

He has been a director of Grupo Security since 2016, a director of Factoring Security since 1996 and an alternate director of Banco Security since 2015, where he was a director for more than 20 years. He serves on the Audit Committee of Banco Security and the Credit Committee of Factoring Security.

He is a founding partner and director of Weiffenbach Profesionales Ltda., a company that has been providing professional support to individuals and small and medium-sized domestic and foreign companies since 1982, in accounting, administration, finance, auditing and taxation. He is a director of Don Ma S.A. and Gestión 3 S.A.

**PREVIOUS BOARD PARTICIPATION
AND WORK EXPERIENCE**

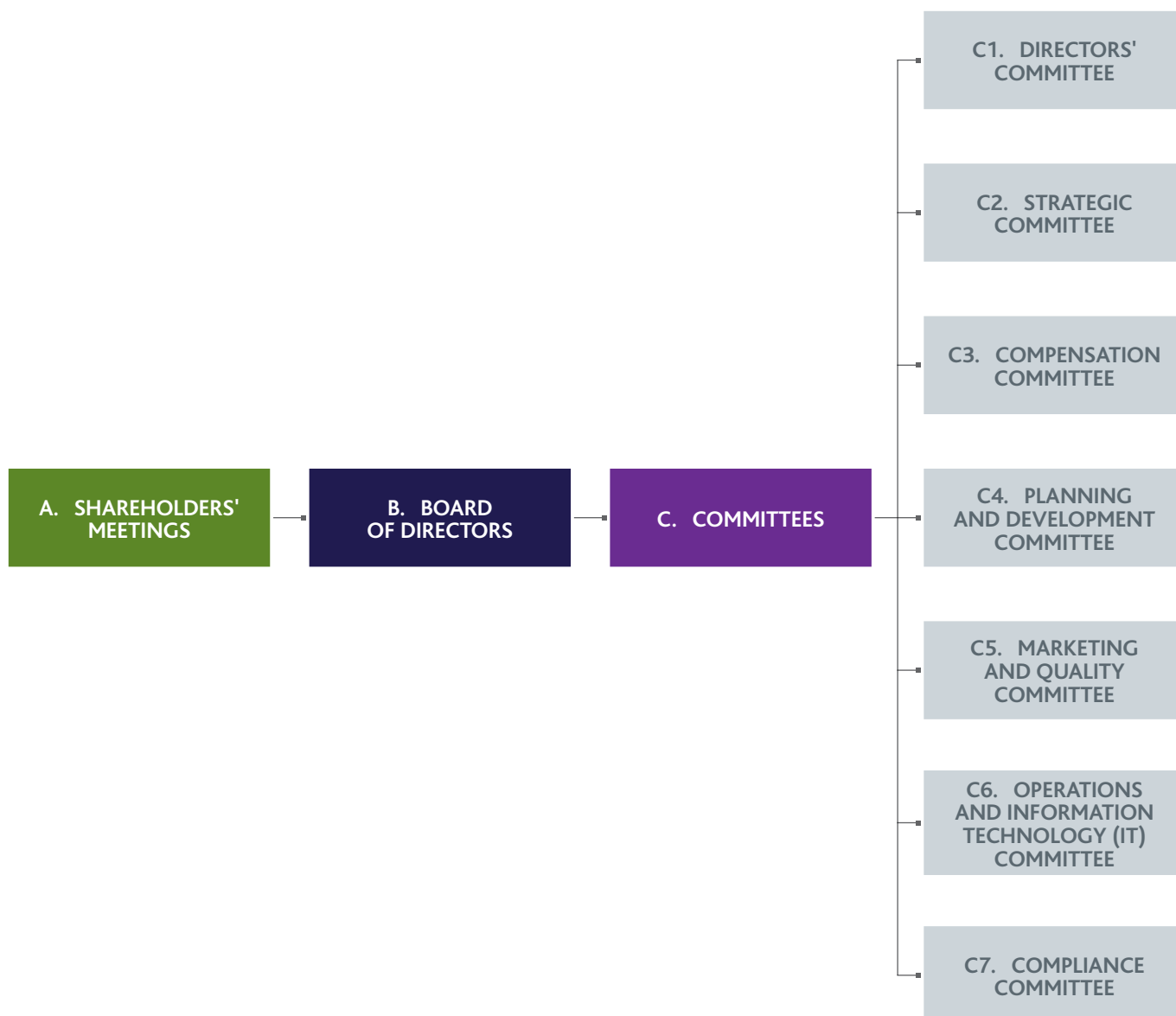
He was a director of Melón S.A., Tricahue S.A., Antarfish S.A., Agrona S.A., Forestal Copihue S.A., Consorcio Maderero S.A., Bosques de Chile S.A., Gec Alsthom S.A., Compañía de Seguros Generales La Previsión S.A., Security Merchant S.A., Security Valores Corredores de Bolsa S.A. and Securitizadora Security S.A.



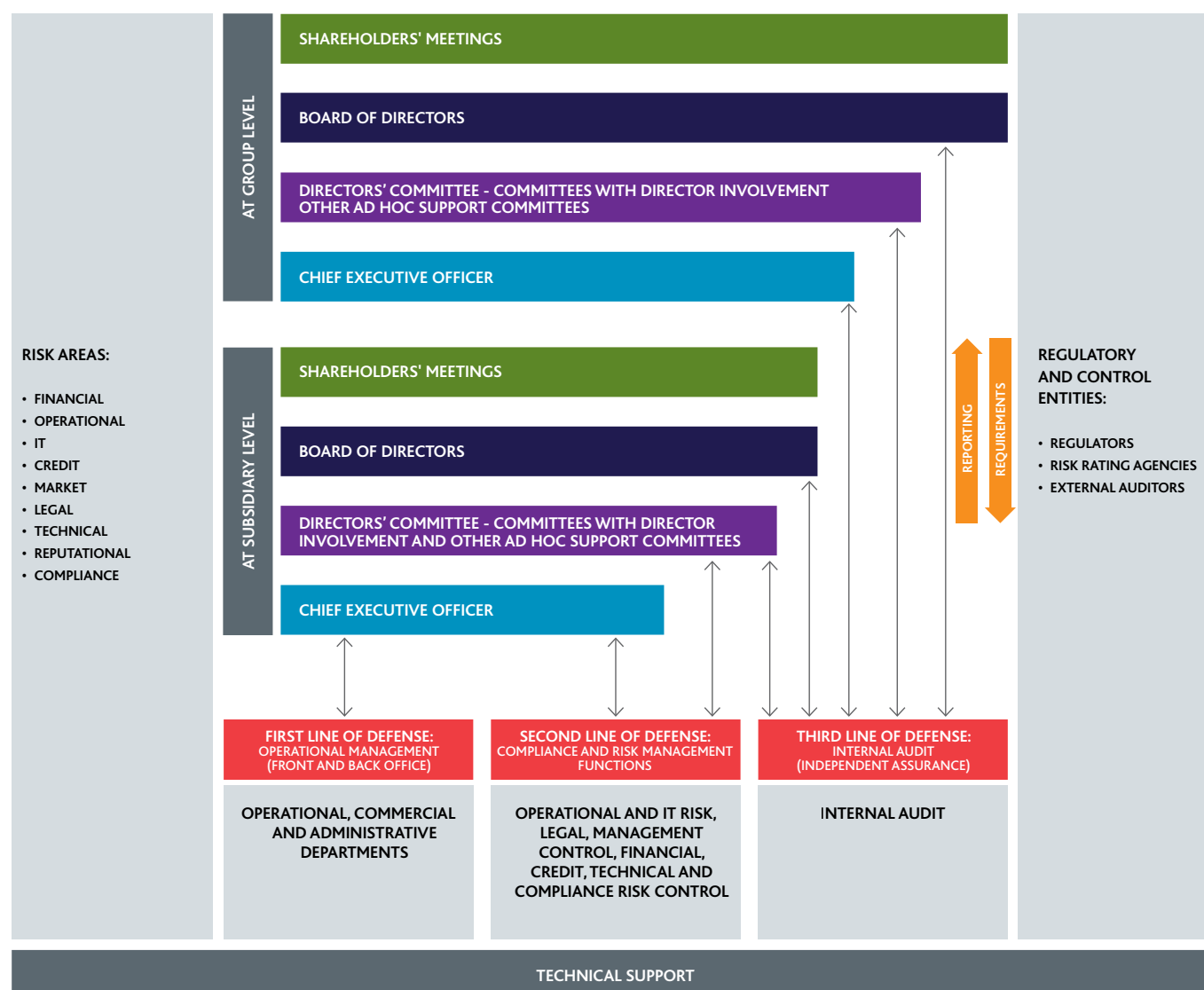
Corporate Governance

The corporate governance model at Grupo Security is designed to ensure that the activities undertaken by the Group's companies are consistent with its business strategy, institutional values and risk tolerance and aversion, and to add value to the Company through self-regulation and regulatory compliance.

CORPORATE GOVERNANCE STRUCTURE



CORPORATE GOVERNANCE BASED ON COMPREHENSIVE RISK MANAGEMENT AT GRUPO SECURITY





A. SHAREHOLDERS' MEETINGS

Shareholders' meetings provide the highest level of corporate governance, in accordance with Chile's Corporations Law. The last annual general meeting took place on April 7, 2020.

MAIN AGREEMENTS

- Approved the annual report and consolidated financial statements for 2019, including the independent auditors' report for that year.
- Approved profit distribution and dividend payments.
- Approved dividend policies.
- Set board compensation for 2020.
- Reviewed Directors' Committee activities, performance and expenses during 2019.
- Set Directors' Committee compensation and approved its 2020 budget.
- Reviewed board expenses for 2019.
- Appointed the Company's independent auditors.
- Appointed risk rating agencies.
- Reviewed information on related party transactions in accordance with Corporations Law.
- Selected the newspaper for legal publications.
- Extended the deadline for setting the final price of shares issued in the capital increase approved at the extraordinary shareholders' meeting held on October 3, 2019.
- Set the share price for shares issued in the capital increase approved at the extraordinary shareholders' meeting held on October 3, 2019.



B. BOARD OF DIRECTORS

The board of directors is elected by shareholders and is the Company's main corporate governance authority. It is composed of nine members and has no alternate directors. The entire board is elected every three years, with the most recent elections held on April 29, 2019, and the next elections in April 2022.

The board held 12 regular meetings and 6 extraordinary meetings in 2020, where they discussed business performance issues. Average attendance at board meetings in 2020 was 98%.

MAIN ACTIVITIES IN 2020

- Reviewed monthly monitoring reports regarding the financial performance of Grupo Security, its subsidiaries and each of its business units.
- Reviewed transactions between the company and its directors or related parties.
- Reviewed the interim and annual audited annual consolidated financial statements for Grupo Security and its subsidiaries.
- Reviewed the independent auditors' opinion on the financial statements at a board meeting attended by the EY audit partner.
- Called the annual general meeting.
- Proposed dividends.
- Proposed risk rating agencies and independent auditors.
- Proposed board compensation and the budget for accounting, financial, legal and other advisory services.
- Proposed Directors' Committee compensation and its 2020 expense budget.
- Approved the procedure for remote participation and voting at shareholders' meetings.



- Received a presentation on the external auditors' annual plan, by the EY audit partner.
- Regularly reviewed the matters addressed by the Directors' Committee during 2020, and the Directors' Committee's Annual Management Report for 2019.
- Approved the 2020 budget.
- Called an extraordinary shareholders' meeting to resolve matters related to the capital increase approved in 2019.
- Reviewed global and local macroeconomic reports.
- Approved the corporate governance self-assessment report, in accordance with CMF General Standard 385.
- Reviewed correspondence received from the CMF.
- Reviewed the roadmap and risk appetite framework for the bank, in the context of Basel III.
- Reviewed the results of the 2019 Great Place to Work survey, referring to the best places to work in Chile, where Grupo Security ranked fourth among companies with more than 1,000 employees. Also the results of the 2020 Great Place to Work survey, which was better than the previous year.
- Reviewed compliance with the 2019 internal audit plan for Grupo Security and its subsidiaries.
- Approved the 2020 annual audit plan for Grupo Security and its subsidiaries.
- Reviewed compliance with the 2020 annual audit plan for Grupo Security and its subsidiaries.
- Reviewed the biannual reports from the Crime Prevention Officer, regarding Law 20,393.
- Regularly reviewed the continuity of operations and the COVID-19 pandemic response plan for Grupo Security and its subsidiaries.
- Reviewed the personal protection measures and safe return plan with maximum capacities, shift systems and an infection traceability system, according to the stages of the State's "Paso a Paso" plan throughout Chile, to address the COVID-19 pandemic. All of the above is controlled through an app. The Corporate Culture Manager participated in this session.
- Reviewed the refocused annual audit plan, strengthened remote working and continuous auditing, focused the audit on key risks and controls to address the COVID-19 pandemic.
- Reviewed the organizational structure and regular monitoring of the digital transformation plan.
- Regularly reviewed and monitored expense adjustments.
- Approved the reorganization plan for the Group's subsidiaries, including related transactions.
- Reviewed the main IT security threats, strengthened cybersecurity and associated prevention strategies and solutions in Grupo Security and subsidiaries. The Corporate IT manager participated in this session.
- Approved electronic signatures for minutes of board meetings, strategic committees and board committees, and wherever permitted by law and regulations.
- Approved the Market Information Manual.
- Reviewed changes to regulations and standards for the period.
- The directors actively participated in the principal management committees at Grupo Security and its subsidiaries.



C. COMMITTEES

C.1 DIRECTORS' COMMITTEE

The Directors' Committee is responsible for upholding Art. 50 bis of Law 18,046.

The following directors are serving a four-year term on the Directors' Committee:

- Hernán de las Heras Marín, independent (appointed 04.29.2019)
- Jorge Eduardo Marín Correa (appointed 04.29.2019)
- Horacio Pavez García (appointed 04.29.2019)

MAIN ACTIVITIES

- Reviewed the independent auditors' report, and consolidated financial statements addressed to shareholders of Grupo Security and its subsidiaries, as of December 31, 2019. It did not comment on them. The audit partner from EY and the Corporate Accounting Manager from Grupo Security also participated in this meeting.
- Requested quotes for external auditing services for 2020 from the auditing firms Deloitte, KPMG, Price and EY. After evaluating the proposals received, the committee agreed to propose to the board of directors, who propose to the shareholders at the annual general meeting, that EY Servicios Profesionales de Auditoría y Asesorías SPA (EY) be appointed as external auditors for Grupo Security and subsidiaries for 2020, and Deloitte is its second choice. The committee considered several factors taken in proposing the external auditors, including:

- a) Experience and knowledge of the Grupo Security's business, especially in auditing banks, insurance companies and other financial companies in Chile.
- b) Presence and participation as independent auditors in the financial and insurance markets
- c) Audit and partner independence (Art. 242 to 245 of Law 18,045)
- d) Suitable technical skills and partner experience with risks addressed by IFRS.
- e) Value, coverage and scope of services.

- Recommended that the board of directors of Grupo Security propose that the shareholders Fitch Ratings and ICR be reappointed as risk raters.
- Approved the committee's annual performance report for 2019 to be presented to the board of directors and included as a note in the Company's annual report in accordance with Art. 50 Bis of Law 18,046.
- Reviewed compliance with the 2019 Annual Internal Audit Plan for Grupo Security and its Subsidiaries.
- Reviewed and approved the 2020 Annual Internal Audit Plan for the Group and its Subsidiaries, including its main scope and risk focus.
- Reviewed the adequacy of audit work in view of the COVID-19 pandemic.
- Approved the refocused annual audit plan, strengthened remote working and continuous auditing, focused the audit on key risks and controls in view of the COVID-19 pandemic.
- Reviewed the 2020 Annual External Audit Plan prepared by EY for Grupo Security and its subsidiaries, which includes the Management Report (internal control evaluation), the Auditor's Report on the consolidated financial statements as of December 31, 2020, the Interim Review Report as of June 30, 2020, and other reports such as the Provision Adequacy



Report (methodology and calculations), the Report on Chapter XXI, the Report on Internal Control Law 20,712 (Single Funds Law) and Ruling 1441 on insurance, the Report on Ruling 1962, as well as the schedule, the assigned team and principal audit focuses for 2020, all with a risk-based approach.

- Reviewed the proposed update of the Market Information Manual and its presentation for approval by the board of directors.
- Reviewed the consolidated financial statements of Grupo Security and its subsidiaries as of June 30, 2020, and the interim review by the external auditors. The audit partner from EY and the Corporate Accounting Manager from Grupo Security also participated in this meeting.
- Regularly reviewed the most important operational, technological, compliance and credit risks as identified through comprehensive risk management and implemented at each subsidiary.
- Reviewed progress on implementing the new risk management software platform for Grupo Security and its subsidiaries.
- Regularly reviewed compliance with Law 20,393 and 19,913 (Crime Prevention Model including subsidiaries), regarding the prevention of fraud, bribery, handling stolen goods, incompatible negotiation, corruption between private parties, misappropriation and improper management; related classroom and e-learning training, prevention committees, statistics on reports, warnings, donations, attendance at corporate compliance committee meetings and the status of certifications under Law 20,393 - crime prevention model in subsidiaries.
- Regularly reviewed loss events reported by Grupo Security and its subsidiaries.
- Reviewed complaints received by Grupo Security and its subsidiaries.
- Regularly reviewed progress with the annual, traditional, remote and continual internal audit plan, with the main audit findings from Grupo Security's businesses and companies, and ensured that commitments arising from the audit are resolved, with special emphasis on enforcing action plans, especially those that are behind schedule. Also reviewed continuous audit developments and ongoing projects at the Corporate Controller's Office.
- Reviewed cybersecurity risks, their trends and the prevention strategies and solutions implemented by Grupo Security and its subsidiaries. The Corporate IT manager participated in this session.
- Reviewed reputational risk management, complaint channels and crisis management protocols at Grupo Security and its subsidiaries, and any significant milestones during the year. The Grupo Security Marketing Manager participated in this session.
- Reviewed the audit plan for information security, data privacy, business continuity and cybersecurity. Reviewed cybersecurity governance and roles based on a model using three lines of defense.
- Reviewed regulatory changes during the year.
- Reviewed the proposed response to the "Corporate Governance Self-Assessment as of December 2019" questionnaire mandated by CMF General Standard 385.
- Reviewed the compensation and incentive plans for Grupo Security managers, senior executives and employees. The Corporate Culture Manager participated in this session.
- Reviewed transactions between related parties, subsidiaries and associates of Grupo Security, as reported by them. In



particular, the Directors' Committee verified compliance with the General Policy on Ordinary Customary Transactions with Related Parties, approved at board meeting 211 on April 29, 2010, and the subsequent amendments made by its subsidiaries. The committee verified that the policy has been fully upheld.

- Reviewed the Customary Transactions with Related Parties Policy and a Framework Policy for Related Party Transactions, which is being prepared and technologically developed for presentation to the board of directors and their subsequent approval.
- Reviewed progress with the internal audit plan to adopt industry best practices, and incorporate new tools, continuous and remote auditing, and audit management techniques.
- Reviewed other topics of interest to the committee and internal audit matters.
- The committee did not make any recommendations to the shareholders.

COMPENSATION

UF15 per meeting, with a budget for 12 meetings per year. This compensation has not changed over the last three years.

BUDGET

UF 1,100

EXPENSES

This committee did not incur any administrative or consulting expenses in 2020.



C.2 STRATEGIC COMMITTEE

The objective of this committee is to regularly review the implementation of strategic plans for each Group company and the corporate services division, and report to the board of directors.



C.3 COMPENSATION COMMITTEE

Together with the Directors' Committee, this committee is responsible for informing the board about compensation issues.



C.4 PLANNING AND DEVELOPMENT COMMITTEE

This committee focuses on the planning and control of financial and commercial management for all Group companies, and monitors corporate strategic initiatives.



C.5 MARKETING AND QUALITY COMMITTEE

This committee is focused on brand control and customer experience activities, based on metrics that are monitored through committees. It meets every three months.



C.6 OPERATIONS AND IT COMMITTEE

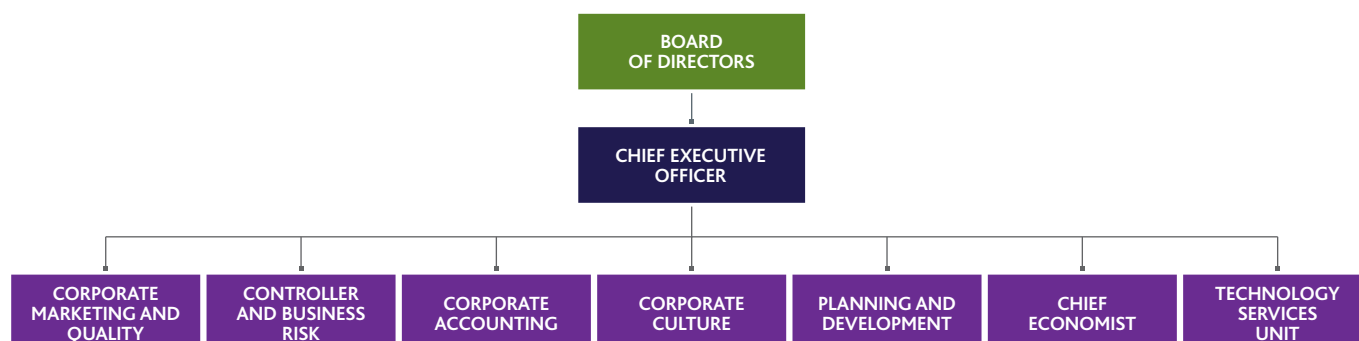
This committee fulfills a key role in defining and implementing operational and IT processes.



C.7 COMPLIANCE COMMITTEE

This committee is led by the Controller, whom the board has appointed as responsible for crime prevention. The remaining committee members are the compliance officers at all Group companies and representatives from the Corporate Compliance Department.

Management



CHIEF EXECUTIVE OFFICER

RENATO PEÑAFIEL MUÑOZ

Business Administration,
Pontificia Universidad Católica de Chile
Master of Arts in Economics,
University of Birmingham
Chilean National ID: 6.350.390-8
Date appointed: 02.01.1996



CORPORATE MARKETING AND QUALITY MANAGER

ALEJANDRA ZEGERS CORREA

Business Administration,
Pontificia Universidad Católica de Chile
MBA, ESE Business School
at Universidad de los Andes
Chilean National ID: 10.201.117-1
Date appointed: 06.06.2005



CONTROLLER AND BUSINESS RISK MANAGER

ALFONSO VERDUGO RAMÍREZ
DE ARELLANO

Business Administration, Pontificia
Universidad Católica de Valparaíso
MBA Loyola University in Maryland, U.S.
Chilean National ID: 7.097.708-7
Date appointed: 02.05.2006



CORPORATE CHIEF ACCOUNTING MANAGER

RODRIGO CARVACHO CONTRERAS

Business Administration,
Pontificia Universidad Católica de Chile
Master in Business Law,
Universidad Adolfo Ibáñez
Master's Degree in Tax Management,
Universidad Adolfo Ibáñez
Spanish Institute of Financial Analysts
Chilean National ID: 13.434.182-3
Date appointed: 06.01.2014



CORPORATE CULTURE MANAGER

ISABEL ALLIENDE KINGSTON

Industrial Engineering,
Pontificia Universidad Católica de Chile
Chilean National ID: 13.551.750-K
Date appointed: 17.08.2020



PLANNING AND DEVELOPMENT MANAGER

FERNANDO SALINAS PINTO

Business Administration
and Master of Business Administration,
Pontificia Universidad Católica de Chile
Stanford Executive Program,
Stanford University
Chilean National ID: 8.864.773-4
Date appointed: 01.11.2005



CHIEF ECONOMIST

FELIPE HERNÁN JAQUE SARRO

Business Administration,
Universidad de Chile
Master of Science, Economics and
Finance, Warwick University, U.K.
Chilean National ID: 10.577.183-5
Date appointed: 01.03.2017



CORPORATE TECHNOLOGY MANAGER

SANDRA ROITMAN CACHI

Information Systems Engineer
Universidad Tecnológica Nacional
Facultad Regional Córdoba, Argentina
Chilean National ID: 21.612.261-5
Date appointed: 09.11.2018



Corporate Management



CHIEF EXECUTIVE OFFICER

Grupo Security is managed at an operating and strategic level by the Chief Executive Officer, who is responsible for defining and planning objectives in conjunction with Group companies and reports to the board of directors.

DUTIES

Ensure compliance with strategic growth and development objectives. He is directly involved in the financial and commercial management of the business areas and participates in most board meetings, as well as the Expense, Corporate Services and Commercial Committees, all of which provide opportunities for coordination among the Group companies.

EXPENSE COMMITTEES

Members include corporate management and executives from each Group company. It meets bimonthly to control budget execution and review spending policies, critical variables and the cost centers defined in the annual budget.

COMMERCIAL COMMITTEES

These committees include the Group's CEO, the chairman of the board and managers from each company. They meet monthly to review business plans in detail, detect deviations, implement action plans and monitor the status of strategic initiatives.

CORPORATE SERVICES COMMITTEES

Members include the Group CEO, the Planning and Control Manager and representatives from the corporate services divisions. They meet on a quarterly basis, to monitor each unit's plans and ensure that services are provided efficiently.



PLANNING AND DEVELOPMENT

DUTIES

- Establish corporate guidelines for the commercial and financial management of Grupo Security companies, as well as strategic business plan development.
- Report commercial and financial performance on a monthly basis to the CEO of Grupo Security.
- Prepare investor information with respect to the Group's businesses.



CORPORATE MARKETING AND QUALITY DIVISION

DUTIES

- Define the guidelines, strategic focus, and policies for each company with respect to brand strategy, service quality, commercial integration and customer loyalty.
- Support and monitor Group companies to ensure they provide customers with comprehensive services that exceed expectations and sets the Group apart for its quality, thereby generating loyalty and building a brand with recognized market value.



CORPORATE CULTURE DIVISION

DUTIES

- Maintain and foster an organizational culture that inspires employees to put the Group's values into practice on a daily basis and guarantees the availability of human capital to ensure compliance with the Group's corporate strategy.



- Contribute to the good labor practices that make Grupo Security a great place to work and earned it accreditation as a family-responsible company and recognition as a company that promotes work-family balance as well as professional and personal growth for all employees.



ACCOUNTING DIVISION

DUTIES

- Provide high-quality, accurate and timely corporate accounting services, and produce financial statements that reflect the consolidated financial situation of Grupo Security.



TECHNOLOGY SERVICES UNIT

DUTIES

- Provide efficient and high-quality technological services to all companies, covering IT management, computer security, technology and architecture, and to develop and maintain corporate applications.



CONTROL AND BUSINESS RISK DIVISION

This division reports to the Group's board and the boards of its subsidiaries.

DUTIES

- Framed within the Group's Comprehensive Risk Management Policy, its duties include verifying and regularly reporting to senior management on the effectiveness of corporate governance, risk management and internal control.
- Support and coordinate the organization as it implements and operates the Integrated Risk Management process.
- Support Compliance Officers with prevention of money laundering, terrorism financing, bribery, fraud and receiving stolen property, in order to comply with the board of director's instructions in the Crime Prevention Model and the corresponding regulations (Laws 19,913 and 20,119, and their amendments).

Sustainability and Risk Matters

In the second half of 2020, Grupo Security conducted an assessment of environmental, social and governance aspects with assistance from international consultant ASG VigeoEiris. In 2021 the Bank will implement a specific plan based on the results of the assessment. Specifically, business units will begin incorporating environmental, social and governance variables into its risk analyses in order to have a comprehensive vision of all risk factors that may affect its customers' payment capacity, its

investment portfolios and the reputation of the Security companies.

The board of directors approved the Comprehensive Risk Management Policy in 2012, after it was reviewed by the Directors' Committee, and it was subsequently updated in 2016. The directors evaluate matters related to economic and governance issues at their monthly meetings, including their impacts, risks and opportunities, in compliance with the aforementioned policy.



Ethics and Compliance

It is very important to become a benchmark in all our relationships at Grupo Security, both in business and our personnel lives, in order to comprehensively meet the needs of our customers, shareholders, employees and society, while encouraging a healthy work-life balance.

The Group is governed by Law 20,393 on Criminal Liability of Legal Entities, Law 19,913 on Money and Asset Laundering and regulations issued by the Financial Market Commission (CMF) and the Financial Analysis Unit (UAF). It has implemented a Crime Prevention Model certified by an external company authorized by the CMF called MC Compliance, which includes policies, guidelines, manuals, a Code of Ethics, a Code of Conduct, internal regulations, compliance officers at all subsidiaries and crime prevention committees.

CODE OF ETHICS

The Code of Ethics summarizes the Group's business experience at all levels, which establish certain principles that guide employees in the performance of their daily work. This implies that Group employees should be clearly committed to their closest stakeholders.



CUSTOMERS

Grupo Security's first duty lies in providing its customers with top quality products and services that meet their needs, using the latest technologies that comply with its own technological and operational requirements. The key is to achieve customer satisfaction.



SHAREHOLDERS

This commitment is to support the Company's continual development and achieve an attractive rate of return for shareholders, who have placed their trust in Grupo Security.



EMPLOYEES

The Company should provide a working environment for its employees that promotes professional development, enables everyone to reach their maximum working potential and ensures they can deliver the creativity and responsibility expected of them. This environment should also be characterized by equal opportunities.

Grupo Security's ethics management system includes a complaint channel hosted externally on a secure, confidential platform. The platform can be used to anonymously submit and monitor complaints related to Law 20,393. Independent bodies analyze and respond to all complaints.

Each year all employees take part in a specific e-learning course on the Code of Conduct and Code of Ethics. In 2020, as a result of new crimes being added to Law 20,393 on Criminal Liability of Legal Entities, directors, senior executives and managers were trained on the scopes of the law, its crimes and penalties.

Employment contracts now include a clause that refers to criminal liability, which was also incorporated into supplier contracts.

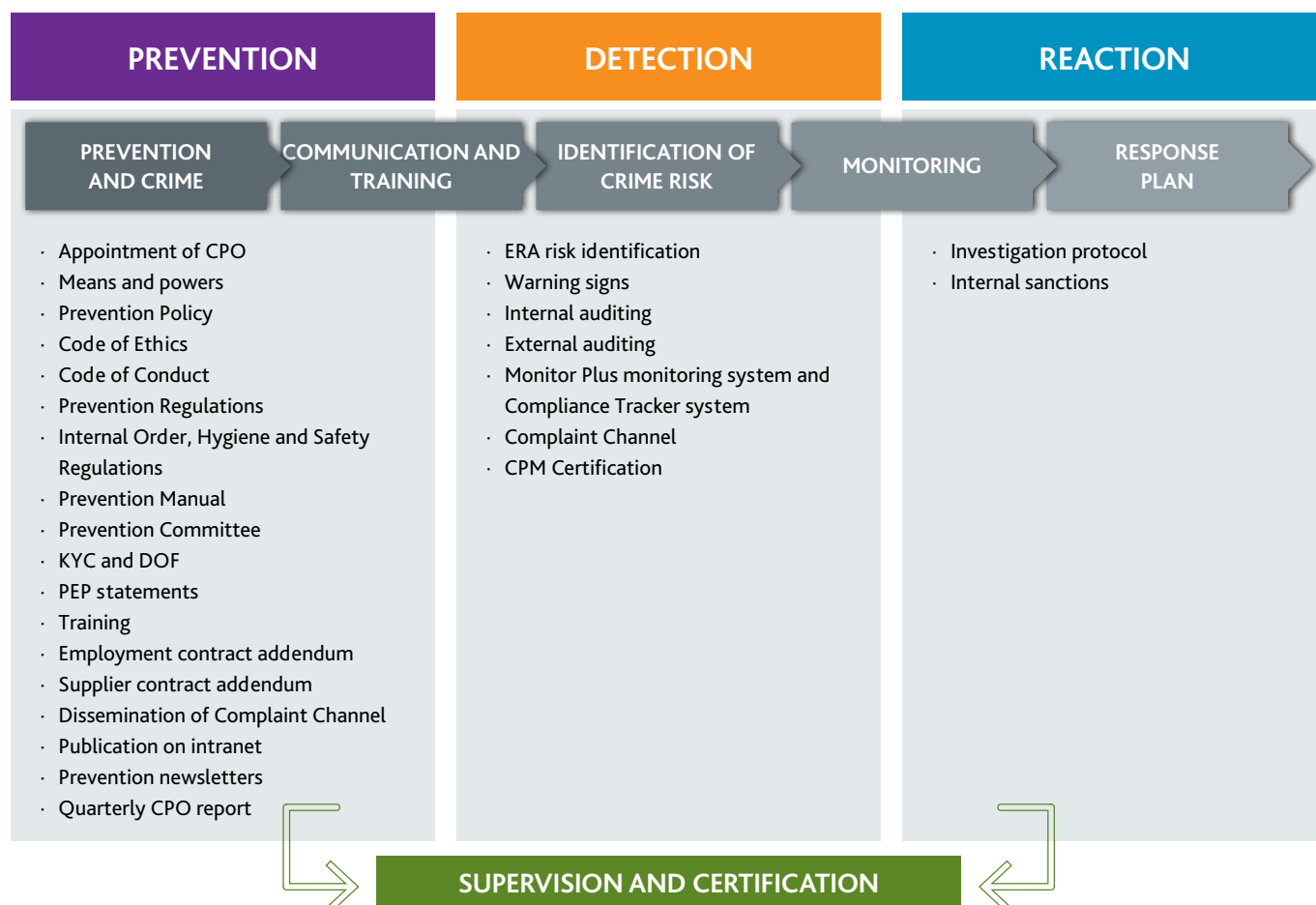
Conflicts of interest at Grupo Security are governed by Articles 146 to 149 of Law 18,046 on Corporations, Article 100 of Law 18,045 on the Securities Market, and instructions from the CMF that regulate transactions between related parties and establish measures to avoid and resolve conflicts of interest. Conflicts of interest are included in and regulated by the Code of Ethics and the Conduct Manual. A customary

transactions with related parties policy requires that any transaction that falls outside this policy must be approved by the board of directors after a prior review by the Directors' Committee.

Regular reports are submitted on interactions with the CMF, with any State agency and regarding any regulated activities.

CRIME PREVENTION MODEL

Grupo Security has a Crime Prevention Model directed by the Crime Prevention Officer in conjunction with Senior Management. It consists of three stages, which are prevention, detection and reaction, and these are continuously supervised in order to detect deficiencies and make improvements, in addition to complying with certification requirements.



There is an e-learning course on the Crime Prevention Model, and all Group employees take this course every year to understand these issues.



02

CUSTOMERS, CULTURE AND BRAND

Closeness and excellence

The Security culture is based on solid, shared values that reinforce its corporate identity and are the foundation for common goals.

⇒ 75%

Net customer satisfaction in
2020

⇒ 61.5%

Of Grupo Security employees
are women

⇒ 85.4%

Net satisfaction in loyalty
programs

⇒ MCH\$429

Non-monetary employee
benefits



Customers



Grupo Security establishes close and excellent relationships with its customers, by providing them with products and services that fully satisfy their needs.

The Group's customers include individuals and companies, which in turn are subdivided into segments with common behavior.

Each company defines its own segments, service models and service delivery standards according to their particular requirements and the nature of their industry. All companies have a quality policy that establishes common guidelines, standards and universal service levels. It also encourages appropriate customer management. This involves:



UNDERSTANDING AND MANAGING THE CUSTOMER EXPERIENCE

The Customer Voice program achieves this using surveys, product and channel use analysis, relationships with account executives and other methods to get to know customer requirements.



RESPONDING TO REQUESTS, COMPLAINTS AND CLAIMS

Use of protocols and standards to respond in a timely fashion.



ENSURING SUITABLE PRODUCTS AND SERVICES

Incorporating customer expectations when designing products, services and channels for each Security company.



ENSURING CONTINUOUS IMPROVEMENT

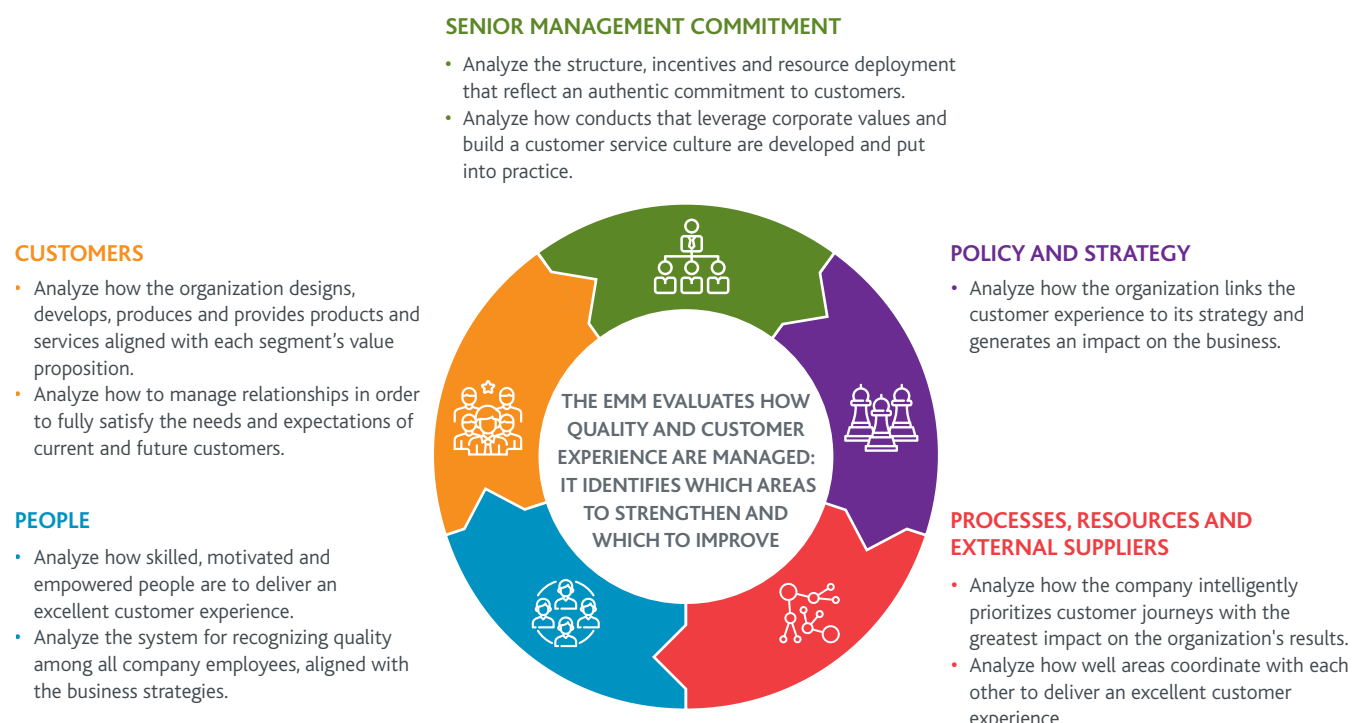
Periodic review of processes, incentive models and use of knowledge management.

EXCELLENCE MODEL

Grupo Security applies an excellence management model that cultivates long-term relationships with customers that are also profitable and sustainable for shareholders. This model follows the recommendations of the Ibero-American Quality Award (Fundibeq).



GRUPO SECURITY EXCELLENCE MANAGEMENT MODEL · EMM





CUSTOMER EXPERIENCE

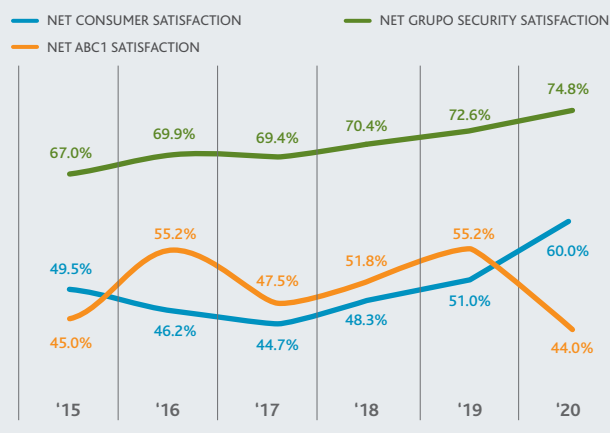
In 2020, Grupo Security consolidated the method used to understand the reasons for good or bad service experiences, with surveys immediately after interactions. This broadened the scope of customer opinions and the frequency of responses with online results, in addition to providing those responsible for these services with direct, timely feedback.

Studies at Group companies revealed that the consolidated percentage of very good experiences improved from 73% to 75%, while bad experiences remained at 13%. This shows that despite the daily difficulties caused by the pandemic and lockdowns, companies reacted quickly to the change in customer service requirements and managed to preserve the available channels and their response standards.

These good results were leveraged mainly by Banco Security, Inversiones Security, Vida Security, Factoring Security and the brokerage subsidiary, as they improved their compliance with commitments and their agility when attending to requirements, and improved their loan origination processes, their collection processes at Factoring, their self-service models, and the quality and timing of advising for asset management and insurance customers. A common aspect improved was their availability, due to remote working and the commitment of all those who serve customers with efficient closeness protocols, which is a fundamental pillar at Grupo Security.

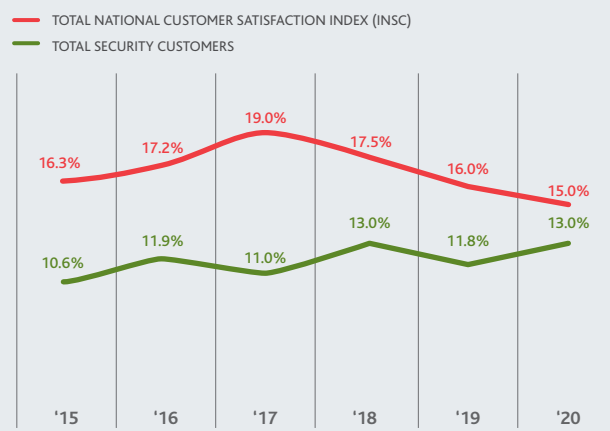
Customer loyalty at Grupo Security companies was measured by the net promoter score (84%) and their likelihood to repurchase (83%). This analysis considers the weighted results from Group companies and those provided by the National Consumer Index (INSC). The INSC recommendation dropped considerably in 2020, as it included all Chilean industries, and there were substantial decreases in intercity buses, courier, education, metered gas, Internet, savings and credit institutions, airlines, mini-markets, mutual insurance, fixed telephone, home security and department stores.

⇒ NET CUSTOMER SATISFACTION (%) (VERY GOOD EXPERIENCE)



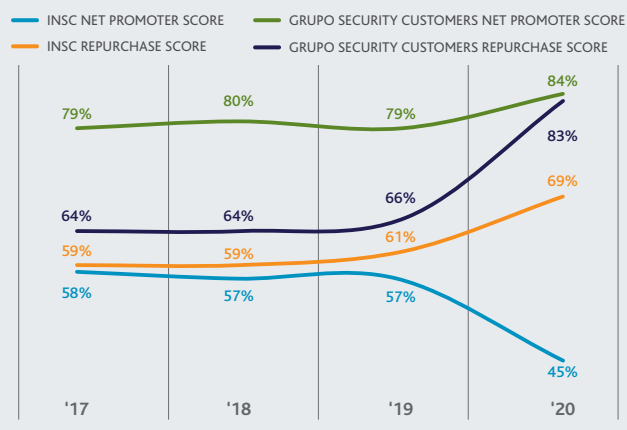
SOURCE: RESULTS FROM PROCALIDAD, INSC 2020
GRUPO SECURITY SATISFACTION SURVEY, EOL RESEARCH 2020

⇒ CUSTOMERS WITH ISSUES (%) (BAD EXPERIENCE)



SOURCE: RESULTS FROM PROCALIDAD, INSC 2020
GRUPO SECURITY SATISFACTION SURVEY, EOL RESEARCH 2020

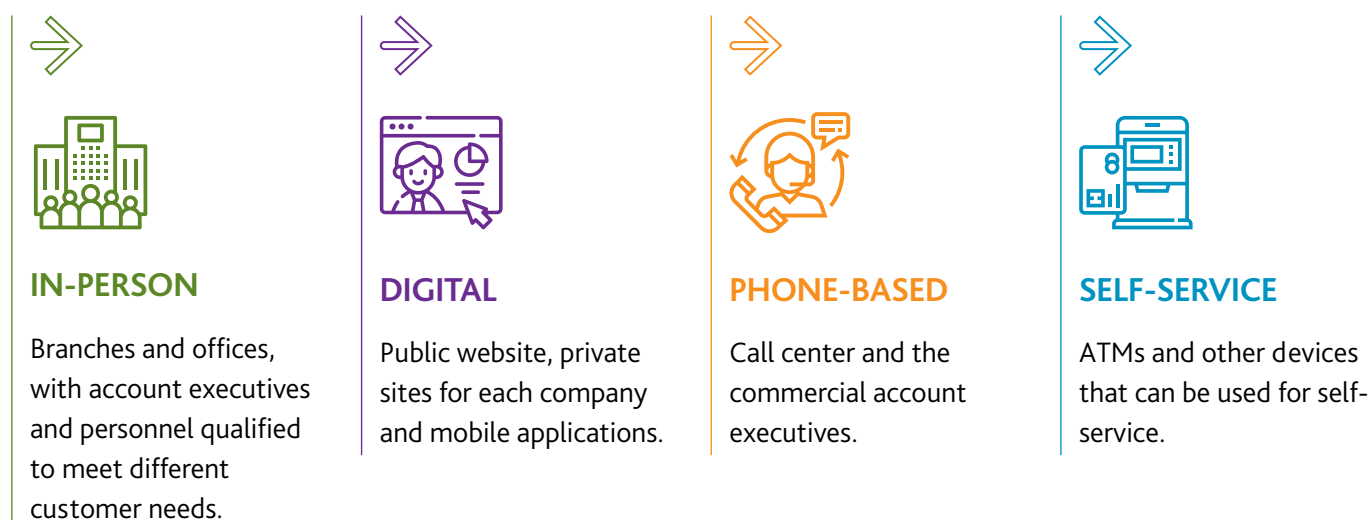
⇒ TRENDS IN LOYALTY INDICATORS GRUPO SECURITY CUSTOMERS



SOURCE: RESULTS FROM PROCALIDAD, INSC 2020
GRUPO SECURITY SATISFACTION SURVEY, EOL RESEARCH 2020

CUSTOMER SERVICE CHANNELS

Grupo Security provides its customers with four channels:



Various measures were introduced during 2020 to improve these customer service channels, and Factoring Security developed new functionalities in its Electronic Factoring and Autofactoring applications, which streamlined document procedures for customers, reduced the use of paper and avoided physical encounters. This makes it easy for customers to perform transactions comfortably from their offices or wherever they have an Internet connection. Vida Security changed its private customer site, resulting in improved self-service. It also incorporated services that avoided physical encounters and paperwork, and increased the service response speed and individual safety.

CUSTOMER TRANSPARENCY

Within Grupo Security's policies and behavior guidelines, the value of transparency constantly governs relationships with customers. Providing customers with suitable information is encouraged and monitored, which means that it must be provided not only when contracting a product or service, but throughout this relationship with all the Group's companies.

Employees must provide customers with clear, complete, relevant, reliable and timely information on products and services, expenses and any commissions charged for them, using the available means of communication.

Each company is responsible for ensuring the availability of this information and updating it on the website, the intranet or by other means of communication, such as visiting account executives in branch offices, by telephone or by e-mail.



CYBERSECURITY AND CUSTOMER PROTECTION

Each Grupo Security company duly safeguards customer information with confidentiality and privacy, in compliance with current laws and in conformity with the General Information Security Policy.

Personal data in Chile is safeguarded by Law 19,628 on the Protection of Private Life. Dating back to 1999, this law covers the communication, transmission, storage and use of all information that can be used to identify an individual. There is a new bill aiming to adapt this law to international standards, which would involve recognizing the rights of owners over their data, the existence of an autonomous, independent authority capable of enforcing obligations and rights—and adding the right of portability.

Last year, Grupo Security's Data and Analytics Area worked on a robust data governance strategy and management process that guarantees the best visibility of customer information, considering three key aspects:



New Data Protection Law



Information Security



Cybersecurity

PROGRESS IN 2020

The Data Governance and Management Model includes policies for Grupo Security companies that were developed in 2020 to optimize the value of data assets, support operations effectively and efficiently, and contribute to profitability, growth and innovation. They ensure that companies have good quality, accessible and timely data, and that the legal and regulatory risks associated with using it are mitigated.

- Data Governance Policy
- Data Quality Policy
- Data Security Policy
- Data Management Policy
- BI and Analytics Policy

The Privacy Policy progressed during the year, with regard to obtaining customers' consent to process their information. This had already been approved by the Board of Directors of Banco Security and it will be implemented in 2021.

The Cookie Policy for the Group's websites was drafted and the implementation phase began. The corporate Data Masking tool was implemented, which protects customer information in technological development and QA environments.



OPERATIONAL CONTINUITY THROUGHOUT THE PANDEMIC

On March 16, 2020, Grupo Security activated its operational continuity plan, which focused on the health and safety of people above all else.

Remote working was implemented and by the end of March more than 80% of staff were connected from their homes, leaving minimal staff in strategic branches to comply with regulations. After this initial period, more than 90% of staff were working from home. This required encouraging the use of websites, mobile applications, teleconference meetings, telephone connections using computers connected to the Group's switchboard and mobile phones.

As for products, a specific plan was executed by each business area, which required flexible products that were adapted to regulator instructions and individual customer circumstances.

The insurance area confirmed that life and health insurance policies have no coverage restrictions that exclude the consequences of the pandemic. Supplemental health insurance coverage and reimbursement of expenses associated with the flu vaccine was extended to

policyholders and members of their families not included in the State's free vaccination programs. The usual deadlines for insurance procedures were also eliminated or amended.

In the lending area, loan repayment deadlines were eased at special rates, repayments were deferred and special rate conditions were applied to some loans, such as Fogape loans. The withdrawal of 10% of private pension funds was supported, as required by law.

Factoring Security signed agreements with the Chilean Economic Development Agency (Corporación de Fomento or Corfo) to support SMEs, and improved its web site, to facilitate online transactions without opening an operational line, subject to certain conditions.

Companies activated a closeness protocol for services. This is an important value within the corporate culture that gives customers reassurance that they can rely on Grupo Security to continue to attend their requirements. This gesture was very well received, as reflected by the results of customer service measurements.



Culture

⇒ Since its inception, Grupo Security has been aware of the importance of an organizational culture that places respect for people's dignity at the center of the business. This has meant introducing policies and practices that encourage employee development, and ensure that everyone can successfully reconcile their work and personal lives.



PILLARS OF THE SECURITY CULTURE INDIVIDUAL DIGNITY

We are inspired to respect the dignity of individuals, respect others and ourselves, and we work each day so that our employees enjoy coming to work. We want their connection to Grupo Security to be much more than just a job. We want them to see their job as a way to enrich their lives and grow professionally and personally, and as a path to becoming better people every day, in order to give back to their family and society. Working at Grupo Security must have meaning for each of our employees, regardless of how many years they have been employed.



"Grupo Security has taught me a lot. In the last seven years I have learned that human capital is not just employees, these are individual people and I need to understand them, their circumstances, and how to empower them and support them in the process. It is a combination of respect for the individual and giving them the tools to feel comfortable in the workplace. So that they believe that it's more than a job."

CAROLINA STAFORELLI
Deputy Production Manager Vida Security



MOTTO 1 WORK-FAMILY-LIFE BALANCE

We believe in the value of people and are concerned for their wellbeing. We strive each day so that all employees can successfully combine personal and professional aspects of their lives. We respect working hours and are flexible to adapt the Company's needs to the particular circumstances of each team member, paying particular concern to the specific needs of each stage of life.



"This is a place where family comes first. When I have a problem with one of my kids, they have never made it difficult for me to go and pick them up. I have been given the Security Spirit Dad award, which emphasizes a father's role in the family and the values he contributes."

JUAN IGNACIO PEIRANO
Large Companies Account Executive at Factoring Security

"At Grupo Security there is an integral focus on people and the relationship is based on trust, so that I can balance my schedule without neglecting my work, or my family, which is really remarkable."

CAROLINA ARIAS
Miscellaneous and MV Claims Manager
Corredora de Seguros Security



MOTTO 2 THE IMPORTANCE OF "HOW"

Grupo Security's organizational culture is reflected on a daily basis in our actions and particularly in how we conduct ourselves because the values that inspire us are present in everything we do. For everyone at Grupo Security, we are not only concerned with meeting the targets that we have set for ourselves but also with how we achieve these goals because the "how" demonstrates our organizational culture, our strength, our hallmark and our main competitive advantage. We work to accomplish big objectives and we accomplish them. We actively detect opportunities for improvement and we improve them. However, we always respect the Group's values while doing so.



"Individualism has been eliminated in team building, and work is shared based on agreements regarding common objectives, so that we eventually achieve collective satisfaction. As a project manager, I used to issue orders and expect people to deliver. Now, we have meetings to help resolve problems and discover how we can support each other to achieve our objectives. There is an exchange of opinions, then we move forward together."

ALONSO LLANOS
Project Manager at Capital S.A.



MOTTO 3 LONG-TERM RELATIONSHIP

We want to build a long-term relationship with our employees that harmonizes their personal objectives and our Company's goals. We aim to be a role model for corporate relations and set ourselves apart by always providing exceptional, transparent, personalized and professional service, which enables us to maintain and cultivate long-term, profitable and sustainable relationships with our customers in benefit of our shareholders.



"We are surrounded by good people, who care for you and support you. Such generosity is appreciated. These are intangible benefits, and if you leave you don't know if you will find them again. When you arrive you realize that there is a lot of camaraderie that is not based on technical skills. This undoubtedly builds long-term relationships."

VICTORIA KENAR
MICE Manager
Travel Security



PERSONNEL

The Group's people management model and policies are designed to support employees throughout their careers. This includes selection, orientation, performance evaluation, learning and development processes, compensation and benefits. The objective is to enable everyone in the Group to develop to their full potential, to professionally and personally become the best version of themselves.

The impact of these policies is extremely positive, and is reflected in low staff turnover and absenteeism rates, and in high job satisfaction, such as employee satisfaction of 90 points in the 2020 Great Place to Work survey.

WORKFORCE

The people working for Grupo Security companies cover a wide range of ages and length of service. There is a strong female presence in the Group, which reflects the contribution of women to financial services.



3,256

PEOPLE WORKING
AT GRUPO SECURITY
Operations in Chile and Peru



61.5%

FEMALE EMPLOYEES



38.5%

MALE EMPLOYEES



COMPANY	MANAGEMENT	PROFESSIONAL	ADMINISTRATIVE	OVERALL TOTAL
Bank and subsidiaries	60	765	348	1,173
Capital S.A. and subsidiaries	17	553	126	696
Factoring Security	7	87	56	150
Grupo Security	14	22	1	37
Inmobiliaria Security S.A.	2	27	4	33
Inversión Previsión Security and subsidiaries	27	327	514	868
Securitizadora Security S.A.	1	7	4	12
Security Internacional and subsidiaries	9	25	253	287
OVERALL TOTAL	137	1,813	1,306	3,256

SOURCE: GRUPO SECURITY

EQUALITY AND BALANCE

Grupo Security has solid principles of equality, in terms of salary and professional development.

The Group was rewarded for two consecutive years as the best company in the "Banking and Financial Institutions" sector with the Impulsa, Talento Femenino Award, given by Fundación ChileMujeres, PwC Chile and the Pulso newspaper, which recognizes companies committed to promoting female talent.

The Group promotes the professional development of women and promotes a healthy work-life balance for all its employees. The average family has 2.3 children, which is taken into consideration in its policies for people and its benefit programs.

	CHILE	PERU
Managers and senior executives	121	15
Professionals and technicians	1,731	82
Administrative staff	1,047	260
TOTAL	2,899	357

SOURCE: GRUPO SECURITY

	CHILE	PERU
Domestic ^(*)	2,843	355
Foreign	56	2
TOTAL	2,899	357

(*) CHILEANS THAT WORK IN CHILE AND PERUVIANS THAT WORK IN PERU

SOURCE: GRUPO SECURITY

	MANAGEMENT	PROFESSIONAL	ADMINISTRATIVE
Men	101	776	375
Women	35	1,037	932
TOTAL	137	1,813	1,306

SOURCE: GRUPO SECURITY

AGE	MANAGEMENT	PROFESSIONAL	ADMINISTRATIVE
Under 30	0	169	221
31 - 40	10	588	383
41 - 50	64	657	383
51 - 60	50	322	262
61 - 70	11	66	57
Over 70	1	11	1

SOURCE: GRUPO SECURITY

YEARS OF SERVICE	MANAGEMENT	PROFESSIONAL	ADMINISTRATIVE
Less than 3 years	26	410	449
3 - 6 years	12	328	285
6 - 9 years	11	316	203
9 - 12 years	16	253	103
Over 12 years	72	506	266

SOURCE: GRUPO SECURITY

	MEN	WOMEN	TOTAL
No. employees eligible for parental leave	23	63	86
No. employees who took parental leave	14	63	77
Return to work and retention rates after parental leave	100%	100%	100%

SOURCE: GRUPO SECURITY



QUALITY OF LIFE AND BENEFITS

Grupo Security provides a variety of benefits that encourage balance and enhance employees' quality of life and integral development. These include:



HEALTH

- **SUPPLEMENTAL HEALTH INSURANCE:**
Fully financed by Grupo Security.
- **DENTAL INSURANCE:**
Reimburses 50% of treatments with a cap of UF 40 per year.
- **CATASTROPHIC HEALTH INSURANCE:**
Reimburses major medical expenses (up to UF 10,000)
- **LIFE INSURANCE:**
Fully financed by the company, with a policy value of UF 700.
- **INFLUENZA VACCINE:**
All employees can be vaccinated free of charge during the working day.
- **"ALÓ SECURITY":**
Grupo Security employees have access to a hotline for free psychological support for themselves and their immediate family, as well as counseling on financial and retirement matters.



MATERNITY AND PATERNITY LEAVE

- **GRADUAL RETURN FOR MOTHERS:**
During the first four weeks following their legal maternity leave, mothers can leave work at 4 p.m., regardless of the type of maternity leave they have chosen.

- **GRADUAL RETURN FOR FATHERS:**

A flexible schedule during a child's first month of life, in addition to the five legal days of paternity leave.

- **CHILDCARE ALLOWANCE:**

Day care funding for all mothers or, alternatively, a childcare assistant allowance to care for the child at home until two years old.

- **PATERNAL CHILDCARE ASSISTANT ALLOWANCE:**

Financing for fathers to care for their newborn during the first month of life.

- **PRESCHOOL:**

Preschool allowance for employees with children between the ages of two and four.



RETIREMENT

- **RETIREMENT SAVINGS 1+1 MATCHING PROGRAM:**

The company will match the contribution of any employee making a voluntary monthly contribution to their retirement funds (APV), with a monthly cap.

⇒ CH\$2,490
million
IN MONETARY BENEFITS

⇒ CH\$429
million
IN NON-MONETARY BENEFITS

PERFORMANCE MANAGEMENT

People are at the core of Grupo Security's business. Employees—through their results and actions—enable the organization to reach its objectives and be sustainable over time. The Bank promotes a high-performance culture, where people's performance and development lead to excellence in customer experience, compliance with the value proposition and current regulations, and at the same time employees reach their maximum potential in a positive workplace environment. The priorities of this process are:

- Alignment of performance objectives with business needs and priorities
- Talent differentiation
- Continuous, relevant feedback
- Quality conversations that accelerate growth and development
- Career experiences through coaching and mentoring

⇒ 85%


OF EMPLOYEES
received regular
performance evaluations

⇒ 176

MANAGERS
received performance evaluations


⇒ 1,094

MEN
received performance evaluations



⇒ 1,496

WOMEN
received performance evaluations



* PERFORMANCE EVALUATION DATA ONLY COVERS CHILE

TRAINING

Grupo Security's training plan is based on the 70:20:10 learning model, where 70% of adult learning is obtained from job-related experiences, 20% through interactions with others and only 10% in courses, talks and seminars.

Grupo Security's training programs are focused on covering different needs and reaching 100% of employees.

• FUNCTIONAL PROGRAM:

Targeted towards all employees, this program aims to cover learning gaps in the work place and build skills needed for each position.

• REGULATORY PROGRAM:

Directed towards all employees, this program is designed to comply with current laws and regulations and reinforce safety mechanisms for Grupo Security employees and customers.

• EXCELLENCE PROGRAM:

Targeted towards employees that need to develop skills for future individual or professional challenges or betterment in order to build their career at Grupo Security.

⇒ 178,656

TOTAL TRAINING HOURS



AVERAGE TRAINING HOURS

⇒ WOMEN:

66

hours

⇒ MEN:

57

hours

⇒ ORGANIZATION:

62

hours

⇒ MANAGERS:

45

hours



HEALTH AND SAFETY

Grupo Security has an Occupational Risk Prevention Policy aimed at fostering a culture of safety within the organization. It has programs that systematize activities and assign tasks throughout the organization.

There are basic procedures that apply to all employees, and an Occupational Health and Safety Plan containing the information required to address the difficulties that can arise and affect the organization's normal functioning. This ensures that the life and health of all employees, customers, contractors and any person on its premises are adequately protected.

Eight e-learning courses were held in 2020, with a total of 423 participants.

COURSE	PLATFORM	NO. PARTICIPANTS	TRAINING HOURS
RISK PREVENTION	E-learning	73	146
USING FIRE EXTINGUISHERS	E-learning	69	138
REMOTE WORKING ERGONOMICS	E-learning	8	32
REPORTING OBLIGATIONS	E-learning	2	4
COVID-19	Streamed talks	8	8
ENFORCEMENT COMMITTEE	E-learning	7	28
PC ERGONOMICS AND SELF-CARE	E-learning	58	116
EMERGENCIES AND EVACUATIONS	Teams talk	198	396
TOTAL GRUPO SECURITY		423	868

ACCIDENT RATE ⁽¹⁾		ACCIDENT RATE ⁽²⁾		PROFESSIONAL DISEASE FREQUENCY RATE		LOST-TIME INJURY FREQUENCY RATE (LTIFR) ⁽³⁾		NON-LOST-TIME INJURY FREQUENCY RATE (NLTIFR) ⁽⁴⁾		LT AND NLT INJURY FREQUENCY RATE PER YEAR ⁽⁵⁾	
YEAR		YEAR		YEAR		YEAR		YEAR		YEAR	
2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
0.32	0.12	6.23	1.97	0	1.46	15.21	5.86	24.08	14.64	39.28	20.50

⁽¹⁾: IN 2020, FOR EVERY 100 EMPLOYEES, THERE WERE 0.12 LOST-TIME, WORK-RELATED ACCIDENTS.

⁽²⁾: IN 2020, FOR EVERY 100 EMPLOYEES, THERE WERE 1.97 DAYS LOST TO WORK-RELATED ACCIDENTS AND PROFESSIONAL ILLNESS.

⁽³⁾: IN 2020, FOR EVERY MILLION HOURS WORKED, THERE WERE 5.86 WORK-RELATED ACCIDENTS WITH MEDICAL LEAVE.

⁽⁴⁾: IN 2020, FOR EVERY MILLION HOURS WORKED, THERE WERE 14.64 WORK-RELATED ACCIDENTS WITH NO LOST TIME OR WITHOUT MEDICAL LEAVE.

⁽⁵⁾: IN 2020, FOR EVERY MILLION HOURS WORKED, THERE WERE 20.50 WORK-RELATED ACCIDENTS WITH AND WITHOUT MEDICAL LEAVE.



MEASURES DURING THE PANDEMIC

During 2020, Grupo Security introduced guidelines and regulations regarding employee conduct in their daily routines in response to the public health pandemic, to ensure regulatory compliance and the safety of those working on-site at offices and branches.

Employees were supplied with personal protective equipment (PPE) to use on their commute to and from work and on Grupo Security premises. These supplies included face masks, hand sanitizer, gloves, facial protectors and smocks, as required in certain cases. Measures were also implemented to disinfect spaces and maintain distance at different facilities.

05 AFTER WORK

- Disinfecting
- Isolation
- Safety & Security

04 COMMON AREAS

- Kitchen
- Dining areas
- Conference rooms
- Teller area
- Auditoriums

03 AT WORK

- Entrance
- Work stations
- Prioritizing interactions on digital channels to minimize circulating around premises



01 BEFORE WORK

- Daily flow survey
- Before leaving home, each employee must take a self-exam
- Protocol for suspected cases

02 COMMUTE

- One person per car
- Carpooling
- Car service (Uber, Cabify, taxi)
- Bus - subway
- Bicycle - scooter
- On foot
- Multiple modes of transportation



VOLUNTEERING AT LAS ROSAS FOUNDATION

For over 20 years, employees from several Grupo Security companies have organized groups of 15 to 20 people to visit the Lampa residential home to spend time with the elderly being cared for by the Las Rosas Foundation. These visits are fully financed by the company and take place on a weekday during business hours.

In 2020, these activities were suspended due to the pandemic, but hygiene supplies were contributed and Christmas dinners were donated by employees, totaling CH\$26,340,000



Brand

Grupo Security's brand identity has been built on a communicational synergy between the companies. Its brand identity and architecture of colors, typographies and the slogan "When there's a will, there's a way," have made the parent company and its subsidiaries easily recognizable and admired.

This is possible because the Group covers diverse industries, and it can support those facing any challenge in life, such as protecting their family, building a home, discovering the world and strengthening their business.

The year 2020 became a period full of challenges, where communication was used to strengthen its digital presence and connect with people in three ways.



1. CONNECTING THROUGH KNOWLEDGE

Grupo Security launched a presentation of current economic and financial information in a simple and entertaining format, entitled "Saber, Suma", for its customers and the general public. This initiative contributes to both financial education and providing analysis, research and opinions to those who wish to be informed on these matters.



+40,000

SESSIONS IN EIGHT MONTHS,
representing 7.2% of the total number of
Security.cl sessions



+1,000

PEOPLE
subscribed to the weekly newsletter



2. CONNECTING THROUGH PRODUCTS AND SERVICES

Another initiative was the "Security Contigo" portal, a digital portal that brought together in one place all the products, benefits and news from every company in Grupo Security. This comprehensive vision of available services was developed by profiling our customers requirements in a difficult year.

These measures increased the association with our brand attributes of closeness, expertise and agile, efficient service.



54%

2020



27%

2019



3. CONNECTING THROUGH GROWTH

Grupo Security's renowned traditional Economic Seminar was held in August under the title of "What next? Economic and political challenges for Chile and the world". This meeting was held exclusively via streaming for the very first time, given the pandemic.

The Grupo Security brand continued to expand among customers, through initiatives that offered them relevant products, with special benefits and the companies' unique seal of quality. The loyalty program for our major customers included several activities in 2020, such as special wine tastings, talks on current events, history, art and architecture, with prominent speakers such as Federico Sanchez.



+4,600

VISUALIZATIONS
of the 2020 economic seminar



85.4%

NET SATISFACTION
in the loyalty program
with initiatives for

OVER 700 CUSTOMERS



Recognition in 2020

⇒ Each year Grupo Security companies receive various awards that mainly recognize the value added to its relationships with customers and employees. These accolades reflect the capacity, commitment and disposition of teams to address different challenges.

BANCO SECURITY



PXI 2020

For the second consecutive year Banco Security was recognized as the best company nationwide in customer experience in the banking sector and second nationally in the overall ranking based on the PXI 2020 study by Praxis.

This study, which has followed experience indicators for the past seven years by sector, brand and channels, is the only independent study of its kind performed in Chile. Its benchmark covers more than 120 of the country's most important service companies and the evaluation extends to more than 45,000 people (sample error of 0.46%).

INVERSIONES SECURITY



2020 SALMON AWARDS

Inversiones Security earned seven accolades at the "2020 Salmón Awards," which are granted by the Diario Financiero and LVA índices. The four first-place awards went to the following mutual funds:

- First place for Security Global Mutual Fund, F series, in the "Developed Equity Fund" category.
- First place for Security Index Fund US Mutual Fund, B series, in the "US Equity Fund" category.
- First place for Security Emerging Asia Mutual Fund, B series, in the "Emerging Asia Equity Fund" category.
- First place for Security Corporate Latin America Debt I.G. Mutual Fund, A series, in the "Debt Fund - 365 International Emerging Markets" category.



For 20 consecutive years, Grupo Security has been recognized by the Great Place to Work Institute as one of the best companies to work for in Chile.



SALMON APV AWARDS

The "2020 Salmón APV Awards" granted by the Diario Financiero and LVA Índices, recognized the voluntary retirement savings (APV) mutual funds with the best risk-adjusted performances in their category. In particular:

- First place for Security Mid-Term Mutual Fund, I-APV series, in the "Debt Fund < 365 Days Domestic CLP" category.
- Second place for Security Index Fund US Mutual Fund, I-APV series, in the "US Equity Fund" category.



2020 MORNINGSTAR AWARDS

The Company received two of the seven awards in the mutual fund category for funds that have provided the most value to investors at the "2020 Morningstar Fund Awards".

- Security Global Mutual Fund, F series, for "Best International Equity Fund".
- Security Strategic Equilibrium Mutual Fund, B series, for "Best Mixed Fund".

INMOBILIARIA SECURITY



BEST PLACE TO LIVE

For the third consecutive year, Inmobiliaria Security was awarded this seal of quality that rewards real estate developers that respond to their customers, support them throughout the entire process and aim to improve their quality of life.



03

ECONOMIC AND FINANCIAL CONTEXT

Vision

Grupo Security's businesses
adapted to an extremely
challenging year by boosting
efficiency.

⇒ -3.8%

GLOBAL GDP
(% change 2019 · 2020)

⇒ -6.0%

CHILEAN GDP
(% change 2019 · 2020)

⇒ 10.7%

UNEMPLOYMENT RATE
(Avg. 2020 %)

⇒ 711

EXCHANGE RATE 2020
(Y/E, CH\$/US\$)



Overview

The global COVID-19 pandemic not only affected 2020 in financial terms, but also in several other aspects. The rapid spread of the virus led countries to impose strict quarantines, which reduced mobility, significantly impacted the economy and destroyed jobs. The financial markets absorbed this poor outlook almost immediately, with global stock markets falling by more than 30% and commodity prices by 25% on average. The response of the authorities was swift and significant, with large-scale monetary stimulus and fiscal support.

The US Federal Reserve reduced its benchmark interest rate from 1.75% to 0.25% and initiated other unconventional measures, as did the European Central Bank, which maintained the rate corridor between -0.5% and 0.25%, although it increased its bond purchases and implemented bank financing measures to provide liquidity. The central banks of emerging countries had a similar reaction, in line with circumstances in each country. Governments introduced substantial stimulus packages as a percentage of GDP that matched their capacity. In particular Japan (42%), Germany (20%), France (16%), US (15%), Italy (13%), Spain (11%), Brazil (12%), Chile (10%), China (6%) and Mexico (4%).

Global markets fell sharply in the first quarter of the year, when the pandemic spread very quickly, but rallied between April and December, recapturing almost all they had lost in some cases. The US dollar appreciated 6.7% against a basket of major currencies (DXY index) and 15.1% against a basket of emerging currencies (EMCI index) between January and April. It then began to weaken and ended the year 7% below the former, although 6% above the latter.

The prices of the most important commodities to Chile followed

a similar trend, beginning the year with large drops, followed by substantial recoveries afterwards. Copper ended the year with a 25% increase, after having fallen more than 25%, while the price of oil fell 64% in April, as it was among the most affected commodities. Although it recovered, oil finally closed the year 20% below its 2019 closing value.

Global equities measured as the MSCI Global index had fallen 32% by March, although they recovered in the following months and finished the year up 14%, driven by the US (19%) within developed economies. Meanwhile the MSCI Emerging market index finished up 16%, as Emerging Asia rose 26%, which more than offset a 16% drop in Latin America, all measured in US dollars.

⇒ -3.8%
GLOBAL GDP
(% change 2019 · 2020)

⇒ -8.0%
LATIN AMERICAN GDP
(% change 2019 · 2020)

⇒ -6.0%
GDP CHILE
(% change 2019 · 2020)



Chile

Chile was not spared by the global pandemic, which interrupted the economic recovery after the social unrest at the end of 2019. In fact, its effect on the economy was much more significant, with a double-digit GDP decline between April and August, although a gradual reactivation began as the economy reopened, similar to everywhere else. Nevertheless, GDP fell by 6% for the year as a whole, the largest decline since the 1982 crisis.

SPENDING

Domestic demand fell by 8% during the year, and private consumption had the largest negative impact with a fall of 6.5%, while investment fell by 12%, as it had already been weakened by the social unrest.

ANALYSIS BY INDUSTRY

Mining was the only sector that grew in 2020 (1.4%), as mining production was never suspended to combat the pandemic, because it is a very capital-intensive industry that uses very little labor and its processing plants are located in sparsely populated areas. The largest declines for the year were in transportation (-20%), construction (-19%) and trade (-9%). This meager economic performance resulted in employment falling by 12% and around one million jobs disappearing. However, over two million jobs had been lost at the worst moment, mainly in trade and construction, then 950,000 new jobs were created as the economy reopened. Accordingly, the unemployment rate initially rose from around 7% to 13%, but then finished the year closer to 10%.

PRICE INDEXES

Inflation began to accelerate at the end of 2019 mainly due to depreciation of the Chilean peso, but inflation moderated as the economy slowed and the CPI fell from 4% to 2.5% by mid-year, before finally rising to 3%, driven mainly by increases in volatile prices such as food and energy. Core inflation (IPCSAE) excluding these items moderated to 1.8% in mid-2020, then gradually rose to 2.6% as of December.

BENCHMARK INTEREST RATES

The monetary policy response to the pandemic was swift and significant. The Central Bank quickly reduced the monetary policy rate to 0.5%, which is its technical minimum and indicated that it would keep it there for a while. It also introduced several additional measures to support liquidity and ensure that financial markets continued to operate correctly. This laid the groundwork so that financial markets could support the economy when it began to reopen.

EXCHANGE RATES

US dollar exchange rates were very volatile during 2020. They started out strengthening with the increased perceived risk as the pandemic spread, but as the outlook for the economy improved, the US dollar began to weaken against other currencies. The Chilean peso was not immune to this phenomenon and the exchange rate started the year at around CH\$750, rose to CH\$880 and then ended the year at CH\$710.



Peru

THE ECONOMY

Peru was among the countries most affected by the pandemic, with GDP falling by 11.1% for the year as a whole. Its economy declined in all quarters, with the largest being -30% in the second quarter. Meanwhile, private consumption fell by 10% in 2020 and private investment by 20%.

BALANCE OF TRADE

The trade balance reached a surplus of MUS\$7,750 in 2020. This was due to exports decreasing by 11.1% to MUS\$42,413, while imports decreased by 15.6% to MUS\$34,663. Meanwhile, terms of trade rose by 8.2% in 2020, although they dropped in the first half of the year and rebounded in the second half, due to an increase export prices of 2.7% and a fall in import prices of 5.1%. Thus, the balance of payments current account was a surplus of 0.5% of GDP for the year.

INFLATION

Annual inflation started the year close to 2%. It moderated gradually to 1.6% by mid-year and then began a gradual rise to 2% in December, driven mainly by volatile prices such as food and energy. Excluding these products, core inflation fell from 2.3% in January to 1.7% in March, then fluctuated around this figure for the rest of the year, to end the year at 1.8%. Both measures stayed within their target range of 1% to 3%.

BENCHMARK INTEREST RATES

The Central Reserve Bank of Peru (BCRP) reacted in the same way as most monetary authorities, cutting their benchmark rate during the early months of the year from 2.25% to 0.25%, and holding it until the end of the year. It also introduced several liquidity support measures for the financial system that provided further stimulus to counteract the economic slowdown, in a context marked by subdued inflation, anchored inflation expectations and a negative capacity gap.

EXCHANGE RATES

The US dollar exchange rate depreciated significantly during the first months of the year, similarly to other emerging and Latin American currencies. The Peruvian sol was 3.32 to the US dollar at the end of 2019 and had reached 3.57 by March 2020. It appreciated slightly in April and then depreciated to end the year at 3.62, equivalent to 9% depreciation for the year.

⇒ -13.0%

GDP PERU
(% change 2019 · 2020)

Main Economic Indicators

	2014	2015	2016	2017	2018	2019	2020
GDP (% change)	1.8	2.3	1.7	1.2	3.9	1.1	-6.0
Domestic Spending (% change)	-0.5	2.5	1.8	2.9	4.8	1.1	-8.1
Private Consumption	2.7	2.1	2.7	3.4	3.7	1.1	-6.6
Fixed Capital Investment	-4.8	-0.3	-1.3	-3.1	4.8	4.2	-12.3
Exports (% change, in real terms)	0.3	-1.7	0.5	-1.5	5.0	-2.3	-2.1
Imports (% change, in real terms)	-6.5	-1.1	0.9	4.6	7.9	-2.3	-13.6
Global Growth PPP (%)	3.6	3.5	3.4	3.8	3.6	2.8	-3.5
Copper Price (average US\$/pound in cents)	311	250	221	280	296	272	280
WTI Oil Price (average US\$/per barrel)	93	49	43	51	65	57	39
Federal Funds Rate (Y/E, %)	0.3	0.4	0.8	1.5	2.5	1.8	0.3
10-year U.S. Treasury Bonds (Y/E, %)	2.2	2.2	2.5	2.4	2.8	1.9	0.9
Balance of Trade (BUS\$)	6.5	3.4	4.9	7.4	4.6	4.2	16.8
Exports (BUS\$)	75.1	62.0	60.7	68.8	75.2	69.9	71.7
Imports (BUS\$)	68.6	58.6	55.9	61.5	70.6	65.7	54.9
Current Account (% of GDP)	-2.0	-2.4	-2.0	-2.3	-3.6	-3.9	1.2
CPI Dec-Dec (%)	4.6	4.4	2.7	2.3	2.6	3.0	3.0
Core CPI (CPIXfn) Dec-Dec (%)	4.3	4.7	2.8	1.9	1.8	2.5	2.6
Monetary Policy Rate, MPR (Y/E, %, in CH\$)	3.0	3.5	3.5	2.5	2.8	1.8	0.5
BCP-10 365d Bonds (Y/E, % in CH\$)	4.4	4.6	4.4	4.6	4.3	3.3	2.7
BCU-10 365d Bonds (Y/E, % in UF)	1.5	1.6	1.5	1.9	1.6	0.5	-0.1
Official Exchange Rate (Y/E CH\$/US\$)	607	707	667	615	696	745	711
Employment (%)	1.4	1.7	1.2	2.4	2.2	2.1	-12.3
Labor Force (%)	1.9	1.5	1.6	2.7	2.6	2.0	-8.9
Unemployment Rate (average %)	6.5	6.3	6.7	7.0	7.4	7.2	10.7



Industries



Grupo Security operates various businesses in the financial sector, where it aims to provide the best value and service opportunities for its customers.



BANKING

As of December 2020, the Chilean banking industry was made up of 18 financial institutions, including a state-owned bank (BancoEstado), fourteen domestic banks and three branches of foreign banks. As of that date, industry loans totaled MCH\$199,280,782 (MCH\$184,089,453 excluding foreign subsidiaries). Equity totaled BCH\$22,170 while profit for the year was MCH\$1,242,602, with an average return on equity of 5.65%.



FACTORING

Factoring in Chile is an important source of alternative financing that complements traditional bank lending for companies. This service allows customers to receive cash flows from receivables in advance via a discount on their invoices, checks, promissory notes or other similar documents. It provides them immediate liquidity and reduces costs and inefficiencies by handing the collections process over to the factoring service provider. Although the industry is still maturing, several situations and regulatory changes have boosted growth recently, making it one of the financial sectors with the best domestic and international outlook.

The market moves around MUS\$4,000 through over 200 institutions, ten of which belong to the Chilean Association of Factoring Companies, where Factoring Security is a member.



MUTUAL FUNDS

The Mutual Fund industry has grown continually over the last decade, with a huge increase in assets under management and number of investors. As of December 2020, the industry's assets under management totaled MCH\$50,823,902, with 2,664,852 investors and 442 funds.

The portfolios of mutual funds focused on medium and long-term debt instruments maturing in over 365 days grew by 5.2% to reach MCH\$12,250,590. About 68.1% of them invest in the local market, while the remainder invest in foreign debt, flexibly sourced funds and funds specifically aimed at qualified investors. Approximately 50.7% of mutual fund growth was due to local debt instruments.



STOCK BROKERAGE

This sector plays an important role in the financial market, as it contributes to developing the capital market by allowing



intermediaries and customers to trade securities and financial instruments. Brokers in Chile trade on the Valparaíso Stock Exchange (founded in 1892), Santiago Exchange (founded in 1893) and the Chilean Electronic Stock Exchange (founded in 1989). There are currently 32 brokerage firms.

During 2020, market activity measured as the value of shares traded increased by 9.3% in comparison to 2019, to reach BCH\$64,663.



SECURITIZATION

Securitization transforms future flows generated by typically liquid assets into publicly traded instruments. These securitization debt securities are issued by a securitization company, usually in various series with a range of structures and risk classifications. The demand for these securities is generally concentrated in those classified as investment grade and they are acquired by institutional investors.



INSURANCE

The Chilean insurance industry is composed of two major branches, life insurance and general insurance. They are

differentiated by the regulations governing these markets and the products sold. Specifically, the life insurance industry is segmented into retirement insurance and traditional insurance. The latter includes individual insurance, group life insurance, catastrophic and supplemental health insurance, and mass insurance, while retirement insurance is classified into pension annuities, private annuities, and disability and survivor insurance. Vida Security actively participates in both segments, and had market share of 4.3% based on gross written premiums.



REAL ESTATE DEVELOPMENT

The real estate market in Chile is very fragmented, with over 200 companies participating, many of whom operate in various Chilean communities and regions. Competition is fierce to supply the various project and real estate requirements.

Market segments relate to the commercial price of housing: less than UF 900 (groups D and E), between UF 900 and 3,700 (C2 and C3) and over UF 3,700 (ABC1). The market also sells offices for large and medium-sized companies, either directly or to investors who lease these properties at a profit.



RESIDENTIAL LEASES

The residential leasing industry provides alternatives to mortgage financing and focuses mainly on segments C2 and C3, which represent 37% of the Chilean population, according to the Casen 2015 survey, considering segmentation by income, education and occupation. This sector is regulated by Law 19,281 issued by the Ministry of Housing and Urban Development, and regulations and rulings issued by the Financial Market Commission.



MORTGAGE FINANCING

The Chilean mortgage market has two groups of providers: banks with a 92% share, and other entities such as mutual insurance companies, compensation funds, cooperatives and private finance companies, with the remaining 8% share.

There are 13 mutual mortgage financiers that currently report to the Financial Market Commission. The three leading entities have 75% of the market, where Hipotecaria Security Principal leads the list.



TRAVEL AGENCY

There are three main groups in the travel agency industry: online agencies, offline agencies and mixed agencies. Furthermore, they are classified between corporate and personal travel. The first group contains a couple of agencies basically focused on the corporate and personal market. The second group contains medium-sized agencies focused on the personal and vacation market, and SMEs. Travel Security is in the third group, with mixed customer service models covering both corporate and vacation travel using online and offline platforms.

As a result of the pandemic, the travel industry is undergoing a reorganization of agencies, tour operators and representatives.



TRAVEL ASSISTANCE

Although there are no official figures on the travel assistance market, estimates gauge market size at close to MUS\$30 per year and report that only about 20% of international passengers contract this service. Five companies share an estimated 80% of the market. Europ Assistance has a 17% market share and is one of three leading companies in this industry.



LIFE INSURANCE IN PERU

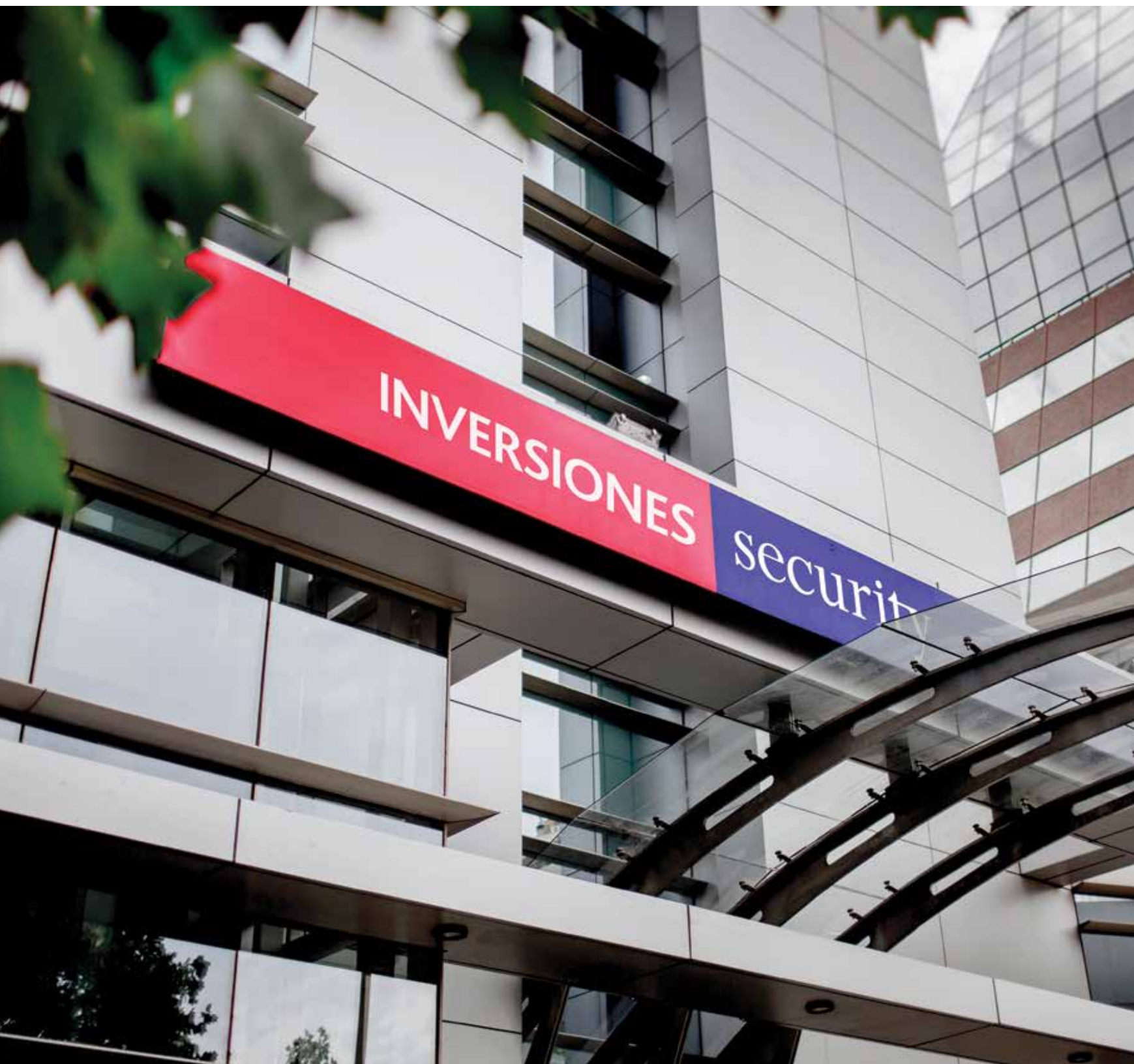
The Peruvian life insurance market mainly covers the risks that affect individual's lives. They also include regular life insurance policies, insurance contracts based on pension plans based on age or individual retirement plans, and those involving pensions. The life insurance market has twelve companies, five life-insurance-only companies and seven mixed companies providing both life and general insurance.



TRAVEL AGENCIES IN PERU

Peru's tourism industry is the leading generator of foreign exchange under normal circumstances, generating more than 7 billion soles annually in the last decade. It creates many direct and indirect jobs and has a big impact on the development of rural areas.

Tourism has been seriously affected by the pandemic. The tourism agency market is undergoing consolidation, as more than 600 local tourist agencies have closed, which are mainly small and medium-sized companies.





04

OUR BUSINESS

Track Record

We create value for our stakeholders through a sustained track record in various industries in the financial sector.

⇒ MCH\$65,146

Grupo Security profit

⇒ MCH\$835,520

Grupo Security equity

⇒ 8.1%

Total return on average equity (ROAE)

GRUPO security



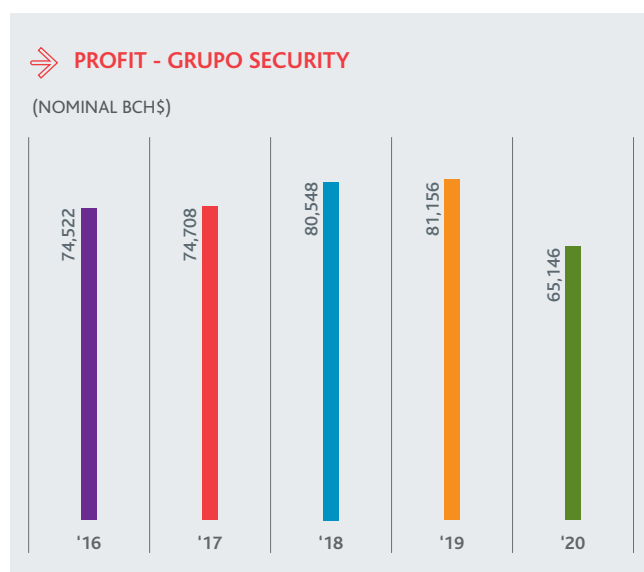
Grupo Security Results in 2020

GRUPO SECURITY MAIN FIGURES

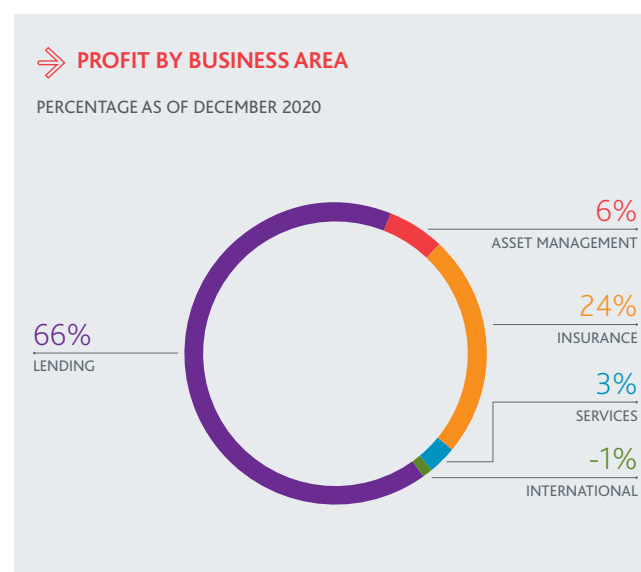
MCH\$

	2016	2017	2018	2019	2020
Equity attributable to owners of the parent	585,628	704,910	728,495	769,753	835,520
Return on average equity	13.1%	11.6%	11.2%	10.8%	8.1%

SOURCE: GRUPO SECURITY



SOURCE: GRUPO SECURITY



SOURCE: GRUPO SECURITY

PROFIT BY BUSINESS AREA

MCH\$

	DEC-19	DEC-20	CHANGE % 20 / 19
Lending	86,732	64,446	-26%
Asset Management	616	6,174	902%
Insurance	20,737	23,949	15%
Services	1,121	3,001	168%
International	682	-929	-236%
TOTAL - BUSINESS AREAS	109,888	96,641	-12%

SOURCE: GRUPO SECURITY

PROFIT BY BUSINESS AREA

MCH\$

PROFIT OF GRUPO SECURITY'S MAIN COMPANIES	2016	2017	2018	2019	2020
GRUPO SECURITY	74,522	74,708	80,548	81,156	65,146
Banco Security, Consolidated ¹	50,604	63,022	72,653	76,951	60,150
LENDING AREA					
Banco Security, Standalone	42,431	53,902	63,970	77,581	54,989
Factoring Security	7,303	7,502	8,155	9,171	9,471
ASSET MANAGEMENT AREA					
Valores Security	1,233	2,458	2,123	-5,834	1,326
AGF Security	6,939	6,666	6,563	5,210	3,838
Securitizadora Security	-198	872	2,004	1,232	969
Inmobiliaria Casanuestra	-180	-355	163	-136	-65
INSURANCE AREA					
Vida Security	21,911	13,258	30,159	20,146	23,529
Broker	1,031	487	504	617	426
Europ Assistance	349	412	451	540	347
Penta-Security ³	18,979	0	0	0	0
SERVICES AREA					
Inmobiliaria Security	3,800	3,298	-232	-2,214	6,038
Travel Security	4,220	4,050	3,752	4,020	-4,742
INTERNATIONAL SECURITY COMPANIES' FINANCIAL RESULTS (MILLIONS OF SOLES)³	2016	2017	2018	2019	2020
Protecta Compañía de Seguros	4.8	5.2	2.8	22.6	23.1
Travex Security	1.4	2.9	3.0	0.1	-6.0

NOTE: SUBSIDIARY EARNINGS REFLECT ALL OF THEIR PROFITS AND DIFFER FROM THOSE USED TO PREPARE THE SEGMENT NOTE, WHICH INCLUDES CONSOLIDATION ADJUSTMENTS TO ACCOUNT FOR GRUPO SECURITY'S PERCENTAGE OWNERSHIP IN EACH OF ITS RESPECTIVE SUBSIDIARIES.

THE RESULTS OF PROTECTA COMPAÑÍA DE SEGUROS AND TRAVEX SECURITY WERE CONVERTED TO CHILEAN PESOS AS OF 12.31.2020 USING THE FOLLOWING EXCHANGE RATES SOLES/US\$:3,621 CLP/US\$:711.24.

1. THE CONSOLIDATED BANCO SECURITY RESULTS INCLUDE ITS SUBSIDIARIES VALORES SECURITY AND AGF SECURITY.

2. THE FIGURE SHOWN HERE IS THE BEFORE-TAX GAIN ON THE SALE OF THE NON-CONTROLLING INTEREST IN THE COMPANY. THE AFTER-TAX GAIN WAS MCH\$14,937.

3. PERUVIAN ACCOUNTING STANDARDS MUST BE ADAPTED TO INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) IN ORDER TO CONSOLIDATE IN CHILE THE COMPANIES LOCATED IN PERU. THESE DIFFER FROM PERUVIAN ACCOUNTING STANDARDS, ESPECIALLY WITH RESPECT TO THE VALUATION OF INVESTMENT PROPERTIES AND THE TREATMENT OF DEFERRED ACQUISITION COSTS.

SOURCE: GRUPO SECURITY



Lending

The Grupo Security Lending Area comprises Banco Security, which provides commercial banking, high-income retail banking and treasury services, and Factoring Security, which specializes in factoring and confirming. The 2020 results for the Lending Area include the results of Banco Security (standalone) and Factoring Security, where the Group owns 99.97% and 99.99%, respectively.

BANKING INDUSTRY

LOANS

➤ BANKING INDUSTRY LOANS

EXCLUDES LOANS AND ADVANCES TO BANKS

DECEMBER 2020

MCH\$199,280,782

DECEMBER 2019

MCH\$194,899,837

CHANGE

2.25%

GROWTH COMPARED TO 2019

MORTGAGE LOANS	7.39%
CONSUMER LOANS	-13.80%
COMMERCIAL LOANS	3.64%

➤ BANKING INDUSTRY LOANS

EXCLUDES LOANS AND ADVANCES TO BANKS AND FOREIGN SUBSIDIARIES OF LOCAL BANKS.

DECEMBER 2020

MCH\$184,089,453

DECEMBER 2019

MCH\$179,349,611

CHANGE

2.64%

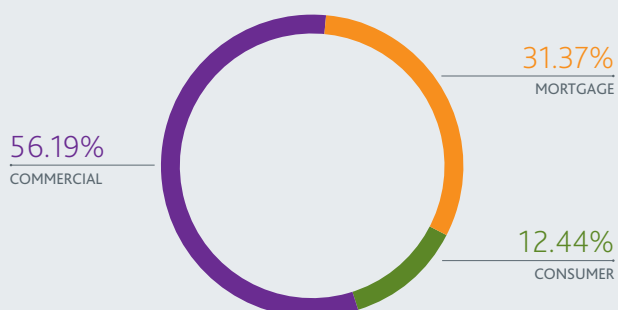
GROWTH COMPARED TO 2019

MORTGAGE LOANS	8.12%
CONSUMER LOANS	-13.91%
COMMERCIAL LOANS	4.13%

➤ LOAN PORTFOLIO 2020

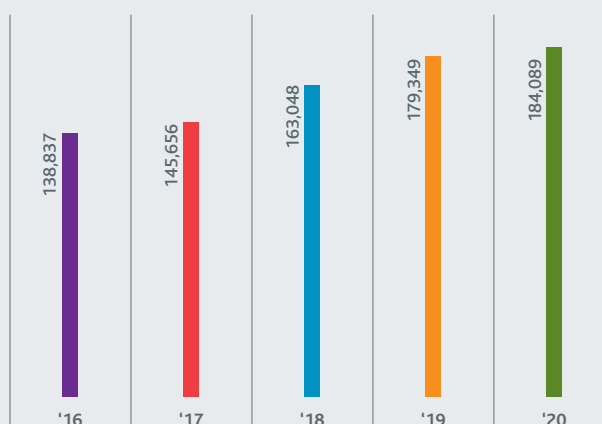
EXCLUDING LOANS AND ADVANCES TO BANKS AND FOREIGN SUBSIDIARIES
TOTAL AS OF DECEMBER 2020

MCH\$184,089,453

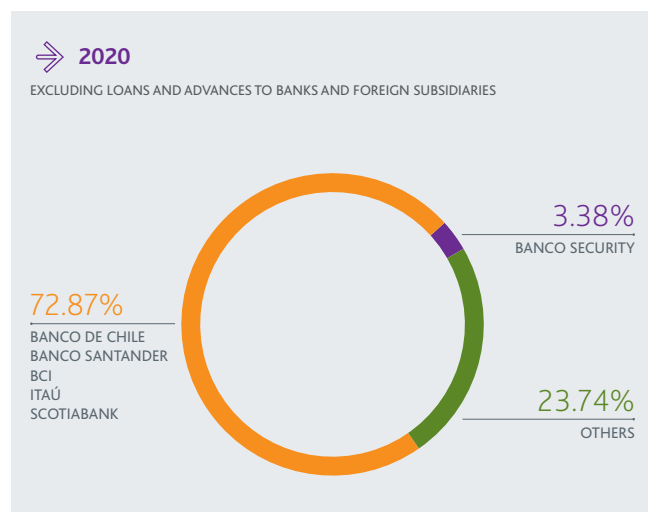


➤ LOAN GROWTH

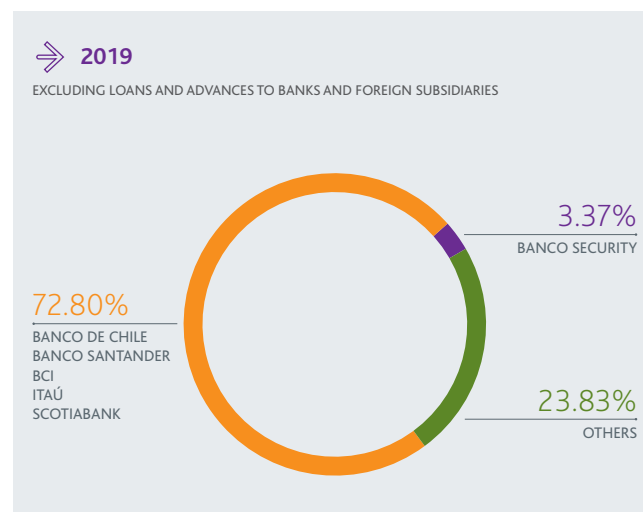
EXCLUDING LOANS AND ADVANCES TO BANKS AND FOREIGN SUBSIDIARIES
(NOMINAL BCH\$)



MARKET SHARE

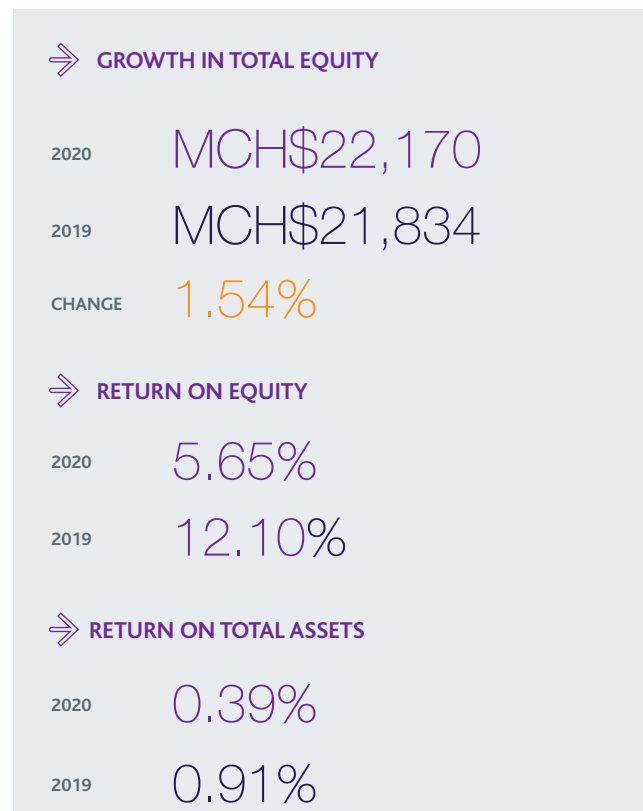
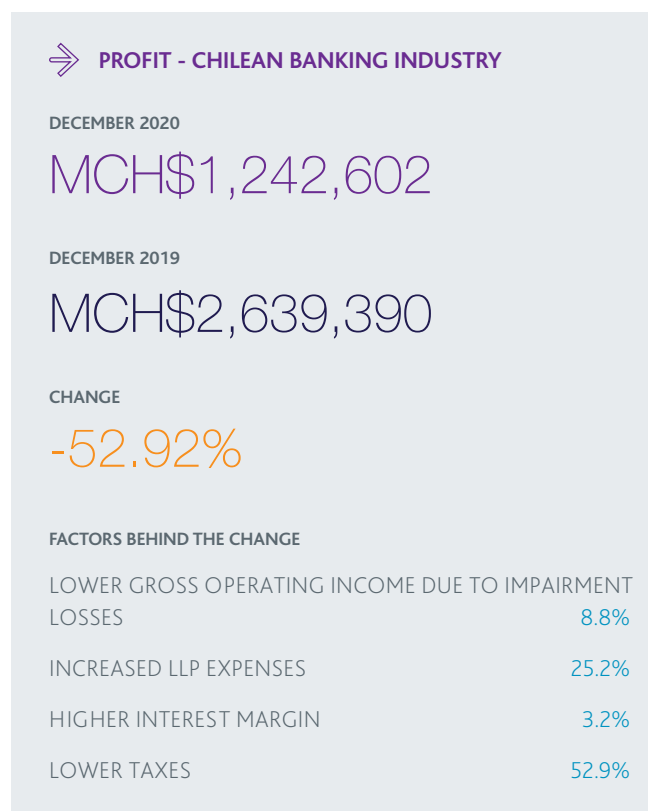


SOURCE: CMF



SOURCE: CMF

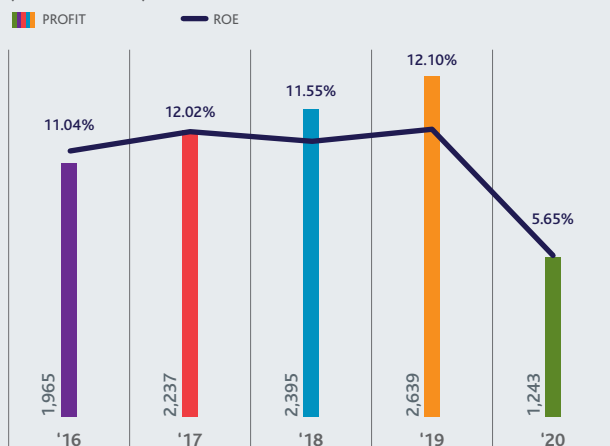
RESULTS





⇒ PROFIT AND ROE - CHILEAN BANKING INDUSTRY

(NOMINAL BCH\$)



SOURCE: CMF

⇒ OPERATING EXPENSES

DECEMBER 2020

MCH\$5,359

DECEMBER 2019

MCH\$5,405

CHANGE

-0.84%

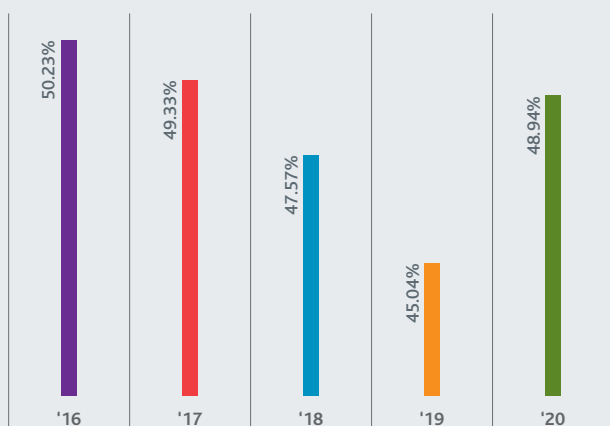
FACTORS BEHIND THE CHANGE

LOWER ADMINISTRATIVE EXPENSES	1.8%
LOWER PAYROLL AND PERSONNEL EXPENSES	1%
INCREASED DEPRECIATION AND AMORTIZATION	2.5%

EFFICIENCY RATIO

⇒ EFFICIENCY RATIO - CHILEAN BANKING INDUSTRY

PERCENTAGE



SOURCE: CMF

⇒ EFFICIENCY RATIO - CHILEAN BANKING INDUSTRY

DECEMBER 2020

48.94%

DECEMBER 2019

45.04%

CHANGE

389 bp

FACTORS BEHIND THE CHANGE

LOWER GROSS OPERATING INCOME	8.8%
LOWER OPERATING EXPENSES	0.8%

EFFICIENCY RATIO	2020	2019
BANCO SANTANDER-CHILE	38.30%	38.30%
BANCO DE CHILE	43.61%	43.20%
SCOTIABANK CHILE	41.98%	46.49%
BANCO DE CRÉDITO E INVERSIONES	47.20%	47.78%
ITAÚ CORPBANCA	343.07%	54.89%
LARGE BANKS	102.83%	46.13%

SOURCE: CMF

EFFICIENCY RATIO	2020	2019
BANCO CONSORCIO	33.04%	32.39%
BANCO SECURITY	47.20%	47.45%
BANCO INTERNACIONAL	38.70%	43.80%
BANCO BICE	49.35%	46.69%
MEDIUM BANKS	42.08%	42.59%
BANKING INDUSTRY	48.94%	45.04%

SOURCE: CMF

RISK

➔ RISK RATIO - CHILEAN BANKING INDUSTRY

DECEMBER 2020

2.71%

DECEMBER 2019

2.56%

CHANGE

15 bps

DISTRIBUTION OF RISK RATIO

RISK RATIO FOR COMMERCIAL LOANS	2.97%
RISK RATIO FOR MORTGAGE LOANS	0.67%
RISK RATIO FOR CONSUMER LOANS	6.78%

➔ NPL RATIO - CHILEAN BANKING INDUSTRY (TOTAL PORTFOLIO)

>90 DAYS PAST DUE

DECEMBER 2020

1.58%

DECEMBER 2019

2.07%

CHANGE

-49 bp

DISTRIBUTION OF NPL RATIO

	2020	2019
CONSUMER LOANS	1.43%	2.51%
MORTGAGE LOANS	1.53%	2.37%
COMMERCIAL LOANS	1.66%	1.84%

CREDIT RISK INDICATORS

CREDIT RISK INDICATORS	DEC-19	DEC-20
LOAN LOSS PROVISIONS / TOTAL LOANS	2.56%	2.71%
NON-PERFORMING LOANS / TOTAL LOANS EXCLUDES LOANS AND ADVANCES TO BANKS	2.07%	1.58%
COMMERCIAL LLP / COMMERCIAL LOANS	2.40%	2.97%
RETAIL LLP / RETAIL LOANS	2.83%	2.40%
MORTGAGE LLP / MORTGAGE LOANS	0.72%	0.67%
CONSUMER LLP / CONSUMER LOANS	7.09%	6.78%

SOURCE: CMF

NONPERFORMING LOANS ARE A STRESSED MEASUREMENT OF THE FORMER PAST DUE PORTFOLIO INDICATOR. INCLUDES THE TOTAL AMOUNT OF THE NONPERFORMING LOAN (> 90 DAYS PAST DUE) EVEN WHEN ONLY ONE OR SOME LOAN INSTALLMENTS (PRINCIPAL AND/OR INTEREST) ARE DELINQUENT. IT ALSO FORMS PART OF THE IMPAIRED PORTFOLIO AND IS PUBLISHED FROM JANUARY 2009 ONWARDS.

RISK RATIO

➔ RISK RATIO - CHILEAN BANKING INDUSTRY

■ NPL PORTFOLIO (PREVIOUS PAST DUE PORTFOLIO) / LOANS

— PROVISIONS / LOANS



SOURCE: CMF



Banco Security

YEAR JOINED GRUPO SECURITY

1991

SERVICE PROPOSAL

Banco Security, the Group's main asset, is a niche bank focused on corporations, large and mid-sized companies, and the high-income retail segment. The Bank's mission is to meet the financial needs of its customers, by delivering excellent service in order to build long-term relationships. It is strengthening its position, by exploring and developing new specializations, which will reinforce its differentiating features, and improve its flexibility and agility to respond to the particular needs of each customer.

2020 MILESTONES

- In March, Mr. Eduardo Olivares Veloso took over as CEO of Banco Security, replacing Mr. Bonifacio Bilbao Hormaeche.
- In April, Mr. Horacio Pavez García resigned from Banco Security's board, which appointed Mr. Bonifacio Bilbao Hormaeche to replace him.
- In December, Mr. Gustavo Pavez Rodríguez resigned from Banco Security's board, which appointed Mr. Juan Cristóbal Pavez Recart to replace him.
- The Treasury Division reported record results this year: MCH\$39,500 (+59% YoY), particularly from the asset management, ALM and distribution desk portfolios.
- For the second consecutive year, Banco Security earned the Customer Experience Award from Praxis Xperience Index (PXI).
- Managerial changes were made in the Risk and the Operations and Technology divisions with the appointment of Mr. Alberto Oviedo and Mr. Ignacio Yussef, respectively.

BANCO SECURITY RESULTS

➔ LOAN PORTFOLIO - BANCO SECURITY

EXCLUDES LOANS AND ADVANCES TO BANKS

2020

MCH\$6,227,358

2019

MCH\$6,051,247

CHANGE

2.91%

➔ POSITION IN THE DOMESTIC MARKET BY TOTAL LOANS

FOR BANKS OPERATING IN CHILE, EXCLUDING LOANS AND ADVANCES TO BANKS AND FOREIGN SUBSIDIARIES OF LOCAL BANKS.

EIGHTH PLACE

➔ LOAN GROWTH IN 2020

BANCO SECURITY

2.91%

INDUSTRY

2.64%

BANCO SECURITY LOAN GROWTH BY SEGMENT

MORTGAGE LOANS

-4.49%

CONSUMER LOANS

-15.86%

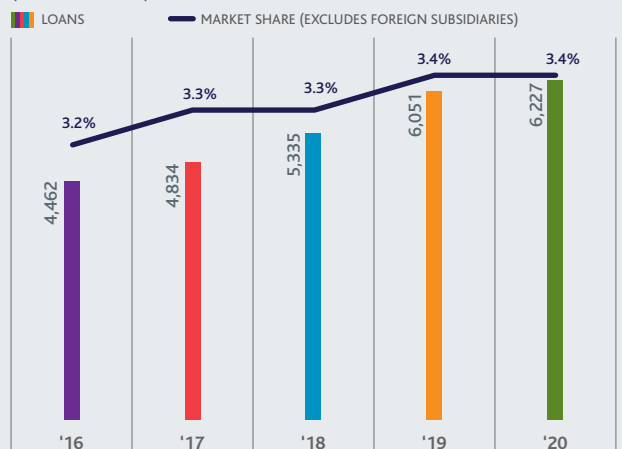
COMMERCIAL LOANS

6.21%



➤ LOAN GROWTH - BANCO SECURITY

(NOMINAL BCH\$)



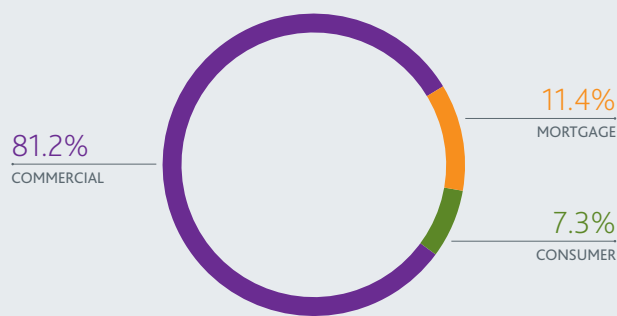
SOURCE: CMF

CONTINGENT LOANS WERE EXCLUDED FROM HISTORICAL LOANS, AS THESE MUST BE EXCLUDED FROM THE BALANCE SHEET WITH EFFECT FROM JANUARY 2008, IN ACCORDANCE WITH NEW STANDARDS.

➤ LOAN PORTFOLIO 2020

EXCLUDES LOANS AND ADVANCES TO BANKS
TOTAL LOANS 2020

MCH\$6,227,358

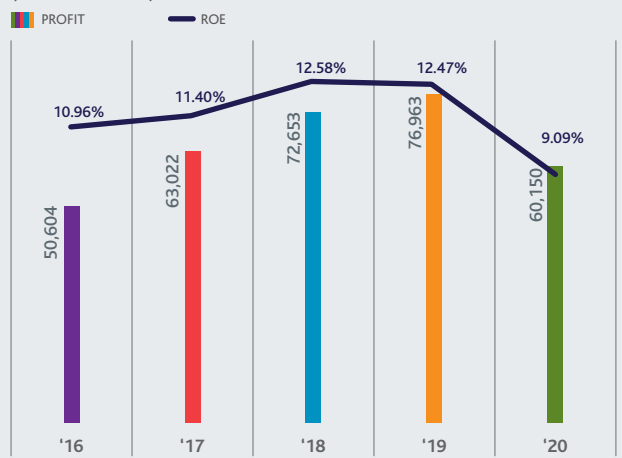


SOURCE: CMF

RESULTS

➤ PROFIT TRENDS - BANCO SECURITY AND SUBSIDIARIES

(NOMINAL MCH\$)



SOURCE: CMF

PROFIT INCLUDES THE RESULTS OF THE SUBSIDIARIES VALORES SECURITY S.A. CORREDORES DE BOLSA AND ADMINISTRADORA GENERAL DE FONDOS SECURITY S.A.

➤ PROFIT FOR THE YEAR - BANCO SECURITY AND SUBSIDIARIES

DECEMBER 2020

MCH\$60,150

DECEMBER 2019

MCH\$76,963

CHANGE

-21.85%

REASONS FOR THE CHANGE

HIGHER LLP EXPENSES	62.8%
LOWER NET FEES AND COMMISSIONS	14.1%
HIGHER NET INTEREST MARGIN	7.61%
LOWER TAX EXPENSE	38.25%

PROFIT INCLUDES THE RESULTS OF THE SUBSIDIARIES VALORES SECURITY S.A. CORREDORES DE BOLSA AND ADMINISTRADORA GENERAL DE FONDOS SECURITY S.A.



⇒ GROWTH IN OPERATING EXPENSES

BANCO SECURITY

0.68%

INDUSTRY AVERAGE

0.84%

REASONS FOR THE CHANGE IN BANCO SECURITY

HIGHER PAYROLL AND PERSONNEL EXPENSES 11.1%

LOWER ADMINISTRATIVE EXPENSES 9.5%

⇒ EFFICIENCY RATIO

2020

47.20%

2019

45.05%

REASONS FOR THE CHANGE

INCREASE IN GROSS OPERATING INCOME 1.2%

INCREASE IN OPERATING EXPENSES 0.68%

⇒ RETURN ON EQUITY - BANCO SECURITY

2020

9.09%

2019

12.47%

RANKING IN THE INDUSTRY

10TH PLACE

RISK

In order to optimize the risk-return ratio, Banco Security's management is charged with properly managing the different types of risks inherent to its business:

- Credit risk
- Market risk
- Liquidity risk
- Operational risk

To do so, it uses clear policies and a defined structure. The risk control areas are independent of those areas that manage risk. Over the past few years, the Bank has been developing new risk models to accurately calculate and manage credit, market and operational and it has designed and implemented various mechanisms to promptly manage them.

Therefore, these models, together with a conservative risk management policy and coordination with sales departments, have enabled the Bank to manage the loan origination process, for both the commercial and retail loan portfolios. This has resulted in credit risk indicators that continue to compare favorably with the industry.

⇒ RISK RATIO - BANCO SECURITY

2020

1.97%

2019

1.66%

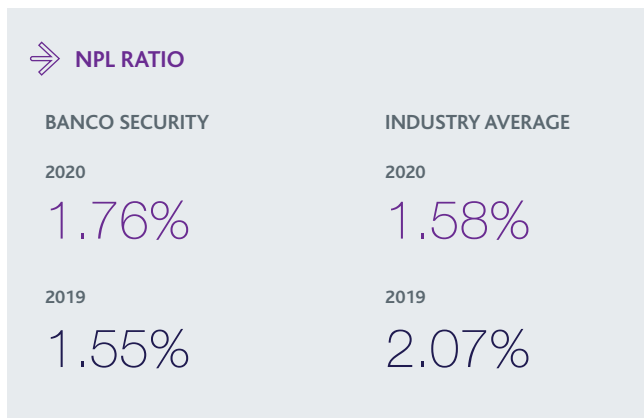
⇒ INDUSTRY AVERAGE RISK RATIO

2020

2.71%

2019

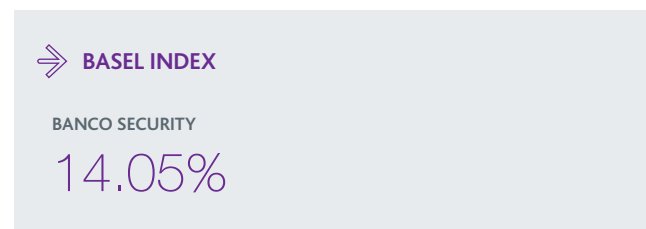
2.56%



CAPITALIZATION

The Bank aims to continually achieve a ratio of regulatory capital to risk-weighted assets higher than 10%, and to remain at or above the 12% most of the time.

Capital contributions plus retained earnings reflect the ongoing commitment and support of our shareholders to the process of strengthening the Bank's capital base. These efforts are designed to position the Bank on strong footing to best address the challenges of loan and asset growth and to gradually meet the stricter requirements for core capital once Basel III is applied.



SOURCE: CMF



SOURCE: CMF



SUBSIDIARIES

Banco Security consolidates the following subsidiaries:



VALORES SECURITY S.A
CORREDORES DE BOLSA
 (99.88%)



ADMINISTRADORA GENERAL
DE FONDOS SECURITY S.A.
 (99.99%)

⇒ PROFIT - VALORES SECURITY

2020

MCH\$1,324

2019

MCH\$-5,834

CHANGE

77.28%

⇒ PROFIT - AGF SECURITY

2020

MCH\$3,837

2019

MCH\$5,210

CHANGE

-26.34%

⇒ VOLUME OF SHARES TRADED - VALORES SECURITY

2020

BCH\$1,275

RANKING OF BROKERS BY VALUE OF SHARES TRADED

14TH PLACE

⇒ MARKET SHARE - AGF SECURITY

2020

5.4%

2019

5.9%

Factoring Security

YEAR JOINED GRUPO SECURITY
1992

SERVICE PROPOSAL

Factoring Security is a specialist factoring and confirming company that solves liquidity problems for its customers and supports their collections management. It has an approach of ongoing innovation and its electronic platform provides services that perform fast, secure transactions throughout Chile. This is complemented by the "Autofactoring" self-service channel, which streamlines factoring in a simple, easy and fast manner.

Factoring Security ranks first with a 30% market share among the members of the Chilean Factoring Companies Association (ACHEF).

2020 MILESTONES

- Launched its "Autofactoring" platform.
- Fitch Ratings maintained Factoring Security's rating at AA- for long-term solvency with a stable outlook.
- Implemented a robot for treasury balances and payments.

⇒ PROFIT

2020

MCH\$9,471

2019

MCH\$9,171

⇒ FACTORED RECEIVABLES

(NOMINAL MCH\$)



SOURCE: CMF



Asset Management

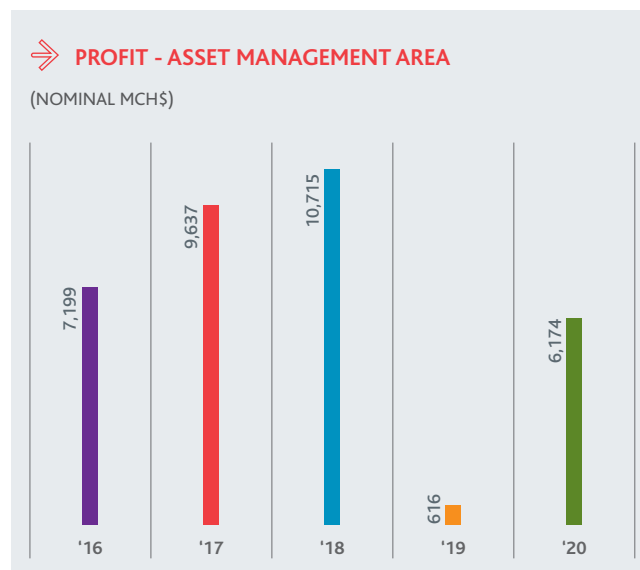
The Asset Management Area encompasses four Grupo Security companies that specialize in asset management and developing financial products for individuals, companies and institutional investors.

It has built a solid reputation over the last three decades, due to an advisory model dedicated to helping customers identify and implement the best solution for their asset management requirements.

The companies that comprise the Asset Management Area are:

- Administradora General de Fondos Security
- Valores Security Corredores de Bolsa
- Securitizadora Security
- Inmobiliaria Casanuestra

Profit for the Asset Management Area for 2020 includes the results of Valores Security (99.87%), AGF Security (99.99%), Global Security Gestión y Servicios (99.77%), Inmobiliaria Casanuestra (99.99%) and Securitizadora Security (99.96%).



SOURCE: GRUPO SECURITY

MAIN ACHIEVEMENTS DURING THE YEAR

- Assets under management reached MUS\$6,446.
- Inversiones Security, including Securitizadora Security, achieved profit of MCH\$6,174 for 2020, up 903% from the previous year, due to lower total expenses of MCH\$35,168 (-18.5% YoY). Total expenses for 2019 include operational risk expenses at the brokerage firm. During 2020, AGF Security advanced from 10th to 5th place in the ranking of asset managers by average returns^[1].

^[1] RANKING PUBLISHED BY EL MERCURIO INVERSIONES ON JANUARY 9, 2021.



Valores Security

YEAR JOINED GRUPO SECURITY

1991

SERVICE PROPOSAL

Valores Security S.A. Corredores de Bolsa specializes in identifying customer needs and proactively, efficiently assisting investors in selecting from among the different investment alternatives available in the Chilean and international markets. For this, it has a team of highly trained asset management and banking specialists and alliances with Pershing LLCBNY Mellon and Banco Inversis S.A. It also provides customers a straightforward, transparent platform for investing globally in various asset classes, by relying on a single account at Valores Security and its recognized experience in trading local debt instruments.

The value of shares traded for Valores Security Corredores de Bolsa totaled BCH\$1,275 with a market share of 2.0%, ranking it 14th place by value of shares traded. Market share is based on transactions on Santiago Exchange and the Chilean Electronic Stock Exchange.

2020 MILESTONES

- International assets under management (AuM) were up 14% in US dollars to MCH\$477,544.

⇒ PROFIT

2020

MCH\$1,326

⇒ TOTAL ASSETS IN CUSTODY AND UNDER MANAGEMENT

MCH\$	12.31.2020	12.31.2019
CUSTODY SERVICES FOR UNRELATED PARTIES	980,545	1,111,062
CUSTODY SERVICES FOR RELATED PARTIES	58,685	71,719
INTERNATIONAL	477,544	421,907
⇒ TOTAL	1,516,774	1,604,688

SOURCE: VALORES SECURITY S.A. CORREDORES DE BOLSA



Administradora General de Fondos Security

YEAR JOINED GRUPO SECURITY

1992

SERVICE PROPOSAL

AGF Security is a leading manager of mutual funds in the Chilean market. It focuses on medium-sized investors, high net worth individuals, companies and institutional investors. It has 28 mutual funds and 18 investment funds. It manages assets exceeding BUS\$4.2 on behalf of over 45,000 customers.

Its solid asset management position is focused on institutional investors, which demand high professional standards. One third of assets under management at the AGF are resources of local and foreign Pension Fund Administrators and insurance companies.

Its market share was 5.4% in 2020.

2020 MILESTONES

- Earned seven Salmón Awards for the following mutual funds: Security Global; Security Index Fund U.S.; Security Emerging Asia; Security Latin America Corporate Debt I.G.; Security Latin American Corporate Debt and Security Index Fund.
- Obtained two other recognitions at the Salmón APV Awards.
- Morningstar named the "Security Global (series F) Fund" as the best international equity fund and the "Security Strategic Balance Fund" as the best mixed fund.
- Placed two alternative international funds. Stepstone Real State Partners IV raised MUS\$17 and Monarch Capital Partners V raised MUS\$46 (Peruvian investors).

⇒ PROFIT

2020

MCH\$3,838

2019

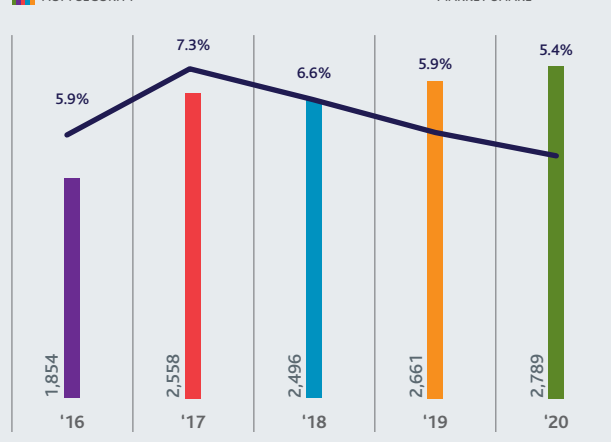
MCH\$5,210

⇒ ASSETS UNDER MANAGEMENT IN MUTUAL FUNDS

(NOMINAL BCH\$)

AUM SECURITY

MARKET SHARE



SOURCE: CHILEAN MUTUAL FUND ASSOCIATION



Securitizadora Security

YEAR JOINED GRUPO SECURITY

1997

SERVICE PROPOSAL

Securitizadora Security is a pioneer in its industry and number one in the ranking of securitized mortgage-backed bonds issuances. It leads the mortgage asset securitization market in Chile and currently manages 11 separate estates, which together owe MUS\$139 in the market in senior bonds. It also manages MUS\$181 in mortgage bonds and residential leasing.

2020 MILESTONES

- First securitization charged to a line inaugurated in 2020 for MUF 5. The company sold UF 667,000 in preferential AAA-rated bonds issued at an interest rate of UF + 2.25% per annum, the lowest rate in the history of such asset securitization in Chile. This issuance has a term of 29.5 years and a duration of 10.5 years. It was placed in October 2020 in a generally uncertain context for investment in Chile.
- Placement of subordinated bonds, categorized AA, issued at UF + 3.30%, for UF 177,000 in nominal value.
- At the end of 2020, the preferred series of the separate BSECS-2 assets was paid, and on January 4, 2021 the entire preferred series of BSECS-3 and BSECS-10 were paid.

⇒ PROFIT

2020

MCH\$969.2

2019

MCH\$1,232

⇒ SEPARATE ESTATES

2020

MUS\$ 181

2019

MUS\$ 145

GROWTH

25%



Inmobiliaria Casanueva

YEAR JOINED GRUPO SECURITY

2015

SERVICE PROPOSAL

Inmobiliaria Casanueva is a residential leasing company that grants housing loans, of which about 80% are subsidized. Its objective is to contribute to the homeownership dreams of customers not served by traditional banks, advising them and granting mortgage loans, with access to housing subsidies provided by the State (MINVU), and geographical coverage from the 4th to the 9th regions.

Since its foundation, Casanueva has directly and indirectly granted more than UF 2,400,000 in loans, and helped more than 2,800 families acquire their own home. All of these assets are grouped together to create separate estates in order to issue and place securitized bonds on the securities market, which are sought after by institutional and qualified investors.

⇒ PROFIT

2020

-MCH\$65.5

⇒ FINANCING ORIGINATED

2020

UF 587.981

2019

UF 592,254

2020 MILESTONES

- Originated UF 590,000 in mortgage assets during the year, of which over 75% received a housing subsidy.
- All the mortgage assets originated by Casanueva were used to issue the securitized bond BSECS15-1.

Insurance

Grupo Security's Insurance Area comprises Vida Security, Corredora de Seguros, Europ Assistance and Hipotecaria Security, which provide a range of services, mainly individual and group life insurance, annuities, general assistance and granting and refinancing mortgage loans.

The 2020 results for the Insurance Area includes Vida Security (99.14%), which includes 51% of its subsidiary Hipotecaria Security, Beneficios (99.90%) and Servicios Security until November due to the merger with Inversiones Previsión Security. Corredora de Seguros Security (99.99%) and Europ Assistance (49%) are considered individually in December.

2020 MILESTONES

- Implemented digital sales tools at Vida Security for all the company's agents.
- Insurance broker increased the number of claims handled by 17%, using a new system. This system automatically sends performance reports to life and health insurance customers, covering 72% of the portfolio.
- Europ Assistance achieved a market share of nearly 33% in vehicle assistance for insurance companies, with over 520,000 vehicles covered. It consolidated its position as a leader in the tele-assistance market, with an estimated market share of 43%.
- Hipotecaria Security Principal maintained its leading position in the mutual mortgage asset management market, with the highest share of loans at 32.6% and mutual management at 33.2% in UF.

➤ PROFIT

2020

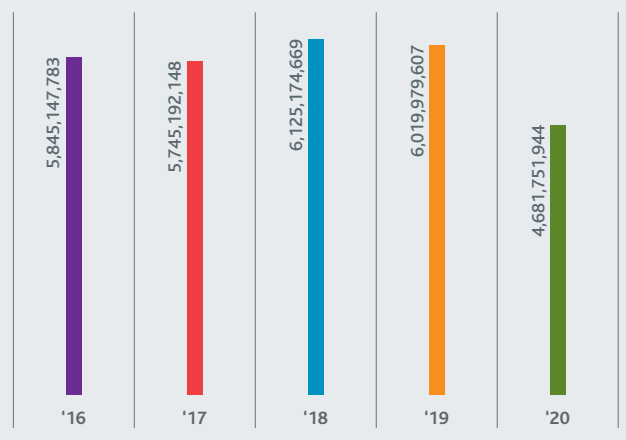
MCH\$23,949

2019

MCH\$20,737

➤ DIRECT WRITTEN PREMIUMS - CHILEAN LIFE INSURANCE MARKET

(NOMINAL MCH\$)



SOURCE: CHILEAN INSURERS ASSOCIATION (AACH)



Vida Security

YEAR JOINED GRUPO SECURITY

1995

SERVICE PROPOSAL

Vida Security is an established company in the insurance industry with a history that goes back 92 years. Its mission is to financially protect people and their families, to preserve their quality of life, improve their standard of health care, to build savings for their golden years, finance projects or manage adverse events. The company provides life insurance, insurance with a savings component, insurance with voluntary retirement savings (APV), life and health insurance for individuals and companies, as well as pension and private annuities.

It has a strong customer-centric commercial structure, based on a multi-channel sales platform operated by specialized executives who provide comprehensive advice to individuals and companies.

As of December 2020, Vida Security ranks sixth in the insurance industry, with a market share of 4.7%, based on gross written premiums.

2020 MILESTONES

- Implemented a comprehensive strategic development plan, which involves executing several important initiatives over the next few years.
- Implemented digital sales tools for all the company's agents.
- Adjusted the approach to working to a combination of face-to-face and remote working, taking care to maintain the trend towards an agile culture.

⇒ PROFIT

2020

MCH\$23,529

2019

MCH\$20,146

GROWTH

16.8%

⇒ GROSS WRITTEN PREMIUMS

2020

MCH\$229,391

2019

MCH\$257,999

⇒ INVESTMENT INCOME IN 2020

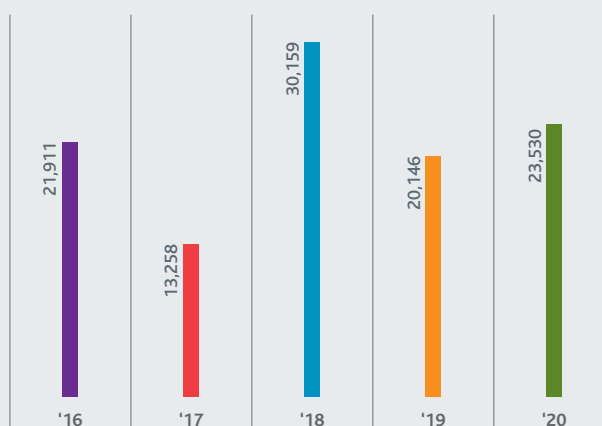
MCH\$107,974

⇒ UNDERWRITING EXPENSES IN 2020

MCH\$32,880

⇒ DIRECT WRITTEN PREMIUMS - VIDA SECURITY

(NOMINAL BCH\$)



SOURCE: CHILEAN INSURERS ASSOCIATION (AACH)

Corredora de Seguros Security

YEAR JOINED GRUPO SECURITY

1999

SERVICE PROPOSAL

Corredora de Seguros Security advises customers on the process of identifying, evaluating and preventing risk, and planning, implementing and managing general, supplemental loan, life, health, group and mortgage insurance programs. Its wide range of insurance products, together with excellent management, a web-based customer service and marketing platform for group products, has earned it market recognition. Its claims department advises and supports large customers in situations where their designs and recommendations are put to the test, with very good results.

The broker ranks sixth in the large company segment, measured by brokered premiums.

- A system was implemented that automatically sends performance reports for life and health insurance customers, covering 72% of the portfolio. It was fully implemented with very good results, since customers were always informed with details of employee trends and behavior.

⇒ PROFIT

2020

MCH\$426

2019

MCH\$617

2020 MILESTONES

- Implemented a group marketing channel through the National Chamber of Real Estate Services (ACOP). It was fully implemented, but as a result of the pandemic, this trade association was unable to continue the project, as all real estate brokers were closed for five months.
- Full remote working was implemented in a short period of time, with all 105 employees working from home.
- The number of claims was slightly lower, given the events of the year. However, these were larger events, which were resolved satisfactorily for our customers. A connection was established with the liquidators, which helped to improve efficiency and response times.



Europ Assistance

YEAR JOINED GRUPO SECURITY

2004

SERVICE PROPOSAL

Europ Assistance is a leading company in the domestic assistance market with a solid local and international reputation. It provides excellent, personalized services covering travel, vehicle, health and home assistance for companies and individuals. It began 57 years ago, and arrived in Chile 16 years ago. It is also in Peru, where it sells its travel assistance services.

During its solid history it has developed competitive products designed to meet the needs of customers, enhanced by services and tools that create extensive satisfaction.

Europ Assistance has a 17% share of the travel assistance market and is one of three leading companies in this industry.

2020 MILESTONES

- Achieved market share of nearly 33% in vehicle assistance among insurance companies, with over 520,000 vehicles covered.
- Consolidated itself as a leader in the tele-assistance market, with an estimated market share of 43%.
- Migrated its entire platform to IP, which streamlined remote working.
- Travel assistance sales decreased by 58% compared to 2019 (MCH\$2,258), due to the COVID-19 pandemic. But this was substantially reversed, though customer retention and building new business valued at MCH\$161.
- Achieved internal savings resulting in profit of MCH\$378 in 2020, with a ratio of 4% over net sales.

⇒ PROFIT

2020

MCH\$347

2019

MCH\$540

⇒ SALES

45%

GROWTH OVER THE LAST FIVE YEARS

⇒ PROFIT

48%

GROWTH OVER THE LAST FIVE YEARS

Hipotecaria Security Principal

YEAR JOINED GRUPO SECURITY

2013

SERVICE PROPOSAL

Hipotecaria Security Principal (HSP) is a leading, non-banking mortgage lender for new and used homes, land, offices and general purposes, as well as mortgage refinancing. Its objective is to provide excellent advisory, origination and management services, in order to supply these products to companies and individuals. Its products include flexible mortgage loans, classic mortgage loans, personalized mortgage loans and universal mortgage loans. In addition, it is constantly working to lay the foundations to be the leading provider of quality endorsable mortgage loans for institutional investors.

There are 15 mutual mortgage financiers that currently report to the Financial Market Commission. The three leading entities have 72% of the market, where Hipotecaria Security Principal leads the list, with a loan share of 32.6% and mutual management of 33.2% in UF.

2020 MILESTONES

- As in 2019, mortgage rates remained low at around 3%, resulting in a large volume of internal and external refinancings and prepayments.
- HSP coordinated with investors who own the mortgage portfolio to grant flexibility to customers by allowing them to defer between three and six installments, as a result of the measures taken by the Government to mitigate the effects of the pandemic on Chilean families.
- Some investors reduced the size of their investments, even suspending the purchase of commercial assets after the changes and uncertainty that the pandemic brought to the local market.

- There was an increase in delinquency between April and September as a result of the pandemic, which peaked at 11.6% in July. Delinquency began to return to pre-contingency levels at around 8%, during the last months of the year.

⇒ PROFIT

2020

MCH\$481

2019

MCH\$1,177



Services

The Services Area complements Grupo Security's other non-financial services and is comprised of Travel Security and Inmobiliaria Security.

The result of the Services Area for 2020 includes Travel Security (83%) and Inmobiliaria Security (99.99%).

MILESTONES 2020

- Inmobiliaria Security obtained approval to sell 238 apartments in the municipalities of Lo Barnechea, Vitacura and Ñuñoa from their respective Municipal Works Departments, which allowed it to complete the respective provisional sales.
- For the third consecutive year, Inmobiliaria Security was included in the Best Place to Live ranking. This ranks the best real estate agencies based on home buyer satisfaction.
- Travel Security concentrated its business into a single location, after restructuring its organization to adapt to reduced volumes and greater efficiency. During the year, the company fully operated online and reduced its monthly fixed costs by 45% by the end of 2020.

⇒ PROFIT

2020

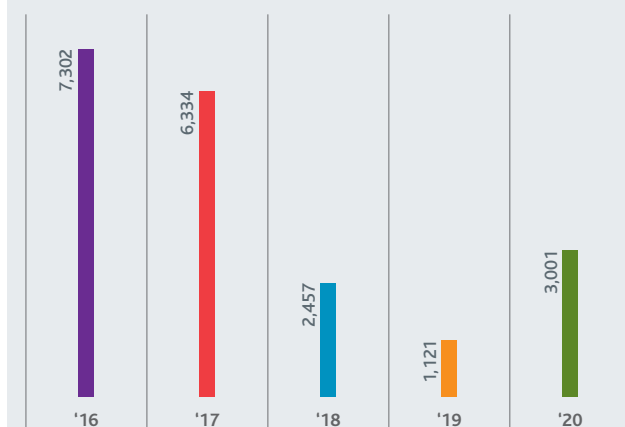
MCH\$3,001

2019

MCH\$1,121

⇒ PROFIT

(NOMINAL MCH\$)



SOURCE: GRUPO SECURITY



Travel Security

YEAR JOINED GRUPO SECURITY

1999

SERVICE PROPOSAL

Travel Security is among the three largest agencies in the market, and a leader in the corporate customer segment, which requires travel services of an excellent standard. Accordingly, it has highly qualified personnel and extensive technology. The company is a member of American Express, the world leader in corporate travel, and Virtuoso, the most prestigious network of travel agencies and premium tourism service providers.

The three largest agencies have 63% of the market, with Travel Security ranked in third place with a 15% market share.

2020 MILESTONES

- Since March, Travel Security was affected by the COVID-19 pandemic, with a significant impact on its sales and revenue.
- There was a high demand for cancellations, refunds, reissues and increased regular travel advice, due to the uncertainty generated by the pandemic and the associated travel restrictions.
- It restructured the organization to adapt to lower volumes and greater efficiency, by implementing new processes, platforms, tools, and sales and credit policies.
- Accordingly, this produced high severance costs as the workforce was reduced by 50%.
- The business was concentrated into one location, which required closing the Isidora Goyenechea and Apoquindo branches.
- The company operated fully online during the year and it had reduced its monthly fixed costs by 45% by the end of the year.

⇒ PROFIT (LOSS)

2020

-MCH\$4,742

2019

MCH\$4,020



Inmobiliaria Security

YEAR JOINED GRUPO SECURITY

1996

SERVICE PROPOSAL

Inmobiliaria Security has an outstanding track record in the Santiago real estate market, investing in and developing residential and office projects, mainly in the northeast sector of the capital. It is distinguished by providing services with a suitable capital structure, using cutting-edge technology and being clearly focused on customer satisfaction.

⇒ PROFIT (LOSS)

2020

MCH\$6,038

2019

-MCH\$2,214

2020 MILESTONES

- For the third consecutive year the company was ranked in the "Best Place to Live" ranking, a rank of the best real estate companies based on homebuyer satisfaction. It was awarded first place in the "Intention to repurchase" category and second place in the "Recommendation index" category for projects valued at over UF 8,000.
- The company obtained approval to sell 238 apartments at Espacio Escondido (63) and Laderas del Valle (16) in Lo Barnechea, Espacio Lo Matta (91) in Vitacura and Espacio Pereira (68) in Ñuñoa from their respective Municipal Works Departments, which allowed it to complete the respective provisional sales.
- During 2020, 186 homes were sold for UF 2,041,580, by far its best year to date, with only a 6% abandonment rate, which compares favorably with the market.
- 84 apartments were provisionally sold, valued at UF 1,201,884.
- The year ended with real estate assets of UF 3,365,862, which compares with UF 4,323,371 for the previous year, a decrease of 22% that reflects high volume of sales completed by transferring ownership.

International

The International Area consolidates Grupo Security's businesses abroad, in accordance with the Group's regional expansion strategy. Its companies are located in Peru and offer various services related to life insurance and reinsurance provided by Protecta, and comprehensive travel services provided by Travex.

The International Area's result for 2020 includes Protecta (61%) and Travex Security (75%), according to the accounting consolidation for Grupo Security. Peruvian accounting standards must be adapted to International Financial Reporting Standards (IFRS) in order to consolidate in Chile the companies located in Peru. These differ from Peruvian accounting standards, especially with respect to the valuation of investment properties and the treatment of deferred acquisition costs.

⇒ PROFIT (LOSS)

2020

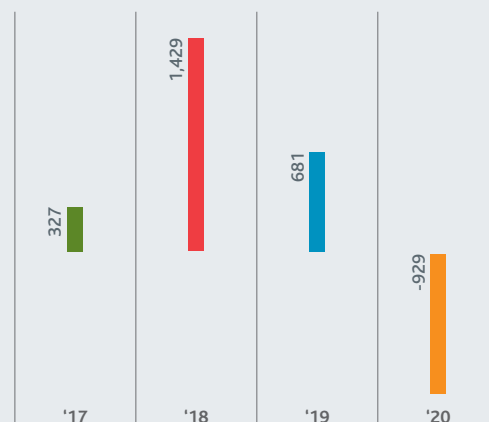
-MCH\$929

2019

MCH\$681

⇒ PROFIT

(NOMINAL MCH\$)



SOURCE: GRUPO SECURITY



Protecta Compañía de Seguros

YEAR JOINED GRUPO SECURITY

2015

SERVICE PROPOSAL

Protecta Security is a life insurance and reinsurance company, which is also licensed to sell general insurance. Its objective is to provide services in a close, agile, simple and transparent manner, while being a proactive business partner for medium-sized brokers and providing them with support, agility and competitiveness so they can provide their customers with high quality services. Protecta currently has over 500,000 customers who appreciate its offering and services.

The company is ranked in second place in the life annuities market with a 23.4% share, and third place in the private annuities market with a 17% share.

2020 MILESTONES

- Annual premium growth of 2.5%, in contrast to industry trends that declined 0.7%.
- Annual profit of MPEN 23.1, similar to 2019, and despite the financial impact of the COVID-19 pandemic and higher claims in certain lines and products.
- Efficiency ratio (expenses/premiums) improved from 9.2% in 2019 to 8.6% in 2020. This is the second best efficiency ratio in the Peruvian insurance industry.
- Decrease in the annuity market due to an increase in medical, civil registry and social security procedures associated with the COVID-19 pandemic and the prolonged quarantine.
- The return on its investment portfolio ranked it in first place among life insurance companies and first place among companies that sell annuities.
- Annual growth in private annuity premiums of 17.8% (MPEN 169).

- Total digitization of SOAT, SCRT and Vida Ley products.
- The core life platform was updated, which will go into production in January 2021, making for agile configuration of new products, marketers and channels, and optimized internal accounting, operational and actuarial processes.

⇒ PROFIT

2020

MPEN 23.1

2019

MPEN 22.6

⇒ PAYMENT PERIOD

50%

OF COMMISSIONS TO BROKERS WITHIN 24 HOURS

⇒ TOTAL ASSETS

2020

MPEN 2,056

2019

MPEN 1,591

ANNUAL GROWTH

29.17%



Travel Security Perú

YEAR JOINED GRUPO SECURITY

2012

SERVICE PROPOSAL

Travel Security in Peru provides comprehensive services focused on corporate customers, which integrates personalization, closeness and technology, and all these aspects provide its services with competitive advantages. It is the exclusive representative of American Express Global Business Travel, a world leader in business travel, which assures the company a substantial corporate transnational market.

⇒ PROFIT (LOSS)

2020

-MPEN 5.99

2019

MPEN 0.07

2020 MILESTONES

- Regional integration of Chile and Peru, focused on the structure of administrative and technology processes, with the objective of integrating these businesses.
- Implemented technological tools that place the company in a privileged position for recovery.
- 2020 was marked by the COVID-19 pandemic, which forced management to introduce greater efficiency into the company's processes and expenses, to improve its productivity and lighten the workload without neglecting its skills.
- Implemented remote working for all the company's service, support and administration departments.
- Implemented digital products for the MICE unit, which kept customer attention and generated revenue.
- Implemented new products that supported sanitary restrictions, such as quarantine hotels, sanitized transfers, digital events and room office. These products demonstrated Travel Security's capacity to adapt.
- Introduced a cost reduction plan, which reduced administrative and personnel expenses by 65%.
- Renegotiated land services and MICE agreements, in order to improve profitability.





05

COMPANY INFORMATION

Support

Our employees demonstrated their commitment to teamwork and customer closeness during this difficult year.

⇒ MCH\$41,657

Dividends paid during 2020

⇒ 91.67%

2020 stock market presence

⇒ 8.2

Price/earnings ratio 2020

⇒ 486

Shareholders in 2020

GRUPO security



Company Information

ARTICLES OF INCORPORATION

Sociedad de Inversiones Grupo Security S.A. was incorporated by public instrument on February 8, 1991, before notary public Mr. Enrique Morgan Torres. The respective extract of the articles of incorporation was published in the Official Gazette on February 22, 1991. It was registered on February 19, 1991, in the Santiago Commerce Registry on page 5,720, number 2,820.

Grupo Security is a publicly traded corporation that was registered in the Securities Registry under number 0499 on January 30, 1995, and, therefore, is supervised by the CMF. A shareholders' meeting held on October 20, 1997, approved a legal name change from Security Holdings S.A. to the Company's current name Grupo Security S.A.

REGULATORY FRAMEWORK

Grupo Security and its subsidiaries fully comply with the current regulatory framework that applies to its businesses, which is set

forth in the General Banking Law, the Insurance Law, the Capital Markets Law, the Corporations Law, and all laws and regulations that apply to Grupo Security's businesses.

OWNERSHIP STRUCTURE

Grupo Security does not have a controller, as defined in Article 97 of Section XV of the Securities Market Law. A group of shareholders with around a 72.87% interest has a share transfer agreement and has actively participated in the Group's management since its founding in 1991. Since that date, Grupo Security has created and incorporated new subsidiaries and development areas, expanding its business base in the financial sector and positioning itself as a first-rate provider of comprehensive financial services.

As of December 31, 2020, the Group has 4,042,290,725 single-series shares and 486 registered shareholders.

As of December 31, 2020, Grupo Security's 12 largest shareholders were:

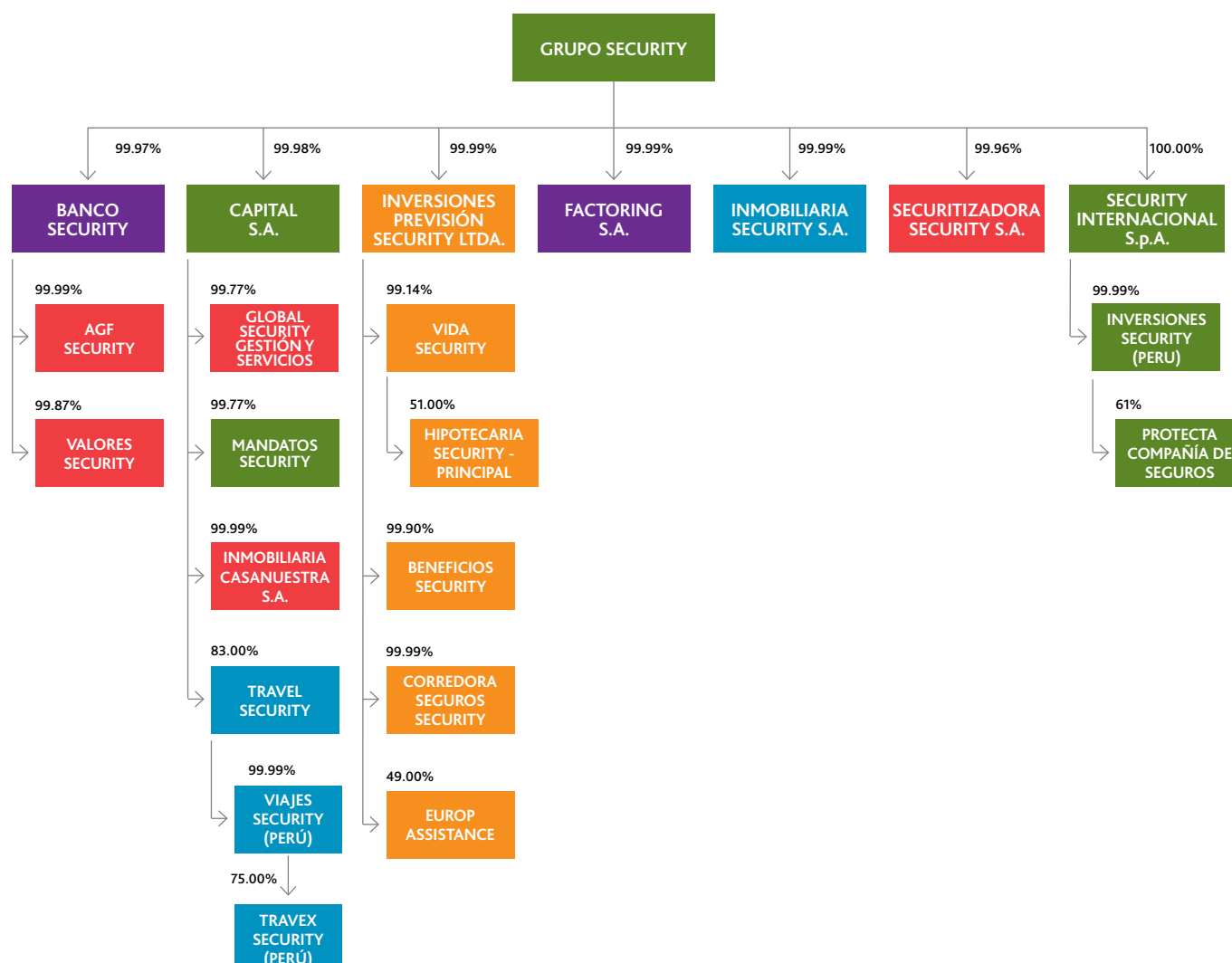
NAME OR CORPORATE NAME	NUMBER OF SUBSCRIBED SHARES	Number of paid shares	% OWNERSHIP ⁽¹⁾	% ACCUMULATED OWNERSHIP
CENTINELA SPA	384,000,000	384,000,000	9.50%	9.50%
SOCIEDAD DE AHORRO MATYCO LIMITADA	373,744,200	373,744,200	9.25%	18.75%
INVERSIONES HEMACO LIMITADA	344,857,609	344,857,609	8.53%	27.28%
ARCOINVEST CHILE S.A.	252,305,012	252,305,012	6.24%	33.52%
INVERSIONES LLASCAHUE LIMITADA	158,800,000	158,800,000	3.93%	37.45%
SOCIEDAD DE AHORRO ALISIOS DOS LIMITADA	152,920,716	152,920,716	3.78%	41.23%
SOCIEDAD DE AHORRO ATACALCO DOS LIMITADA	152,879,473	152,879,473	3.78%	45.01%
SOCIEDAD DE AHORRO TENAYA DOS LIMITADA	152,879,472	152,879,472	3.78%	48.79%
VALORES SECURITY S.A. CORREDORES DE BOLSA	152,630,919	152,630,919	3.78%	52.57%
BOLSA DE COMERCIO DE SANTIAGO BOLSA DE VALORES	143,666,559	143,666,559	3.55%	56.12%
SOCIEDAD COMERCIAL DE SERVICIOS E INVERSIONES LIMITADA	138,000,000	138,000,000	3.41%	59.53%
INVERSIONES HIDROELÉCTRICAS DOS SPA	95,213,135	95,213,135	2.36%	61.89%

In accordance with General Standard 30 issued by the Financial Market Commission, the following individuals directly or indirectly, as individuals or through legal entities, own 10% or more of Grupo Security S.A. as of December 31, 2020: Mr. Juan Cristóbal Pavez Recart (Group director) Chilean ID number 9.901.478-4, in representation of himself, his father, his mother and his sisters, with a 12.91% interest through Inversiones Centinela SpA and Sociedad Comercial de Servicios e Inversiones Ltda.; Mr. Horacio Pavez García (Group director) Chilean ID number 3.899.021-7, in representation of himself and his sons

and daughters with a 11.35% interest through Sociedad de Ahorro Tenaya Dos Ltda., Sociedad de Ahorro Atacalco Dos Ltda. and Sociedad de Ahorro Alisios Dos Ltda.; and Mr. Jorge Marín Correa, Chilean ID number 7.639.707-4, in representation of himself, his spouse, his sons, daughters, brothers, sisters, nieces, nephews, aunts and uncles with a 10.95% interest through Inversiones Hemaco Ltda., Polo Sur Soc. de Rentas Ltda., Rentas e Inv. San Antonio Ltda., Sociedad de Rentas Don Ernesto Ltda. and Don Guillermo S.A.

CORPORATE STRUCTURE

The following chart shows the corporate structure and ownership interests between Grupo Security and its subsidiaries:





DIVIDEND POLICY

The current dividend policy, approved at the annual general meeting in 2020, agreed to distribute at least 30% of profit for the year, split into an interim and a final dividend. It agreed first to authorize the board of directors to distribute an interim dividend between October and November of each year as appropriate, charged to the company's profit for January to June of that year, and second to distribute a final dividend in April or May of 2021 to reach 30% of the company's profit.

The meeting also agreed to distribute an additional dividend out of retained earnings for prior years of CH\$4.5 per share, and authorized the board of directors to set its payment date during 2020.

MCH\$	2016	2017	2018	2019	2020
Profit for the year	74,522	74,708	80,548	81,156	65,146
Dividends paid during the year	37,471	41,273	43,417	45,264	41,657

DIVIDENDS PAID

The following table lists the dividends paid to Grupo Security shareholders since the Company's IPO in 1995.

NUMBER	DATE	DIVIDEND PER SHARE IN CH\$	NO. OF SHARES	AMOUNT IN MCH\$	TYPE OF DIVIDEND
1	February 25, 1995	12.36	170,827,056	2,111	Interim
2	May 03, 1996	11.00	236,388,722	2,600	Final
3	May 02, 1997	14.00	236,388,722	3,309	Final
4	November 14, 1997	1.00	1,654,721,054	1,655	Interim
5	May 05, 1998	1.50	1,654,721,054	2,482	Final
6	October 07, 1998	1.00	1,654,721,054	1,655	Interim
7	October 07, 1998	4.50	1,654,721,054	7,446	Final
8	April 06, 1999	2.00	1,654,721,054	3,309	Final
9	October 14, 1999	1.00	1,654,721,054	1,655	Final
10	October 14, 1999	0.50	1,654,721,054	827	Interim
11	April 11, 2000	2.75	1,654,721,054	4,550	Final
12	October 21, 2000	1.00	1,654,721,054	1,655	Final
13	October 21, 2000	0.25	1,654,721,054	414	Interim
14	April 24, 2001	2.00	1,654,721,054	3,309	Final
15	October 17, 2001	0.40	1,654,721,054	662	Final
16	October 17, 2001	0.60	1,654,721,054	993	Final
17	April 30, 2002	2.20	1,654,721,054	3,640	Final
18	October 10, 2002	0.27	1,654,721,054	448	Interim
19	October 10, 2002	0.33	1,654,721,054	546	Final
20	May 02, 2003	2.60	1,654,721,000	4,302	Final
21	October 14, 2003	0.74	1,654,721,054	1,228	Final
22	October 14, 2003	0.76	1,654,721,054	1,254	Interim
23	April 30, 2004	3.15	1,654,721,054	5,212	Final
24	October 01, 2004	0.50	1,751,470,139	876	Interim
25	October 01, 2004	1.00	1,751,470,139	1,751	Final
26	April 19, 2005	3.30	2,040,264,415	6,733	Final
27	October 11, 2005	0.75	2,040,264,415	1,530	Interim
28	October 11, 2005	1.00	2,040,264,415	2,040	Final
29	April 13, 2006	3.75	2,201,000,000	8,254	Final
30	October 10, 2006	1.15	2,201,000,000	2,531	Final
31	October 10, 2006	1.00	2,201,000,000	2,201	Interim
32	April 17, 2007	4.15	2,201,000,000	9,134	Final
33	October 24, 2007	1.10	2,201,000,000	2,421	Final
34	October 24, 2007	1.70	2,201,000,000	3,742	Interim
35	April 11, 2008	4.80	2,201,000,000	10,565	Final
36	October 09, 2008	0.50	2,201,000,000	1,101	Interim
37	October 09, 2008	1.50	2,201,000,000	3,302	Final
38	April 09, 2009	4.25	2,201,000,000	9,354	Final
39	October 09, 2009	1.50	2,550,000,000	3,825	Final
40	October 09, 2009	1.00	2,550,000,000	2,550	Interim
41	April 30, 2010	5.00	2,550,000,000	12,750	Final
42	October 15, 2010	1.00	2,550,000,000	2,550	Interim
43	October 15, 2010	2.00	2,550,000,000	5,100	Final
44	March 29, 2011	6.50	2,550,000,000	16,575	Final
45	October 14, 2011	2.25	2,882,258,605	6,485	Final
46	October 14, 2011	1.00	2,882,258,605	2,882	Interim
47	March 31, 2012	6.75	2,882,258,605	19,455	Final
48	October 19, 2012	2.25	2,882,258,605	6,485	Final
49	October 19, 2012	1.00	2,882,258,605	2,882	Interim
50	May 24, 2013	7.00	2,882,258,605	20,176	Final
51	November 14, 2013	1.50	3,183,674,667	4,776	Final
52	November 14, 2013	1.00	3,183,674,667	3,184	Interim
53	April 22, 2014	5.00	3,183,676,610	15,918	Final
54	October 18, 2014	1.50	3,228,757,947	4,843	Interim
55	October 18, 2014	2.00	3,228,757,947	6,458	Final
56	April 23, 2015	6.75	3,242,722,621	21,888	Final
57	October 30, 2015	2.00	3,258,363,592	6,517	Interim
58	October 30, 2015	2.00	3,258,363,592	6,517	Final
59	May 09, 2016	7.25	3,258,363,592	23,623	Final
60	November 07, 2016	2.00	3,258,363,592	6,517	Interim
61	November 07, 2016	2.25	3,258,363,592	7,331	Final
62	May 08, 2017	7.75	3,258,363,592	25,252	Final
63	November 03, 2017	1.75	3,683,019,437	6,445	Interim
64	November 03, 2017	2.60	3,683,019,437	9,576	Final
65	April 23, 2018	7.25	3,695,000,000	26,789	Final
66	October 25, 2018	1.90	3,695,000,000	7,021	Interim
67	October 25, 2018	2.60	3,695,000,000	9,607	Final
68	May 10, 2019	7.45	3,695,000,000	27,528	Final
69	October 25, 2019	2.20	3,695,000,000	8,129	Interim
70	October 25, 2019	2.60	3,695,000,000	9,607	Final
71	April 20, 2020	7.45	3,695,000,000	27,528	Final
72	October 29, 2020	0.75	4,042,290,503	3,032	Interim
73	October 29, 2020	2.75	4,042,290,503	11,116	Temporary



STOCK PERFORMANCE



STOCK PERFORMANCE GRUPO SECURITY

PRICE IN CH\$ (NOT DIVIDEND ADJUSTED)

2020



131.93

2019



195.62



STOCK PERFORMANCE GRUPO SECURITY

GROWTH % OVER THE PREVIOUS YEAR
(DIVIDEND ADJUSTED)

2020



28.4%

2019



29.6%



MARKET PRESENCE GRUPO SECURITY

PRESENCE % (4Q)

2020

91.67%

2019



99.44%



PRICE/EARNINGS GRUPO SECURITY

PRICE/EARNINGS RATIO (TIMES)

2020



8.2

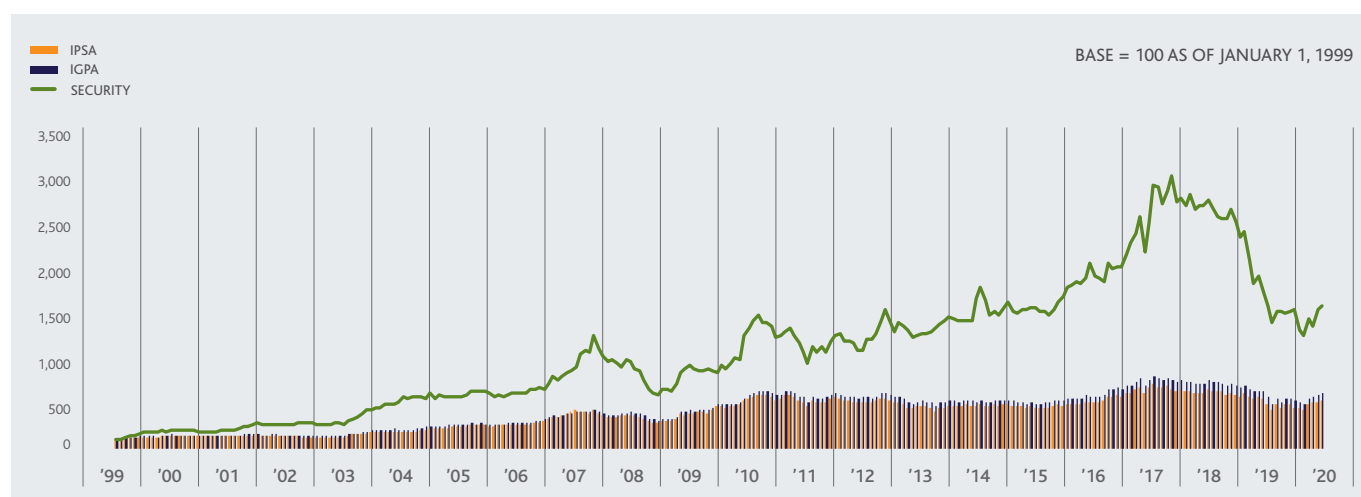
2019



8.9

NOTE: MARKET PRESENCE IS CALCULATED IN ACCORDANCE WITH CMF GENERAL RULE 327 DATED 01/17/2012. IT INCLUDES TRANSACTIONS ON SANTIAGO EXCHANGE AND THE CHILEAN ELECTRONIC STOCK EXCHANGE THROUGH TO THE DAY BEFORE THE INDICATED DATES.

HISTORY OF SECURITY STOCK, IPSA AND IGPA



ANNUAL VARIATION IN SECURITY STOCK AND IPSA

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
SECURITY	-18%	13%	0%	27%	-6.8%	25.2%	31.2%	7.9%	-29.6%	-28.4%
IPSA	-15%	3%	-14%	4.10%	-4.4%	12.8%	34.0%	-8.3%	-8.5%	-10.6%

SOURCE: ECONOMATICA

NOTE: RETURN CALCULATED BASED ON DIVIDEND ADJUSTED CLOSING PRICE.



STOCK MARKET INDICATORS AND TRANSACTIONS

The following table shows Grupo Security's year-end stock market indicators between 2019 and 2020.

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Price in CH\$ (not dividend adjusted)	175.0	187.0	177.0	215.9	190.7	225.9	280.1	290.9	195.62	131.93
Earnings per Share CH\$	14.5	16.2	15.7	18.9	20.0	22.9	20.3	21.8	22.0	16.1
Price/Earnings	12.0	11.6	11.3	11.4	9.6	9.9	13.8	13.3	8.9	8.2
Price/Book Value	1.3	1.4	1.2	1.3	1.1	1.3	1.5	1.5	0.9	0.6
Market Presence	94.0%	93.2%	96.8%	98.0%	67.8%	60.6%	96.1%	97.20%	99.44%	91.7%
Number of Shares (millions)	2,882	2,882	3,184	3,232	3,258	3,258	3,683	3695	3695	4042
Market Value (MUS\$)	967	1,126	1,076	1,149	878	1,104	1,677	1,545	971	750

SOURCE: ECONOMATICA

The following table shows the transactions of Grupo Security, the number of shares traded, trading value in Chilean pesos and the average price in recent years:

QUARTER	NO. OF SHARES (IN THOUSANDS)	TRADING VALUE (THCH\$)	AVERAGE PRICE (CH\$)
1 st Quarter 2019	170,823	48,688,885	285
2 nd Quarter 2019	101,210	27,878,176	275
3 rd Quarter 2019	80,491	20,482,986	254
4 th Quarter 2019	136,768	29,216,849	214
2019	489,291	126,266,895	258
1 st Quarter 2020	208,814	35,228,453	169
2 nd Quarter 2020	159,308	23,442,202	147
3 rd Quarter 2020	124,003	18,328,252	148
4 th Quarter 2020	106,101	13,980,959	132
2020	598,226	90,979,866	152

SOURCE: FIGURES FOR NUMBER OF SHARES AND TRADED VALUE COME FROM SANTIAGO EXCHANGE AND THE CHILEAN ELECTRONIC STOCK EXCHANGE.

DATE	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1Q 2020	2Q 2020	3Q 2020	4Q 2020
Quarterly Market Presence	99.44%	100.00%	99.44%	99.44%	98.89%	98.33%	95.00%	91.67%

SOURCE: DCV

NOTE: MARKET PRESENCE IS CALCULATED IN ACCORDANCE WITH CMF GENERAL RULE 327 DATED 01/17/2012. IT INCLUDES TRANSACTIONS ON SANTIAGO EXCHANGE AND THE CHILEAN ELECTRONIC STOCK EXCHANGE THROUGH TO THE DAY BEFORE THE INDICATED DATES.



RISK ANALYSIS AND MANAGEMENT

The environments of Grupo Security's businesses are strongly influenced by changes and uncertainty. The Group manages these by clearly identifying its risks and applying preventive and mitigation measures.

GENERAL RISKS



RISKS ASSOCIATED WITH GENERAL ECONOMIC PERFORMANCE

The performance of Grupo Security subsidiaries is correlated to economic and financial conditions that, in turn, are dependent on monetary policy, which results in reduced growth of income and profits under restrictive conditions and the opposite under expansionary conditions.



COMPETITION IN ALL GROUP BUSINESS AREAS

The industries in which the Group competes are known for being highly competitive, especially the banking and insurance industries, and trending toward decreased margins. The mergers and alliances that arise between competitors are proof of the competition that Group companies face. Despite the potential challenges to the companies, the possible negative effects of competition are deemed to be offset by Grupo Security's solid brand image in its target market, strong customer loyalty and the niche strategy that drives its development. This has allowed Grupo Security to earn a favorable market position with which to face future competition.



REGULATORY CHANGES

The banking and insurance industries in which the Group does business are government-regulated and are consequently subject to potential regulatory changes over time. However, this risk is estimated to be low thanks to market transparency,

the considerable development of these industries and their excellent global reputation.

RISKS ASSOCIATED WITH THE FINANCIAL BUSINESS



CREDIT RISK

Credit risk is dependent on monetary policy, which ultimately determines a customers' payment capacity. In 2008, a general deterioration was seen in the system's loan portfolio, which was reflected in higher risk and delinquency ratios. Since 2011 there has been a change in trend, with an improvement in risks. Meanwhile, Banco Security has consistently kept its risks below industry averages.



MARKET RISK

The main market risks facing the Chilean banking industry are inflation and interest rate risk. As a result, Grupo Security has established market risk policies, procedures and limits to manage its maturity and exchange rate exposure in accordance with its own objectives and regulatory limits. In particular, the bank, its subsidiaries and the insurance companies have implemented a special system for controlling interest rate risk that also allows ongoing monitoring of their medium and long-term investment portfolios.



RISKS ASSOCIATED WITH INTERNATIONAL FINANCIAL MARKET VOLATILITY

The Chilean economy and its markets generally operate within international markets and may be affected by external shocks. The volatility of world financial markets and changes in global economic conditions can negatively affect the performance of local and international assets and risk premiums demanded by investors.



INTEREST RATE RISK

As of December 31, 2020, the Company has loans at reasonable rates based on current market conditions.



FOREIGN EXCHANGE RISK

Grupo Security has implemented the policy of matching foreign currency transactions with financial institutions to sales transactions in the same currency.



COMMODITY RISK

As of December 31, 2020, Grupo Security does not have any significant assets or liabilities in commodities.

RISKS ASSOCIATED WITH THE INSURANCE BUSINESS



LOCAL FINANCIAL RISKS

Decreases in medium- and long-term interest rates could affect the performance of life annuity-backing assets and guaranteed-return investment accounts when investments with shorter maturities must be made, creating a medium-term operating deficit.



MORTALITY AND MORBIDITY RATES

Increases in morbidity rates could cause the number of catastrophic claims to rise in the medium-term and the number of medical reimbursement claims to increase in the short term. If companies do not adjust to the new structure of the mortality curves, the decrease in adult mortality rates could negatively affect the income expected from the annuities area.



INDUSTRY STRUCTURE

The large number of insurance industry players can lead to company closures and mergers. Consequently, the current industry structure may vary, triggering adjustments to sales systems and operating margins.



REINSURANCE INDUSTRY

The current trend toward concentration of re-insurance companies could affect the variety of coverage options and could prevent the reinsurance of risks that are currently backed thanks to the strong competition that until recently had existed in this market.

RISK RATING

	GRUPO SECURITY	BANCO SECURITY	VIDA SECURITY	FACTORING SECURITY	INVERSIONES PREVISIÓN SECURITY
FITCH RATINGS (LOCAL)	AA-	AA	AA-	AA-	A+
ICR (LOCAL)	AA-	AA	AA	AA-	A+
FITCH RATINGS (INTERNATIONAL)		BBB			

GRUPO SECURITY

FITCH RATINGS



GRUPO SECURITY RATING

AA- for solvency and bonds with a stable outlook



COMMENTS AND BASIS FOR RISK RATING

- Rating confirmed in June 2020.
- According to Fitch Ratings, Grupo Security has clear positioning in its lending, asset management and life insurance businesses.
- It highlighted its customer base and clearly expanding organic revenue, together with the Company's inorganic growth through recent acquisitions.
- The report also mentioned that the directors of Grupo Security have extensive experience in the financial sector, and the owners are strongly committed to management.

GRUPO SECURITY

ICR



GRUPO SECURITY RATING

AA- for solvency and bonds with a stable outlook



COMMENTS AND BASIS FOR RISK RATING

- Rating confirmed in May 2020.
- Valued the solvency of Grupo Security's subsidiaries.
- Emphasized the Group's robust liquidity.
- Valued the stability of the cash flows received by Grupo Security from its subsidiaries.



BANCO SECURITY FITCH RATINGS (LOCAL)



BANCO SECURITY RATING

- All ratings were confirmed in June 2020, with a stable outlook.
- AA for long-term deposits, mortgage bonds and performance bonds.
- A+ for subordinated bonds.
- N1+ for short-term deposits.



COMMENTS AND BASIS FOR RISK RATING

- Rating upgraded based on the Bank's financial profile improvements, reflected in a consistent strategy, sustained growth in profitability indicators and positive growth in equity.
- Emphasized the good quality of its management and banking vision, which integrates synergies with its subsidiaries.
- Recognized the increased diversification of recurring revenue, which decreased its exposure to volatility within its financial variables.

BANCO SECURITY ICR (LOCAL)



BANCO SECURITY RATING

- All ratings were confirmed in June 2020, with a stable outlook.
- AA for solvency, long-term deposits, mortgage bonds and performance bonds.
- N1+ for short-term deposits.
- AA- for subordinated bonds.



COMMENTS AND BASIS FOR RISK RATING

- Recognized a consistent strategy, which achieved increases in commercial loans and strengthened the consumer segment, compared to the industry and its peers.
- Emphasized a loan portfolio with appropriate risk exposure.
- Appropriate capital adequacy, similar to the industry average.
- Emphasized growth in profit, and the profitability and efficiency increases were greater than the industry.

BANCO SECURITY FITCH RATINGS (INTERNATIONAL)



BANCO SECURITY RATING

- BBB long-term, with a negative outlook.
- F3 short-term.
- First rating published on February 14, 2020 (BBB+ and F2).
- Rating modified on October 23, 2020 (BBB).



COMMENTS AND BASIS FOR RISK RATING

- Rating based on intrinsic solvency.
- Emphasized consistent strategy and moderate risk appetite.
- Quality ratios of stable assets.
- October 15, 2020: Chile's sovereign rating downgraded from A to A- due to weakening of public finances. In light of a deteriorating operational environment, risk ratings of domestic banks were reviewed, leading to the downgrading of Banco Security, from BBB+ to BBB, published on October 23, 2020.



VIDA SECURITY FITCH RATINGS



VIDA SECURITY RATING

AA-(cl), with a stable outlook. Rating confirmed in June 2020.



COMMENTS AND BASIS FOR RISK RATING

- Emphasized appropriate product diversification, which indicates that it is a significant company in the insurance with savings components and health markets.
- Mentioned capitalization and leverage indicators within favorable ranges according to Fitch.

VIDA SECURITY ICR



VIDA SECURITY RATING

AA with a stable outlook. Rating confirmed in April 2020.



COMMENTS AND BASIS FOR RISK RATING

- Rating based on its competitive position and wide range of products.
- Mentioned the high recurrence of technical income and its capacity to sustainably generate profits.
- Emphasized the financial and management support provided by Grupo Security, which provide greater sustainability to the business.

INVERSIONES PREVISIÓN SECURITY FITCH RATINGS



VIDA SECURITY RATING

A+ for long-term solvency and bond lines. Rating confirmed in June 2020 with a stable outlook.



COMMENTS AND BASIS FOR RISK RATING

- Rating based on debt indicators that are appropriate for the business.
- Emphasized the strength of its main asset, Vida Security, with a moderate business profile and a strict regulatory framework, given its focus on the pension business.

INVERSIONES PREVISIÓN SECURITY ICR



VIDA SECURITY RATING

A+ for solvency and bonds. Rating confirmed in July 2020 with a stable outlook.



COMMENTS AND BASIS FOR RISK RATING

- Rating based on its main subsidiary, Vida Security, within a regulatory framework that supports its solvency.
- Holds a controlling interest in all its subsidiaries and influences dividend policies.
- Emphasized access to liquidity from the cash flows of more than one subsidiary, access to financing in the market and the support of Grupo Security if necessary.



FACTORING SECURITY

FITCH RATINGS



FACTORING SECURITY RATING

- Ratings confirmed in June 2020, with stable outlook.
- AA- for long-term domestic.
- N1+ for short-term domestic.



COMMENTS AND BASIS FOR RISK RATING

- Emphasized the parent company's ability and willingness to provide support, and the strategic importance of Factoring Security, making support from Grupo Security highly likely.

FACTORING SECURITY

ICR



FACTORING SECURITY RATING

- Rating confirmed in May 2020.
- AA- for solvency and bonds.
- N1+ for commercial paper.



COMMENTS AND BASIS FOR RISK RATING

- Emphasized the support of Grupo Security, which provides solid financial and credit guarantees and access to the parent company's broad portfolio of customers, and support from corporate departments.
- Mentioned sustained growth in loans, good portfolio fragmentation and broad diversification by geographical area and economic sector.
- Improved risk indices.
- Well-diversified financing sources.

INVESTMENT PLANS

Grupo Security increased its capital in 2020, which raised MCH\$51,555 during the preferential option period, as 322,220,568 shares were subscribed at a value of CH\$160 per share, which represents 78% of the issuance. The remaining 92 million shares were granted on a prorated basis—approximately 0.28 shares for each share subscribed—to the shareholders participating in this increase, to be acquired by them for CH\$160 per share before February 2022.

By the close of 2020, a total of MCH\$55,567 has been raised, which represents 83.69% of the issuance.

These funds will be used to develop the subsidiaries, and especially to capitalize Banco Security with up to 70% of the agreed amount. This will encourage its high growth rates to continue, and finance any other subsidiary that may require it, together with financing Grupo Security's investment plan. However, this percentage may vary depending on market conditions or its requirements.

PERSONNEL AND COMPENSATION

As of December 31, 2020, Grupo Security S.A. and its subsidiaries had a total of 3,256 employees, or 17.8% less than as of December 31, 2019.

The Company's team of associates, a key contributing factor to the organization's sustained growth, has a considerable percentage of female employees (61.5% of the total workforce).

During 2020, Grupo Security's senior executives received total compensation of CH\$3,370,859,876 (CH\$2,274,834,276 in 2019). Benefits totaled CH\$1,150,768,093 (CH\$1,303,603,721 in 2019).

Moreover, both Grupo Security and its subsidiaries have target-based incentive plans in place. The targets involve profits, efficiency, return on equity and reserves as well as annual budget compliance. Each company directly incurs the expenses associated with its incentive plan.

The Company does not have any share-based plans or benefits.

SALARY GAP BY GENDER

POSITION	2020 SALARY GAP (AVERAGE SALARY WOMAN/AVERAGE SALARY MAN)
Junior administrative staff	97%
Mid-range administrative staff	101%
Senior administrative staff	85%
Junior professionals	74%
Mid-range professionals	89%
Senior professionals	85%
Mid-range supervisors	91%
Senior supervisors	98%
Mid-range deputy managers	93%
Senior deputy managers	96%
Junior executives	80%
Mid-range executives	82%
Senior executives	81%

* DOES NOT INCLUDE SALES FORCE
SOURCE: GRUPO SECURITY



ORGANIZATIONAL DIVERSITY



NUMBER OF EMPLOYEES BY GENDER

	EMPLOYEES
Men	1,252
Women	2,004
TOTAL	3,256

SOURCE: GRUPO SECURITY

➤ NUMBER OF EMPLOYEES BY GENDER



NUMBER OF EMPLOYEES BY NATIONALITY

	EMPLOYEES
Domestic(*)	3,044
Foreign	212
TOTAL	3,256

(*) INCLUDES PERUVIANS WORKING IN PERU

SOURCE: GRUPO SECURITY

➤ NUMBER OF EMPLOYEES BY NATIONALITY

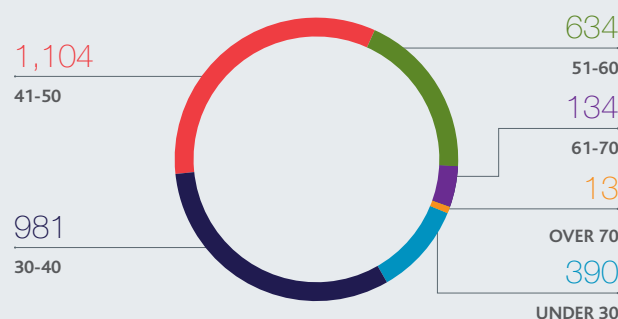


NUMBER OF EMPLOYEES BY AGE RANGE

	EMPLOYEES
Under 30	390
30-40	981
41-50	1,104
51-60	634
61-70	134
Over 70	13
TOTAL	3,256

SOURCE: GRUPO SECURITY

➤ NUMBER OF EMPLOYEES BY AGE RANGE

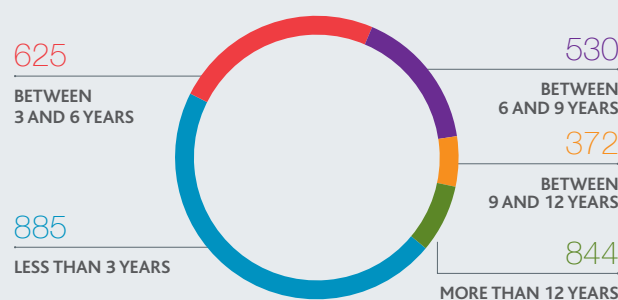


NUMBER OF EMPLOYEES BY LENGTH OF SERVICE

	EMPLOYEES
Less than 3 years	885
Between 3 and 6 years	625
Between 6 and 9 years	530
Between 9 and 12 years	372
More than 12 years	844
TOTAL	3,256

SOURCE: GRUPO SECURITY

➤ NUMBER OF EMPLOYEES BY LENGTH OF SERVICE





DIRECTORS



NUMBER OF DIRECTORS BY GENDER

	DIRECTORS
Men	8
Women	1
TOTAL	9

SOURCE: GRUPO SECURITY



NUMBER OF DIRECTORS BY NATIONALITY

	DIRECTORS
Chilean	8
Foreign	1
TOTAL	9

SOURCE: GRUPO SECURITY



NUMBER OF DIRECTORS BY AGE RANGE

	DIRECTORS
Under 30	0
30-40	0
41-50	1
51-60	2
61-70	1
Over 70	5
TOTAL	9

SOURCE: GRUPO SECURITY



NUMBER OF DIRECTORS BY LENGTH OF SERVICE

	DIRECTORS
Less than 3 years	0
Between 3 and 6 years	1
Between 6 and 9 years	2
Between 9 and 12 years	1
Over 12 years	5
TOTAL	9

SOURCE: GRUPO SECURITY

MANAGERS



NUMBER OF MANAGERS BY GENDER

	MANAGERS
Men	5
Women	3
TOTAL	8

SOURCE: GRUPO SECURITY



NUMBER OF MANAGERS BY NATIONALITY

	MANAGERS
Chilean	7
Foreign	1
TOTAL	8

SOURCE: GRUPO SECURITY



NUMBER OF MANAGERS BY AGE RANGE

	MANAGERS
Under 30	0
30-40	0
41-50	5
51-60	2
61-70	1
Over 70	0
TOTAL	8

SOURCE: GRUPO SECURITY



NUMBER OF MANAGERS BY LENGTH OF SERVICE

	MANAGERS
Less than 3 years	2
Between 3 and 6 years	2
Between 6 and 9 years	0
Between 9 and 12 years	0
Over 12 years	4
TOTAL	8

SOURCE: GRUPO SECURITY



BOARD ALLOWANCES AND FEES

At a shareholders' meeting held March 12, 2020, shareholders agreed to set board compensation at UF 35 per director and UF 50 for the Chairman. These figures are capped at 19 paid meetings. If more than one meeting is held, shareholders agreed to maintain the maximum compensation. Annual allowances paid to directors are capped at UF 55,000. Grupo Security paid its board of directors total compensation of UF 40,037 during the year.

The board of directors did not incur any advisory expenses in 2020.

In 2020, directors of the parent company received gross compensation for their services as directors of subsidiaries as follows:

At Grupo Security: Mr. Francisco Silva Silva received UF 850 (UF 700 in 2019) in fees for attending meetings and UF 10,605 (UF 12,176 in 2019) in profit sharing. Mr. Hernán de las Heras Marín received UF 595 (UF 490 in 2019) in fees for attending meetings, UF 165 (UF 180 in 2019) for attending Directors' Committee meetings and UF 648 (UF 691 in 2019) in profit sharing. Mr. Bruno Philippi Irrarázabal received UF 525 (UF 490 in 2019) in fees for attending meetings and UF 648 (UF 691 in 2019) in profit sharing. Ms. Ana Saínz de Vicuña received UF 560 (UF 315 in 2019) in fees for attending meetings and UF 648 (UF 691 in 2019) in profit sharing. Mr. Jorge Marín Correa received UF 595 (UF 490 in 2019) in fees for attending meetings and UF 150 (UF 165 in 2019) for attending Directors' Committee meetings. Mr. Naoshi Matsumoto Takahashi received UF 595 (UF 455 in 2019) in fees for attending meetings and UF 648 (UF 691 in 2019) in profit sharing. Mr. Juan Cristóbal Pavez Recart received UF 595 (UF 490 in 2019) in fees for attending meetings and UF 648 (UF 691 in 2019) in profit sharing. Mr. Horacio Pavez García received UF 595 (UF 455 in 2019) in fees for attending meetings, UF 150 (UF 165 in 2019) for attending Directors' Committee meetings and UF 648 (UF 691 in 2019) in profit sharing. Mr. Mario Weiffenbach Oyarzún received UF 595 (UF 455 in 2019) in fees for attending meetings.

At Banco Security: Mr. Francisco Silva Silva received UF 600 (UF 600 in 2019) in fees for attending meetings and UF 11,949 (UF 11,984 in 2019) in profit sharing. Mr. Jorge Marín Correa received UF 600 (UF 600 in 2019) in fees for attending meetings, UF 186 (UF 120 in 2019) for attending Committee meetings and UF 648 (UF 691 in 2019) in profit sharing. Mr. Horacio Pavez García received UF 150 (UF 600 in 2019) in fees for attending meetings and UF 30 (UF 135 in 2019) for attending Committee meetings. Mr. Mario Weiffenbach Oyarzún received UF 100 (UF 100 in 2019) in fees for attending meetings, UF 117 for attending Committee meetings and UF 1,958 (UF 4,669 in 2019) in fees.

At Seguros de Vida Security: Mr. Francisco Silva Silva received UF 341 (UF 341 in 2019) in fees for attending meetings. Mr. Juan Cristóbal Pavez received UF 341 (UF 372 in 2019) in fees for attending meetings.

At Factoring Security, Mr. Mario Weiffenbach Oyarzún received UF 140 in fees for attending meetings, UF 1,767 in fees and UF 648 (UF 691 in 2019) in profit sharing.

NAME	FUNCTION	INDEPENDENCE ACCORDING TO REGULATIONS	YEAR OF APPOINTMENT	ATTENDANCE AT ORDINARY BOARD MEETINGS	DIRECTORS' COMMITTEE	ATTENDANCE AT DIRECTORS' COMMITTEE MEETINGS
Francisco Silva Silva	Chairman	No	1991	12 of 12		
Hernán de las Heras Marín	Director	Yes	2013	12 of 12	Chairman	12 of 12
Jorge Marín Correa	Director	No	1994	12 of 12	Independent	11 of 12
Naoshi Matsumoto Takahashi	Director	No	1991	12 of 12		
Horacio Pavez García	Director	No	1991	12 of 12	Independent	12 of 12
Juan Cristóbal Pavez Recart	Director	No	2002	12 of 12		
Bruno Philippi Irrarázabal	Director	No	2013	11 of 12		
Ana Saínz de Vicuña Bemberg	Director	No	2009	11 of 12		
Mario Weiffenbach Oyarzún	Director	No	2016	12 of 12		



PERCENT INTEREST HELD BY DIRECTORS AND SENIOR EXECUTIVES

Some of the Group's directors and executives have ownership interests in the Company as follows:

NAME	OWNERSHIP INTEREST (%)
Juan Cristóbal Pavez R.	12.91%
Horacio Pavez G.	11.35%
Jorge Marín C.	10.95%
Naoshi Matsumoto T.	9.86%
Francisco Silva S.	6.28%
Ana Sáinz de Vicuña B.	6.24%
Renato Peñafiel M.	4.09%
Bruno Philippi I.	1.45%
Mario Weiffenbach O.	0.54%

THIS PERCENTAGE INCLUDES THE INTEREST HELD BY THE INDIVIDUAL AND HIS OR HER RELATIVES UP TO THE SECOND DEGREE BY BLOOD, DIRECTLY OR THROUGH LEGAL ENTITIES.

TRADEMARKS AND PATENTS

Grupo Security owns the "Security" trademark for the categories related to the business activities of the parent company, subsidiaries and associates.

SUPPLIERS AND CUSTOMERS

Grupo Security centralizes its corporate support areas in Capital S.A., which provides IT, accounting, marketing, human resources, purchasing and research services for all Security companies.

The sales force for Banco Security and Factoring Security is employed by Mandatos Security, while the sales force for the asset management companies are employed by Global Security. During 2020, the services provided to the Group by Capital S.A., Mandatos Security and Global Security accounted for over 5.93% of the services outsourced by Group companies.

In 2020, no other customers represented 10% or more of sales for any of the Security companies.

PROPERTY, PLANT AND EQUIPMENT

Grupo Security's property, plant and equipment are detailed in Note 8 to the financial statements. The Group's consolidated property, plant and equipment was valued at MCH\$50,610 (0.42% of assets) as of December 31, 2020. All Group companies own their respective headquarters. Of the Group's total office space, 29% is owned (21 offices) while the remaining 71% is leased (51 offices).



MATERIAL EVENTS



SANTIAGO, MARCH 12, 2020

On March 12, 2020, the Board of Directors of Grupo Security agreed to call an annual general meeting for April 07, 2020, at 9 a.m. in the Company's offices located at Augusto Leguía Sur 70, underground floor, Las Condes, Santiago. The following matters were to be addressed at the annual general meeting:

1. Approval of the annual report and financial statements for the year-ended December 31, 2019, including the report of independent auditors for that year.
1. Approval of profit distribution and dividend payments.
2. Dividend policies.
3. Board compensation for 2020.
4. Information regarding board expenses in 2020.
5. Information regarding Directors' Committee activities, performance and expenses during 2019.
6. Directors' Committee compensation and approval of the 2020 budget.
7. Appointment of the Company's independent auditors.
8. Appointment of risk rating agencies.
9. Information on related party transactions in accordance with Articles 146 *et seq.* of the Corporations Law.
10. Designation of newspaper for legal publications.
11. In general, all other matters that should be addressed at an annual shareholders' meeting according to law.

Similarly, the board agreed at that meeting to call an extraordinary shareholders' meeting for April 07, 2020, immediately following the annual general meeting at the Company's offices located at Augusto Leguía Sur 70, underground floor, Las Condes, Santiago. The following matters are to be addressed at the extraordinary shareholders' meeting:

1. Extend for a maximum of 180 additional days from the date of expiration of the original 180-day period the authority delegated to the board of directors by the extraordinary shareholders' meeting of the Company held on October 3, 2019, to set the final price for the placement of the shares issued against the capital increase agreed at that meeting, all in accordance with the provisions of Article 23 of the Regulations of the Corporations Law
2. Adopt all other agreements necessary to implement the decisions made with respect to this process.

At that meeting, the board agreed to propose a final dividend of CH\$7.45 per share at the annual general meeting. When added to the interim dividend of CH\$2.20 already paid on October 25, 2019, results in a dividend of CH\$9.65 per share to be charged against 2019 earnings. Furthermore, an additional dividend of CH\$2.60 per share was already paid on October 25, 2019, out of retained earnings, bringing the total dividend to CH\$12.25 per share. The board also agreed to propose at the annual general meeting a dividend payment date of April 20, 2020.



SANTIAGO, MARCH 27, 2020

At a board meeting held on March 26, 2020, the board agreed to technological means being used to remotely participate and vote in each of the annual general and extraordinary shareholders'



meetings scheduled for April 7, 2020, starting at 9:00am. It also approved the specific mechanism to be used and how each shareholder or their representative may accredit their identity and proxy, if applicable, in accordance with General Standard 435 and Ruling 1141 both dated March 18, 2020, issued by the Financial Market Commission.

Details of the mechanism, registration procedure and accreditation to remotely participate and vote will be available on the Company's website as of Monday, March 30, 2020.

The above is notwithstanding that the Company may invoke reasons of force majeure to suspend or postpone these meetings, if limitations imposed by the authority make it impossible to properly conduct these meetings.



SANTIAGO, APRIL 24, 2020

At an ordinary board meeting of Grupo Security held on April 24, 2020, the directors in attendance unanimously agreed to set the share placement price at CH\$160 for the 415 million shares issued under the capital increase agreed at the extraordinary shareholders' meeting held on October 3, 2019.

It agreed to grant to those shareholders or their assignees who fully or partially exercise their preferential option an additional subscription option on the remaining unsubscribed shares at the expiration of the preferential option period, on a pro-rata basis calculated as the number of shares subscribed and paid by each shareholder, divided by the total number of shares subscribed and paid by all the shareholders who participate in the capital increase during the preferential option period. The holder of this option may exercise it at any time during the 18 months following the expiration of the preferential option period, under the same price and payment method conditions.



SANTIAGO, JUNE 1, 2020

At an extraordinary board meeting of Grupo Security held on June 1, 2020, the board agreed to call an extraordinary shareholders' meeting for June 22, 2020, at 9:00am in the Company's offices located at Augusto Leguía Sur 70, underground floor, Las Condes, Santiago. The following matters will be addressed at the extraordinary shareholders' meeting:

1. Set the final placement price for the shares issued in the capital increase agreed at the extraordinary shareholders' meeting held on October 3, 2019, in accordance with Article 23 of the regulations of Corporations Law
2. Approve all other agreements required to implement this decision. This follows an observation by the CMF, which requested that the final placement price of the shares be set at a shareholders' meeting and not by the board of directors, as the deadline for extending delegation of this power to the board of directors had expired.

The board of directors agreed to allow remote participation and voting at this extraordinary shareholders' meeting, in accordance with the provisions of General Standard 435 and Ruling 1141, both dated March 18, 2020, issued by the Financial Market Commission. The participation and voting mechanism to be used at that meeting will be available on the webpage and in the meeting notice.



SANTIAGO, JUNE 22, 2020

At an extraordinary shareholders' meeting of Grupo Security S.A. held on June 22, 2020, the shareholders agreed to set the placement price at CH\$160 per share for the 415 million



shares to be issued under the capital increase agreed at the extraordinary shareholders' meeting held on October 3, 2019. It agreed to grant to those shareholders or their assignees who fully or partially exercise their preferential option an additional subscription option on the remaining unsubscribed shares at the expiration of the preferential option period, on a pro-rata basis calculated as the number of shares subscribed and paid by each shareholder, divided by the total number of shares subscribed and paid by all the shareholders who participate in the capital increase during the preferential option period. The holder of this option may exercise it at any time during the 18 months following the expiration of the preferential option period, under the same price and payment method conditions established for the capital increase addressed at the extraordinary shareholders' meeting on October 3rd of last year.



SANTIAGO, JULY 20, 2020

At an extraordinary shareholders' meeting of Grupo Security S.A. held on October 3, 2019, the shareholders agreed to a capital increase of CH\$100,000,000,000, by issuing 415 million ordinary, nominative, single-series shares with no par value.

On July 7, 2020, the Financial Market Commission registered in the Securities Registry under 1091 the issuance of 415 million ordinary, nominative, single-series shares with no par value for a total of CH\$100,000,000,000, under that capital increase. The term for issuing, subscribing and paying these shares is three years from October 3, 2019.

Shareholders registered in the respective registry as of July 13, 2020, will be entitled to subscribe these shares.

This notice signals the beginning of the preferential option period, which will last for 30 days, until August 19, 2020.

The notice communicating which shareholders have the preferential right to subscribe the shares under the capital increase was published in the electronic newspaper "ellibero.cl" on July 10, 2020.



SANTIAGO, AUGUST 24, 2020

On July 7, 2020, the Financial Market Commission registered the issuance of 415 million ordinary, nominative, single-series shares with no par value of Grupo Security S.A. in the Securities Registry under 1091 for a total of CH\$100,000,000,000, charged to the capital increase agreed at the extraordinary shareholders' meeting held on 3 October 2019. The term for issuing, subscribing and paying for these shares is three years from October 3, 2019.

Shares not subscribed by the shareholders or their assignees within the preferential option period, and the share fractions produced during the pro-rata among the shareholders, will be offered to those shareholders who had fully or partially exercised their preferential option, according to the pro-rata calculated as the number of shares subscribed and paid by each shareholder, divided by the total number of shares subscribed and paid by all the shareholders who participated in the capital increase during the preferential option period, in accordance with the information contained in the legal prospectus governing the issuance of those shares, duly registered with the CMF, and in the notices published when the preferential option period began. The holder of this new option may exercise it at any time during the 18 month period from the expiry of the preferential option period through to February 20, 2022, at the same price and payment conditions as those established for the capital increase approved at the extraordinary shareholders' meeting held on October 3, 2019.



This preferential option period was from July 20 to August 19, 2020, following which 92,779,432 shares remained unsubscribed and unpaid.

Shareholders who exercised their preferential option during the preferential option period are informed that they are entitled to subscribe pro-rata to 0.287937646488 shares for each share subscribed during that period. This option will remain in effect for 18 months from the expiration of the preferential option period, which is August 20, 2020, and must be exercised at the same price and payment conditions as those established for the capital increase approved at the Extraordinary Meeting. Therefore, these shares must be subscribed at a price of CH\$160 per share and must be paid in cash, or by subscriber check or bank draft payable to the order of the Company on the same day the respective shares are subscribed.

The right to exercise the option provided herein can be waived and transferred within the 18-month period. These options may be transferred in accordance with applicable laws and regulations. Please contact the DCV in case you wish to exercise or transfer this option. All DCV customer service channels will be available to guide subscribing shareholders in the safest and most expeditious manner possible. We would like to recommend that payments should be by electronic funds transfer or deposit to avoid handling cash, avoid face-to-face interaction with the DCV and minimize the risk of COVID-19 infection.

After the 18-month period has expired, all shares not subscribed by the shareholders with the right to subscribe, because that right was not exercised, partially exercised or waived, and the shares from fractions produced from dividing the shares pro-rata among the shareholders, shall remain and the board shall decide how to place them at a later date, subject to the Corporations Law, its regulations and the regulations issued by the Financial Market Commission.

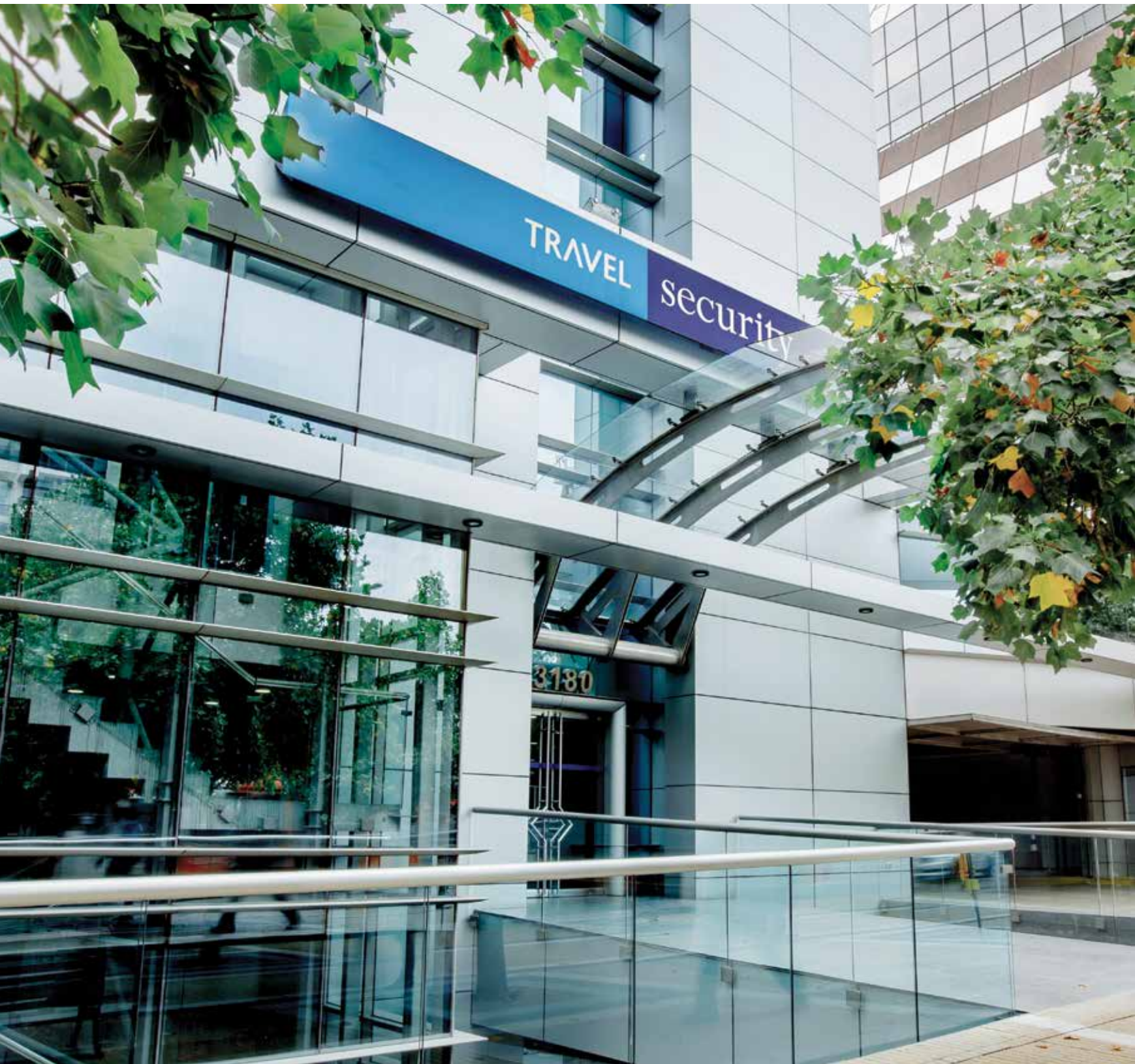
These shares have been classified as follows: 1st Class Level 3(cl), and 1st Class Level 3, by the risk rating agencies Fitch Chile Clasificadora de Riesgo Ltda. and International Credit Rating (ICR), respectively.



SANTIAGO, OCTOBER 8, 2020

In accordance with agreements at the annual general meeting held on April 07, 2020, an extraordinary board of directors meeting held on October 8, 2020 agreed to pay a total dividend of CH\$3.5 per share, distributed as follows:

- (i) An interim dividend of CH\$0.75 per share to be paid in cash and charged to retained earnings for 2020.
- (ii) An additional dividend of CH\$2.75 per share to be paid in cash and charged to prior year retained earnings.





06

FINANCIAL STATEMENTS

Trust

We are moving towards a digital
business model adapted to the
changing environment.



INDEPENDENT AUDITORS' REPORT



CONSOLIDATED FINANCIAL
STATEMENTS



ANNUAL EARNINGS REPORT FOR THE
CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION



SUMMARIZED FINANCIAL
STATEMENTS OF SUBSIDIARIES



STATEMENT OF RESPONSIBILITY

GRUPO security



Independent Auditors' Report

DEAR SHAREHOLDERS AND DIRECTORS OF GRUPO SECURITY S.A.

We have audited the accompanying consolidated financial statements of Grupo Security S.A. and subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended and the related notes to the consolidated financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these consolidated financial statements in conformity with accounting standards and instructions issued by the Financial Market Commission. This includes 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Generally Accepted Auditing Standards in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. Accordingly, we do not express such an opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



OPINION

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Grupo Security S.A. and subsidiaries as of December 31, 2020 and 2019, and the results of their operations and cash flows for the years then ended, in accordance with accounting standards and instructions issued by the Financial Market Commission.

OTHER MATTERS - UNAUDITED INFORMATION

Note 36.II to the consolidated financial statements, within the section regarding risks associated with the insurance business, has not been audited by us and, therefore, this report does not include it.

OTHER MATTERS - BASIS OF ACCOUNTING

The consolidated financial statements of Grupo Security and subsidiaries include the consolidated financial statements of its subsidiaries Banco Security and Seguros de Vida Security Previsión S.A., which have been prepared on a different accounting basis from those used by the parent company. Banco Security and Seguros de Vida Security Previsión S.A. prepare their consolidated financial statements in accordance with specific accounting policies issued by the Financial Market Commission for the banking and insurance businesses, respectively. These financial statements have been consolidated without being adjusted on translation to the accounting standards used by the parent company.

JUAN FRANCISCO MARTÍNEZ A.
EY Audit SpA

Santiago, February 25, 2021



Consolidated Statements of Financial Position

AS OF DECEMBER 31, 2020 AND DECEMBER 31, 2019
(TRANSLATION OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN SPANISH – SEE NOTE 2)

ASSETS	NOTE	AS OF DECEMBER 31, 2020 THCH\$	AS OF DECEMBER 31, 2019 THCH\$
CURRENT ASSETS			
Cash and cash equivalents	3	597,497,193	830,974,213
Other financial assets	13	3,878,086,786	3,677,221,713
Other non-financial assets	14	26,679,326	38,790,468
Trade and other receivables	12	6,603,317,195	6,537,560,347
Accounts receivable from related parties	6	53,343,286	71,771,274
Inventory	5	100,558,693	124,009,249
Tax assets	15	41,281,447	52,637,468
TOTAL CURRENT ASSETS OTHER THAN ASSETS OR DISPOSAL GROUPS CLASSIFIED AS AVAILABLE FOR SALE OR AS HELD FOR DISTRIBUTION TO OWNERS		11,300,763,926	11,332,964,732
Non-current assets or disposal groups classified as available for sale or as held for distribution to owners		2,874,447	6,755,814
TOTAL CURRENT ASSETS		11,303,638,373	11,339,720,546
NON-CURRENT ASSETS			
Other non-financial assets	16	53,035,727	144,744,157
Equity-accounted investments	7	1,950,093	3,093,437
Intangible assets other than goodwill	10	36,247,970	37,896,155
Goodwill	11	119,066,570	119,066,570
Property, plant and equipment	8	50,610,006	53,291,742
Investment property	9	291,000,879	253,547,718
Right-of-use assets	17	9,073,519	11,755,599
Deferred tax assets	4	56,887,820	50,772,292
TOTAL NON-CURRENT ASSETS		617,872,584	674,167,670
TOTAL ASSETS		11,921,510,957	12,013,888,216

Consolidated Statements of Financial Position

AS OF DECEMBER 31, 2020 AND DECEMBER 31, 2019
(TRANSLATION OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN SPANISH – SEE NOTE 2)

LIABILITIES AND EQUITY	NOTE	AS OF DECEMBER 31, 2020 THCH\$	AS OF DECEMBER 31, 2019 THCH\$
LIABILITIES			
CURRENT LIABILITIES			
Other financial liabilities	19	7,087,156,906	7,274,787,198
Lease liabilities	17	708,866	287,985
Trade and other payables	18	2,863,722,025	2,882,201,150
Accounts payable to related parties	26	4,812,959	25,819
Other short-term provisions	22	35,830,745	26,892,701
Tax liabilities	21	31,892,910	34,868,707
Employee benefit provisions	23	12,368,781	10,072,971
Other non-financial liabilities	20	133,674,223	245,537,322
TOTAL CURRENT LIABILITIES		10,170,167,415	10,474,673,853
NON-CURRENT LIABILITIES			
Other financial liabilities	24	869,297,098	705,034,623
Lease liabilities	17	8,765,575	10,455,523
Accounts payable	25	10,733,280	22,713,258
Accounts payable to related parties	27	-	3,412,460
Deferred tax liabilities	4	803,274	791,357
TOTAL NON-CURRENT LIABILITIES		889,599,227	742,407,221
TOTAL LIABILITIES		11,059,766,642	11,217,081,074
EQUITY			
Issued capital	37	487,690,566	432,124,050
Retained earnings		399,604,981	377,665,899
Other reserves		(51,775,937)	(40,943,154)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		835,519,610	768,846,795
Non-controlling interests		26,224,705	27,960,347
Total equity		861,744,315	796,807,142
TOTAL LIABILITIES AND EQUITY		11,921,510,957	12,013,888,216



Consolidated Statements of Comprehensive Income

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(TRANSLATION OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN SPANISH – SEE NOTE 2)

PROFIT FOR THE YEAR	NOTES	12.31.2020 THCH\$	12.31.2019 THCH\$
Revenue	28	1,090,052,504	1,155,866,597
Cost of sales	28	(738,040,964)	(774,866,330)
GROSS PROFIT		352,011,540	381,000,267
Other income	28	1,367,510	2,994,883
Administrative expenses	29	(243,361,816)	(247,037,035)
Other expenses, by function	28	(11,848,650)	(15,046,774)
Other gains		1,040,143	2,530,981
NET OPERATING INCOME		99,208,727	124,442,322
Finance income		329,146	258,464
Finance costs		(14,465,194)	(14,260,085)
Share of profit (loss) of associates and joint ventures, equity-accounted	7	(88,773)	922,273
Exchange differences		2,978,702	11,712,241
Loss on indexed assets and liabilities		(11,610,519)	(10,150,071)
Gain arising from the difference between the book value and the fair value of financial assets reclassified at fair value		720,094	47,586
PROFIT BEFORE TAX		77,072,183	112,972,730
Income tax expense	4	(12,774,358)	(29,943,693)
PROFIT FOR THE YEAR		64,297,825	83,029,037
PROFIT (LOSS) ATTRIBUTABLE TO			
Owners of the parent		65,146,394	81,155,810
Non-controlling interests		(848,569)	1,873,227
PROFIT FOR THE YEAR		64,297,825	83,029,037
EARNINGS PER SHARE			
BASIC EARNINGS PER SHARE		CH\$	CH\$
Basic earnings per share from continuing operations	33	16.9514	21.9637
Basic earnings per share from discontinued operations		0.0000	0.0000
BASIC EARNINGS PER SHARE		16.9514	21.9637

Consolidated Statements of Comprehensive Income

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(TRANSLATION OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN SPANISH – SEE NOTE 2)

STATEMENTS OF OTHER COMPREHENSIVE INCOME	12.31.2020 THCH\$	12.31.2019 THCH\$
PROFIT FOR THE YEAR	64,297,825	83,029,037
OTHER INCOME AND EXPENSES CHARGED OR CREDITED TO NET EQUITY		
Insurance company reserves	(9,456,788)	(12,259,645)
Reserve for financial assets available for sale and other bank assets	2,506,126	11,233,336
Translation adjustment reserve	(6,006,281)	(1,446,921)
TOTAL OTHER INCOME AND EXPENSES CHARGED OR CREDITED TO NET EQUITY	(12,956,943)	(2,473,230)
TOTAL NET COMPREHENSIVE INCOME	51,340,882	80,555,807
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:	THCH\$	THCH\$
Owners of the parent	53,076,524	86,704,379
Non-controlling interests	(1,735,642)	(6,148,572)
TOTAL COMPREHENSIVE INCOME	51,340,882	80,555,807



Consolidated Statements of Changes in Equity

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(TRANSLATION OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN SPANISH – SEE NOTE 2)

	ISSUED CAPITAL THCH\$	SHARE PREMIUM THCH\$	OTHER RESERVES THCH\$	RETAINED EARNINGS THCH\$	INTERIM DIVIDENDS THCH\$	EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT THCH\$	NON- CONTROLLING INTERESTS THCH\$	TOTAL EQUITY THCH\$
OPENING BALANCE AS OF 1/01/2020	432,124,050	-	(40,943,154)	402,919,559	(24,346,742)	769,753,713	14,398,165	784,151,878
Increase (decrease) due to opening balance adjustments and reclassifications (*)	-	-	-	(906,918)	-	(906,918)	13,562,182	12,655,264
RESTATED OPENING BALANCE	432,124,050	-	(40,943,154)	402,012,641	(24,346,742)	768,846,795	27,960,347	796,807,142
CHANGES IN EQUITY								
Profit for the year	-	-	-	65,146,394	-	65,146,394	(848,569)	64,297,825
Comprehensive reserves from subsidiaries and other investments	-	-	(10,832,783)	(1,237,087)	-	(12,069,870)	(887,073)	(12,956,943)
TOTAL COMPREHENSIVE INCOME	-	-	(10,832,783)	63,909,307	-	53,076,524	(1,735,642)	51,340,882
Interim dividend	-	-	-	(22,426,307)	(19,543,918)	(41,970,225)	-	(41,970,225)
Capital increase	55,566,516	-	-	-	-	55,566,516	-	55,566,516
Minimum dividend provision 2019	-	-	-	(24,346,742)	24,346,742	-	-	-
TOTAL CHANGES IN EQUITY	55,566,516	-	-	(46,773,049)	4,802,824	13,596,291	-	13,596,291
CLOSING BALANCE AS OF 12/31/2020	487,690,566	-	(51,775,937)	419,148,899	(19,543,918)	835,519,610	26,224,705	861,744,315

(*) SEE NOTE 2.46 REGARDING RECLASSIFICATIONS AND RESTATEMENTS

Consolidated Statements of Changes in Equity

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(TRANSLATION OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN SPANISH – SEE NOTE 2)

	ISSUED CAPITAL THCH\$	SHARE PREMIUM THCH\$	OTHER RESERVES THCH\$	RETAINED EARNINGS THCH\$	INTERIM DIVIDENDS THCH\$	EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT THCH\$	NON- CONTROLLING INTERESTS THCH\$	TOTAL EQUITY THCH\$
OPENING BALANCE AS OF 1/01/2019	431,784,190	610,727	(57,847,246)	378,112,155	(24,164,506)	728,495,320	20,546,737	749,042,057
Increase (decrease) due to reclassifications at beginning of year ^(*)	(108,107)	108,107	11,101,431	(12,008,348)	-	(906,917)	13,562,182	12,655,265
RESTATED OPENING BALANCE	431,676,083	718,834	(46,745,815)	366,103,807	(24,164,506)	727,588,403	34,108,919	761,697,322
Profit for the year	-	-	-	81,155,810	-	81,155,810	1,873,227	83,029,037
Comprehensive reserves from subsidiaries and other investments	-	-	5,548,569	-	-	5,548,569	(8,021,799)	(2,473,230)
TOTAL COMPREHENSIVE INCOME	-	-	5,548,569	81,155,810	-	86,704,379	(6,148,572)	80,555,807
Interim dividends	-	-	-	(24,164,506)	24,164,506	-	-	-
Final dividend April 2019	-	-	-	(3,363,244)	-	(3,363,244)	-	(3,363,244)
Final dividend October 2019	-	-	-	(9,607,000)	-	(9,607,000)	-	(9,607,000)
Interim dividend October 2019	-	-	-	(8,129,000)	-	(8,129,000)	-	(8,129,000)
Capitalization of issuance costs	(270,867)	-	270,867	-	-	-	-	-
Premium on share placement	3,939,990	(3,939,990)	-	-	-	-	-	-
Capitalization of premium on share placement	(3,221,156)	3,221,156	-	-	-	-	-	-
Minimum dividend provision	-	-	-	-	(24,346,743)	(24,346,743)	-	(24,346,743)
Increase (decrease) due to transfers and other changes	-	-	(16,775)	16,775	-	-	-	-
TOTAL CHANGES IN EQUITY	447,967	(718,834)	254,092	(45,246,975)	(182,237)	(45,445,987)	-	(45,445,987)
CLOSING BALANCE AS OF 12/31/2019	432,124,050	-	(40,943,154)	402,012,642	(24,346,743)	768,846,795	27,960,347	796,807,142

^(*) SEE NOTE 2.46 REGARDING RECLASSIFICATIONS AND RESTATEMENTS.



Consolidated Statements of Cash Flows

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(TRANSLATION OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN SPANISH – SEE NOTE 2)

STATEMENT OF CASH FLOWS	12.31.2020 THCH\$	12.31.2019 THCH\$
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES		
PROCEEDS FROM OPERATING ACTIVITIES		
Proceeds from sales of goods and provision of services	148,315,892,484	111,904,391,077
Proceeds from royalties, installments, commissions and other operating income	12,316,579,433	14,465,323,746
Proceeds from contracts held for brokering or trading	20,293,313,952	10,398,950,115
Proceeds from premiums and claims, annuities and other policy benefits	303,090,766	307,489,849
Proceeds from leases and subsequent sale of assets	1,720,928	5,228,911
Other proceeds (payments) for operating activities	258,477,077	(292,205,289)
CLASSES OF PAYMENTS		
Payments to suppliers for supply of goods and services	(76,471,067,194)	(55,012,619,116)
Payments from contracts held for brokering or trading	(103,058,028,043)	(79,695,434,633)
Payments to and on behalf of employees	(119,686,626)	(107,743,620)
Payments for premiums and claims, annuities and other policy obligations	(363,699,159)	(368,148,352)
Payments for building or acquiring assets held to lease to others and subsequently sell	(55,745,778)	(20,040,586)
Other payments for operating activities	(2,102,906,338)	(1,846,382,791)
NET CASH FLOWS USED IN OPERATIONS	(682,058,498)	(261,190,689)
Interest paid	(131,177,376)	(172,491,581)
Interest received	295,210,203	319,747,440
Income taxes paid	(24,007,800)	(35,921,475)
Other proceeds	423,177,501	425,661,669
NET CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES	(118,855,970)	275,805,364
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	578,063	7,259,690
Purchases of property, plant and equipment	(3,409,485)	(5,110,724)
Purchases of intangible assets	(5,132,730)	(5,587,845)
Dividends received	9,750	157,287
Interest received	6,593	38,335
Other payments	(331,637)	(852,964)
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(8,279,446)	(4,096,221)

Consolidated Statements of Cash Flows

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(TRANSLATION OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN SPANISH – SEE NOTE 2)

STATEMENT OF CASH FLOWS	12.31.2020 THCH\$	12.31.2019 THCH\$
CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Proceeds from share issuance	55,566,516	7,597
PROCEEDS FROM LOANS	215,350,116	303,489,298
Proceeds from long-term loans	134,429,403	68,317,891
Proceeds from short-term loans	80,920,713	235,171,407
Loan repayments	(271,980,941)	(195,006,249)
Repayment of finance lease liabilities	(653,046)	(222,422)
Dividends paid	(40,902,954)	(45,553,192)
Interest paid	(17,574,383)	(3,243,356)
Other proceeds (payments)	(27,230,714)	3,019,734
NET CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES	(87,425,406)	62,491,410
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(214,560,822)	334,200,553
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
Effect of exchange rate changes on cash and cash equivalents	(18,916,198)	23,883,970
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(233,477,020)	358,084,523
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	830,974,213	472,889,690
CASH AND CASH EQUIVALENTS AT END OF PERIOD	597,497,193	830,974,213



Notes to the Consolidated Financial Statements

AS OF DECEMBER 31, 2020 AND 2019 AND FOR THE YEARS THEN ENDED
(TRANSLATION OF FINANCIAL STATEMENTS ORIGINALLY ISSUED IN SPANISH – SEE NOTE 2)

NOTE 1 - CORPORATE INFORMATION

A) COMPANY INFORMATION

Grupo Security S.A. (hereinafter "Grupo Security", the "Company", or the "Group") is a corporation incorporated in Chile in conformity with the Corporations Law and its corporate purpose is investing and providing advisory services of any kind in Chile. Its corporate domicile is Av. Apoquindo 3150, Floor 14, Las Condes, Santiago, Chile.

The nature of the operations and main activities of Grupo Security S.A., are described in letter b) of this note.

The consolidated financial statements of Grupo Security S.A. and subsidiaries have been prepared in accordance with the standards set by the Financial Market Commission (CMF), which call for adopting International Financial Reporting Standards (IFRS), except for the financial statements of the subsidiaries Seguros Vida Security Previsión S.A. (Vida Security) and subsidiaries, which have been prepared in accordance with the standards and instructions issued by the CMF for insurance entities, and the financial statements of Banco Security and subsidiaries, which have been prepared in accordance with the Compendium of Accounting Standards issued by the CMF. Therefore, certain accounting policies of the financial statements of Banco Security, Vida Security and their subsidiaries are presented separately for better understanding, in accordance with CMF Official Ruling 506.

The following companies are included in Grupo Security's scope of consolidation as of December 31, 2020 and 2019:

COMPANY NAME	TAXPAYER ID NUMBER	2020			2019		
		DIRECT INTEREST	INDIRECT INTEREST	TOTAL INTEREST	DIRECT INTEREST	INDIRECT INTEREST	TOTAL INTEREST
Factoring Security S.A.	96.655.860-1	99.99800%	0.00200%	100.00000%	99.99800%	0.00200%	100.00000%
Banco Security S.A.	97.053.000-2	99.97481%	-	99.97481%	99.97481%	-	99.97481%
Administradora General de Fondos Security S.A.	96.639.280-0	99.99042%	0.00958%	100.00000%	99.99042%	0.00958%	100.00000%
Valores Security S.A. Corredores de Bolsa	96.515.580-5	99.87583%	0.12417%	100.00000%	99.87580%	0.12420%	100.00000%
Inversiones Previsión Security Ltda.	78.769.870-0	99.99998%	0.00002%	100.00000%	99.99998%	0.00002%	100.00000%
Asesorías Security S.A. (*)	96.803.620-3	-	-	-	99.78180%	0.21820%	100.00000%
Security Internacional SPA	76.452.179-K	100.0000%	-	100.00000%	100.00000%	-	100.00000%
Seguros Vida Security Previsión S.A.	99.301.000-6	99.14100%	-	99.14100%	99.14100%	-	99.14100%
Servicios y Beneficios Security Ltda.	77.431.040-1	99.90000%	0.10000%	100.00000%	99.90000%	0.10000%	100.00000%
Servicios Security S.A. (*)	96.849.320-5	0.00000%	0.00000%	0.00000%	99.99998%	0.00002%	100.00000%
Corredores de Seguros Security Ltda.	77.371.990-K	99.99800%	0.00200%	100.00000%	99.99800%	0.00200%	100.00000%
Mandatos Security Ltda.	77.512.350-8	99.77000%	0.23000%	100.00000%	99.77000%	0.23000%	100.00000%
Global Security Gestión y Servicios Ltda.	76.181.170-3	99.77000%	0.23000%	100.00000%	99.77000%	0.23000%	100.00000%
Travel Security S.A.	85.633.900-9	83.00000%	-	83.00000%	83.00000%	-	83.00000%
Viajes Security S.A.C.	20548601372	99.99998%	0.00002%	100.00000%	99.99998%	0.00002%	100.00000%
Travex S.A.	20505238703	75.00000%	-	75.00000%	75.00000%	-	75.00000%
Securitizadora Security S.A.	96.847.360-3	99.96000%	0.04000%	100.00000%	99.96000%	0.04000%	100.00000%
Representaciones Security Ltda. (*)	77.405.150-3	-	-	-	99.00000%	1.00000%	100.00000%
Capital S.A.	96.905.260-1	99.98530%	0.01470%	100.00000%	99.98530%	0.01470%	100.00000%
Inmobiliaria Casanueva S.A.	76.459.878-4	99.99867%	0.00133%	100.00000%	99.99867%	0.00133%	100.00000%
Inmobiliaria Security S.A.	96.786.270-3	99.99900%	0.00100%	100.00000%	99.99900%	0.00100%	100.00000%
Inmobiliaria SH Uno Ltda.	77.173.860-5	-	99.99000%	99.99000%	-	99.99000%	99.99000%
Inmobiliaria Security Siete Ltda.	78.972.520-9	-	100.00000%	100.00000%	-	100.00000%	100.00000%
Inmobiliaria Security Nueve Ltda.	77.441.660-9	-	100.00000%	100.00000%	-	100.00000%	100.00000%
Inmobiliaria Security Diez Ltda.	77.464.540-3	-	100.00000%	100.00000%	-	100.00000%	100.00000%
Inmobiliaria Security Once Ltda.	77.611.170-8	-	100.00000%	100.00000%	-	100.00000%	100.00000%
Inmobiliaria Alto Vitacura S.A.	76.505.706-K	-	100.00000%	100.00000%	-	100.00000%	100.00000%
Inmobiliaria El Taihuen S.A.	76.477.415-9	-	100.00000%	100.00000%	-	100.00000%	100.00000%
Inmobiliaria Vista La Dehesa S.A.	76.524.227-4	-	70.00000%	70.00000%	-	70.00000%	70.00000%
Inmobiliaria Security Doce S.A.	76.207.657-8	-	100.00000%	100.00000%	-	100.00000%	100.00000%
Inmobiliaria El Peumo S.A.	99.584.690-K	-	100.00000%	100.00000%	-	100.00000%	100.00000%
General Flores Fondo de Inversión Privado	76.036.147-K	-	66.45000%	66.45000%	-	66.45000%	66.45000%
Quirihue Fondo de Inversión Privado	76.036.113-5	-	60.00000%	60.00000%	-	60.00000%	60.00000%
Silvina Hurtado Fondo de Inversión Privado	76.036.115-1	-	66.92307%	66.92307%	-	66.92307%	66.92307%
Inmobiliaria Los Espinos S.A.	76.167.559-1	-	70.00000%	70.00000%	-	70.00000%	70.00000%
Inmobiliaria Ñuñoa IV SA	76.200.933-1	-	100.00000%	100.00000%	-	100.00000%	100.00000%
Inmobiliaria Cordillera S.A.	76.229.736-1	-	100.00000%	100.00000%	-	100.00000%	100.00000%
Alonso Sotomayor Fondo de Inversión Privado	76.036.118-6	-	88.44827%	88.44827%	-	88.44827%	88.44827%
Inmobiliaria Security Norte SA	76.249.637-2	-	100.00000%	100.00000%	-	100.00000%	100.00000%
Vitacura IV Fondo De Inversión Privado	76.036.137-2	-	80.00000%	80.00000%	-	80.00000%	80.00000%
Inmobiliaria Security San Damián S.A.	76.307.757-8	-	100.00000%	100.00000%	-	100.00000%	100.00000%
Inmobiliaria Alto San Rafael S.A.	76.307.766-7	-	100.00000%	100.00000%	-	100.00000%	100.00000%
Inmobiliaria Alto Chamisero S.A.	76.360.997-9	-	100.00000%	100.00000%	-	100.00000%	100.00000%
Inmobiliaria Ñuñoa V SPA	76.594.758-8	-	100.00000%	100.00000%	-	100.00000%	100.00000%
Inm.Security Los Dominicos SPA	76.594.759-6	-	100.00000%	100.00000%	-	100.00000%	100.00000%
Hipotecaria Security Principal S.A.	96.538.310-7	51.00000%	-	51.00000%	51.00000%	-	51.00000%
Inversiones Security Perú S.A.C.	20600419430	99.99900%	-	99.99900%	99.99900%	-	99.99900%
Cía. de Seguros Protecta S.A.	20517207331	61.00000%	-	61.00000%	61.00000%	-	61.00000%

(*) THESE COMPANIES WERE MERGED IN NOVEMBER 2020. ASESORÍAS SECURITY S.A. MERGED WITH ITS PARENT COMPANY CAPITAL S.A.; SERVICIOS SECURITY S.A. MERGED WITH ITS PARENT COMPANY INVERSIÓN PREVISIÓN SECURITY LTDA.; AND REPRESENTACIONES SECURITY LTDA. MERGED WITH ITS PARENT COMPANY TRAVEL SECURITY S.A.



MAIN SHAREHOLDERS OF GRUPO SECURITY S.A.

	TAXPAYER ID NUMBER	SHARES AS OF 12.31.2020	%	ACCUMULATED %
CENTINELA SPA	76.447.620-4	384,000,000	9.50%	9.50%
SOCIEDAD DE AHORRO MATYCO LIMITADA	96.512.100-5	373,744,200	9.25%	18.75%
INVERSIONES HEMACO LTDA.	96.647.170-0	344,857,609	8.53%	27.28%
ARCOINVEST CHILE SA	76.057.087-7	252,305,012	6.24%	33.52%
INVERSIONES LLASCAHUE LTDA	79.884.060-6	158,800,000	3.93%	37.45%
SOCIEDAD DE AHORRO ALISIOS DOS LTDA	76.093.398-8	152,920,716	3.78%	41.23%
SOCIEDAD DE AHORRO ATACALCO DOS LTDA	76.093.394-5	152,879,473	3.78%	45.01%
SOCIEDAD DE AHORRO TENAYA DOS LTDA	76.093.362-7	152,879,472	3.78%	48.79%
VALORES SECURITY S A C DE B	96.515.580-5	152,630,919	3.78%	52.57%
BOLSA DE COMERCIO DE SANTIAGO BOLSA DE VALORES	90.249.000-0	143,666,559	3.55%	56.12%
SOC COMERCIAL DE SERVICIOS E INV LTDA	79.553.600-0	138,000,000	3.41%	59.54%
INVERSIONES HIDROELECTRICAS DOS SPA	77.125.455-1	95,213,135	2.36%	61.89%
INVERSIONES HIDROELECTRICAS TRES SPA	77.125.462-4	87,269,785	2.16%	64.05%
BCI C DE B S A	96.519.800-8	86,962,176	2.15%	66.20%
INMOBILIARIA CAB LIMITADA	96.941.680-8	86,040,495	2.13%	68.33%
MONEDA SA AFI FOR PIONERO INVESTMENT FUND	96.684.990-8	84,005,000	2.08%	70.41%
BANCHILE CORREDORES DE BOLSA S A	96.571.220-8	80,005,499	1.98%	72.39%
INVERSIONES LOS CACTUS LTDA	79.884.050-9	78,000,000	1.93%	74.32%
INVERSIONES LOS CHILCOS S A	79.884.030-4	59,692,885	1.48%	75.80%
KINTO INVERSIONES SPA	76.503.271-7	58,472,980	1.45%	77.24%
SMAC SPA	76.536.902-9	52,145,825	1.29%	78.53%
POLO SUR SOCIEDAD DE RENTAS LTDA	79.685.260-7	46,605,131	1.15%	79.68%
BANCO DE CHILE ON BEHALF OF STATE STREET	97.004.000-5	46,145,467	1.14%	80.83%
INVERSIONES HIDROELECTRICAS SPA	79.884.660-4	42,937,100	1.06%	81.89%
SIGLO XXI FONDO DE INVERSION	76.100.825-0	40,367,519	1.00%	82.89%
COMPASS SMALL CAP CHILE FONDO DE INVERSION	96.804.330-7	40,004,202	0.99%	83.88%
SAN LEON INVERSIONES Y SERVICIOS LTDA	78.538.290-0	38,367,280	0.95%	84.83%
RENTAS E INV SAN ANTONIO LTDA	79.944.140-3	38,206,459	0.95%	85.77%
LARRAIN VIAL S A CORREDORA DE BOLSA	80.537.000-9	34,225,226	0.85%	86.62%
BTG PACTUAL CHILE S A C DE B	84.177.300-4	31,953,742	0.79%	87.41%
BICE INVERSIONES CORREDORES DE BOLSA S A	79.532.990-0	31,049,770	0.77%	88.18%
CHILE FONDO DE INVERSION SMALL CAP	96.767.630-6	25,027,175	0.62%	88.80%
BANCO DE CHILE ON BEHALF OF NON-RESIDENT THIRD PARTIES	97.004.000-5	24,351,089	0.60%	89.40%
GOMEZ Y COBO LTDA	78.071.220-1	23,800,000	0.59%	89.99%

B) DESCRIPTION OF OPERATIONS AND MAIN ACTIVITIES

The structure of the operations and main activities of Grupo Security is summarized as follows:

LENDING	
	Bank Commercial Banking Retail Banking Factoring
ASSET MANAGEMENT	
	General Fund Management Securities Brokerage Asset Management Securitization
INSURANCE	
	Life Insurance General Insurance Insurance Brokerage Travel Assistance
INTERNATIONAL BUSINESS	
	Security Internacional Travel
OTHER SERVICES	
	Travel Agency Real Estate Development
CORPORATE SUPPORT AREA	
	Technological Development and Business Support Services

- LENDING:**
 Grupo Security provides lending for high-income individuals, medium and large companies through Banco Security and Factoring Security, with a complete range of products to meet their financial needs.
- ASSET MANAGEMENT:**
 Grupo Security provides investment and third-party asset management services through Administradora General de Fondos Security; stock brokerage and securities intermediation services through Valores Security Corredores de Bolsa; and asset management and securitized equities through Securitizadora Security.
- INSURANCE:**
 Grupo Security participates in the insurance industry through Seguros de Vida Security Previsión S.A. and Corredora de Seguros Security. Likewise, the Group has an alliance with Europ Assistance Chile. Europ Assistance is the world's second largest travel, vehicle and home assistance company.
- INTERNATIONAL BUSINESS:**
 Grupo Security has investments in insurance and travel businesses in Peru, through its subsidiaries Compañía de Seguros Protecta and Travex.



- **OTHER SERVICES:**

The services business area groups together Grupo Security companies dedicated to the real estate, travel agency and tourism businesses, through its subsidiaries Inmobiliaria Security and Travel Security.

- **CORPORATE SUPPORT AREA:**

This area comprises the subsidiaries Capital, Mandatos Security, Global Gestión and the standalone entity Grupo Security, all geared towards providing the group with complementary support services.

C) EMPLOYEES

Grupo Security employees as of December 31, 2020 and 2019, are detailed as follows:

AS OF DECEMBER 31, 2020

COMPANY	EXECUTIVES	PROFESSIONALS	WORKERS	OVERALL TOTAL
Grupo Security S.A.	14	22	1	37
Banco Security and subsidiaries	60	765	348	1,173
Factoring Security S.A.	7	87	56	150
Inmobiliaria Security S.A.	2	27	4	33
Securitizadora Security S.A.	1	7	4	12
Capital S.A. and subsidiaries	17	553	126	696
Inversión Previsión Security and subsidiaries	27	327	514	868
Security Internacional and subsidiaries	9	25	253	287
OVERALL TOTAL	137	1,813	1,306	3,256

AS OF DECEMBER 31, 2019

COMPANY	EXECUTIVES	PROFESSIONALS	WORKERS	OVERALL TOTAL
Grupo Security S.A.	16	21	4	41
Banco Security and subsidiaries	62	827	380	1,269
Factoring Security S.A.	8	98	58	164
Inmobiliaria Security S.A.	2	27	10	39
Securitizadora Security S.A.	1	6	2	9
Capital S.A. and subsidiaries	25	728	348	1,101
Inversiones Previsión Security and subsidiaries	30	373	670	1,073
Security Internacional and subsidiaries	9	122	134	265
OVERALL TOTAL	153	2,202	1,606	3,961

NOTE 2 - BASES OF PREPARATION AND PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

2.1 ACCOUNTING PERIOD

These consolidated financial statements cover the following annual periods:

- Consolidated statements of financial position as of December 31, 2020 and 2019.
- Consolidated statement of changes in equity for the years ended December 31, 2020 and 2019.
- Consolidated statements of comprehensive income for the years ended December 31, 2020 and 2019.
- Consolidated statements of cash flows for the years ended December 31, 2020 and 2019.

2.2 BASIS OF PREPARATION

A) The consolidated financial statements of Grupo Security S.A. and subsidiaries have been prepared in accordance with the standards set by the Financial Market Commission (CMF), which call for adopting International Financial Reporting Standards (IFRS), except for the financial statements of the subsidiaries Seguros Vida Security Previsión S.A., and subsidiaries (Vida Security), which have been prepared in accordance with the standards and instructions issued by the CMF for insurance entities, and the financial statements of Banco Security and subsidiaries, which have been prepared in accordance with the Compendium of Accounting Standards for Banks issued by the CMF for the banking business.

Specifically, the financial statements of Seguros Vida Security Previsión S.A. and subsidiaries have been prepared in accordance with the standards and instructions issued by the CMF and, in the absence of specific standards from the CMF, International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) are applied. The financial statements of Banco Security and subsidiaries have been prepared in accordance with CMF regulations contained in the Compendium of Accounting Standards and specific instructions issued by that entity. In all matters not addressed in the compendium, the Bank applies the technical standards issued by the Chilean Institute of Accountants, which are consistent with International Financial Reporting Standards (IFRS). Should any discrepancies arise between these accounting principles and the accounting criteria issued by the CMF, the latter shall take precedence.

The consolidated financial statements of Banco Security and Vida Security have been consolidated and have not been subject to any translation adjustments.

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 the convenience of the reader these financial statements have been translated from Spanish to English.

B) NEW ACCOUNTING PRONOUNCEMENTS

Grupo Security S.A. has applied certain standards, interpretations and amendments for the first time, which are effective for periods beginning on or after January 1, 2020.

The following table details the nature and impact of the standards, interpretations and amendments to IFRS that took effect as of the reporting date:

IFRS	STANDARDS AND INTERPRETATIONS	MANDATORY EFFECTIVE DATE
Conceptual Framework	Conceptual Framework (revised)	January 01, 2020



CONCEPTUAL FRAMEWORK (REVISED)

The IASB issued the revised Conceptual Framework in March 2018. It includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

The changes to the Conceptual Framework may affect the application of IFRS in situations where no standard applies to a particular transaction or event. The revised Conceptual Framework is effective for annual periods beginning on or after January 1, 2020.

Adopting this standard did not have a significant impact on the consolidated financial statements.

AMENDMENTS		MANDATORY EFFECTIVE DATE
IFRS 3	Definition of a Business	January 01, 2020
IAS 1 and IAS 8	Definition of Material	January 01, 2020
IFRS 9, IAS 9 and IFRS 7	Interest Rate Benchmark Reform	January 01, 2020
IFRS 16	COVID-19-Related Rent Concessions	January 01, 2020*

* EARLY APPLICATION IS PERMITTED, INCLUDING FINANCIAL STATEMENTS NOT YET AUTHORIZED FOR PUBLICATION AS OF MAY 28, 2020.

IFRS 3 BUSINESS COMBINATIONS – DEFINITION OF A BUSINESS

The IASB issued amendments in terms of the definition of a business in IFRS 3 Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. The IASB clarifies the minimum requirements for a business; removes the assessment of whether market participants are capable of replacing any missing elements; adds guidance to help entities assess whether an acquired process is substantive; narrows the definitions of a business and of outputs; and introduces an optional fair value concentration test.

The amendments must be applied to transactions that are either business combinations or asset acquisitions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. Consequently, entities do not have to revisit such transactions that occurred in prior periods. Early application is permitted and must be disclosed.

Since the amendments apply prospectively to transactions or other events that occur on or after the date of first-time adoption, most entities will likely not be affected by these amendments on transition. However, entities considering the acquisition of activities and assets after first applying the amendments should promptly update their accounting policies.

The amendments could be relevant in other areas of IFRS. For example, the definition of a business may also be relevant where a parent loses control of a subsidiary and has early adopted Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28).

Adopting this standard did not have a significant impact on the consolidated financial statements.

IAS 1 FINANCIAL STATEMENT PRESENTATION AND IAS 8 ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS - DEFINITION OF MATERIAL

In October 2018, the IASB issued IAS 1 Financial Statement Presentation and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to align the definition of "material" across all standards and to clarify certain aspects of the definition. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

The amendments must be applied prospectively. Early application is permitted and must be disclosed.

Although the amendments to the definition of material are not expected to have a significant impact on an entity's financial statements, the introduction of the term 'obscuring information' in the definition could potentially impact how materiality judgments are made in practice, by elevating the importance of how the information is communicated and organized in the financial statements.

Adopting this standard did not have a significant impact on the consolidated financial statements.

IFRS 9, IAS 39 AND IFRS 7 INTEREST RATE BENCHMARK REFORM

In September 2019, the IASB published amendments to IFRS 9, IAS 39 and IFRS 7, which brings to a conclusion phase one of the IASB's work to respond to the effects of Interbank Offered Rates (IBOR) reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with an alternative nearly risk-free interest rate (an RFR).

The amendments must be applied retrospectively. However, any hedge relationships that have previously been de-designated cannot be reinstated upon application, nor can any hedge relationships be designated with the benefit of hindsight. Early application is permitted and must be disclosed.

Adopting this standard did not have a significant impact on the consolidated financial statements.

IFRS 16 COVID-19-RELATED RENT CONCESSIONS

In May 2020, the IASB issued an amendment to IFRS 16 Leases to provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a result of the COVID-19 pandemic. The amendment is not applicable to lessors.

As a practical solution, a lessee may choose not to assess whether the COVID-19-related rent concession granted by a lessor is a lease modification. A lessee making this choice will recognize the changes in lease payments from COVID-19-related rent concessions in the same way as it would recognize the change under IFRS 16 as if that change were not a lease modification.

A lessee will apply this practical solution retroactively, recognizing the cumulative effect of first-time adoption of the amendment as an adjustment to the initial balance of the cumulative results (or another component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee applies the amendment for the first time.



A lessee may apply this amendment for annual periods beginning on or after June 1, 2020. Early application is permitted, including financial statements not yet authorized for publication as of May 28, 2020.

Adopting this standard did not have a significant impact on the consolidated financial statements.

NEW ACCOUNTING PRONOUNCEMENTS, STANDARDS, INTERPRETATIONS AND AMENDMENTS EFFECTIVE FOR ANNUAL PERIODS BEGINNING ON OR AFTER JANUARY 1, 2021.

The new standards, interpretations and amendments to IFRS that have been issued but have not yet taken effect as of the date of these financial statements are detailed below. The Bank has not adopted these standards early:

AMENDMENTS		MANDATORY EFFECTIVE DATE
IFRS 17	Insurance Contracts	January 01, 2023

IFRS 17 INSURANCE CONTRACTS

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a new specific accounting standard for insurance contracts covering recognition, measurement, presentation and disclosure. Once effective, it will replace IFRS 4 Insurance Contracts that was issued in 2005. The new standard applies to all types of insurance contracts regardless of the type of entity that issue them, as well as certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

IFRS 17 will be effective for periods beginning on or after January 1, 2023, and will require comparative figures. Early application is permitted, provided the entity also applies IFRS 9 on or before the date it first applies IFRS 17.

Management is currently analyzing this standard and its application to the Chilean insurance market. It is subject to the definitions and requirements established by the CMF, which is in consultation and the final standard is pending.

AMENDMENTS		MANDATORY EFFECTIVE DATE
IFRS 9, IAS 9, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform – phase 2	January 01, 2021
IFRS 3	Reference to the Conceptual Framework	January 01, 2022
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use	January 01, 2022
IAS 37	Onerous Contracts – Cost of Fulfilling a Contract	January 01, 2022
IAS 1	Classification of Current and Non-Current Liabilities	January 01, 2023
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

IFRS 9, IAS 39, IFRS 7, IFRS 4 AND IFRS 16 INTEREST RATE BENCHMARK REFORM – PHASE 2

In August 2020, the IASB published the second phase of the Interest Rate Benchmark Reform, which includes amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. With this publication, the IASB completes its work to respond to the effects of Interbank Offered Rates (IBOR) reform on financial reporting.

The amendments provide temporary exceptions that address the effects on financial reporting when an interbank offered rate (IBOR) is replaced by an alternative nearly risk-free interest rate.

The amendments are required and early application is permitted. Hedging relationships must be reinstated if the hedging relationship was discontinued solely due to changes required by IBOR reform and it would not have been discontinued if the phase two amendments had been applied at that time. Although application is retrospective, an entity is not required to restate prior periods.

The Company is evaluating the impact of this standard.

IFRS 3 REFERENCE TO THE CONCEPTUAL FRAMEWORK

In May 2020, the IASB issued amendments to IFRS 3 Business Combinations – Reference to the Conceptual Framework. These amendments are intended to replace a reference to the IASB's prior Conceptual Framework (1989 Framework), with a reference to the current version issued in March 2018 without significantly changing its requirements.

The amendments will be effective for periods beginning on or after January 1, 2022, and must be applied retrospectively. Earlier application is permitted if, at the same time or earlier, an entity also applies all of the amendments contained in the Amendments to References to the Conceptual Framework in IFRS Standards issued in March 2018.

The amendments will provide consistency in financial reporting and will avoid potential confusion from having more than one version of the Conceptual Framework in use.

The Company is evaluating the impact of this standard.

IAS 16 PROPERTY, PLANT AND EQUIPMENT: PROCEEDS BEFORE INTENDED USE

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment, any sales proceeds earned from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Once in location, an entity will recognize proceeds from the sale of those items, and their cost, in profit for the period, in accordance with applicable standards.

The amendments will be effective for annual periods beginning on or after January 1, 2022. The amendment must be applied retrospectively only to items of property, plant and equipment available for use on or after the beginning of the first period presented in the financial statements in which the entity applies the amendment for the first time.

The Company is evaluating the impact of this standard.



IAS 37 ONEROUS CONTRACTS – COST OF FULFILLING A CONTRACT

In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets to specify the costs an entity must include when assessing whether a contract is onerous or generates losses.

The amendments will be effective for annual periods beginning on or after January 1, 2022. The amendment must be applied retrospectively to contracts existing at the beginning of the annual reporting period in which the entity first applies the amendment (first-time adoption date). Early application is permitted and must be disclosed.

The amendments are intended to provide clarity and help guarantee consistent application of the standard. Entities that previously applied the incremental cost approach will see an increase in provisions to reflect the inclusion of costs directly related to contract activities, while entities that previously recorded provisions for contractual losses using the guidance in the prior standard, IAS 11 Construction Contracts, must exclude indirect costs from their provisions.

The Company is evaluating the impact of this standard.

IAS 1 FINANCIAL STATEMENT PRESENTATION – CLASSIFICATION OF CURRENT AND NON-CURRENT LIABILITIES

In June 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current.

The amendments are effective for annual periods beginning on or after January 1, 2023. Entities need to carefully consider whether there are any aspects of the amendments that suggest that terms of their existing loan agreements should be renegotiated. The amendments must be applied retrospectively.

The Company is evaluating the impact of this standard.

IFRS 10 CONSOLIDATED FINANCIAL STATEMENTS AND IAS 28 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES – SALE OR CONTRIBUTION OF ASSETS BETWEEN AN INVESTOR AND ITS ASSOCIATE OR JOINT VENTURE

The amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) address an inconsistency between the requirements of IFRS 10 and IAS 28 (2011) in the treatment of the sale or provision of assets between an investor and its associate or joint venture. The amendments were issued in September 2014, and state that when the transaction involves a business (whether or not in a subsidiary), all the gain or loss is recognized. A partial gain or loss is recognized when the transaction involves assets that do not constitute a business, even when the assets are in a subsidiary. The date of mandatory application of these amendments is to be determined since the IASB is waiting for the results of its research project on accounting using the equity method. These amendments must be applied retrospectively, and early application is permitted, which must be disclosed.

Banco Security has considered the CMF resolutions to postpone implementing Basel III by one year and postpone implementing the new Compendium of Accounting Standards for Banks (CNCB) to January 2022.

The Company is evaluating the impact of this standard.

2.3 BASIS OF CONSOLIDATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Grupo Security has prepared these consolidated financial statements by consolidating all the entities in which it holds a direct or indirect interest of 50% or more. Grupo Security also considers those entities in which the Company has the ability to exercise effective control, without considering the ownership percentages in the consolidated companies. According to IFRS 10, control is understood as the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Grupo Security consolidates these entities on a line-by-line basis. Consequently, all balances and effects of significant transactions between the consolidated companies are eliminated upon consolidation.

In addition, the participation of third parties in the equity of the consolidated companies is presented in the item "non-controlling interest" in equity in the consolidated statement of financial position; and profit is presented as "Profit (loss) attributable to non-controlling interest" in the statement of comprehensive income and the statement of changes in equity.

In consolidating foreign subsidiaries, IAS 21 is used to translate the financial statements of Peruvian subsidiaries.

The companies included in the consolidation scope as of December 31, 2020 and 2019, are as follows:

COMPANY NAME	TAXPAYER ID NUMBER	DIRECT
Factoring Security S.A.	96.655.860-1	99.99800%
Banco Security S.A. and subsidiaries	97.053.000-2	99.97481%
Inmobiliaria Security S.A.	96.786.270-3	99.99900%
Inversión Previsión Security Limitada and subsidiaries	78.769.870-0	99.99998%
Capital S.A. and subsidiaries	96.905.260-1	99.98530%
Securizadora Security S.A.	96.847.360-3	99.96000%
Security Internacional S.A. and subsidiaries	96.847.360-3	100.00000%

2.4 VALUATION AT AMORTIZED COST

Amortized cost is the amount at which an asset or liability is measured at initial recognition, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the amount at maturity.

In the case of financial assets, amortized cost includes corrections for any impairment that may have occurred.

2.5 FAIR VALUE

A fair value measurement estimates the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at a given date under current market conditions.



FAIR VALUE HIERARCHY

- **LEVEL 1:** Quoted (unadjusted) price in markets for identical assets and liabilities;
- **LEVEL 2:** Inputs that are not quoted prices included in Level 1 that are observable for the asset or liability;
- **LEVEL 3:** Inputs that are not based on observable markets.

When an instrument's market is not active, the Group determines fair value using techniques to approximate a fair price, such as interest rate curves based on market transactions or comparison with similar instruments.

2.6 VALUATION AT ACQUISITION COST

Acquisition cost is defined as the cost of the transaction to acquire the asset, less any impairment losses that may exist.

The accompanying consolidated financial statements have been prepared using amortized cost criteria except for:

- Derivative financial instruments measured at fair value.
- Financial instruments held for trading measured at fair value through profit and loss or equity.
- Investments available for sale measured at fair value, for the Bank.

2.7 GOODWILL

At Grupo Security, goodwill generated upon consolidation represents the difference between the acquisition cost and the Company's share of the fair value of the identifiable assets and liabilities of a subsidiary or jointly controlled entity as of the acquisition date.

At each year end, it is tested for any impairment that reduces its recoverable amount to below its carrying amount. If appropriate, this difference is recognized in the consolidated statement of income under "administrative expenses" in accordance with IFRS 3.

2.7.1 GOODWILL - BANCO SECURITY AND VIDA SECURITY S.A.

Goodwill at Banco Security and Vida Security S.A. generated upon consolidation represents the difference between the acquisition cost and the Bank's share of the fair value of identifiable assets and liabilities of a subsidiary or jointly controlled entity as of the acquisition date.

Any goodwill generated is valued at acquisition cost and is tested as of each reporting date for any impairment that reduces its recoverable amount to below its carrying amount. If appropriate, this difference is recognized in the consolidated statement of income under "administrative expenses", in accordance with IFRS 3.

2.8 INTANGIBLE ASSETS OTHER THAN GOODWILL

Software: Expenses for in-house developed software are recognized as an asset when the Group is able to demonstrate its intent and ability to complete development and use it within the organization to generate future economic benefits and it can reliably measure the costs of completing this development. Capitalized costs of in-house developed software include all costs directly attributable to developing the software and they are amortized over their estimated useful lives.

Computer software purchased by the Group is recognized at cost less accumulated amortization and impairment losses.

Useful life has been determined based on the period of time over which economic benefits are expected. The amortization period and method are reviewed annually and any change is treated as a change in an estimate. Maintenance costs for an intangible asset are recognized with a charge to profit or loss in the year in which they are incurred. Amortization of intangible assets is recognized on a straight-line basis as of the date when the asset is available for use. Any subsequent expenses in software assets are capitalized only when they increase the future economic benefit for the specific asset. All other expenses are recognized in profit or loss as incurred.

The Company performs impairment tests if there are signs that the carrying value exceeds the recoverable value of the intangible asset. An intangible asset with an indefinite useful life 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.

The estimated useful life of each item of intangible assets as of December 31, 2020 and 2019, is as follows:

NATURE OF INTANGIBLE ASSET	USEFUL LIFE	DESCRIPTION
Normal projects costing less than UF 125	Up to 36 months	The standard for all IT projects applies
Strategic projects for the business	Up to 72 months	Exceptional projects whose amortization period must be approved by the Committee
Other projects	Over 72 months	Projects that must be approved by the Group's board of directors, given their size.

2.9 PROPERTY, PLANT AND EQUIPMENT

Grupo Security accounts for property, plant and equipment using the cost model. The cost model is an accounting method in which property, plant and equipment is recognized at cost less accumulated depreciation and impairment losses. Depreciation is determined using the straight-line method over the cost of the assets less their residual value. The land on which buildings and other facilities are built is considered to have an infinite useful life and, therefore, is not depreciated. Depreciation for the year is recognized in profit or loss for the year and calculated based on the estimated useful lives of the respective assets. Any gain or loss from the disposal or retirement of an asset is calculated as the difference between the sales price and the asset's carrying amount and is recognized in profit or loss.



The estimated useful life of each item of property, plant and equipment as of December 31, 2020 and 2019, is as follows:

	USEFUL LIFE IN YEARS
Buildings	60-80 years
Plant and equipment	3-5 years
Motor vehicles	3 years
Other property, plant and equipment	2-5 years

Asset residual values, useful lives and depreciation methods are reviewed and adjusted if required, as of each reporting date.

2.9.1 PROPERTY, PLANT AND EQUIPMENT - BANCO SECURITY

Items of property, plant and equipment are measured at cost minus accumulated depreciation and impairment losses. Depreciation is recognized in the statement of income on a straight-line basis over the useful life of the respective asset.

For certain real estate properties, the Bank recognized their fair values, based on independent appraisals, as their costs upon first-time adoption of IFRS.

2.10 LEASE AGREEMENTS

Lease receivables, included in "loans to customers", are periodic payments from lease agreements that meet certain requirements to qualify as finance leases and they are presented at nominal value net of unaccrued interest at year-end.

2.11 REPOSSESSED OR AWARDED ASSETS

Repossessed or awarded assets are classified within "non-current assets classified as available for sale" at the lesser of their foreclosure cost and their fair value less impairment provisions.

2.11.1 REPOSSESSED OR AWARDED ASSETS - BANCO SECURITY

Repossessed assets are classified within "other assets" at the lesser of their foreclosure cost and their fair value less required regulatory write-offs and are presented net of provisions. The CMF requires regulatory write-offs if the asset is not sold within a one year of foreclosure.

2.11.2 REPOSSESSED OR AWARDED ASSETS - FACTORING

The Company classifies repossessed or awarded assets as available for sale, which are recorded at the lower of their book value and fair value less costs to sell.

Subsequent measurements of impairment losses may be recognized, and when the opposite occurs, gains are only recognized up to the value of the impairment losses previously recognized.

2.12 IMPAIRMENT OF FINANCIAL AND NON-FINANCIAL ASSETS

Grupo Security reviews the book value of its assets subject to impairment as of each reporting date, to determine whether there are indicators that such assets may be impaired. If any indicators are detected, the recoverable amount of the asset is estimated in order to calculate the amount of the impairment loss (if any).

The recoverable amount is the higher of the asset's fair value less cost to sell and the asset's future cash flows. When assessing the estimated future cash flows, the Company discounts them to present value using a discount rate that shows the current market valuations regarding the time value of money and the specific risks of the asset for which the estimated future cash flows have not been adjusted.

If the Company estimates that the recoverable value of an asset (or a cash generating unit) is below its carrying amount, then the carrying amount of the asset (or cash generating unit) is reduced to its recoverable value. The Company, therefore, immediately recognizes an impairment loss in profit or loss, except when the relevant asset is recognized at a restated amount, in which case the impairment loss is recognized as a decrease to the revaluation reserve.

When an impairment loss is reversed, the carrying amount of the asset is increased to the estimated recoverable value, which is recognized as income.

Intangible assets with an indefinite useful life are tested annually for indications of impairment.

All impairment losses are recognized in profit or loss. An impairment loss can only be reversed if it can be related objectively to an event occurring after the impairment loss was recognized.

2.12.1 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company regularly assesses whether there is indication that an asset may be impaired. If it finds such indications, or when there is an annual impairment testing requirement, the Company and its subsidiaries estimate the asset's recoverable amount. An asset's recoverable amount is the greater between the fair value of an asset or a cash generating unit, less costs to sell, and its value in use, and is determined for an individual asset unless the asset does not generate cash inflows that are clearly independent from those of other assets or asset groups. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered to be impaired and is written down to its recoverable amount. When appropriate, it is recorded in other income (losses) in the consolidated statement of income. When an impairment loss is subsequently reversed, the carrying amount of the asset or cash generating unit is increased up to the lower of the revised estimate of its recoverable amount and the carrying amount that would have been recorded if the impairment loss had not been previously recorded.

2.12.2 IMPAIRMENT OF FINANCIAL AND NON-FINANCIAL ASSETS - INVERSIONES PREVISIÓN SECURITY (PARENT COMPANY OF SEGUROS VIDA SECURITY PREVISIÓN S.A.)

The Financial Risk Area, in coordination with Investment Management, has defined a series of key indicators to discern whether the value of an asset may be impaired at a certain level. The Financial Risk Area continuously monitors these indicators in order to duly alert any probable impairment of an asset. When the alert is given, all additional information available will be gathered in order to confirm and explain this impairment.



Vida Security estimates impairment on its endorsable mortgage loans using the model in CMF General Standard 311 dated June 28, 2011. In addition, for retiree loans, Vida Security has decided to maintain the standard defined in General Standard 208 dated October 12, 2007 and amendments.

INSURANCE PREMIUMS

Impairment related to insurance premiums is estimated in accordance with CMF Ruling 1,499. Under this ruling, the provision for estimated loss is recognized in profit depending on whether the premium is secured by notes, whether it has payment specification and based on the aging of the debt.

REINSURANCE CLAIMS RECEIVABLE

Considering that the Vida Security's current reinsurers have historically incurred no significant delays, caused by contractual non-compliance, in payments for ceded claims, the Company has decided to recognize impairment of the reinsurance liability in accordance with General Standard No. 848 on provisions for reinsurance claims receivable.

This means that reinsurance assets will be impaired in proportion to the claims provisioned for in relation to total reinsurance claims receivable (for insurance reinsured with the reinsurer for which the provision has been established).

In regard to the impairment of the reinsurance share of technical reserves, to date there is no objective evidence of impairment of any reinsurers with which Vida Security operates. All reinsurers meet the minimum selection requirements in the Company's reinsurance policy, duly approved by the board of directors, which calls for a risk rating of A or higher and no payment contingencies involving the Company. Thus, the subsidiary has no impairment provision in the reinsurance share of technical reserves.

LOANS

Impairment of retiree loans is estimated in accordance with CMF General Standard 208 and amendments.

2.12.3 IMPAIRMENT OF FINANCIAL AND NON-FINANCIAL ASSETS - BANCO SECURITY

FINANCIAL ASSETS

As of each reporting date, the Bank assesses whether there is objective evidence that a financial asset or a group of financial assets may be impaired. A financial asset is impaired and a loss will arise if objective evidence of impairment exists. Financial assets carried at amortized cost show evidence of impairment when the present value of the estimated future cash flows, discounted at the asset's original effective interest rate, is less than the asset's carrying amount. An impairment loss for available-for-sale financial assets is calculated using its fair value.

Financial assets that are individually significant are assessed individually to determine whether objective evidence of impairment exists. Financial assets that are not individually significant and have characteristics similar to other assets are assessed as a group. All impairment

losses are recognized in profit. An impairment loss can only be reversed if it can be related objectively to an event occurring after the impairment loss was recognized.

See impairment criteria for loans granted by Banco Security in Note 2.20 "Provisions - Banco Security".

NON-FINANCIAL ASSETS:

As of each reporting date, the Bank reviews the carrying amount of its non-financial assets to determine if objective evidence of impairment exists. If such indication exists, the recoverable amount of the asset is estimated. An impairment loss is reversed if there has been a change in the estimations used to determine the recoverable amount.

2.13 VALUATION OF FINANCIAL INSTRUMENTS

Financial assets are recognized in the consolidated financial statements when acquired and are initially measured at fair value including costs related to their acquisition for instruments subsequently valued at amortized cost.

Financial assets maintained by Grupo Security S.A., and subsidiaries are classified in accordance with IFRS 9 based on the business model under which a financial asset is managed and the features of its contractual cash flows.

Specifically:

- **FINANCIAL ASSETS AT AMORTIZED COST:**

Financial assets that are held within a business model, the objective of which is to collect contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI"), are subsequently measured at amortized cost.

LOANS AND RECEIVABLES: These correspond to financial assets used to provide cash financing or services directly to a debtor.

Loans and receivables are accounted for at amortized cost recognizing accrued interest in profit or loss in accordance with the effective interest method. Amortized cost is the amount at which an asset or liability is measured at initial recognition, plus or minus the cumulative amortization using the effective interest method.

The effective interest rate is the rate that sets the value of a financial instrument equal to the sum of its cash flows estimated for all concepts over its remaining useful life.

- **FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME:**

Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and/or selling financial assets, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI"), are subsequently measured at fair value through other comprehensive income.



- **FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS:**

All other financial assets (debt and equity instruments) are measured at fair value through profit and loss.

At each reporting date, Grupo Security S.A. assesses whether there is objective evidence that a financial asset or group of financial assets may be impaired.

FAIR VALUE: The fair value of a financial instrument is defined as the amount at a given date for which it could be bought or sold on that date between two knowledgeable, willing parties in an arm's length transaction. The most objective and typical reference of fair value of a financial instrument is the price that is paid in an organized, transparent and deep market. If this market price cannot be estimated objectively and reliably for a certain financial instrument, the Company will estimate its fair value in reference to the most recent transactions of similar instruments or at the present value of all future cash flows (receipts or disbursements), discounted using a market interest rate for similar financial instruments (same term, currency, interest rate and equivalent risk rating).

2.13.1 VALUATION OF FINANCIAL INSTRUMENTS - BANCO SECURITY

Banco Security presents its investments in financial instruments in accordance with IAS 39, as required by the CMF and detailed as follows:

TRADING INSTRUMENTS

Trading instruments are securities acquired to obtain a profit from short-term fluctuations in price, or for the dealer's margin, or to include in a portfolio where there is a pattern of short-term profit-making.

Trading instruments are recognized at fair value based on market prices at year-end. Gains or losses that have resulted from adjustments in fair value as well as gains or losses from trading activities and accrued interest and indexation are included in "Trading Instruments" within "Net financial operating income" in the statement of income.

Investment instruments are classified into two categories:

- Investments held to maturity
- Investments available for sale

Investments held to maturity are those instruments that the Bank has the ability and intent to hold to maturity. All other investment instruments are considered as available for sale.

Investment instruments are initially measured at cost, including transaction costs.

Instruments available for sale are subsequently recorded at fair value based on market prices or valuations obtained using models. Unrealized gains or losses arising from changes in their fair value are recognized with a charge or credit to equity accounts. When these

investments are disposed of or impaired, the amount of the fair value adjustments accumulated in equity is transferred to profit and reported in "Sale of investments available for sale" in "Net financial operating income" in the statement of income.

Investments held to maturity are recognized at cost plus accrued interest and indexation, less impairment provisions recognized when the amount recognized is greater than the estimated recoverable amount. As of December 31, 2020 and 2019, Banco Security did not have any investments held to maturity.

The interest and indexation for inflation of held to maturity and available for sale investments are included in the "Interest and indexation income" line in the Bank's financial statements.

Investment securities used as accounting hedges are adjusted under hedge accounting rules.

2.13.2 VALUATION OF FINANCIAL INSTRUMENTS - INVERSIONES PREVISIÓN SECURITY LTDA. (PARENT COMPANY OF SEGUROS VIDA SECURITY PREVISIÓN S.A.)

The company has applied the provisions of IFRS 9 - Financial Instruments. However, in accordance with ordinary rulings 6593, 11999, 14144 and 15907 issued by the CMF, it has made an exception to IFRS 9 for fixed-income investments backing obligations for technical reserves for retirement annuities under D.L. 3,500, which are classified as investments at amortized cost.

2.14 FINANCIAL DERIVATIVE CONTRACTS

Due to the types of transactions performed by Grupo Security, the Company is exposed to financial risks related to foreign exchange and interest rate fluctuations. To mitigate these currency and interest rate risks, Grupo Security uses currency derivatives, primarily US dollar, and interest rate forwards.

These contracts are classified as derivative instruments. Such instruments are initially recognized at fair value on the date on which the derivative contract is signed and subsequently remeasured at fair value.

Derivative instruments, which include foreign currency and UF forwards, interest rate futures, currency and interest rate swaps and options, and other financial derivative instruments, are recognized initially in the statement of financial position at cost (including transactions costs) and subsequently measured at fair value. The fair value is obtained from corresponding market pricings, discounted cash flow models and pricing valuation models. The derivative instruments are recognized as an asset when their fair value is positive and as a liability when they are negative.

Certain derivatives embedded in other financial instruments are treated as separate derivatives when their risks and characteristics are not closely related with those of the host contract and when such host contracts are not measured at fair value through profit or loss.



If a derivative instrument is classified as a hedging instrument, it can be: (1) a hedge of the fair value of existing assets or liabilities or firm commitments, or (2) a hedge of cash flows related to existing assets or liabilities or forecasted transactions. A hedge relationship for hedge accounting purposes must meet all of the following requirements: (a) at its inception, the hedge relationship has been formally documented; (b) it is expected that the hedge will be highly effective; (c) the effectiveness of the hedge can be measured reasonably; and (d) the hedge is highly effective with respect to the hedged risk, continuously throughout the entire hedge relationship.

Certain derivative transactions that do not qualify for hedge accounting are treated and reported as derivatives for trading purposes, even though they provide an effective hedge for managing risk positions.

When a derivative instrument hedges the risk of changes in the fair value of an existing asset or liability, the asset or liability is recorded at its fair value with respect to the specific hedged risk. The mark to market adjustments for both the hedged item and the hedging instrument are recognized in the consolidated statements of income.

If the item hedged in a fair value hedge is a firm commitment, the changes in the fair value of the firm commitment regarding the covered risk are recognized as assets or liabilities recognized against the consolidated statements of income for the year. Gains or losses from fair value adjustments of the derivative instrument are recognized in profit or loss. When an asset or liability is acquired as a result of the commitment, the initial recognition of the asset or liability acquired is adjusted to incorporate the accumulated effect of the valuation at fair value of the firm commitment, which was previously recognized in the statement of financial position.

When a derivative hedges the risk of changes in the cash flows of existing assets or liabilities or forecasted transactions, the effective portion of changes in the fair value related to the hedged risk is recognized in equity.

Any ineffective portion is recognized directly in the consolidated statements of income for the year. The accumulated amounts recognized in equity are transferred to profit or loss when the hedged item affects profit or loss.

When an interest rate fair value hedge is performed on a loan portfolio basis and the hedged item is an amount instead of individualized assets or liabilities, gains or losses from fair value adjustments, for both the hedged portfolio and the derivative instrument, are recognized in profit or loss for the year, but the fair value adjustment of the hedged portfolio is reported in the statement of financial position, either in assets or liabilities, according to the position of the hedged portfolio at that moment in time.

When a cash flow hedge is used to hedge exposure to changes in cash flows that are attributed to a particular risk related to an asset or liability involved in a transaction that is predicted to be highly likely, the effective portion of changes in the fair value with respect to the hedged risk is recognized in equity, while the ineffective portion is recognized in profit or loss for the year.

2.14.1 FINANCIAL DERIVATIVE CONTRACTS - BANCO SECURITY

Banco Security has applied IAS 39, as expressly mandated by the CMF in its Compendium of Accounting Standards. Banco Security's derivative instruments, which include foreign currency and UF forwards, interest rate futures, currency and interest rate swaps and options, and other financial derivative instruments, are recognized initially in the statement of financial position at cost (including transactions costs) and subsequently measured at fair value. The fair value is obtained from corresponding market pricings, discounted cash flow models and pricing valuation models. Derivative instruments are reported as an asset when their fair value is positive and as a liability when negative, under "financial derivative instruments".

Certain derivatives embedded in other financial instruments are treated as separate derivatives when their risks and characteristics are not closely related with those of the host contract and when such host contracts are not measured at fair value through profit and loss. At inception, a derivative contract must be designated by the Bank as a derivative instrument for trading or hedging purposes. Changes in fair value of derivative instruments held for trading purposes are included under "trading derivatives" in "net financial operating income (loss)", in the consolidated statement of income.

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

(1) a hedge of the fair value of existing assets or liabilities or firm commitments, or (2) a hedge of cash flows related to existing assets or liabilities or forecasted transactions. A hedge relationship for hedge accounting purposes must comply with all of the following conditions: (a) at its inception, the hedge relationship has been formally documented; (b) it is expected that the hedge will be highly effective; (c) the effectiveness of the hedge can be measured reasonably; and (d) the hedge is highly effective with respect to the hedged risk, continuously throughout the entire hedge relationship.

Certain transactions with derivatives that do not qualify for being classified as hedging derivatives are treated and recognized as trading derivatives, even when they provide effective economic hedges of the risk positions. When a derivative instrument hedges the risk of changes in the fair value of an existing asset or liability, the asset or liability is recorded at its fair value with respect to the specific hedged risk. The mark to market adjustments for both the hedged item and the hedging instrument are recognized in the consolidated statements of income.

If the item hedged in a fair value hedge is a firm commitment, the changes in the fair value of the firm commitment regarding the covered risk are recognized as assets or liabilities recognized against the consolidated statements of income for the year. Gains or losses from fair value adjustments of the derivative instrument are recognized in profit or loss. When an asset or liability is acquired as a result of the commitment, the initial recognition of the asset or liability acquired is adjusted to incorporate the accumulated effect of the valuation at fair value of the firm commitment, which was previously recorded in the statement of financial position.

When a derivative hedges the risk of changes in the cash flows of existing assets or liabilities or forecast transactions, the effective portion of changes in the fair value related to the hedged risk is recorded in equity.

Any ineffective portion is recognized directly in the consolidated statements of income for the year. The accumulated amounts recognized in equity are transferred to profit or loss when the hedged item affects profit or loss.

When an interest rate fair value hedge is performed on a portfolio basis and the hedged item is an amount instead of individualized assets or liabilities, gains or losses from fair value adjustments, for both the hedged portfolio and the derivative instrument, are recognized in profit or loss for the year, but the fair value adjustment of the hedged portfolio is reported in "financial derivative instruments", either in assets or liabilities, according to the position of the hedged portfolio at that moment in time.

When a cash flow hedge is used to hedge exposure to changes in cash flows that are attributed to a particular risk related to an asset or liability involved in a transaction that is predicted to be highly likely, the effective portion of changes in the fair value with respect to the hedged risk is recognized in equity, while the ineffective portion is recognized in profit or loss for the year.



2.14.2 FINANCIAL DERIVATIVE CONTRACTS - INVERSIONES PREVISIÓN SECURITY LTDA. (PARENT COMPANY OF SEGUROS VIDA SECURITY PREVISIÓN S.A.)

The company enters into forwards during the period in order to cover changes in the exchange rate that may adversely affect its assets in foreign currency (US dollars), which are at fair value at year end in accordance with CMF General Standard 311. Changes in value during the year are recognized in profit or loss.

All derivatives carried at fair value may be quoted in the market and the fair value is calculated based on standard financial formulas by using market parameters such as exchange rate, volatilities or discount rates.

2.14.2 FINANCIAL DERIVATIVE CONTRACTS - INVERSIONES PREVISIÓN SECURITY LTDA. (PARENT COMPANY OF SEGUROS VIDA SECURITY PREVISIÓN S.A.)

Inversiones Previsión Security Ltda. has swap and forward hedging contracts that comply with Chapter 7 of Ruling 1,512, and General Standards 200 and 311 of the Financial Market Commission. They are valued using the purchase rate and the new exchange rates in effect as of the closing date of the consolidated financial statements.

A) FINANCIAL ASSETS AT FAIR VALUE

All of the company's financial assets other than those detailed in section b) below are measured at fair value.

The Company does not have any internally developed valuation models for determining the fair value of its financial investments and, therefore, in accordance with CMF General Standard 311, it uses the following fair value valuation standards:

- i) **LISTED SHARES WITH ADJUSTED PRESENCE:** Shares recorded with annual adjusted presence of over 25% or with a market maker according to Chapter II and III of General Standard 327 are valued as follows. Within the last 180 trading days before the day of the calculation, the number of days in which total daily exchange transactions have reached a minimum amount equivalent to UF 1,000, in conformity with the value of that unit each of those days, will be calculated. That number will be divided by 180 and the resulting quotient will be multiplied by 100 to get a percentage.
- ii) **OTHERS SHARES:** Shares not listed on stock markets are measured at their book value in the consolidated financial statements.
- iii) **INVESTMENT FUND UNITS:** Investment fund units with annual adjusted presence of 20% or more are valued at the weighted average of the transactions of the last trading day, corresponding to the year end, considering the transactions in which an amount equal to or greater than UF 150 has been traded. Investment fund units without presence or with low presence are valued at the unit value, which is reported monthly by the fund as equity divided into the number of units, regardless of whether this is the carrying amount or a financial value. It is assumed that if the fund reports its financial statements under IFRS, then its assets and liabilities will be valued at fair value as appropriate. Therefore, the reported unit value will be an appropriate estimate of the fair value of the unit.

- iv) **MUTUAL FUND UNITS:** Mutual fund units are measured at the redemption value of the shares at the reporting date; differences between this value and the closing amount recorded in the prior financial statements are recorded in profit.
- v) **FOREIGN INVESTMENT FUND AND MUTUAL FUND UNITS:** Investments in these funds are measured at the value of the unit on the last working day of the month of the financial statement close.
- vi) **DERIVATIVES:** The Company enters into forwards during the period in order to cover changes in the exchange rate that may adversely affect its assets in foreign currency (US dollars), which are at fair value at year end in accordance with CMF General Standard 311. Changes in value during the year are carried to profit.

B) FINANCIAL ASSETS AT AMORTIZED COST

The company's policy is to maintain a portfolio of long-term fixed income financial and real estate securities sufficient to back total annuity reserves and intended to provide a legal reserve for cash flows as tight as possible in the tranches where feasible (tranches 1 to 7). In accordance with General Standard No. 311, these investments are recognized at amortized cost. Life annuity reserves represent approximately 67% of the company's total liabilities.

For purposes of classifying financial assets at amortized cost, the subsidiary verifies that the securities have the features of a loan and confirms that the business model considers the recovery of the portfolio by means of contractual cash flows, according to the following criteria:

- i) **FIXED INCOME INSTRUMENTS:** These are measured at their present value estimated based on the same discount rate used to determine the price of the instrument at the time of acquisition (IRR). This rate is obtained by setting the acquisition costs for the instrument, plus initial transaction costs, equal to its future cash flows. The difference between the par value and the present value is amortized over the life of the instrument.
- ii) **LOANS:** These are loans granted to individuals in accordance with the provisions of CMF General Standard 208 and amendments. Loans are recorded at the amount of outstanding payments plus accrued but unpaid interest.
- iii) **FIXED INCOME STRUCTURED NOTES:** The Company maintains fixed income investments abroad (structured notes) which are measured using the same discount rate used to determine the price of the instrument at the time of the purchase.

C) HEDGING TRANSACTIONS

Hedging transactions correspond to the acquisition or sale of a financial asset that is related to the hedged instrument.

The company has a general policy to recognize derivatives at fair value with the exception of cross currency swaps, which are measured at amortized cost in conformity with CMF General Standard 200 and amendments, as they perfectly cover the future cash flows from long-term fixed income securities that back annuity reserves.



D) INVESTMENTS FOR INSURANCE WITH SAVINGS COMPONENTS (CUI)

Investments backing reserves for insurance with savings components (CUI) are classified as instruments at fair value for funds in which the return on the policy is related to the performance of a certain investment portfolio managed by the company or subject to a financial indicator without a minimum return guarantee.

Fixed income investments backing reserves for CUI insurance, in which the funds are guaranteed by the company, are valued at amortized cost, as the investments were purchased and are held in order for their accrued cash flows to cover the guaranteed rate for these funds.

In compliance with the IFRS conditions to recognize an asset at amortized cost.

Equity instruments used to back this reserve include stocks, investment fund units and mutual fund units.

Debt securities at fair value are valued as follows:

- i) **LOCAL FIXED INCOME INSTRUMENTS:** These are valued at their present value resulting from deducting future cash flows of the instruments from the market IRR of the instruments at that date. That rate is the rate reported in the price vector provided by the Risk América Consultores, on the webpage www.portalaach.cl/Home.aspx, corresponding to the first working day after the year end. If an instrument is not shown in the price vector, the underlying rate of the exchange transaction of the instrument within the six months before the year end is used; or if there are no transactions in that period, the real annual average internal rate of return (AIRR) of the month of the year end reported by Santiago Exchange is used.
- ii) **FOREIGN FIXED INCOME INSTRUMENTS:** These are valued in accordance with the quoted value of the security in international markets on the instrument's last day of trading before year end; or if there are no transactions, the company uses the present value of the instrument deducted at the IRR of another instrument with similar characteristics that is representative of the market rate of the instrument held.

2.15 REPURCHASE AGREEMENTS AND SECURITIES LENDING - BANCO SECURITY

Banco Security engages in repurchase and resale agreements for funding purposes. The Bank's investments sold subject to a repurchase agreement that serve as collateral for the loan are part of "Other current financial assets" and "Other current financial liabilities". Repurchase and resale agreements are valued at amortized cost based on the transaction's IRR.

2.16 SAVINGS ACCOUNTS AND TIME DEPOSITS - BANCO SECURITY

Savings accounts and time deposits consist of funds obtained from third parties and/or the market. Regardless of the type of instrument or maturity, they are valued at amortized cost. Other debt instruments issued are valued as of the placement date, including transaction costs, and subsequently valued at amortized cost using the effective interest method.

2.17 FINANCIAL LIABILITIES

Financial instruments issued by Grupo Security S.A., and subsidiaries are recognized at the amount received, net of direct issuance costs.

The main financial liabilities are classified as follows:

- i) Financial liabilities held to maturity are recorded at amortized cost using the effective interest method.
- ii) Financial liabilities held for trading are valued at fair value, following the same criteria as financial assets held for trading. Gains and losses from fluctuations in fair value are included in profit or loss for the year. As of December 31, 2020 and 2019, Grupo Security and subsidiaries account for obligations for financial derivative contracts in this account, recognized at fair value.

Loans accruing interest are recognized at the amount received, net of direct issuance costs. Finance costs, including commissions to be paid upon settlement or reimbursement and direct issuance costs, are recognized in profit or loss using the accrual method and the effective interest method.

2.18 DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

Grupo Security derecognizes a financial asset only when the contractual rights to the cash flows of the financial asset have expired or when the contractual rights to receive the cash flows of the financial asset are transferred during a transaction in which all risks and rewards are transferred.

Grupo Security derecognizes a financial liability only when the obligation specified in the corresponding contract has been extinguished (i.e. paid or settled).

2.19 PROVISIONS

Provisions are recognized when:

- i) Grupo Security has a present obligation as a result of a past event,
- ii) It is probable that an outflow of resources including economic benefits will be required to settle the obligation,
- iii) The obligation can be reliably estimated.

These correspond to amounts covering present obligations at the date of the statement of financial position arising from past events from which actual explicit or constructive obligations can be derived in relation to their nature and for which the amount can be estimated.

The consolidated financial statements of Grupo Security include all material provisions for which the probability of paying the obligation is considered more than likely.



2.19.1 PROVISIONS - BANCO SECURITY

At Banco Security, provisions required to cover risk of loan losses have been recognized in accordance with guidance and specific instructions from the CMF. Effective loans are presented net of such provisions, while contingent loan provisions are presented in liabilities. The Bank uses models or methods based on individual and group analyses of debtors to establish provisions for loan losses. These models and methods are in accordance with CMF guidance and instructions.

Loans to customers, both originally granted by the Bank and acquired, are non-derivative financial assets with fixed or defined charges that are not quoted on an active market and that the Bank has no intention of selling immediately or in the short term. They are valued initially at fair value plus incremental transaction costs and subsequently measured at amortized cost using the effective interest method.

A) IMPAIRED PORTFOLIO

The impaired portfolio includes loans for which concrete evidence exists that the borrowers will not meet some of their obligations in the agreed upon payment terms, regardless of the possibility of recovering amounts owed from collateral, through court collections or by negotiating different terms.

Within this context, the Bank will keep these loans in the impaired portfolio until the payment capacity or behavior has returned to normal. However, the Bank may continue to write off any individual loans.

B) PROVISIONS ON LOANS ASSESSED INDIVIDUALLY

An individual debtor assessment is used when the Bank needs to understand and analyze a customer, whether an individual or legal entity, in detail because of its size, complexity or exposure level. It requires a risk rating for each debtor.

For provisioning purposes, the Bank categorizes debtors and their loans and contingent loans into the appropriate category after assigning them to either the normal, substandard or default portfolio, which are defined as follows:

NORMAL AND SUBSTANDARD PORTFOLIO:

PORTFOLIO TYPE	DEBTOR CATEGORY	PROBABILITY OF DEFAULT (%)	LOSS GIVEN DEFAULT (%)	EXPECTED LOSS (%)
Normal portfolio	A1	0.04	90.00	0.03600
	A2	0.10	82.50	0.08250
	A3	0.25	87.50	0.21875
	A4	2.00	87.50	1.75000
	A5	4.75	90.00	4.27500
	A6	10.00	90.00	9.00000
Substandard portfolio	B1	15.00	92.50	13.87500
	B2	22.00	92.50	20.35000
	B3	33.00	97.50	32.17500
	B4	45.00	97.50	43.87500

Nevertheless, Banco Security must maintain a minimum provision of 0.50% on loans and contingent loans in the normal portfolio.

DEFAULT PORTFOLIO

PORTFOLIO TYPE	RISK SCALE	RANGE OF EXPECTED LOSS	PROVISION (%)
Default Portfolio	C1	More than 0% 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

C) PROVISIONS ON LOANS ASSESSED IN A GROUP

Group assessments are used to analyze a large number of transactions with small individual amounts. For these purposes, the Bank uses models based on the characteristics of debtors and their loans, as well as models based on the behavior of a group of loans. In group assessments, provisions for the consumer portfolio will always be recognized according to expected loss based on the models used by the Bank. The commercial and mortgage portfolios constitute provisions using incurred loss methods, and the provision tables established by the CMF.

D) ADDITIONAL LOAN PROVISIONS

According to SBIF (presently CMF) instructions, Banco Security may establish additional provisions on its individually assessed loan portfolio based on the expected impairment of that portfolio. This provision is calculated based on the Bank's past experience and potential adverse macroeconomic scenarios or circumstances that may affect a particular sector, industry, debtor group or project. The Bank has additional provisions as of December 31, 2020, of MCH\$4,000.

E) LOAN WRITE-OFFS

Loans are written off when recovery efforts have been exhausted in accordance with timetables issued by the SBIF, as follows:

TYPE OF LOAN	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
Consumer leases	6 months
Other non-real-estate leases	12 months
Real estate leases (commercial and residential)	36 months



Recovery of written-off loans: Subsequent payments on written-off loans are recorded directly in profit under "recovery of written-off loans" in "loan loss provisions" in the Bank's financial statements.

ACCRUAL SUSPENSION CRITERIA:

The Bank follows the prudent criterion of suspending the accrual of interest and readjustments in the following cases:

LOANS SUBJECT TO SUSPENSION:	SUSPENDED:
Individual assessment: Loans classified in C5 and C6	For being in the impaired portfolio.
Individual assessment: Loans classified in categories C3 and C4	For having been in the impaired portfolio for three months.
Group assessment: Loans with less than 80% collateral	When the loan or one of its installments is six months past due.

2.20 INVENTORY - INMOBILIARIA SECURITY S.A.

Inventory is recognized at the lower of cost and net realizable value. Costs, which include an appropriate portion of fixed and variable costs, are allocated to inventory by the most appropriate method according to the type of inventory, based mainly on the distribution per built square meter and the area of the land, accordingly. Net realizable value corresponds to the estimated sales price for inventory less all necessary costs to sell. The Group's inventory comes from the subsidiary Inmobiliaria Security S.A. and correspond mainly to the following items:

A) LAND FOR CONSTRUCTION

This land was acquired with the intention to use it in a construction plan. The Group values this land using the cost method.

B) WORK IN PROGRESS

Corresponds to disbursements made to develop real estate projects, which are valued at cost.

C) HOUSES AND APARTMENTS IN STOCK

Corresponds to homes that have been approved by municipal authorities and are available for sale, which are valued at cost.

Inmobiliaria Security S.A. measures its inventory at the lower of cost and net realizable value. At year end, the Company performs an evaluation of the net realizable value of inventory. When inventory is considered to be overstated, it recognizes any adjustments to inventory with a charge to profit or loss. As of year end, the Group has not recognized an obsolescence provision on its inventory. The main components of the cost of a house or apartment correspond to the land, lump sum construction contract, architect and engineers' fees, permits and municipal taxes, operating expenses, financing costs and other disbursements related directly to the construction of the home that are necessary for its completion.

2.20.1 MUTUAL AND LEASING CONTRACTS - SECURITIZADORA SECURITY S.A.

These agreements are valued at amortized cost, acquired to issue bonds as separate estates.

2.21 REVENUE AND EXPENSE RECOGNITION

A) REVENUE

IFRS 15 establishes the principles that an entity must apply to account for revenue and proceeds from contracts for the sale of goods or services to customers.

According to this standard, Grupo Security S.A. recognizes revenue from contracts with customers when it has satisfied its obligations to transfer goods or perform services, as contractually agreed upon, and deems that a good or service has been transferred when the customer obtains control of the good or service (either over time or at a point in time).

The amount recognized is the price of the consideration received.

B) EXPENSES

Expenses are recognized in the statement of income when there is a decrease in the future economic benefits related to a reduction in an asset, or an increase in a liability, that can be measured reliably. This implies that an expense would be recognized at the same time as the increase in the liability or the reduction in the asset is recognized.

An expense is recognized immediately when a disbursement does not generate future economic benefits or when it does not meet the necessary requirements to be recognized as an asset.

2.21.1 REVENUE AND EXPENSE RECOGNITION - BANCO SECURITY

At Banco Security, interest and indexation income and expenses are presented on an accrual basis until year end, using the effective interest method, which is a discount rate that exactly matches the estimated cash flows to be received or paid over the expected life of the transaction.

However, for impaired loans, accrual is suspended as defined by the CMF in Chapter B-2 of the Compendium of Accounting Standards, using the following criteria:

LOANS SUBJECT TO SUSPENSION:	SUSPENDED:
Individual assessment: Loans classified in C5 and C6	For being in the impaired portfolio.
Individual assessment: Loans classified in categories C3 and C4	For having been in the impaired portfolio for three months.
Group assessment: Loans with less than 80% collateral	When the loan or one of its installments is six months past due.



FEE AND COMMISSION INCOME

Fee and commission income and expenses that are part of the effective interest rate of a financial asset or liability are recognized in profit or loss over the life of the transactions from which they arise. Fee and commission income and expenses generated by providing a given service are recognized in profit or loss as the services are provided. Those involving financial assets and liabilities are recognized when collected.

2.21.2 REVENUE AND EXPENSE RECOGNITION - VIDA SECURITY S.A.

RECOGNITION OF INSURANCE PREMIUM REVENUE

The Company recognizes premium revenue upon acceptance of the risk, even if the insurance term has not commenced and begins at a future date. Premiums on annual renewable life insurance contracts are recognized as revenue over the term of the contracts on an elapsed time basis. Single premium and regular long-term life insurance premiums are recognized when the contract issuer has the right to collect it (i.e., when the insurance company decides to accept and cover the risk proposed by the policyholder). Accordingly, this includes the amount receivable by the insurer during the reporting period and the premium during the grace period, when applicable.

CEDED REINSURANCE

Premiums ceded to the reinsurer for its participation in insurance risks. They are recognized from the moment the risk is ceded to the reinsurer. Premiums for ceded reinsurance are recognized according to proportional reinsurance contracts and under the same criteria used for direct insurance.

CEDING DISCOUNT

When the Company receives a commission from the reinsurer for ceded reinsurance, which relates to its reinsurance coverage, the recognition of this commission in profit is deferred, constituting a liability as an unearned ceding discount.

2.22 OFFSETTING OF BALANCES

Balances will only be offset when the debtor and creditor balances generated in transactions, either contractually or legally, establish the possibility of offsetting and the Group has the intent to liquidate them for their net or realizable amount and to simultaneously pay the liability.

2.23 CURRENT AND DEFERRED INCOME TAXES

As of December 31, 2020 and 2019, the income tax expense is calculated based on the tax laws in force as of the reporting date.

Deferred taxes arising from temporary differences and other events that generate differences between the carrying amount for financial reporting purposes and tax bases of assets and liabilities are recognized in accordance with IAS 12. They are calculated using tax rates in force as of the date on which the corresponding deferred tax assets or liabilities are expected to be reversed.

On February 24, 2020, Law 21,210 on Modernizing Tax Legislation took effect. This law defines a single General Tax Regime, as set forth in letter A) of the new article 14 of the Income Tax Law, in effect as of January 1, 2020, with a first category tax rate of 27% for income earned as of that date.

As of December 31, 2019, the Company had to use, by default, the "Semi-Integrated System", as set forth in letter B) of article 14 of the Income Tax Law, in effect as of January 1, 2017, with a First Category Tax rate also of 27%, as set forth in Law 20,899 "Tax Reform to Simplify the Income Tax System and Enhance Other Legal Tax Provisions."

The Company recognizes a deferred tax asset to the extent that it is probable that future taxable earnings will be available against which the deductible temporary differences can be utilized.

2.25 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit or loss for the year by the weighted average shares outstanding during such period, without including the average number of shares of Grupo Security S.A. owned by the other subsidiaries.

The Company has not engaged in any type of transaction with a potential dilutive effect that assumes diluted earnings per share that differ from basic earnings per share.

2.26 FUNCTIONAL CURRENCY

The items included in the consolidated financial statements of each Grupo Security company are valued using the currency of the primary economic environment in which that company operates, called its functional currency.

Grupo Security's management has concluded that the currency of the main economic environment in which the Company operates is the Chilean peso. This conclusion is based on the following:

- a) It is the currency of the country (Chile) whose competitive forces and regulations mainly determine the prices of the services that Grupo Security provides.
- b) It is the currency that mainly influences the Group's cost structure as it relates to the services Grupo Security provides to its customers.

As a result, the Group has concluded that the Chilean peso reflects the transactions, events and conditions that underlie and are relevant to Grupo Security.



The financial statements of its subsidiaries in Peru are prepared in Peruvian nuevo soles and converted to Chilean pesos under IAS 21 for translation and presentation purposes. The effects of translation are recognized in "other comprehensive income" within equity.

The financial statements of its subsidiary Security Internacional Spa., are prepared in US dollars and converted to Chilean pesos under IAS 21 for translation and presentation purposes. The effects of translation are recognized in "other comprehensive income" within equity.

2.27 VARIATIONS IN FOREIGN CURRENCY AND INDEXED UNITS

The management of Grupo Security has defined the Company's functional currency as the Chilean peso.

Consequently, transactions in currencies other than the Chilean peso and those carried out in indexed units such as the UF, UTM, IVP, etc., are considered foreign currency and/or indexed units, respectively, and are recognized at the exchange rates and/or closing values in force as of the respective transaction date.

In preparing Grupo Security's consolidated financial statements, monetary assets and liabilities denominated in foreign currency and/or indexed units are converted at the exchange rates and/or closing values in force as of the reporting date. The resulting exchange differences are recognized in profit or loss.

At Banco Security, transactions in foreign currency are translated to Chilean pesos at the exchange rate in force on the transaction date. Note that monetary items in foreign currency are translated using the closing exchange rate at each year end, and non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

The net foreign exchange gains shown in the consolidated statement of income, include both the result of foreign exchange transactions and the effects of exchange rate variations on foreign-currency-denominated assets and liabilities.

2.28 STATEMENT OF CASH FLOWS

Grupo Security prepares its consolidated statement of cash flows using the direct method,

based on the following definitions:

- **CASH FLOWS:** Inflows and outflows of cash or cash equivalents, which are short-term, highly-liquid investments with a low risk of changes in value.
- **CASH FLOWS FROM OPERATING ACTIVITIES:** Cash flows from Grupo Security's normal activities as well as other activities that cannot be classified as from investing or financing.
- **CASH FLOWS FROM INVESTING ACTIVITIES:** Cash flows resulting from acquiring, selling or otherwise disposing of long-term assets and other investments not included in cash and cash equivalents.
- **CASH FLOWS FROM FINANCING ACTIVITIES:** Cash flows resulting from activities that bring about changes in the size and composition of net equity and financial liabilities that are not part of cash flows from operating activities.

2.29 RELATED PARTY DISCLOSURES

The most important related party balances and transactions are disclosed in the consolidated financial statements in accordance with IAS 24 and the regulations issued by the CMF, by indicating the nature of the relationship, as well as information on the related transactions and balances.

2.30 EQUITY-ACCOUNTED INVESTMENTS

Associates are entities over which Grupo Security has the ability to exercise significant influence, although not control. Usually this capacity manifests itself through an ownership interest equal to or greater than 20% of the entity's voting rights and is valued using the equity method, recognizing results on an accrual basis.

Dividends received from associates are recorded by reducing the value of the investment and Grupo Security S.A.'s share of any profit from associates in proportion to its shareholding are recorded under "Share of profit (loss) of associates and joint ventures, equity-accounted" in the statement of comprehensive income.

2.31 OPERATING SEGMENTS

The Group's operating segments are defined as components of Grupo Security, about which separate financial reporting is available that is evaluated regularly by the chief decision maker in making decisions about allocating resources and assessing performance. Grupo Security operates in five business segments: Lending, Asset Management, Insurance, International Business and Other Services.

Grupo Security provides financial information by segment in order to identify and disclose in the notes to the consolidated financial statements the results obtained by its distinct business areas in conformity with IFRS 8.

2.32 USE OF ESTIMATES

When preparing the consolidated financial statements, certain estimates made by the respective companies' management teams have been used in order to quantify some assets, liabilities, income, expenses and commitments recorded in them. These estimates basically refer to:

- a) The valuation of assets and goodwill to determine any impairment losses.
- b) The assumptions used to calculate the fair value of financial instruments.
- c) The assumptions used to calculate estimates of provisions for doubtful accounts.
- d) Contingencies and commitments
- e) The assumptions used to calculate estimated inventory obsolescence.



- f) The estimate of taxable profits to evaluate the recoverability of deferred tax assets.
- g) Determination of the useful life of property and equipment and intangible assets.
- h) Determination of provisions.
- i) Determination of technical reserves.

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 upcoming periods, which would be made prospectively, recognizing the effects of the change in estimate in the corresponding future consolidated financial statements.

2.34 PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

A) CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Grupo Security has decided to present its consolidated statement of financial position under a presentation format based on the classified current value.

B) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Grupo Security has decided to present its consolidated statement of comprehensive income by function.

2.35 REAL ESTATE INVESTMENTS

Grupo Security's real estate investments include land, building and other construction held to earn rentals or for capital appreciation upon sale as a result of possible future increases in their respective market prices.

Real estate investments are presented in the consolidated financial statements using the cost or fair value models. Using the cost model, these properties are recognized at cost less accumulated depreciation and any accumulated impairment losses. Under the fair value model, properties are remeasured at least on an annual basis to determine their fair value. Increases or decreases in fair value at the time of the remeasurement are immediately recognized in profit or loss for the year.

Depreciation is determined using the straight-line method over the cost of the investment property less its residual value. The land on which buildings and other facilities are built is considered to have an infinite useful life and, therefore, is not depreciated.

Depreciation for each year is recognized in profit or loss and calculated based on the estimated useful lives of the respective real estate investment.

Any gain or loss from the disposal of a real estate investment is calculated as the difference between the sales price and its carrying amount and will be recognized in profit or loss. The fair value of investment property must be disclosed in the notes to the consolidated financial statements.

2.35.1 REAL ESTATE INVESTMENTS - INVERSIONES PREVISIÓN SECURITY LTDA. (PARENT COMPANY OF SEGUROS VIDA SECURITY PREVISIÓN S.A.)

As of each year end, the Company presents the following types of real estate investments:

A) INVESTMENT PROPERTY

Real estate and investment properties are recognized at the lesser of their original cost plus legal revaluations, net of accumulated depreciation as of year end, and the appraisal value of these assets in accordance with CMF General Standard 316 dated August 12, 2011. The cost includes the acquisition price and all costs directly related to bringing the asset to the location and condition necessary for its operation.

Depreciation is calculated on a straight-line basis over the useful life of the respective asset and recognized in the statement of income. When the appraisal value is less than the corrected cost, an adjustment is made for the difference by recording a provision in profit and loss.

B) REAL ESTATE LEASE AGREEMENTS

Real estate lease agreements are recognized in conformity with CMF General Standard No. 316 at the lower of the agreement's residual value determined in accordance with the standards of the Chilean Institute of Accountants, the price-level adjusted cost less accumulated depreciation or market value, which is represented by the last two available commercial appraisals.

C) PROPERTIES FOR OWN USE

Real estate and investment properties are recognized at the lesser of their original cost plus legal revaluations, net of accumulated depreciation as of year end, and the appraisal value of these assets in accordance with CMF General Standard 316 dated August 12, 2011. The cost includes the acquisition price and all costs directly related to bringing the asset to the location and condition necessary for its operation.

Depreciation is calculated on a straight-line basis over the useful life of the respective asset and recognized in the statement of income. When the appraisal value is less than the corrected cost, an adjustment is made for the difference by recording a provision in profit and loss.

D) FURNISHINGS AND EQUIPMENT FOR OWN USE

Furnishings and equipment are stated at cost net of accumulated depreciation at year end.

Depreciation is calculated on a straight-line basis over the useful life of the respective asset and recognized in the statement of income.



2.36 CLASSIFICATION OF ASSETS AND LIABILITIES AS CURRENT AND NON-CURRENT

Assets and liabilities are classified as current when they mature within 12 months or intend to be sold, realized, settled or paid during the normal course of business of Grupo Security and its subsidiaries.

Non-current assets and liabilities include all assets or liabilities that are not classified as current assets or liabilities.

In their statements of financial position, the subsidiaries Banco Security and Seguros Vida Security Previsión S.A., classify their assets and liabilities in accordance with instructions from the CMF, which do not use the classifications of current and non-current. Therefore, for presentation purposes, Grupo Security S.A., has classified the assets and liabilities of the banking and insurance businesses as current in its consolidated financial statements.

2.37 TREASURY SHARES

Equity is presented net of all Grupo Security S.A. shares that are owned by its consolidated subsidiaries.

2.38 PRICE-LEVEL RESTATEMENT IN HYPERINFLATIONARY ECONOMIES

As Chile is not classified as a hyperinflationary economy in accordance with IAS 29, the consolidated financial statements of Grupo Security are not be adjusted for variations in the Consumer Price Index (CPI).

2.39 CONTINGENT ASSETS AND LIABILITIES

A contingent asset or liability is any right or obligation arisen from past events whose existence will be confirmed only if one or more uncertain future events not under the control of Grupo Security occurs.

Contingent assets are not recognized in the consolidated financial statements. Nevertheless, when the realization of the income or expense associated with this contingent asset is more likely than not, it is recognized in the financial statements.

Contingent liabilities are recognized to the extent that their realization is likely and the amount can be reliably measured.

Contingent assets and liabilities are disclosed in a note to the consolidated financial statements as required by IAS 37.

2.40 MINIMUM DIVIDENDS

The dividend policy agreed by the shareholders is to distribute at least 30% of the profits of Grupo Security S.A. received from its direct subsidiaries during the year and divide the payment in two dividends, an interim dividend and a final dividend. Additionally, the board

of directors has been authorized to approve additional dividends from retained earnings if the board believes that Grupo Security S.A.'s financial condition allows it.

Accordingly, it has recognized a minimum dividend provision charged to equity.

2.41 EMPLOYEE BENEFITS

A) EMPLOYEE VACATION

The annual cost of employee vacation is recognized on an accrual basis.

B) SHORT-TERM BENEFITS

Grupo Security has a yearly bonus plan for its employees that may be given based on their performance and ability to meet targets. Provisions are made for them based on the estimated amount to be distributed.

2.42 EMPLOYEE BENEFITS

C) SEVERANCE INDEMNITIES

Grupo Security has not agreed to any severance indemnities that will be payable no matter the reason for terminating employment and, as a result, has not made any such provisions. Any such expenses are recognized in profit or loss as incurred.

2.43 LEASES

Starting January 1, 2019, Grupo Security has adopted IFRS 16 - Leases and has therefore recognized assets and liabilities in accordance with this standard. Under this standard, the "right-of-use" asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated amortization, adjusted for any re-measurement of the lease liability. The "lease liability" is initially measured at the present value of the lease payments that are not paid as of that date. Subsequently, the lease liability is adjusted to account for interest and lease payments as well as modifications to the lease, among others.

2.44 TECHNICAL RESERVES - INVERSIONES PREVISIÓN SECURITY LTDA. (PARENT COMPANY OF SEGUROS VIDA SECURITY PREVISIÓN S.A.)

Technical reserves represent a monetary measure of the net obligations maintained by insurance companies with policy holders. The estimate of this reserve is based on actuarial estimates of the mentioned obligations, which are made using mortality and morbidity tables created based on statistical information and, when dealing with long-term insurance, based on present value.



In Chile, actuarial formulas, mortality and morbidity tables and discount rates used to estimate present value included in long-term reserves are determined by the CMF and their application is mandatory. Reserves estimated accordingly are minimum reserves. However, Chilean standards establish that when there is evidence obtained through studies or analyses that the reserves are insufficient, additional amounts shall be included to eliminate such insufficiency. These analyses are performed through Premium Sufficiency Tests and Liability Adequacy Tests established by the CMF.

Minimum reserves, as well as those determined by the Premium Sufficiency Tests and Liability Adequacy Tests, must be estimated in conformity with the actuarial basis generally accepted in international practice adjusted to Chilean standards.

CMF General Standard 318 issued on September 1, 2011, provides "Instructions regarding the application of IFRS to the determination of technical reserves for annuities and disability and survivor insurance under DL 3,500 of 1980".

CMF General Standard 306 issued on April 4, 2011, and amended by CMF General Standard 320 issued on September 1, 2011, provides "Instructions on the determination of technical reserves for insurance other than retirement insurance under DL 3,500 of 1980".

CMF General Standard 243 issued on February 3, 2009, provides "Instructions regarding the determination of technical reserves for disability and survivor insurance under DL 3,500 of 1980".

A) UNEXPIRED RISK RESERVE

This reserve is recorded for insurance contracted for a period under or equal to four years and it corresponds to unearned net premium in accordance with the instructions provided in CMF General Standard 306.

In general, the Company's short-term policies and additional clauses relate to annual insurance with coverage and premium recognition on a monthly basis. The grace period of the related coverage is one (1) month. Accordingly, the unexpired risk reserve considered by the Company is equivalent to one (1) month of premium not discounted for acquisition costs.

For short-term policies and additional clauses with coverage and premium recognition in periods over one month, the unexpired risk reserve is estimated starting from the recognized unearned premium based on daily figures and without recognizing acquisition costs, in conformity with the provisions of section 1.1 of clause II of General Standard No. 306.

There is no long-term insurance for which the unexpired risk reserve has been considered.

B) PRIVATE INCOME RESERVE

For technical reserve purposes, these policies are treated like annuities.

C) MATHEMATICAL RESERVE

The mathematical reserve has been estimated in accordance with the methods determined in CMF General Standard 306 dated April 14, 2011, which corresponds to the present value of future payments for claims generated by policies less the current value of future premiums as per mortality tables M-95 H and M-95 M and the annual technical interest rate of 3%.

The Company's long-term policies relate to the main coverage for individual traditional insurance and level premiums as well as individual and group single premium insurance that are completely paid.

D) RESERVE FOR DISABILITY AND SURVIVOR INSURANCE (DSI)

For disability and survivor insurance in force from August 1, 1990, reserves have been calculated in conformity with CMF General Standard No. 243.

The reserves for claims related to disability and survivor insurance which are in force from July 1, 2010, have been estimated in conformity with the instructions included in CMF General Standard No. 243 from February 2009 and its amendments, as well as CMF General Standard 318 from September 1, 2011.

E) ANNUITIES RESERVE

This reserve has been set up in accordance with the calculation methods determined by the CMF and is the current value of future payments to the insured parties or beneficiaries, calculated based on the life tables and the maximum interest rate stated in General Standard 422 and its amendments. From January 2001, the Company has applied Ruling No. 1,512 of 2001 for insurance governed by Ruling No. 528 of 1985. Since January 2012, the Company has applied CMF General Standard 318.

For life annuity policies in effect until December 31, 2011, the Company has set up a financial technical reserve in accordance with Ruling 1,512 dated January 2, 2001, and CMF General Standard 318 dated September 1, 2011, on the valuation of assets and liabilities, at the present value of future discounted payments at a weighted rate that is calculated based on a 3% rate and the underlying internal rate of return in transactions on formal markets of long-term state-owned instruments at the starting date of the life of policies, weighted by liability hedge rates at year end.

For policies initially in effect since January 1, 2012, the discount rate used in the calculation of present value is the lesser of the underlying internal rate of return (IRR) in the transactions of formal markets of long-term, state-issued instruments, at the starting date of the life of the policies and the sale rate (SR), as defined in Section III of CMF Ruling No. 1512.

Beginning March 2015, the discount rate used to calculate present value is the lesser of the sale rate (SR) as defined in Section III of CMF Ruling No. 1512 and the Equivalent Cost Rate (CR) calculated in accordance with General Standard No. 374 from January 2015, using the Discount Rate Vector (DRV) published monthly by the CMF.

By means of General Standard No. 172, the CMF provided life table RV-2004. General Standard No. 178 governed the gradual application of this table to the calculation of the financial technical reserve of policies in effect before March 9, 2005. Subsequently, by means of General Standard No. 207, the CMF provided life tables MI-2006 and B-2006. Circulars Nos. 1,857, 1,872 and 1,874, governed the gradual application of these tables to the calculation of the financial technical reserve of policies in effect before February 1, 2008. For the application of life tables MI-2006 and B-2006, the board of directors of Seguros Vida Security Previsión S.A. has decided to gradually recognize the higher financial reserve of the new life tables.



CMF General Standard 274 defined table RV-2009. CMF Ruling 1,986 describes how it should be applied to calculate reserves. The effects on reserves of the latter regulation were fully recognized in the consolidated financial statements as of December 31, 2011, and the monthly effects are recognized each time reserves are estimated.

Finally, CMF General Standard 398, issued November 20, 2015, defined tables RV-2014, CB-2014, B-2014 and MI-2014. CMF Ruling 2197 describes how they should be applied to calculate reserves. The effects on reserves of the latter regulation will be fully recognized over a period of six years from December 31, 2016.

F) CLAIMS RESERVE

This reserve has been set up in accordance with CMF regulations and includes claims that have not been settled and/or paid, claims incurred but not reported and claims detected but not reported as of year end.

In regard to all kinds of reported claims: settled and unpaid claims; claims settled and questioned by the insured; and claims being settled, the reserve is calculated as follows:

- When the benefit is the payment of a single fixed amount, the reserve is the insured amount of the claim coverage.
- When the benefit determined in the policy stipulates the payment of the insured amount in a predefined number of installments or life annuities, the reserve is the present value of life annuities or installments that have not been paid yet, considering a real annual discount rate of 3%.
- When the coverage is a reimbursement or the amount of the benefit depends on the occurrence of certain conditions as in most insurance policies or additional health coverages, the reserve is an estimate of the whole amount of the benefit to be paid.

All the above includes, as appropriate, the settlement costs of the related claims.

The reserve of incurred but not reported claims is an estimate of claims that have been incurred and for which the Company is obliged, as they involve covered benefits, but that have not been reported to the Company yet. The calculation of this reserve is made based on CMF General Standard 306, considering the standard general application method (Bornhuetter-Ferguson method) stated in Appendix 2 and based on the Company's own historical experience by grouping information on claims based on portfolios or portions of homogeneous claims. The calculation excludes exceptional claims with a lag between the payment date and the claim date, since they are not very frequent and do not reflect the behavior observed in most cases.

A separate analysis was made for the following groups of policies of the Company's insurance portfolio: i) individual insurance, except insurance from annuity product line 105, ii) group insurance, except insurance from health product line 209, and iii) group health insurance (line 209). The above groups are based on the fact that policies included in each group have similar and homogeneous expected risks and conduct in regard to claims and are materially different from other groups. Another factor considered was the need to have an appropriate number of claims to have significant results from the methodology applied.

For both individual insurance in i) and group insurance in ii) and iii), information on paid claims and claims undergoing settlement for the last five (5) years of the Company's experience was considered. For the liability adequacy test for claims detected but not reported, starting December 31, 2019, in accordance with CMF General Standard No. 413, which modified CMF General Standard No. 306, we have

established a claims reserve for all policies for which the company has learned by any means of the death of the insured party without having received a formal claim.

This reserve is equivalent to the insured amount of the death benefit. This technical reserve will be maintained until the claim is formally filed, with a statute of limitations of four years from the date on which the beneficiary or beneficiaries are notified. If notification cannot be accredited, the statute of limitations will be 10 years from the date the claim occurred.

G) PREMIUM DEFICIENCY RESERVE

In conformity with current regulations, this reserve includes the amount that must be recognized after applying the Premium Insufficiency Test (PIT).

PREMIUM DEFICIENCY RESERVE IN INSURANCE WITH UNEXPIRED RISK RESERVE AND DISABILITY AND SURVIVOR INSURANCE

This is the reserve that recognizes the effect of premiums which are insufficient to cover claims and expenses. This reserve is associated with insurance policies with an unexpired risk reserve regulated by CMF General Standard 306 and with the Disability and Survivorship Insurance (DSI) of D.L. 3,500 dated 1980 regulated by CMF General Standard 243.

H) ADDITIONAL RESERVE FOR LIABILITY ADEQUACY TEST

This reserve includes the amount obtained by the Company after applying the liability adequacy test (LAT). The objective is to assess the sufficiency of reserves based on analyses or studies that prove that minimum reserves established by the CMF are clearly insufficient for the portfolio subject to analysis.

The liability adequacy test is applied to insurance, hedges and long-term risks and includes retirement insurance listed in General Standard 318.

In regard to short-term insurance policies with unexpired risk reserves, the Company has determined that the premium insufficiency test (PIT) defined in appendix 1 of General Standard No. 306 is or replaces the liability adequacy test. This is considering that the Company's short-term insurance policies with current risk reserve are annual additional policies or clauses, for which the PST appropriately considers all the variables that allow the sufficiency of reserves to be determined when they are calculated from the premium.

In fact, claims, acquisition costs, operating expenses and investment profit or loss are all the components that are considered in pricing these products and comprehensively include income, expenses and obligations arising from these insurance policies.

ADJUSTMENTS TO CHILEAN RESERVE STANDARDS IN THE FINANCIAL STATEMENTS OF PROTECTA, THE PERUVIAN SUBSIDIARY OF SEGUROS VIDA SECURITY PREVISIÓN.

ADJUSTMENTS TO TECHNICAL RESERVES:

Like Chilean standards, Peruvian reserve standards are designed to ensure that insurers are able to meet their obligations with policyholders. Therefore, they take into account Peruvian conditions regarding products, trade laws and practices and mortality and



morbidity assumptions. As a result, technical reserves are not adjusted to the extent that differences between Peruvian and Chilean methodologies are not based on accounting criteria but rather assumptions.

ADJUSTMENTS FOR LIABILITY ADEQUACY TEST:

Criteria in Peruvian laws and standards regarding the sufficiency of reserves must be used for the purpose of consolidating that subsidiary's financial statements. Peruvian laws and standards, like Chilean regulations, are intended to ensure that companies established in Peru have sufficient reserves. As a result, any potential insufficiency in reserves with respect to liabilities are recognized directly in the Peruvian financial statements and have not been adjusted upon consolidation with the Chilean entity.

I) OTHER TECHNICAL RESERVES

This item includes the reserve for debts with the insured and other reserves set up by the insurance company in accordance with current regulations.

J) REINSURANCE SHARE IN TECHNICAL RESERVES

For insurance included in reinsurance contracts, an asset is recognized under Reinsurance share for the portion of the risks ceded to the reinsurers.

An exception relates to the mathematical reserves of level premium individual insurance and settled individual insurance and group single premium insurance for which no reinsurance asset is considered as the related coverage includes premium and risk transfers on a monthly basis.

Technical provisions for transfers to reinsurers are shown in assets in the statement of financial position and are calculated based on signed reinsurance contracts and under the same criteria used to calculate total gross reserve, but based on reinsured capital.

The subsidiary Vida Security does not receive unearned commissions or discounts of transfer from reinsurers on account of reinsurance transfers made.

K) RESERVES FOR LIFE INSURANCE WITH SAVINGS COMPONENT

In conformity with the instructions provided in CMF General Standard 306 and related amendments, the Company records a fund value reserve, a risk hedging cost reserve and a mismatch reserve.

The fund value reserve reflects the Company's obligation related to the policyholder's investment account. It is the policy value or balance in the related savings account and is determined based on the conditions stipulated in the policy.

In regard to the analysis of compliance with the condition of transfer of significant insurable risk (SIR) between the insured and the insurer, the Company's insurance policies with CUI show that the minimum compensation percentage is 10% of the insured capital.

L) PARTICIPATION OF REINSURANCE IN TECHNICAL RESERVES

Insurance policies with CUI have hedges for insurance risk and recognize the cost of those hedges on a monthly basis. Thus, for all insurance policies with CUI and all hedges involved, the current risk reserve is one (1) month of premium without acquisition cost recognition.

It also records a mismatch reserve for the risk the company assumes arising from the mismatch in the term, interest rate, currency and types of securities between the fund value reserve and the investments backing this reserve. The mismatch reserve is based on the risk profile and the returns on the investments backing the corresponding present value.

2.44 MATCHING - INVERSIONES PREVISIÓN SECURITY LTDA. (PARENT COMPANY OF SEGUROS VIDA SECURITY PREVISIÓN S.A.)

For policies in effect before January 1, 2012, Vida Security analyzes asset and liability matching over time calculated using the methodology described in Ruling No. 1,512. This gives the financial technical reserve, which it then adds to the base technical reserve to form the mismatching reserve.

METHODOLOGY OF GRADUAL RECOGNITION OF THE UNIFIED PORTFOLIO

Following the merger of Cruz del Sur Vida and Vida Security, each entity's portfolio of insurance policies existing before January 1, 2011, must be unified for asset and liability matching calculations.

Thus, the company cannot continue to apply the gradual recognition methodology chosen by Cruz del Sur Vida (i.e. the fixed installment method) independently to its portion of the unified portfolio and the gradual recognition methodology chosen by Vida Security (i.e. the variable installment method) to its portion of the unified portfolio.

Thus, one of the two methodologies had to be adopted to continue to gradually recognize the company's unified portfolio resulting from the merger of both companies.

The sum of what each company has recognized independently until now seems like a reasonable basis from which to adopt one gradual recognition method for the unified portfolio. Thus, the unrecognized portion and the methodology adopted should give an explanation of current differences or remainders to be recognized, and the remaining period of time to cover the period stated in the regulation.

Finally, it is important to consider that both companies, Cruz del Sur Vida and Vida Security, have already completely recognized the application of life table RV04. Therefore, there is no gradual recognition to be considered in regard to the related effect of these tables.

The methodology adopted after the merger of Cruz del Sur Vida and Vida Security is based on the recognition of a fixed installment to be accumulated in time, as follows:

- i. A new fixed installment for the current insurance portfolio of the merged companies Cruz del Sur Vida and Vida Security in accordance with a) - c) third paragraph of number 2 in CMF Ruling 1,857 dated 2007 was determined based on the following considerations:



- a) The projected annual cash flows of additional reserve were calculated as of March 31, 2014, after applying tables B06 and MI06, considering the gradual recognition procedure that is currently performed in this portfolio.
 - b) The present value of cash flows as stated in a) above by using the equivalent average cost rate underlying in the calculation of the base technical reserve as of March 31, 2014, out of the total portfolio of life annuity policies of both companies subject to the gradual recognition of life tables B06 and MI06, was calculated.
 - c) The installment discounted at the rate stated in b) above for the remaining gradual adjustment period (i.e. the remaining time to complete the gradual recognition) that is equal to the present value stated in b) above, was calculated. The installment will be recalculated as stated in the regulation for remaining periods at year end of financial statements as of December 31, 2019, and December 31, 2022.
- ii. The technical reserve will be calculated by adding the technical reserve calculated considering tables B85 and MI85 to the total recognized as of December 31, 2014, by each of the companies, in addition to the accumulation from the adoption of this fixed installment methodology.
 - iii. The calculation in ii) above will be maintained during the entire remaining adjustment period. The last installment will be adjusted to the difference at that date between the reserve that Vida Security has and the reserve that is calculated by fully applying tables B06 and MI06.

2.45 ACCOUNTING CHANGES

During the year ended December 31, 2020, no significant accounting changes have occurred that affect the presentation of these consolidated financial statements.

2.46 RECLASSIFICATIONS

For comparative purposes, as of December 31, 2019, certain balances as of that date have been reclassified and corrected, which are mainly improvements to the presentation of these balances, with no effect on profit and loss.

RECLASSIFICATIONS IN THE STATEMENTS OF FINANCIAL POSITION	REPORTED BALANCE AS OF 12.31.2019 THCH\$	RECLASSIFICATION THCH\$	RECLASSIFIED BALANCE AS OF 12.31.2019 THCH\$
ASSET RECLASSIFICATIONS			
Cash and cash equivalents	791,823,903	39,150,310	830,974,213
Other financial assets, current	3,738,514,272	(61,292,559)	3,677,221,713
Other non-financial assets, current	47,196,657	(8,406,189)	38,790,468
Trade and other receivables, current	6,560,005,515	(22,445,168)	6,537,560,347
Non-current assets classified as available for sale	4,687,486	2,068,328	6,755,814
Other non-financial assets, non-current	216,166,569	(71,422,412)	144,744,157
Property, plant and equipment	53,284,037	7,705	53,291,742
Investment property	250,075,982	3,471,736	253,547,718
Right-of-use assets	0	11,755,599	11,755,599
Subtotal for asset reclassifications	11,661,754,421	(107,112,650)	11,554,641,771
LIABILITY RECLASSIFICATIONS			
Other financial liabilities, current	7,187,670,756	87,116,442	7,274,787,198
Lease liabilities, current	0	287,985	287,985
Trade and other payables, current	2,849,865,663	32,335,487	2,882,201,150
Other short-term provisions	132,502,785	(105,610,084)	26,892,701
Current tax liabilities	32,308,157	2,560,550	34,868,707
Employee benefit provisions	10,055,971	17,000	10,072,971
Other non-financial liabilities, current	362,033,141	(116,495,819)	245,537,322
Other financial liabilities, non-current	715,490,146	(10,455,523)	705,034,623
Lease liabilities, non-current	0	10,455,523	10,455,523
Accounts payable, non-current	42,694,449	(19,981,191)	22,713,258
Retained earnings (losses)	378,572,816	(906,917)	377,665,899
Non-controlling interests	14,396,450	13,563,897	27,960,347
Subtotal for liability reclassifications	11,725,590,334	(107,112,650)	11,618,477,684
INCOME STATEMENT RECLASSIFICATIONS			
Revenue	1,156,010,469	(143,872)	1,155,866,597
Cost of sales	(770,230,965)	(4,635,365)	(774,866,330)
Other income	2,851,011	143,872	2,994,883
Administrative expenses	(251,126,804)	4,089,769	(247,037,035)
Other expenses, by function	(15,592,370)	545,596	(15,046,774)
Subtotal for profit reclassifications	121,911,341	0	121,911,341



Certain balances as of December 31, 2019, have been reclassified and corrected during the consolidation for Banco Security S.A., which have affected the cash flow statement as follows.

CASH FLOW RECLASSIFICATIONS	REPORTED BALANCE AS OF 12.31.2019 THCH\$	RECLASSIFICATION THCH\$	RECLASSIFIED BALANCE AS OF 12.31.2019 THCH\$
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Proceeds from sales of goods and provision of services	292,036,552,547	(180,132,161,470)	111,904,391,077
Proceeds from royalties, installments, commissions and other operating income	54,465,323,745	(39,999,999,999)	14,465,323,746
Proceeds from contracts held for brokering or trading	146,521,570,135	(136,122,620,020)	10,398,950,115
Other payments for operating activities	(189,545,097)	(102,660,192)	(292,205,289)
Payments to suppliers for goods and services	(220,479,672,477)	165,467,053,361	(55,012,619,116)
Payments from contracts held for brokering or trading	(270,306,656,621)	190,611,221,988	(79,695,434,633)
Payments for premiums and claims, annuities and other policy obligations	(360,265,854)	(7,882,498)	(368,148,352)
Payments for building or acquiring assets held to lease to others and subsequently sell	(11,503,062)	(8,537,524)	(20,040,586)
Other payments for operating activities	(1,757,964,915)	(88,417,876)	(1,846,382,791)
Income taxes paid	(41,256,305)	5,334,830	(35,921,475)
Other proceeds (payments)	39,795,940	385,865,729	425,661,669
Reclassifications used in operating activities	(83,621,964)	7,196,329	(76,425,635)
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment	0	7,259,690	7,259,690
Purchases of property, plant and equipment	(6,388,558)	1,277,834	(5,110,724)
Proceeds from the sale of intangible assets	23,092	(23,092)	0
Purchases of intangible assets	(5,610,937)	23,092	(5,587,845)
Reclassifications used in investing activities	(11,976,403)	8,537,524	(3,438,879)
CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES			
Proceeds from issuing shares	8,062	(465)	7,597
Payment to purchase or redeem treasury shares	(465)	465	0
Dividends paid (financing)	(45,547,116)	(6,076)	(45,553,192)
Other proceeds	3,019,292	442	3,019,734
Reclassifications used in financing activities	(42,520,227)	(5,634)	(42,525,861)
Effect of exchange rate changes on cash and cash equivalents	461,879	23,422,091	23,883,970
Net decrease in cash and cash equivalents	(42,058,348)	23,416,457	(18,641,891)
Subtotal for cash flow reclassifications	(137,656,715)	39,150,310	(98,506,405)

NOTE 3 - CASH AND CASH EQUIVALENTS

The composition of cash and cash equivalents is detailed as follows:

A) This account is detailed as follows:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Cash and cash equivalents	490,199,616	767,333,733
Time deposits	-	7,124,138
Fund units	97,140,368	36,472,838
Transactions in the course of collection, net ^(*)	10,157,209	20,043,504
TOTAL	597,497,193	830,974,213

^(*) TRANSACTIONS IN THE COURSE OF COLLECTION CONSIST OF TRANSACTIONS AWAITING SETTLEMENT, WHICH WILL INCREASE OR DECREASE FUNDS IN THE CHILEAN CENTRAL BANK OR FOREIGN OR DOMESTIC BANKS, NORMALLY WITHIN 24 TO 48 BUSINESS HOURS.

b) The detail of cash and cash equivalents by currency is as follows:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
USD	257,428,637	299,681,663
Euro	10,164,053	9,389,741
Chilean peso	328,833,376	521,162,750
Other	1,071,127	740,059
TOTAL	597,497,193	830,974,213



NOTE 4 - INCOME TAXES

Deferred tax assets include temporary differences that are estimated to be paid or recovered by Grupo Security and subsidiaries for the differences between the carrying and tax bases of assets, as well as current tax losses and other tax credits.

Deferred tax assets identified for temporary differences are only recognized when it is considered probable that Grupo Security will have sufficient taxable income in the future to realize the benefits from deferred tax assets.

A) Balances of deferred tax assets and liabilities through profit and loss and equity are related to the following items:

DEFERRED TAX ASSETS THROUGH PROFIT AND LOSS

	12.31.2020 THCH\$	12.31.2019 THCH\$
Deferred tax assets related to depreciation	467,618	119,107
Deferred tax assets related to amortization	984,279	524,862
Deferred tax assets related to provisions	36,780,108	30,999,800
Deferred tax assets related to lease agreements	4,660,809	1,273,230
Deferred tax assets related to tax losses	5,247,691	7,207,605
Deferred tax assets related to other items	3,181,229	4,097,384
DEFERRED TAX ASSETS	51,321,734	44,221,988

DEFERRED TAX LIABILITIES THROUGH PROFIT AND LOSS

	12.31.2020 THCH\$	12.31.2019 THCH\$
Deferred tax liabilities related to depreciation	58,144	62,735
Deferred tax liabilities related to amortization	3,945,359	2,872,431
Deferred tax liabilities related to provisions	-	264,513
Deferred tax liabilities related to lease agreements	(1,977,490)	(2,260,392)
Deferred tax liabilities related to other items	3,836,217	6,560,753
DEFERRED TAX LIABILITIES	5,862,230	7,500,040

DEFERRED TAX ASSETS THROUGH EQUITY

	12.31.2020 THCH\$	12.31.2019 THCH\$
Tax goodwill	13,832,731	15,298,552
Investments available for sale	(5,347,165)	(2,524,122)
First-time adoption adjustment TCM points	1,174,081	1,174,081
Deferred tax assets related to applying IFRS 9	448,677	432,247
Cash flow hedge	822,064	(718,726)
EFFECT ON EQUITY (DEBTOR BALANCE)	10,930,388	13,662,032

DEFERRED TAX LIABILITIES THROUGH EQUITY

	12.31.2020 THCH\$	12.31.2019 THCH\$
Increase in value, variable-income securities	305,346	403,045
EFFECT ON EQUITY (CREDITOR BALANCE)	305,346	403,045
NET DEFERRED TAX ASSET	56,084,546	49,980,935
PRESENTATION OF STATEMENT OF FINANCIAL POSITION		
DEFERRED TAX ASSETS	56,887,820	50,772,292
DEFERRED TAX LIABILITIES	803,274	791,357

B) INCOME TAX EXPENSE

INCOME TAX EXPENSE	12.31.2020 THCH\$	12.31.2019 THCH\$
Current tax expense	(29,088,386)	(32,604,919)
Adjustments to prior period current tax	847,073	(1,063,416)
Recognition of profit sharing credit (PPUA)	7,184,617	-
Other current tax benefit (expense)	(455,218)	968,590
CURRENT TAX EXPENSE, NET, TOTAL	(21,511,914)	(32,699,745)
Deferred benefit (expense) for temporary differences	8,737,556	2,756,052
INCOME TAX EXPENSE	(12,774,358)	(29,943,693)

C) RECONCILIATION OF STATUTORY TAX RATE TO EFFECTIVE TAX RATE

	12.31.2020 %	12.31.2019 %
Statutory tax rate	27.00%	27.00%
Permanent differences	(10.43%)	(0.49%)
EFFECTIVE TAX RATE	16.57%	26.51%

As of December 31, 2020, an amount of THCH\$7,184,617 was recognized as income:

- (a) Recovery of provisional payments for absorbed profits for Grupo Security S.A. of THCH\$4,592,215 for 2018 and THCH\$1,577,000 for 2016.
- (b) Recovery of provisional payments for absorbed profits for Capital S.A. of THCH\$1,015,402 for 2018.



NOTE 5 - INVENTORY

This account is detailed as follows:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Land	82,028,386	113,090,549
Houses	2,402,999	7,003,123
Apartments	11,476,463	2,514,189
Storage facilities	186,554	89,704
Parking spaces	1,686,014	453,857
Residential leases	1,155,268	300,779
Mortgage loans funded with own resources	1,623,009	557,048
TOTAL	100,558,693	124,009,249

	12.31.2020 THCH\$				
	OPENING BALANCE THCH\$	PURCHASES THCH\$	TRANSFERS THCH\$	SALES THCH\$	CLOSING BALANCE THCH\$
Land	113,090,549	18,768,977	(45,729,060)	(4,102,080)	82,028,386
Houses	7,003,123	-	-	(4,600,124)	2,402,999
Apartments	2,514,189	-	41,102,805	(32,140,531)	11,476,463
Storage facilities	89,704	-	425,667	(328,817)	186,554
Parking spaces	453,857	-	4,200,588	(2,968,431)	1,686,014
Residential leases	300,779	10,204,436	-	(9,349,947)	1,155,268
Mortgage loans funded with own resources	557,048	7,616,942	-	(6,550,981)	1,623,009
TOTAL	124,009,249	36,590,355	-	(60,040,911)	100,558,693

	12.31.2019 THCH\$				
	OPENING BALANCE THCH\$	PURCHASES THCH\$	TRANSFERS THCH\$	SALES THCH\$	CLOSING BALANCE THCH\$
Land	76,633,766	46,702,139	-	(10,245,356)	113,090,549
Houses	1,515,018	-	7,514,356	(2,026,251)	7,003,123
Apartments	6,268,530	-	-	(3,754,341)	2,514,189
Storage facilities	134,597	-	-	(44,893)	89,704
Parking spaces	651,267	-	-	(197,410)	453,857
Residential leases	787,477	6,477,415	-	(6,964,113)	300,779
Mortgage loans funded with own resources	590,017	13,151,871	-	(13,184,840)	557,048
TOTAL	86,580,672	66,331,425	7,514,356	(36,417,204)	124,009,249

NOTE 6 - CURRENT ACCOUNTS RECEIVABLE FROM RELATED PARTIES

Transactions between the Group and its subsidiaries consist of customary transactions in terms of their objective and conditions. These intercompany transactions have been eliminated upon consolidation and are not disclosed in this note.

The balances of accounts receivable between unconsolidated related parties are detailed as follows:

DECEMBER 2020

COUNTRY	RELATIONSHIP	CURRENCY	TRANSACTION	EFFECT ON PROFIT (LOSS) 12.31.2020 THCH\$	RELATED PARTY BALANCES
					RECEIVABLE (CURRENT) THCH\$
Chile	Through ownership	CH\$	Mortgage loan	38,528	765,134
Chile	Through ownership	CH\$	Commercial loan	2,267,835	27,623,780
Chile	Through ownership	CH\$	Consumer loan	12,110	128,379
Chile	Through ownership	CH\$	Lease	369,093	7,306,915
Chile	Through management	CH\$	Mortgage loan	348,147	7,718,585
Chile	Through management	CH\$	Commercial loan	395,545	8,412,334
Chile	Through management	CH\$	Consumer loan	78,677	1,209,939
Chile	Through management	CH\$	Lease	13,245	178,153
Chile	Banking support company	CH\$	Commercial loan	356	67
TOTAL				3,523,536	53,343,286

DECEMBER 2019

COUNTRY	RELATIONSHIP	CURRENCY	TRANSACTION	EFFECT ON PROFIT (LOSS) 12.31.2019 THCH\$	RELATED PARTY BALANCES
					RECEIVABLE (CURRENT) THCH\$
Chile	Through ownership	CH\$	Mortgage loan	6,842	937,331
Chile	Through ownership	CH\$	Commercial loan	828,379	45,189,906
Chile	Through ownership	CH\$	Consumer loan	4,203	197,424
Chile	Through ownership	CH\$	Lease	12,967	6,775,255
Chile	Through management	CH\$	Mortgage loan	50,280	8,161,848
Chile	Through management	CH\$	Commercial loan	55,351	8,131,399
Chile	Through management	CH\$	Consumer loan	36,665	1,644,167
Chile	Through management	CH\$	Lease	1,881	276,167
Chile	Banking support company	CH\$	Commercial loan	61	457,777
TOTAL				996,629	71,771,274



NOTE 7 - INVESTMENTS IN EQUITY-ACCOUNTED ASSOCIATES

Investments in associates are detailed as follows:

DESCRIPTION	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Investments in associates	1,950,093	3,093,437
TOTAL	1,950,093	3,093,437

MOVEMENTS IN INVESTMENTS IN ASSOCIATES, CURRENT PERIOD

TAXPAYER ID NUMBER	ASSOCIATE	COUNTRY	OWNERSHIP INTEREST	BALANCE 12.31.2019 THCH\$	ADDITIONS (SALES) THCH\$	SHARE OF PROFIT (LOSS) THCH\$	DIVIDENDS RECEIVED THCH\$	OTHER INCREASE/ DECREASE THCH\$	BALANCE 12.31.2020 THCH\$
99.573.400-1	Europ Assistance Chile S.A.	Chile	49%	1,180,099	-	170,077	-	2,009	1,352,185
76.507.823-7	Inmobiliaria Parque el Rodeo SPA	Chile	50%	1,913,338	(1,286,179)	(258,850)	-	229,599	597,908
				3,093,437	(1,286,179)	(88,773)	-	231,608	1,950,093

MOVEMENTS IN INVESTMENTS IN ASSOCIATES, PRIOR PERIOD

TAXPAYER ID NUMBER	ASSOCIATE	COUNTRY	OWNERSHIP INTEREST	BALANCE 12.31.2019 THCH\$	ADDITIONS (SALES) THCH\$	SHARE OF PROFIT (LOSS) THCH\$	DIVIDENDS RECEIVED THCH\$	OTHER INCREASE/ DECREASE THCH\$	BALANCE 00-01-00 THCH\$
99.573.400-1	Europ Assistance Chile S.A.	Chile	49%	1,052,326	-	264,767	-	(136,994)	1,180,099
76.507.823-7	Inmobiliaria Parque el Rodeo SPA	Chile	50%	2,823,129	-	657,506	-	(1,567,297)	1,913,338
				3,875,455	-	922,273	-	-1,704,291	3,093,437

Summarized financial information about the main investments accounted for using the equity method:

EUROP ASSISTANCE CHILE S.A.

- LINE OF BUSINESS: Travel assistance insurance.
- OWNERSHIP INTEREST: 49%
- NUMBER OF SHARES: 179
- DATE PURCHASED: December 31, 2013
- SERVICES: It provides direct services for several companies in the market.

INMOBILIARIA PARQUE EL RODEO SPA

- LINE OF BUSINESS: The Company's line of business is to buy, sell, lease or exchange all types of real estate, whether urban, agricultural, industrial, residential or commercial.
- OWNERSHIP INTEREST: 50.00%
- NUMBER OF SHARES: 220,248 (subscribed and paid-in shares)
- DATE PURCHASED: December 21, 2015
- The ultimate controller is Inversiones North Bay SpA, which has a 50.00% interest in the company.

EUROP ASSISTANCE CHILE S.A.

CLASSIFIED STATEMENT OF FINANCIAL POSITION

ASSETS	12.31.2020 THCH\$	12.31.2019 THCH\$
Current assets	5,302,339	5,477,068
Non-current assets	795,062	542,557
TOTAL ASSETS	6,097,401	6,019,625
LIABILITIES	12.31.2020 THCH\$	12.31.2019 THCH\$
Current liabilities	3,834,325	3,611,267
Non-current liabilities	113,063	-
Equity	2,150,013	2,408,358
CURRENT LIABILITIES	6,097,401	6,019,625
STATEMENT OF INCOME	12.31.2020 THCH\$	12.31.2019 THCH\$
Gross profit	608,289	813,221
Non-operating loss	(118,810)	(17,642)
PROFIT BEFORE TAXES	489,479	795,579
Income tax expense	(155,995)	(263,115)
PROFIT FOR THE YEAR	333,484	532,464
Profit attributable to owners of the parent	170,077	271,557
Profit attributable to non-controlling interests	163,407	260,907

INMOBILIARIA PARQUE EL RODEO SPA

CLASSIFIED STATEMENT OF FINANCIAL POSITION

ASSETS	12.31.2020 THCH\$	12.31.2019 THCH\$
Current assets	7,527,826	18,540,068
Non-current assets	526,007	343,037
TOTAL ASSETS	8,053,833	18,883,105
LIABILITIES	12.31.2020 THCH\$	12.31.2019 THCH\$
Current liabilities	6,860,352	15,056,430
Non-current liabilities	0	-
Equity	1,193,481	3,826,675
TOTAL LIABILITIES AND EQUITY	8,053,833	18,883,105
STATEMENT OF INCOME	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Gross profit	-	3,109,819
Non-operating loss	(679,495)	(1,333,003)
PROFIT (LOSS) BEFORE TAXES	(679,495)	1,776,816
Income tax expense	161,795	(452,304)
PROFIT (LOSS) FOR THE YEAR	(517,700)	1,324,512
Profit (loss) attributable to owners of the parent	(258,850)	662,256
Profit (loss) attributable to non-controlling interests	(258,850)	662,256



NOTE 8 - PROPERTY, PLANT AND EQUIPMENT

A) The balances of property, plant and equipment are as follows:

CLASSES OF PROPERTY, PLANT AND EQUIPMENT, NET	12.31.2020 THCH\$	12.31.2019 THCH\$
PROPERTY, PLANT AND EQUIPMENT, NET	50,610,006	53,291,742
Construction in progress, net	208,041	177,594
Land, net	6,396,777	6,531,468
Buildings, net	27,610,481	28,458,437
Plant and equipment, net	2,045,728	1,782,238
IT equipment, net	1,477,597	1,422,092
Fixtures and accessories, net	3,071,534	3,685,793
Motor vehicles, net	114,640	173,898
Leasehold improvements, net	155,259	194,694
Other property, plant and equipment, net	9,529,949	10,865,528

CLASSES OF PROPERTY, PLANT AND EQUIPMENT, GROSS	12.31.2020 THCH\$	12.31.2019 THCH\$
PROPERTY, PLANT AND EQUIPMENT, GROSS	93,025,571	91,331,232
Construction in progress, gross	208,041	177,594
Land, gross	6,396,777	6,531,468
Buildings, gross	34,758,985	34,351,511
Plant and equipment, gross	13,705,203	12,422,335
IT equipment, gross	5,013,049	4,452,003
Fixtures and accessories, gross	6,523,069	7,095,220
Motor vehicles, gross	411,757	412,371
Leasehold improvements, gross	226,358	217,440
Other property, plant and equipment, gross	25,782,332	25,671,290

CLASSES OF PROPERTY, PLANT AND EQUIPMENT, ACCUMULATED DEPRECIATION AND IMPAIRMENT	12.31.2020 THCH\$	12.31.2019 THCH\$
ACCUMULATED DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT, NET	42,415,565	38,039,490
Accumulated depreciation and impairment, buildings	7,148,504	5,893,074
Accumulated depreciation and impairment, plant and equipment	11,659,475	10,640,097
Accumulated depreciation and impairment, IT equipment	3,535,452	3,029,911
Accumulated depreciation and impairment, fixtures and accessories	3,451,535	3,409,427
Accumulated depreciation and impairment, motor vehicles	297,117	238,473
Leasehold improvements, net	71,099	22,746
Accumulated depreciation and impairment, other	16,252,383	14,805,762

B) DETAILS OF MOVEMENTS AS OF DECEMBER 31, 2020

CURRENT PERIOD	CONSTRUCTION IN PROGRESS	LAND	BUILDINGS	PLANT AND EQUIPMENT	IT EQUIPMENT	FIXTURES AND ACCESSORIES	MOTOR VEHICLES	LEASEHOLD IMPROVEMENTS	OTHER PROPERTY	TOTAL
PROPERTY, PLANT AND EQUIPMENT, OPENING BALANCE	169,889	6,531,468	28,458,437	1,782,238	1,422,092	3,685,793	173,898	194,694	10,873,233	53,291,742
Additions to property, plant and equipment	43,470	-	51,821	1,027,358	442,781	782,285	-	-	819,974	3,167,689
Depreciation expense	-	-	(743,362)	(730,573)	(378,210)	(743,470)	(77,505)	(39,435)	(1,549,689)	(4,262,244)
Other increase (decrease)	(5,318)	(134,691)	(156,415)	(33,295)	(9,066)	(653,074)	18,247	-	(613,569)	(1,587,181)
Changes in property, plant and equipment, total	38,152	(134,691)	(847,956)	263,490	55,505	(614,259)	(59,258)	(39,435)	(1,343,284)	(2,681,736)
PROPERTY, PLANT AND EQUIPMENT	208,041	6,396,777	27,610,481	2,045,728	1,477,597	3,071,534	114,640	155,259	9,529,949	50,610,006

The Company does not have any fixed assets that serve as guarantees for fulfilling existing obligations and there are no commitments to purchase fixed assets.

Furthermore, the Company does not have fixed assets that are currently out of service; assets that are fully amortized, but still in use; or assets pending retirement not classified as available for sale.

C) DETAILS OF MOVEMENTS AS OF DECEMBER 31, 2019

PRIOR PERIOD	CONSTRUCTION IN PROGRESS	LAND	BUILDINGS	PLANT AND EQUIPMENT	IT EQUIPMENT	FIXTURES AND ACCESSORIES	MOTOR VEHICLES	LEASEHOLD IMPROVEMENTS	OTHER PROPERTY	TOTAL
PROPERTY, PLANT AND EQUIPMENT, OPENING BALANCE		5,914,817	28,242,224	1,726,515	996,744	3,205,864	224,093		11,421,953	51,732,210
Additions to property, plant and equipment	169,889	445,421	591,464	700,840	691,718	1,234,787	14,916	209,415	963,139	5,021,589
Depreciation expense	-	-	(860,286)	(608,739)	(617,095)	(567,971)	(77,829)	(14,721)	(1,449,213)	(4,195,854)
Other increase (decrease)	-	171,230	485,035	(36,378)	350,725	(186,887)	12,718	-	(62,646)	733,797
Changes in property, plant and equipment, total	169,889	616,651	216,213	55,723	425,348	479,929	(50,195)	194,694	(548,720)	1,559,532
PROPERTY, PLANT AND EQUIPMENT	169,889	6,531,468	28,458,437	1,782,238	1,422,092	3,685,793	173,898	194,694	10,873,233	53,291,742



NOTE 9 - INVESTMENT PROPERTY

Investment property is property (land or buildings) held to earn rentals or for capital appreciation or both, rather than for use in production or for administrative purposes, or sale in the ordinary course of business.

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Land	68,605,380	61,016,922
Buildings	222,395,499	192,530,796
TOTAL	291,000,879	253,547,718

	MOVEMENTS IN INVESTMENT PROPERTY CURRENT PERIOD					
	OPENING BALANCE THCH\$	INCREASES THCH\$	DISPOSALS THCH\$	DEPRECIATION THCH\$	REVALUATION THCH\$	CLOSING BALANCE THCH\$
Land	61,016,922	6,448,592	(313,673)	-	1,453,539	68,605,380
Buildings	192,530,796	36,042,428	(589,493)	(2,016,416)	(3,571,816)	222,395,499
TOTAL	253,547,718	42,491,020	(903,166)	(2,016,416)	(2,118,277)	291,000,879

	MOVEMENTS IN INVESTMENT PROPERTY PRIOR PERIOD					
	OPENING BALANCE THCH\$	INCREASES THCH\$	DISPOSALS THCH\$	DEPRECIATION THCH\$	REVALUATION THCH\$	CLOSING BALANCE THCH\$
Land	58,132,184	3,340,437	(1,913,642)	-	1,457,943	61,016,922
Buildings	159,509,097	28,455,462	(6,979,183)	(1,945,772)	13,491,192	192,530,796
TOTAL	217,641,281	31,795,899	(8,892,825)	(1,945,772)	14,949,135	253,547,718

NOTE 10 - INTANGIBLE ASSETS OTHER THAN GOODWILL

A) Intangible assets are detailed as follows:

	12.31.2020 THCH\$					
	OPENING BALANCE	ACQUISITIONS	DISPOSALS	RECLASSIFICATIONS	AMORTIZATION/ IMPAIRMENT	NET VALUE
Computer software	32,509,802	2,832,161	-	(3,573)	(4,815,724)	30,522,666
Projects under development	1,339,275	920,318	-	-	-	2,259,593
Computer licenses	1,066,397	245,391	-	-	(672,514)	639,274
Others	2,980,681	512,037	(2,359)	-	(663,922)	2,826,437
TOTAL	37,896,155	4,509,907	(2,359)	(3,573)	(6,152,160)	36,247,970

	12.31.2019 THCH\$					
	OPENING BALANCE	ACQUISITIONS	DISPOSALS	RECLASSIFICATIONS	AMORTIZATION/ IMPAIRMENT	NET VALUE
Computer software	39,569,793	2,731,927	-	155,995	(9,947,913)	32,509,802
Projects under development	-	1,339,275	-	-	-	1,339,275
Computer licenses	5,347,681	762,002	-	(155,995)	(4,887,291)	1,066,397
Others	6,665,018	1,299,095	-	-	(4,983,432)	2,980,681
TOTAL	51,582,492	6,132,299	-	-	(19,818,636)	37,896,155

B) The amortization of intangible assets is calculated using the straight-line method over the estimated useful life of the asset.

NOTE 11 - GOODWILL

A) This account is detailed as follows:

	12.31.2020 THCH\$				
	OPENING BALANCE, NET	ACQUISITIONS	IMPAIRMENT LOSSES RECOGNIZED IN EQUITY	IMPAIRMENT LOSSES RECOGNIZED IN PROFIT AND LOSS	CLOSING BALANCE, NET
Goodwill Interrentas	20,834,249	-	-	-	20,834,249
Goodwill Banco Dresdner	2,224,741	-	-	-	2,224,741
Goodwill Cooper	13,112,972	-	-	-	13,112,972
Goodwill Travel	2,470,896	-	-	-	2,470,896
Goodwill Travex S.A. ⁽¹⁾	1,181,440	-	-	-	1,181,440
Goodwill AGF CDS	8,677,240	-	-	-	8,677,240
Goodwill Penta AGF	531,769	-	-	-	531,769
Goodwill Penta C.B.	3,830,101	-	-	-	3,830,101
Goodwill Vida Cruz del Sur	65,475,856	-	-	-	65,475,856
Goodwill Capital CDS	727,306	-	-	-	727,306
TOTAL	119,066,570	-	-	-	119,066,570



	12.31.2019 THCH\$				
	OPENING BALANCE, NET	ACQUISITIONS	IMPAIRMENT LOSSES RECOGNIZED IN EQUITY	IMPAIRMENT LOSSES RECOGNIZED IN PROFIT AND LOSS	CLOSING BALANCE, NET
Goodwill Interrentas	20,834,249	-	-	-	20,834,249
Goodwill Banco Dresdner	2,224,741	-	-	-	2,224,741
Goodwill Cooper	13,112,972	-	-	-	13,112,972
Goodwill Travel	2,470,896	-	-	-	2,470,896
Goodwill Travex S.A. ⁽¹⁾	1,181,440	-	-	-	1,181,440
Goodwill AGF CDS	8,677,240	-	-	-	8,677,240
Goodwill Penta AGF	531,769	-	-	-	531,769
Goodwill Penta C.B.	3,830,101	-	-	-	3,830,101
Goodwill Vida Cruz del Sur	65,475,856	-	-	-	65,475,856
Goodwill Capital CDS	727,306	-	-	-	727,306
TOTAL	119,066,570	-	-	-	119,066,570

NOTE 12 - CURRENT TRADE AND OTHER RECEIVABLES

Trade and other receivables (net of provisions) of Grupo Security as of December 31, 2020, were THCH\$6,603,317,195 (THCH\$6,537,560,347 as of December 31, 2019).

Grupo Security has a policy regarding the allowance for bad debt, which is determined based on a classification system for its risk portfolio using components related to customer and debtor behavior, allowing such provisions to be associated with industry trends. Banco Security has calculated its provisions in accordance with CMF standards.

As of December 31, 2020 and 2019, this account is as follows:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
BANK		
Loans and advances to banks	725,129	569,329
Commercial loans	4,493,368,609	4,233,593,742
Lease agreements	360,044,813	349,030,812
Mortgage loans	702,455,069	735,088,422
Consumer loans	431,638,925	515,678,609
Brokerage receivables	21,951,046	53,763,223
Other customer receivables	2,226,645	32,471,193
INSURANCE SUBSIDIARY		
Retiree loans	11,694,961	17,428,456
Leases receivable	92,983,783	83,869,277
Trade receivables	110,146,476	87,564,186
PARENT COMPANY AND OTHER SUBSIDIARIES		
Invoices receivable	4,359,213	18,887,505
Notes and accounts receivable	22,088,490	69,855,225
Leases receivable	3,127,140	6,723,483
Other receivables and factored receivables	346,506,896	333,036,885
TOTAL	6,603,317,195	6,537,560,347

	12.31.2020			12.31.2019		
	ASSETS BEFORE ALLOWANCES THCH\$	ALLOWANCES ON TRADE RECEIVABLES THCH\$	NET TRADE RECEIVABLES THCH\$	ASSETS BEFORE ALLOWANCES THCH\$	ALLOWANCES ON TRADE RECEIVABLES THCH\$	NET TRADE RECEIVABLES THCH\$
CURRENT TRADE RECEIVABLES	6,732,476,713	131,889,337	6,600,587,376	6,624,759,848	110,453,596	6,514,306,252
Current loan receivables	5,778,546,861	122,742,738	5,655,804,123	5,611,895,133	101,341,300	5,510,553,833
Current factoring receivables	345,425,382	6,039,738	339,385,644	389,363,990	7,859,036	381,504,954
Current lease agreements (net)	427,989,736	175,520	427,814,216	438,098,950	148,222	437,950,728
Current miscellaneous receivables	180,514,734	2,931,341	177,583,393	185,401,775	1,105,038	184,296,737
OTHER CURRENT RECEIVABLES	2,729,819	-	2,729,819	23,254,095	-	23,254,095
Other current receivables	2,729,819	-	2,729,819	23,254,095	-	23,254,095
TRADE AND OTHER RECEIVABLES, CURRENT	6,735,206,532	131,889,337	6,603,317,195	6,648,013,943	110,453,596	6,537,560,347



	12.31.2020				
	NUMBER OF CUSTOMERS NON-RENEGOTIATED PORTFOLIO	NON-RENEGOTIATED PORTFOLIO THCH\$	NUMBER OF CUSTOMERS RENEGOTIATED PORTFOLIO	RENEGOTIATED PORTFOLIO THCH\$	TOTAL GROSS PORTFOLIO THCH\$
Current	278,502	6,519,079,242	1,767	48,169,765	6,567,249,007
Between 1 and 30 days	4,323	86,520,709	387	311,219	86,831,928
Between 31 and 60 days	1,469	11,556,219	205	376,074	11,932,293
Between 61 and 90 days	889	4,715,518	127	755,822	5,471,340
Between 91 and 120 days	957	25,634,812	102	1,368,942	27,003,754
Between 121 and 150 days	555	12,643,469	59	3,965,650	16,609,119
Between 151 and 180 days	376	11,018,328	53	806,911	11,825,239
Between 181 and 210 days	85	6,308,851	15	172,583	6,481,434
Between 211 and 250 days	30	146,113	17	1,183,465	1,329,578
More than 250 days	39	472,840	393	-	472,840
TOTAL PORTFOLIO	287,225	6,678,096,101	3,125	57,110,431	6,735,206,532

	12.31.2019				
	NUMBER OF CUSTOMERS NON-RENEGOTIATED PORTFOLIO	NON-RENEGOTIATED PORTFOLIO THCH\$	NUMBER OF CUSTOMERS RENEGOTIATED PORTFOLIO	RENEGOTIATED PORTFOLIO THCH\$	TOTAL GROSS PORTFOLIO THCH\$
Current	258,760	5,855,652,592	1,806	58,790,149	5,914,442,741
Between 1 and 30 days	9,694	81,736,070	780	525,310	82,261,380
Between 31 and 60 days	3,212	9,869,210	469	403,939	10,273,149
Between 61 and 90 days	1,826	5,616,267	355	145,078,074	150,694,341
Between 91 and 120 days	1,280	11,350,837	264	454,192,603	465,543,440
Between 121 and 150 days	156	468,685	7	182,277	650,962
Between 151 and 180 days	623	7,325,731	130	1,258,635	8,584,366
Between 181 and 210 days	475	12,784,812	49	757,812	13,542,624
Between 211 and 250 days	144	62,785	-	-	62,785
More than 250 days	84	66,695	20	1,891,460	1,958,155
TOTAL PORTFOLIO	276,254	5,984,933,684	3,880	663,080,259	6,648,013,943

MOVEMENTS IN PROVISIONS

	12.31.2020 THCH\$	12.31.2019 THCH\$
Opening balance	110,453,596	99,494,061
Provisions recognized	183,500,068	148,891,808
Reversal of provisions	(110,360,823)	(98,848,058)
Write-offs	(51,703,504)	(39,084,215)
CLOSING BALANCE	131,889,337	110,453,596

FACTORED RECEIVABLES	TOTAL		
	GROSS BALANCE THCH\$	ALLOWANCE THCH\$	NET BALANCE THCH\$
Opening balance	389,363,990	7,859,036	381,504,954
Transfers	-	-	-
Purchases	1,293,139,411	17,797	1,293,121,614
Cancellations	(1,338,143,794)	(1,911,230)	(1,336,232,564)
Exchange differences and other movements	1,065,775	74,135	991,640
TOTAL	345,425,382	6,039,738	339,385,644

LOAN RECEIVABLES	TOTAL		
	GROSS BALANCE THCH\$	ALLOWANCE THCH\$	NET BALANCE THCH\$
Opening balance	5,611,895,133	101,341,300	5,510,553,833
Transfers	262,165	47,138	215,027
Purchases	273,092,953	6,492,800	266,600,153
Cancellations	(111,838,163)	14,611,879	(126,450,042)
Exchange differences and other movements	5,134,773	249,621	4,885,152
TOTAL	5,778,546,861	122,742,738	5,655,804,123

LEASING CONTRACTS	TOTAL		
	GROSS BALANCE THCH\$	ALLOWANCE THCH\$	NET BALANCE THCH\$
Opening balance	438,098,950	148,222	437,950,728
Transfers	-	-	-
Purchases	(1,628)	(206,213)	204,585
Cancellations	(10,343,613)	(3,534)	(10,340,079)
Exchange differences and other movements	236,027	237,045	(1,018)
TOTAL	427,989,736	175,520	427,814,216

MISCELLANEOUS RECEIVABLES	TOTAL		
	GROSS BALANCE THCH\$	ALLOWANCE THCH\$	NET BALANCE THCH\$
Opening balance	208,655,870	1,105,038	207,550,832
Transfers	-	-	-
Purchases	15,028,110	(2,916,290)	17,944,400
Cancellations	(36,675,677)	6,104,472	(42,780,149)
Exchange differences and other movements	(3,763,750)	(1,361,879)	(2,401,871)
TOTAL	183,244,553	2,931,341	180,313,212

TOTAL PORTFOLIO	6,735,206,532	131,889,337	6,603,317,195
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NOTE 13 - OTHER CURRENT FINANCIAL ASSETS

As of December 31, 2020 and 2019, this account is detailed as follows:

	BALANCE 12.31.2020					
	USD THCH\$	EURO THCH\$	UF THCH\$	CH\$ THCH\$	NUEVO SOL AND OTHERS THCH\$	TOTAL THCH\$
OTHER FINANCIAL ASSETS, BANK						
Investments available for sale	149,608,247	-	156,874,208	625,834,967	-	932,317,422
Financial instruments held for trading	-	-	-	110,671,980	-	110,671,980
Financial derivative instruments	-	-	-	243,395,691	26,144	243,421,835
Leased assets	-	-	-	11,877,794	-	11,877,794
INVESTMENTS FOR TECHNICAL RESERVES, INSURANCE SUBSIDIARY						
Fund units	221,484,719	28,337,500	22,055,927	326,826,821	-	598,704,967
Derivatives	-	-	12,802,685	-	(1,739,964)	11,062,721
Shares	-	-	-	142,967	-	142,967
Bonds	174,722,593	-	1,211,222,720	40,098,317	225,896,574	1,651,940,204
Mortgage bonds	-	-	26,946,388	-	-	26,946,388
Fixed and adjustable time deposits	-	-	-	-	-	-
Mortgage loans	-	-	233,295,504	-	1,739,964	235,035,468
Third-party guarantees	-	-	43,604	-	-	43,604
PRC, CORA and other Central Bank instruments	-	-	42,575,106	1,049,620	649,616	44,274,342
Instruments from international institutions	-	-	-	-	-	-
Residential and real estate leases	-	-	-	-	-	-
Other investment securities	7,066,996	-	-	3,265,633	(2,875,858)	7,456,771
OTHER FINANCIAL ASSETS, PARENT COMPANY AND OTHER SUBSIDIARIES						
Bonds	-	-	4,188,980	1,343	-	4,190,323
Shares	-	-	-	-	-	-
Other investment securities	-	-	-	-	-	-
TOTAL	552,882,555	28,337,500	1,710,005,122	1,363,165,133	223,696,476	3,878,086,786

	BALANCE 12.31.2019					
	USD THCH\$	EURO THCH\$	UF THCH\$	CH\$ THCH\$	NUEVO SOL AND OTHERS THCH\$	TOTAL THCH\$
OTHER FINANCIAL ASSETS, BANK						
Investments available for sale	170,949,041	-	160,049,454	370,796,841	-	701,795,336
Financial instruments held for trading	-	-	30,030,256	92,901,799	831,680	123,763,735
Financial derivative instruments	-	-	-	274,948,963	26,148	274,975,111
Leased assets	-	-	-	11,225,006	-	11,225,006
INVESTMENTS FOR TECHNICAL RESERVES, INSURANCE SUBSIDIARY						
Fund units	180,169,985	24,295,853	19,079,852	321,677,729	5,703,485	550,926,904
Derivatives	-	-	-	-	-	-
Shares	-	-	1,913,338	749,451	-	2,662,789
Bonds	205,453,045	-	1,211,364,026	45,064,960	223,473,155	1,685,355,186
Mortgage bonds	-	-	27,931,478	-	-	27,931,478
Fixed and adjustable time deposits	-	-	11,245,868	7,124,137	-	18,370,005
Mortgage loans	-	-	214,958,642	-	-	214,958,642
Third-party guarantees	-	-	42,465	-	-	42,465
PRC, CORA and other Central Bank instruments	-	-	54,056,641	1,171,449	-	55,228,090
Instruments from international institutions	-	-	-	-	-	-
Residential and real estate leases	-	-	-	-	-	-
Other investment securities	-	-	-	8,606,325	175,349	8,781,674
OTHER FINANCIAL ASSETS, PARENT COMPANY AND OTHER SUBSIDIARIES						
Bonds	-	-	640,859	-	-	640,859
Shares	-	-	-	2,597	-	2,597
Other investment securities	553,309	-	-	-	8,527	561,836
TOTAL	557,125,380	24,295,853	1,731,312,879	1,134,269,257	230,218,344	3,677,221,713

NOTE 14 - OTHER CURRENT NON-FINANCIAL ASSETS

As of December 31, 2020 and 2019, this account is detailed as follows:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
OTHER NON-FINANCIAL ASSETS, BANK		
Prepaid expenses	5,636,478	1,672,684
OTHER NON-FINANCIAL ASSETS, INSURANCE SUBSIDIARY		
Advances to suppliers	290,072	77,902
Miscellaneous receivables	2,089,574	1,965,966
OTHER NON-FINANCIAL ASSETS, PARENT COMPANY AND OTHER SUBSIDIARIES		
Miscellaneous receivables	3,391,885	1,716,831
Advances to suppliers	941,744	2,235,176
Prepaid expenses	828,705	450,747
Guarantees	45,788	59,257
Employee accounts and loans	120,079	128,479
Receivable, bond placement	13,335,001	30,483,426
TOTAL	26,679,326	38,790,468

NOTE 15 - CURRENT TAX ASSETS

As of December 31, 2020 and 2019, this account is detailed as follows:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Employee training credit (Sence)	334,591	359,565
Monthly provisional tax payments	27,728,752	30,867,951
VAT tax credit	7,532,544	11,394,543
Recovery of tax loss	5,902	245,791
Other recoverable taxes	5,679,658	9,769,618
TOTAL	41,281,447	52,637,468



NOTE 16 - OTHER NON-CURRENT NON-FINANCIAL ASSETS

As of December 31, 2020 and 2019, this account is detailed as follows:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Guarantees	85,305	233,509
Bilateral guarantees, ComDer margin and others	45,298,469	136,933,647
Shares and rights	2,095,046	2,095,046
Other assets	5,556,907	5,481,955
TOTAL OTHER NON-CURRENT NON-FINANCIAL ASSETS	53,035,727	144,744,157

NOTE 17 - CURRENT AND NON-CURRENT RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Current and non-current right-of-use assets and lease liabilities as of December 31, 2020 and 2019, are detailed as follows:

RIGHT-OF-USE ASSETS	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Right-of-use assets, gross	12,343,336	15,528,905
Depreciation on right-of-use assets	(3,269,817)	(3,773,306)
RIGHT-OF-USE ASSETS, NET	9,073,519	11,755,599

CURRENT LEASE LIABILITIES	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Lease liabilities	833,641	301,383
Deferred interest on leases	(124,775)	(13,398)
CURRENT LEASE LIABILITIES	708,866	287,985

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Under 90 days	195,441	76,766
Over 90 days under 1 year	513,425	211,219
CURRENT LEASE LIABILITIES	708,866	287,985

NON-CURRENT LEASE LIABILITIES	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Lease liabilities	9,381,525	10,978,300
Deferred interest on leases	(615,950)	(522,777)
NON-CURRENT LEASE LIABILITIES	8,765,575	10,455,523

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
1 to 3 years	2,217,654	3,293,282
3 to 5 years	4,907,026	5,179,350
Over 5 years	1,640,895	1,982,891
NON-CURRENT LEASE LIABILITIES	8,765,575	10,455,523

NOTE 18 - TRADE AND OTHER PAYABLES

As of December 31, 2020 and 2019, this account is detailed as follows:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Suppliers	10,194,015	16,712,358
Fees payable	319,414	578,561
Payables to customers	34,308,331	52,579,894
Other payables	6,104,352	6,194,760
Leases payable	4,496,082	5,104,296
Miscellaneous payables	23,414,810	36,973,962
Expired checks	114,560	260,504
Mortgage bonds	68,394	107,205
INSURANCE SUBSIDIARY		
Ceded premium	32,944,011	20,084,488
Mortgage bonds	43,206,888	68,644,699
Technical reserves	2,680,180,540	2,642,815,211
Claims payable	24,664,476	28,177,274
Suppliers	323,037	20,793
Other accounts payable	3,383,115	3,947,145
TOTAL	2,863,722,025	2,882,201,150

NOTE 19 - OTHER CURRENT FINANCIAL LIABILITIES

On November 20, 2009, the CMF certified the Group's filing under number 620 in the Securities Registry of the issuance of dematerialized F series bonds for UF 1,250,000, with annual interest of 4.5%.

On August 27, 2013, the CMF certified the Group's filing under number 763 in the Securities Registry of the issuance of dematerialized K series bonds for UF 3,000,000, with annual interest of 4.2%.

On December 4, 2014, the CMF certified the Group's filing under number 795 in the Securities Registry of the issuance of dematerialized L3 series bonds for UF 3,000,000, with annual interest of 3.8%.



On December 27, 2016, the CMF certified the Group's filing under number 842 in the Securities Registry of the issuance of dematerialized M series bonds for UF 1,189,000, with annual interest of 4.2%.

On January 6, 2017, the Company finalized the process by which bondholders could voluntarily exchange series F bonds for new series M bonds under identical conditions for all bondholders in accordance with article 130 of Law No. 18,045 on Securities Markets and the terms and conditions in the Exchange Notice published. Bonds were exchanged for 95% of the original issuance, equivalent to a nominal amount of UF1,189,000.

On February 16, 2018, the CMF certified the Group's filing under number 885 in the Securities Registry of the issuance of N1 and N2 series bonds for UF 1,500,000, with annual interest of 2.85% and 2.7%, respectively.

On August 25, 2020, the CMF certified the Group's filing under number 1036 in the Securities Registry of the issuance of dematerialized S series bonds for UF 1,000,000, with annual interest of 2.00%.

As of December 31, 2020 and 2019, this account is detailed as follows:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
BANK	THCH\$	THCH\$
Borrowings from financial institutions	970,098,032	198,380,976
Current accounts	960,676,297	654,631,238
Cashier's checks	42,888,786	67,192,978
Demand deposits	24,589,767	2,924,799
Performance bonds payable on demand	11,961,385	12,910,520
Export returns to settle	87,479	-
Pending payment orders	16,054,645	4,373,970
Senior bonds	2,571,801,091	2,480,270,074
Derivatives	220,105,597	244,481,703
Payables from repurchase agreements and securities lending	9,763,574	77,482,513
Savings accounts and time deposits.	1,890,733,586	3,042,003,964
Mortgage finance bonds	10,985,815	12,435,440
Public-sector obligations	14,185,729	4,166,437
Payables to credit card operators	4,329,246	5,788,108
INSURANCE SUBSIDIARY		
Borrowings from financial institutions	57,688,464	31,778,564
Current accounts	-	83,294
Derivatives	-	24,165,220
PARENT COMPANY AND OTHER SUBSIDIARIES		
Borrowings from financial institutions	277,279,521	409,956,152
Derivatives	162,355	-
Other obligations	1,937,215	-
Senior bonds	1,828,322	1,761,248
TOTAL OTHER CURRENT FINANCIAL LIABILITIES	7,087,156,906	7,274,787,198

BORROWINGS FROM FINANCIAL INSTITUTIONS AS OF DECEMBER 31, 2020, ARE DETAILED AS FOLLOWS:

DESCRIPTION OF DEBT	DEBTOR TAXPAYER ID	DEBTOR NAME	DEBTOR COUNTRY	CREDITOR TAXPAYER ID	CREDITOR NAME	CREDITOR COUNTRY	CURRENCY	REPAYMENT	EFFECTIVE RATE %	NOMINAL RATE %	CARRYING AMOUNT		
											MATURITY		
											0- 90 DAYS	91 DAYS TO 1 YEAR	TOTAL
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97.004.000-5	Banco Chile	Chile	CH\$	Monthly	0.11%	0.11%	35,726,266	-	35,726,266
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97.030.000-7	Banco Estado	Chile	CH\$	Monthly	0.13%	0.13%	35,175,554	-	35,175,554
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97.006.000-6	Banco de Credito e Inversiones	Chile	CH\$	Monthly	0.12%	0.12%	881,152	-	881,152
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97.018.000-1	Banco Scotiabank	Chile	CH\$	Monthly	0.10%	0.10%	37,126,104	-	37,126,104
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97.036.000-K	Banco Santander	Chile	CH\$	Monthly	0.13%	0.13%	35,032,173	-	35,032,173
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97.023.000-9	Banco Itaú Corpbanca	Chile	CH\$	Monthly	0.12%	0.12%	22,251,719	-	22,251,719
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97.080.000-K	Banco Bice	Chile	CH\$	Monthly	1.65%	1.65%	27,928,360	-	27,928,360
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97.023.000-9	Banco Itaú Corpbanca	Chile	USD	Monthly	0.12%	0.12%	6,549,094	-	6,549,094
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97.030.000-7	Banco Estado	Chile	USD	Monthly	0.12%	0.12%	2,348,846	-	2,348,846
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97.004.000-5	Banco de Chile	Chile	USD	Monthly	1.28%	1.28%	4,843,685	-	4,843,685
Borrowings from financial institutions	85.633.900-9	Travel Security S.A.	Chile	97.023.000-9	Banco CorpBanca	Chile	CH\$	Monthly	0.25%	0.25%	200	-	200
Borrowings from financial institutions	85.633.900-9	Travel Security S.A.	Chile	97.004.000-5	Banco Chile	Chile	CH\$	Monthly	0.25%	0.25%	16,771	-	16,771
Borrowings from financial institutions	85.633.900-9	Travel Security S.A.	Chile	97.032.000-8	Banco Scotiabank	Chile	CH\$	Monthly	0.25%	0.25%	1,119,162	-	1,119,162
Borrowings from financial institutions	85.633.900-9	Travel Security S.A.	Chile	97.004.000-5	Banco Chile	Chile	CH\$	Monthly	0.25%	0.25%	57,510	-	57,510
Borrowings from financial institutions	20.548.601,372	Viajes Security S.A.	Peru	20.100,047,218	Banco de Crédito del Perú	Peru	Soles	Monthly	0.25%	0.25%	-	713,646	713,646
Borrowings from financial institutions	20.517,207,331	Protecta S.A. Compañía de Seguros	Peru	20.100,047,218	Banco de Crédito	Peru	Soles	Monthly	3.20%	3.20%	3,534,480	-	3,534,480
Borrowings from financial institutions	20.517,207,331	Protecta S.A. Compañía de Seguros	Peru	20.100,043,140	Banco Scotiabank	Peru	USD	Monthly	1.40%	1.40%	3,555,098	-	3,555,098
Borrowings from financial institutions	20.517,207,331	Protecta S.A. Compañía de Seguros	Peru	20.100,047,218	Banco de Crédito	Peru	USD	Monthly	5.10%	5.10%	5,273,660	-	5,273,660
Borrowings from financial institutions	20.517,207,331	Protecta S.A. Compañía de Seguros	Peru	20.100,047,218	Banco de Crédito	Peru	USD	Monthly	1.90%	1.90%	1,777,451	-	1,777,451
Borrowings from financial institutions	20.517,207,331	Protecta S.A. Compañía de Seguros	Peru	20.513,074,370	Banco GNB Peru	Peru	USD	Monthly	2.30%	2.30%	1,972,829	-	1,972,829
Borrowings from financial institutions	20.517,207,331	Protecta S.A. Compañía de Seguros	Peru	20.513,074,370	Interbank	Peru	USD	Monthly	2.01%	2.01%	1,272,806	-	1,272,806
Borrowings from financial institutions	20.517,207,331	Protecta S.A. Compañía de Seguros	Peru	20.513,074,370	Banco Continental	Peru	USD	Monthly	5.65%	5.65%	283,740	-	283,740
Borrowings from financial institutions	96.786.270-3	Inmobiliaria Security S.A.	Chile	97.036.000-K	Banco Santander	Chile	CH\$	At maturity	3.38%	3.38%	702,255	918,045	1,620,300
Borrowings from financial institutions	96.786.270-3	Inmobiliaria Security S.A.	Chile	97.004.000-5	Banco De Chile	Chile	CH\$	At maturity	1.99%	1.99%	482,695	2,133,222	2,615,917
Borrowings from financial institutions	96.786.270-3	Inmobiliaria Security S.A.	Chile	97.006.000-6	Banco BCI	Chile	CH\$	At maturity	1.70%	1.70%	-	943,426	943,426
Borrowings from financial institutions	96.786.270-3	Inmobiliaria Security S.A.	Chile	99.500.410-0	Banco Consorcio	Chile	CH\$	At maturity	2.37%	3.36%	1,069,284	-	1,069,284
Borrowings from financial institutions	96.786.270-3	Inmobiliaria Security S.A.	Chile	97.080.000-K	Banco Bice	Chile	CH\$	At maturity	3.36%	3.36%	1,384,774	-	1,384,774
Borrowings from financial institutions	76.249.637-1	Inmobiliaria Security Norte S.A.	Chile	97.006.000-6	Banco BCI	Chile	CH\$	At maturity	1.80%	1.80%	949,442	3,701,835	4,651,277
Borrowings from financial institutions	96.786.270-3	Inmobiliaria Security Díez Ltda	Chile	97.004.000-5	Banco de Chile	Chile	CH\$	At maturity	1.69%	1.69%	4,483,026	-	4,483,026
Borrowings from financial institutions	76.360.997-8	Inmobiliaria Alto Chamisero	Chile	97.004.000-5	Banco de Chile	Chile	CH\$	At maturity	1.92%	1.92%	-	3,659,362	3,659,362
Borrowings from financial institutions	76.594.759-6	Inmobiliaria Security Los Dominicos	Chile	97.004.000-5	Banco de Chile	Chile	CH\$	At maturity	2.29%	2.29%	2,239,040	9,671,496	11,910,536
Borrowings from financial institutions	76.594.758-8	Inmobiliaria Ñuñoa V SPA	Chile	97.036.000-K	Banco Santander	Chile	CH\$	At maturity	2.28%	2.28%	1,196,472	-	1,196,472
Borrowings from financial institutions	76.477.415-9	Inmobiliaria El Taihuen S.A.	Chile	99.500.410-0	Banco Consorcio	Chile	CH\$	At maturity	1.67%	1.67%	630,056	15,643,251	16,273,307
Borrowings from financial institutions	96.847.360-3	Securitizadora Security S.A.	USA	E-9	Inter-American Development Bank	USA	USD	Quarterly	0.38%	0.38%	8,331	-	8,331
Borrowings from financial institutions	96.847.360-3	Securitizadora Security S.A.	CHILE	76.362.099-9	Banco BTG Pactual	Chile	UF	Annual	1.55%	1.55%	17,401,814	-	17,401,814
Borrowings from financial institutions	78.769.870-0	Inversiones Seguros Security	CHILE	97.004.000-5	Banco BCI	Chile	CH\$	At maturity	7.01%	7.01%	160,243	-	160,243
Borrowings from financial institutions	78.769.870-0	Inversiones Seguros Security	CHILE	97.006.000-6	Banco De Chile	Chile	CH\$	At maturity	7.19%	7.19%	131,208	-	131,208
Borrowings from financial institutions	99.301.000-6	Seguros de Vida Security	CHILE	97.018.000-1	Banco Scotiabank	Chile	CH\$	Monthly	3.37%	3.37%	4,600	10,000,000	10,004,600
Borrowings from financial institutions	99.301.000-6	Seguros de Vida Security	CHILE	97.018.000-1	Banco Scotiabank	Chile	CH\$	Monthly	3.58%	3.58%	4,600	10,000,000	10,004,600
Borrowings from financial institutions	99.301.000-6	Seguros de Vida Security	CHILE	97.080.000-K	Banco BCI	Chile	CH\$	Monthly	3.31%	3.31%	9,200	20,000,000	20,009,200
SUBTOTAL											257,583,700	77,384,283	334,967,983



BORROWINGS FROM FINANCIAL INSTITUTIONS AS OF DECEMBER 31, 2020, ARE DETAILED AS FOLLOWS: (CONTINUED)

DESCRIPTION OF DEBT	DEBTOR TAXPAYER ID	DEBTOR NAME	DEBTOR COUNTRY	CREDITOR ID NUMBER	CREDITOR NAME	CREDITOR COUNTRY	CURRENCY	REPAYMENT	EFFECTIVE RATE %	NOMINAL RATE %	CARRYING AMOUNT		
											MATURITY		
											0- 90 DAYS	91 DAYS TO 1 YEAR	TOTAL
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472815168-K	Standard Chartered Bank	China	USD	Monthly	0.00%	0.00%	47,813	-	47,813
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	97029000-1	Chilean Central Bank	Chile	Euros	Annual	0.00%	0.00%	-	91,039,166	91,039,166
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	445315168-4	Ind and Commercial Bank of China	China	USD	Quarterly	0.00%	0.00%	2,305	-	2,305
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	411885828-5	Citibank N.A.	USA	USD	Annual	1.19%	1.19%	14,233,432	-	14,233,432
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	97029000-1	Chilean Central Bank	Chile	Euros	Annual	0.00%	0.00%	-	27,800,386	27,800,386
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	473960828-2	Sumitomo Mitsui Banking Corporation	USA	USD	Semi-annual	0.65%	0.65%	7,123,471	-	7,123,471
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	97029000-1	Chilean Central Bank	Chile	Euros	Annual	0.00%	0.00%	-	600,008	600,008
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	407855136-K	Bank of Montreal	Canada	USD	Semi-annual	0.69%	0.69%	21,374,757	-	21,374,757
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	445315168-4	Ind and Commercial Bank of China	China	USD	Quarterly	0.00%	0.00%	29,246	-	29,246
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	411885828-5	Citibank N.A.	USA	USD	Annual	2.08%	2.08%	10,680,855	-	10,680,855
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	445315168-4	Ind and Commercial Bank of China	China	USD	Quarterly	0.00%	0.00%	67,188	-	67,188
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472815168-K	Standard Chartered Bank	China	USD	Quarterly	0.00%	0.00%	23,639	-	23,639
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	406595168-7	Bank of China	China	USD	Monthly	0.00%	0.00%	45,508	-	45,508
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472928340-7	Standard Chartered Bank Hong Kong Limited	Hong Kong	USD	Quarterly	0.00%	0.00%	33,584	-	33,584
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472928340-7	Standard Chartered Bank Hong Kong Limited	Hong Kong	USD	Quarterly	0.00%	0.00%	63,461	-	63,461
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	450917168-3	Bank of Ningbo China	China	USD	Quarterly	0.00%	0.00%	32,591	-	32,591
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472815168-K	The Agricultural Bank of China	China	USD	Quarterly	0.00%	0.00%	25,225	-	25,225
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	412527204-0	Dommerbank Ag	Germany	Euros	Quarterly	0.00%	0.00%	31,237	-	31,237
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	413740440-6	Kookmin Bank Korea	South Korea	USD	Monthly	0.00%	0.00%	47,911	-	47,911
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	445315168-4	Ind and Commercial Bank of China	China	USD	Quarterly	0.00%	0.00%	66,128	-	66,128
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472928340-7	Standard Chartered Bank Hong Kong Limited	Hong Kong	USD	Quarterly	0.00%	0.00%	29,219	-	29,219
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472928340-7	Standard Chartered Bank Hong Kong Limited	Hong Kong	USD	Quarterly	0.00%	0.00%	20,881	-	20,881
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472928340-7	Standard Chartered Bank Hong Kong Limited	Hong Kong	USD	Quarterly	0.00%	0.00%	3,566,764	-	3,566,764
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	473960828-2	Sumitomo Mitsui Banking Corporation	USA	USD	Semi-annual	0.70%	0.70%	21,398,850	-	21,398,850
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	473960828-2	Sumitomo Mitsui Banking Corporation	USA	USD	Semi-annual	0.65%	0.65%	14,247,874	-	14,247,874
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	450917168-3	Bank of Ningbo China	China	USD	Quarterly	0.00%	0.00%	37,970	-	37,970
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472928340-7	Standard Chartered Bank Hong Kong Limited	Hong Kong	USD	Quarterly	0.00%	0.00%	84,502	-	84,502
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	407615396-0	Banca Nazionale del Lavoro SpA	Italy	Euros	Quarterly	0.00%	0.00%	19,596	-	19,596
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	459752340-3	The Bank of New York Mellon	Hong Kong	USD	Quarterly	0.00%	0.00%	63,212	-	63,212
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	473960828-2	Sumitomo Mitsui Banking Corporation	USA	USD	Semi-annual	0.71%	0.71%	7,133,213	-	7,133,213
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	412335204-7	Commerzbank AG	Germany	Euros	Quarterly	0.00%	0.00%	11,438	-	11,438
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472928340-7	Standard Chartered Bank Hong Kong Limited	Hong Kong	USD	Quarterly	0.00%	0.00%	16,780	-	16,780
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	97029000-1	Chilean Central Bank	Chile	Euros	Annual	0.00%	0.00%	-	89,201,239	89,201,239
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472928340-7	Standard Chartered Bank Hong Kong Limited	Hong Kong	USD	Monthly	0.00%	0.00%	10,522	-	10,522
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	412527204-0	Dommerbank Ag	Germany	Euros	Quarterly	0.00%	0.00%	11,163	-	11,163
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	412393168-3	China Merchants Bank	CHINA	USD	Monthly	0.00%	0.00%	5,847	-	5,847
Borrowings from financial institutions	97.053.005-4	Banco Security	CHILE	452827340-3	Intesa Sanpaolo Spa Hong Kong	Hong Kong	USD	Quarterly	0.00%	0.00%	74,989	-	74,989
Borrowings from financial institutions	97.053.005-5	Banco Security	CHILE	446410828-4	The Bank of New York Mellon	USA	USD	Annual	0.84%	0.84%	9,964,824	-	9,964,824
Borrowings from financial institutions	97.053.005-6	Banco Security	CHILE	458915828-3	Wells Fargo Bank N.A. NY	USA	USD	Semi-annual	0.76%	0.76%	21,357,531	-	21,357,531
Borrowings from financial institutions	97.053.005-7	Banco Security	CHILE	97029000-1	Chilean Central Bank	Chile	Euros	Annual	0.00%	0.00%	-	629,408,744	629,408,744
Borrowings from financial institutions	97.053.005-8	Banco Security	CHILE	445315168-4	Ind and Commercial Bank of China	China	USD	Quarterly	0.00%	0.00%	42,055	-	42,055
Borrowings from financial institutions	97.053.005-9	Banco Security	CHILE	480806828-7	US Bank	USA	USD	Quarterly	0.00%	0.00%	22,910	-	22,910
TOTAL											389,632,191	915,433,826	1,305,066,017

BORROWINGS FROM FINANCIAL INSTITUTIONS AS OF DECEMBER 31, 2019, ARE DETAILED AS FOLLOWS:

DESCRIPTION OF DEBT	DEBTOR TAXPAYER ID	DEBTOR NAME	DEBTOR COUNTRY	CREDITOR ID NUMBER	CREDITOR NAME	CREDITOR COUNTRY	CURRENCY	REPAYMENT	EFFECTIVE RATE %	NOMINAL RATE %	CARRYING AMOUNT		
											MATURITY		
											0- 90 DAYS	91 DAYS TO 1 YEAR	TOTAL
Borrowings from financial institutions	85.633.900-9	Travel Security S.A.	Chile	99500410-0	Banco CorpBanca	Chile	Peruvian soles	Monthly	0.25%	0.25%	200	-	200
Borrowings from financial institutions	85.633.900-9	Travel Security S.A.	Chile	97004000-5	Banco de Chile	Chile	Peruvian soles	Monthly	0.25%	0.25%	16,771	-	16,771
Borrowings from financial institutions	85.633.900-9	Travel Security S.A.	Chile	97032000-8	Banco Scotiabank	Chile	Peruvian soles	Monthly	0.25%	0.25%	1,119,162	-	1,119,162
Borrowings from financial institutions	85.633.900-9	Travel Security S.A.	Chile	97004000-5	Banco Chile	Chile	Peruvian soles	Monthly	0.25%	0.25%	57,510	-	57,510
Borrowings from financial institutions	20548601372	Viajes Security S.A.	Peru	20,100,047,218	Banco de Crédito del Perú	Peru	Peruvian soles	Monthly	0.25%	0.25%	-	3,235,919	3,235,919
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97004000-5	Banco de Chile	Chile	CH\$	Monthly	0.21%	0.21%	39,212,318	-	39,212,318
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97030000-7	Banco Estado	Chile	CH\$	Monthly	0.22%	0.22%	35,873,549	-	35,873,549
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	76.249.637-2	Banco BCI	Chile	CH\$	Monthly	0.23%	0.23%	19,892,214	-	19,892,214
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97032000-8	Banco Bbva	Chile	CH\$	Monthly	0.21%	0.21%	26,354,872	-	26,354,872
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97018000-1	Banco Scotiabank	Chile	CH\$	Monthly	0.21%	0.21%	14,018,953	-	14,018,953
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97036600-K	Banco Santander	Chile	CH\$	Monthly	0.22%	0.22%	25,136,981	-	25,136,981
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97023000-9	Banco Itaú Corpbanca	Chile	CH\$	Monthly	0.23%	0.23%	28,767,767	-	28,767,767
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97080000-K	Banco Bice	Chile	CH\$	Monthly	0.23%	0.23%	40,074,893	-	40,074,893
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	99500410-0	Banco Consorcio	Chile	CH\$	Monthly	0.32%	0.32%	3,001,600	-	3,001,600
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	99500410-0	Banco Itaú	Chile	USD	Monthly	3.82%	3.82%	3,733,545	-	3,733,545
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97951000-4	Banco HSBC	Chile	USD	Monthly	3.75%	3.75%	2,016,695	-	2,016,695
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	99500410-0	Banco Consorcio	Chile	USD	Monthly	4.93%	4.93%	223,447	-	223,447
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	97951000-4	Banco HSBC	Chile	CH\$	Monthly	0.23%	0.23%	7,013,147	-	7,013,147
Borrowings from financial institutions	96.655.860-1	Factoring Security S.A.	Chile	76.249.637-2	Banco BCI	Chile	CH\$	Monthly	3.34%	3.34%	1,575,417	-	1,575,417
Borrowings from financial institutions	96.604.380-6	Grupo Security S.A.	Chile	76.249.637-2	Banco BCI	Chile	CH\$	Monthly	0.21%	0.21%	-	10,055,998	10,055,998
Borrowings from financial institutions	20517207331	Protecta S.A. Compañía de Seguros	Peru	20,100,047,218	Banco de Crédito	Peru	Peruvian soles	Monthly	3.60%	3.60%	2,157,700	-	2,157,700
Borrowings from financial institutions	20517207331	Protecta S.A. Compañía de Seguros	Peru	20,513,074,370	Banco Gnb Peru	Peru	Peruvian soles	Monthly	3.70%	3.70%	2,157,700	-	2,157,700
Borrowings from financial institutions	20517207331	Protecta S.A. Compañía de Seguros	Peru	20,100,047,218	Banco de Crédito	Peru	USD	Monthly	4.94%	4.94%	-	6,482,976	6,482,976
Borrowings from financial institutions	20517207331	Protecta S.A. Compañía de Seguros	Peru	20,100,130,204	Banco BBVA Peru	Peru	USD	Monthly	5.65%	5.65%	-	467,382	467,382
Borrowings from financial institutions	96.786.270-3	Inmobiliaria Security S.A.	Chile	97.036.000-K	Banco Santander	Chile	CH\$	At maturity	4.50%	4.50%	-	1,614,492	1,614,492
Borrowings from financial institutions	96.786.270-3	Inmobiliaria Security S.A.	Chile	97.006.000-6	Banco De Chile	Chile	CH\$	At maturity	4.53%	4.53%	848,564	1,842,444	2,691,008
Borrowings from financial institutions	96.786.270-3	Inmobiliaria Security S.A.	Chile	76.249.637-2	Banco BCI	Chile	CH\$	At maturity	3.12%	3.12%	-	945,866	945,866
Borrowings from financial institutions	96.786.270-3	Inmobiliaria Security S.A.	Chile	99.500.410-0	Banco Consorcio	Chile	CH\$	At maturity	3.04%	3.04%	1,072,342	-	1,072,342
Borrowings from financial institutions	96.786.270-3	Inmobiliaria Security S.A.	Chile	97080000-K	Banco Bice	Chile	CH\$	At maturity	4.70%	4.70%	1,401,771	-	1,401,771
Borrowings from financial institutions	76.249.637-1	Inmobiliaria Security Norte S.A.	Chile	76.249.637-2	Banco BCI	Chile	CH\$	At maturity	3.20%	3.20%	4,038,478	4,639,387	8,677,865
Borrowings from financial institutions	96.786.270-3	Inmobiliaria Security Diez Ltda	Chile	97.006.000-6	Banco de Chile	Chile	CH\$	At maturity	3.36%	3.36%	-	4,296,732	4,296,732
Borrowings from financial institutions	76.360.997-8	Inmobiliaria Alto Chamisero	Chile	97.006.000-6	Banco de Chile	Chile	CH\$	At maturity	4.15%	4.15%	-	3,687,574	3,687,574
Borrowings from financial institutions	76.594.759-6	Inmobiliaria Security Los Dominicos	Chile	76.104.355-2	Banco de Chile	Chile	CH\$	At maturity	4.30%	4.30%	1,151,325	9,535,949	10,687,274
Borrowings from financial institutions	76.505.706-K	Inmobiliaria Alto Vitacura S.A.	Chile	97080000-K	Banco Bice	Chile	CH\$	At maturity	4.24%	4.24%	8,030,384	4,856,043	12,886,427
Borrowings from financial institutions	76.594.758-8	Inmobiliaria Ñuñoa V SPA	Chile	97.036.000-K	Banco Santander	Chile	CH\$	At maturity	4.42%	4.42%	3,925,441	1,963,035	5,888,476
Borrowings from financial institutions	76.477.415-9	Inmobiliaria El Taihuen S.A.	Chile	99500410-0	Banco Consorcio	Chile	CH\$	At maturity	4.47%	4.47%	3,279,904	16,481,637	19,761,541
Borrowings from financial institutions	96.847.360-3	Securitizadora Security S.A.	Chile	E-9	Inter-American Development Bank.	USA	USD	Quarterly	3.11%	3.11%	3,014,395	-	3,014,395
Borrowings from financial institutions	96.847.360-3	Securitizadora Security S.A.	Chile	99.500.410-0	Banco Consorcio	Chile	UF	Semi-annual	3.03%	3.03%	-	482,028	482,028
Borrowings from financial institutions	96.847.360-3	Securitizadora Security S.A.	Chile	99.500.410-0	Banco Consorcio	Chile	UF	Semi-annual	3.03%	3.03%	-	1,134,185	1,134,185
Borrowings from financial institutions	96.847.360-3	Securitizadora Security S.A.	Chile	99.500.410-0	Banco Consorcio	Chile	UF	Semi-annual	3.03%	3.03%	-	1,702,538	1,702,538
Borrowings from financial institutions	96.847.360-3	Securitizadora Security S.A.	Chile	99.500.410-0	Banco Consorcio	Chile	UF	Semi-annual	3.03%	3.03%	-	1,134,185	1,134,185
Borrowings from financial institutions	96.847.360-3	Securitizadora Security S.A.	Chile	99.500.410-0	Banco Consorcio	Chile	UF	Semi-annual	3.07%	3.07%	576,157	-	576,157
Borrowings from financial institutions	96.847.360-3	Securitizadora Security S.A.	Chile	76.362.099-9	Banco BTG Pactual	Chile	UF	Annual	2.00%	2.00%	-	8,556,208	8,556,208
Borrowings from financial institutions	96.847.360-3	Securitizadora Security S.A.	Chile	76.362.099-9	Banco BTG Pactual	CHILE	UF	Annual	2.00%	2.00%	-	8,523,099	8,523,099
Borrowings from financial institutions	99.301.000-6	Seguros de Vida Security	Chile	97.018.000-1	Banco Scotiabank	Chile	CH\$	Monthly	4.38%	4.38%	14,050	10,000,000	10,014,050
Borrowings from financial institutions	99.301.000-6	Seguros de Vida Security	Chile	99.500.410-0	Banco Consorcio	Chile	CH\$	At maturity	4.96%	4.96%	498,756	10,000,000	10,498,756
Borrowings from financial institutions	78.769.870-0	Inversiones Seguros Security	Chile	97.004.000-5	Banco BCI	Chile	CH\$	At maturity	7.01%	7.01%	183,136	-	183,136
Borrowings from financial institutions	78.769.870-0	Inversiones Seguros Security	Chile	97.006.000-6	Banco de Chile	Chile	CH\$	At maturity	7.19%	7.19%	164,009	-	164,009
Borrowings from financial institutions	78.769.870-0	Inversiones Seguros Security	Chile	97.006.000-6	Banco de Chile	Chile	CH\$	At maturity	0.19%	0.19%	18,056,742	-	18,056,742
Borrowings from financial institutions	78.769.870-0	Inversiones Seguros Security	Chile	99.500.410-0	Banco Consorcio	Chile	CH\$	At maturity	4.86%	4.86%	181,585	-	181,585
SUBTOTAL											298,841,480	111,637,677	410,479,157



BORROWINGS FROM FINANCIAL INSTITUTIONS AS OF DECEMBER 31, 2019, ARE DETAILED AS FOLLOWS: (CONTINUED)

DESCRIPTION OF DEBT	DEBTOR TAXPAYER ID	DEBTOR NAME	DEBTOR COUNTRY	CREDITOR ID NUMBER	CREDITOR NAME	CREDITOR COUNTRY	CURRENCY	REPAYMENT	EFFECTIVE RATE %	NOMINAL RATE %	CARRYING AMOUNT		
											MATURITY		
											0- 90 DAYS	91 DAYS TO 1 YEAR	TOTAL
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	405752832-5	Banco Bilbao Viscaya Argentina Uruguay	Uruguay	USD	Monthly	0.00%	0.00%	106,997	-	106,997
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	406595168-7	Bank of China	China	USD	Quarterly	0.00%	0.00%	69,901	-	69,901
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	406595168-7	Bank of China	China	USD	Quarterly	0.00%	0.00%	51,108	-	51,108
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	406595168-7	Bank of China	China	USD	Quarterly	0.00%	0.00%	66,591	-	66,591
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	407855136-K	Bank of Montreal	Canada	USD	Annual	3.17%	3.17%	15,443,741	-	15,443,741
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	409047240-8	Banco Santander Madrid	Spain	Euros	Quarterly	0.00%	0.00%	42,992	-	42,992
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	410485104-0	Banco ITAU BBA S A	Brazil	USD	Monthly	0.00%	0.00%	17,663	-	17,663
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	411885828-5	Citibank N.A.	USA	USD	Semi-annual	2.48%	2.48%	22,599,944	-	22,599,944
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	411885828-5	Citibank N.A.	USA	USD	Quarterly	2.25%	2.25%	22,668,187	-	22,668,187
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	412335204-7	Commerzbank AG	Germany	USD	Annual	2.58%	2.58%	7,553,324	-	7,553,324
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	412393168-3	China Merchants Bank	China	USD	Monthly	0.00%	0.00%	98,196	-	98,196
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	412393168-3	China Merchants Bank	China	USD	Quarterly	0.00%	0.00%	1,996	-	1,996
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	412393168-3	China Merchants Bank	China	USD	Monthly	0.00%	0.00%	19,293	-	19,293
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	412527204-0	Commerzbank AG	Germany	Euros	Quarterly	0.00%	0.00%	42,644	-	42,644
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	407855136-K	Commerzbank AG	Canada	USD	Quarterly	0.00%	0.00%	16,786	-	16,786
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	407855136-K	Commerzbank AG	Canada	Euros	Quarterly	0.00%	0.00%	16,786	-	16,786
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	412527204-0	Commerzbank AG	Germany	Euros	Quarterly	0.00%	0.00%	10,081	-	10,081
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	412527204-0	Commerzbank AG	Germany	USD	Monthly	0.00%	0.00%	11,440	-	11,440
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	413260376-1	Citibank	India	USD	Quarterly	0.00%	0.00%	37,254	-	37,254
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	445315168-4	Ind and Commercial Bank of China	China	USD	Quarterly	0.00%	0.00%	10,547,858	-	10,547,858
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	446410828-4	The Bank of New York Mellon	USA	USD	Annual	2.47%	2.47%	44,693	-	44,693
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	446410828-4	The Bank of New York Mellon	USA	USD	Quarterly	0.00%	0.00%	44,693	-	44,693
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	446410828-4	The Bank of New York Mellon	USA	USD	Quarterly	0.00%	0.00%	39,891	-	39,891
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	446410828-4	The Bank of New York Mellon	USA	USD	Quarterly	0.00%	0.00%	18,810,000	-	18,810,000
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	458915828-3	Wells Fargo Bank N.A. NY	USA	USD	Annual	2.33%	2.33%	15,161,452	-	15,161,452
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	458915828-3	Wells Fargo Bank N.A. NY	USA	USD	Annual	2.30%	2.30%	22,685,498	-	22,685,498
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	458915828-3	Wells Fargo Bank N.A. NY	USA	USD	Annual	2.65%	2.65%	18,860,588	-	18,860,588
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	458915828-3	Wells Fargo Bank N.A. NY	USA	USD	Quarterly	2.25%	2.25%	10,955	-	10,955
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	460217376-9	Kotak Mahindra Bank Limited	India	USD	Quarterly	0.00%	0.00%	54,773	-	54,773
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	460217376-9	Kotak Mahindra Bank Limited	India	USD	Quarterly	0.00%	0.00%	43,797	-	43,797
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	460217376-9	Kotak Mahindra Bank Limited	India	USD	Quarterly	0.00%	0.00%	54,829	-	54,829
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	460217376-9	Kotak Mahindra Bank Limited	India	USD	Monthly	0.00%	0.00%	10,955	-	10,955
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	460217376-9	Kotak Mahindra Bank Limited	India	USD	Monthly	0.00%	0.00%	33,565	-	33,565
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	464826168-9	Wells Fargo Bank N.A. NY	China	USD	Quarterly	0.00%	0.00%	3,780,630	9,424,403	13,205,033
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	464843168-1	China Development Bank	China	USD	Annual	2.90%	2.90%	43,073	-	43,073
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472815168-K	Standard Chartered Bank	China	USD	Monthly	0.00%	0.00%	47,119	-	47,119
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472928340-7	Standard Chartered Bank Hong Kong Limited	Hong Kong	USD	Monthly	0.00%	0.00%	35,315	-	35,315
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472928340-7	Standard Chartered Bank Hong Kong Limited	Hong Kong	USD	Quarterly	0.00%	0.00%	23,079	-	23,079
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472928340-7	Standard Chartered Bank Hong Kong Limited	Hong Kong	USD	Quarterly	0.00%	0.00%	14,401	-	14,401
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	472928340-7	Standard Chartered Bank Hong Kong Limited	Hong Kong	USD	Monthly	0.00%	0.00%	30,102,686	-	30,102,686
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	473960828-2	Sumitomo Mitsui Banking Corporation	USA	USD	Annual	2.54%	2.54%	15,066,485	-	15,066,485
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	473960828-2	Sumitomo Mitsui Banking Corporation	USA	USD	Semi-annual	2.51%	2.51%	15,066,485	-	15,066,485
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	473960828-2	Sumitomo Mitsui Banking Corporation	USA	USD	Semi-annual	2.51%	2.51%	12,008	-	12,008
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	478108796-9	Türkiye Vakıflar Bankası T A O	Turkey	USD	Monthly	0.00%	0.00%	45,338	-	45,338
Borrowings from financial institutions	97.053.005-3	Banco Security	Chile	480612396-5	Unicredit Banca Spa Cred Itl	Italy	Euros	Quarterly	0.00%	0.00%	351,924	-	351,924
Borrowings from financial institutions	97.053.005-3	Valores Security S.A. C de B.	Chile	97.008.000-7	Banco Citibank	Chile	USD	Monthly	0.00%	0.00%	345,118	-	345,118
TOTAL											519,053,612	121,062,080	640,115,692

DETAIL OF BONDS AS OF DECEMBER 31, 2020

Series	Indexation Unit	Nominal Amount Placed	Maturity Date	Periodicity		Placement in Chile or Abroad	Effective Rate	Nominal Rate	Issuer Name	Issuer Country of Incorporation	Guaranteed Yes/No	Carrying Amount		
				Interest Payments	Amortization Payments							Maturity		
												0- 90 Days	91 Days to 1 Year	Total
BSECU-K	UF	3,000,000	September 15, 2032	Semi-annual	Semi-annual	Chile	4.20%	4.20%	Grupo Security S.A.	Chile	No		9,490	9,490
BSECU-F	UF	1,250,000	June 15, 2038	Semi-annual	Semi-annual	Chile	4.52%	4.52%	Grupo Security S.A.	Chile	No		128,326	128,326
BSECU-L3	UF	3,000,000	November 15, 2035	Semi-annual	Semi-annual	Chile	3.80%	3.80%	Grupo Security S.A.	Chile	No		373,643	373,643
BSECU-M	UF	1,189,000	October 15, 2041	Semi-annual	Semi-annual	Chile	4.20%	4.20%	Grupo Security S.A.	Chile	No		303,935	303,935
BSECU-N1	UF	1,500,000	December 10, 2042	Semi-annual	Semi-annual	Chile	2.85%	2.85%	Grupo Security S.A.	Chile	No		71,194	71,194
BSECU-S	UF	1,000,000	June 30, 2040	Semi-annual	Semi-annual	Chile	2.00%	2.00%	Grupo Security S.A.	Chile	No		1,588	1,588
BFSEC-E	UF	1,500,000	April 15, 2021	Semi-annual	Semi-annual	Chile	2.40%	2.40%	Factoring Security S.A.	Chile	No	588,158		588,158
B5	UF	5,000,000	August 01, 2021	Semi-annual	At maturity	Chile	2.40%	2.40%	Banco Security	Chile	No	147,066,658	-	147,066,658
B6	UF	3,000,000	October 01, 2022	Semi-annual	At maturity	Chile	2.00%	2.00%	Banco Security	Chile	No	147,137,981	-	147,137,981
B7	UF	3,000,000	October 01, 2022	Semi-annual	At maturity	Chile	2.00%	2.00%	Banco Security	Chile	No	121,355,586	-	121,355,586
B8	UF	5,000,000	February 01, 2024	Semi-annual	At maturity	Chile	1.80%	1.80%	Banco Security	Chile	No	-	150,751,280	150,751,280
B9	UF	1,000,000	OCTOBER 01, 2024	Semi-annual	At maturity	Chile	1.80%	1.80%	Banco Security	Chile	No	-	146,385,685	146,385,685
D1	UF	5,000,000	FEBRUARY 01, 2029	Semi-annual	At maturity	Chile	2.20%	2.20%	Banco Security	Chile	No	-	157,812,893	157,812,893
D2	UF	600,000	SEPTEMBER 30, 2022	Semi-annual	At maturity	Chile	6.00%	6.00%	Banco Security	Chile	No	-	47,189,332	47,189,332
D3	UF	600,000	SEPTEMBER 01, 2029	Semi-annual	At maturity	Chile	6.00%	6.00%	Banco Security	Chile	No	-	73,889,026	73,889,026
H1	UF	3,000,000	DECEMBER 01, 2029	Semi-annual	Semi-annual	Chile	4.42%	4.42%	Banco Security	Chile	No	12,666,214	28,964,898	41,631,112
K2	UF	4,000,000	NOVEMBER 01, 2021	Semi-annual	At maturity	Chile	3.74%	3.74%	Banco Security	Chile	No	116,629,295	-	116,629,295
K3	UF	4,000,000	NOVEMBER 01, 2022	Semi-annual	At maturity	Chile	3.53%	3.53%	Banco Security	Chile	No	116,679,436	-	116,679,436
K4	UF	5,000,000	OCTOBER 01, 2023	Semi-annual	At maturity	Chile	3.60%	3.60%	Banco Security	Chile	No	147,411,425	-	147,411,425
K5	UF	5,000,000	JUNE 01, 2024	Semi-annual	At maturity	Chile	2.75%	2.75%	Banco Security	Chile	No	-	144,613,038	144,613,038
K6	UF	5,000,000	MARCH 01, 2025	Semi-annual	At maturity	Chile	2.75%	2.75%	Banco Security	Chile	No	-	145,776,337	145,776,337
K7	UF	5,000,000	SEPTEMBER 01, 2025	Semi-annual	At maturity	Chile	2.75%	2.75%	Banco Security	Chile	No	-	149,194,269	149,194,269
K8	UF	5,000,000	OCTOBER 01, 2026	Semi-annual	At maturity	Chile	2.80%	2.80%	Banco Security	Chile	No	-	149,624,514	149,624,514
K9	UF	5,000,000	JULY 01, 2028	Semi-annual	At maturity	Chile	2.75%	2.75%	Banco Security	Chile	No	-	152,134,942	152,134,942
Q1	UF	3,000,000	AUGUST 01, 2033	Semi-annual	Semi-annual	Chile	2.50%	2.50%	Banco Security	Chile	No	-	101,106,889	101,106,889
R1	UF	3,000,000	JUNE 01, 2021	Semi-annual	At maturity	Chile	3.00%	3.00%	Banco Security	Chile	No	3,677,324	-	3,677,324
Z2	UF	7,200,000	FEBRUARY 01, 2022	Semi-annual	At maturity	Chile	5.30%	5.30%	Banco Security	Chile	No	77,288,558	-	77,288,558
Z3	CH\$	75,000,000,000	JUNE 01, 2023	Semi-annual	At maturity	Chile	4.80%	4.80%	Banco Security	Chile	No	76,294,401	-	76,294,401
Z4	CH\$	75,000,000,000	APRIL 01, 2024	Semi-annual	At maturity	Chile	4.80%	4.80%	Banco Security	Chile	No	-	80,175,222	80,175,222
Z5	CH\$	75,000,000,000	APRIL 01, 2024	Semi-annual	At maturity	Chile	4.80%	4.80%	Banco Security	Chile	No	-	77,975,888	77,975,888
SERIES A	UF	1,000,000	AUGUST 31, 2038	Semi-annual	Beginning the tenth year	Chile	3.60%	3.38%	Inversiones Previsión Security Ltda.	Chile	No	328,402		328,402
SERIES D	UF	1,200,000	DECEMBER 20, 2040	Semi-annual	Beginning the tenth year	Chile	2.65%	2.25%	Inversiones Previsión Security Ltda.	Chile	No	23,586		23,586
TOTAL												967,147,024	1,606,482,389	2,573,629,413



DETAIL OF BONDS AS OF DECEMBER 31, 2019

SERIES	INDEXATION UNIT	NOMINAL AMOUNT PLACED	MATURITY DATE	PERIODICITY		PLACEMENT IN CHILE OR ABROAD	EFFECTIVE RATE	NOMINAL RATE	ISSUER NAME	ISSUER COUNTRY OF INCORPORATION	GUARANTEED YES/NO	CARRYING AMOUNT		
				INTEREST PAYMENTS	AMORTIZATION PAYMENTS							MATURITY		
												0- 90 DAYS	91 DAYS TO 1 YEAR	TOTAL
BSECU-K	UF	3,000,000	September 15, 2032	Semi-annual	Semi-annual	Chile	4.20%	4.20%	Grupo Security S.A.	Chile	No	-	9,191	9,191
BSECU-F	UF	1,250,000	June 15, 2038	Semi-annual	Semi-annual	Chile	4.52%	4.52%	Grupo Security S.A.	Chile	No	-	126,288	126,288
BSECU-L3	UF	3,000,000	November 15, 2035	Semi-annual	Semi-annual	Chile	3.80%	3.80%	Grupo Security S.A.	Chile	No	-	361,870	361,870
BSECU-M	UF	1,189,000	October 15, 2041	Semi-annual	Semi-annual	Chile	4.20%	4.20%	Grupo Security S.A.	Chile	No	-	294,367	294,367
BSECU-N1	UF	1,500,000	December 10, 2042	Semi-annual	Semi-annual	Chile	2.85%	2.85%	Grupo Security S.A.	Chile	No	-	68,953	68,953
BFSEC-E	UF	1,500,000	April 15, 2021	Semi-annual	Semi-annual	Chile	2.40%	2.41%	Factoring Security S.A.	Chile	No	582,525	-	582,525
B4	UF	5,000,000	June 01, 2020	Semi-annual	At maturity	Chile	2.25%	2.25%	Banco Security	Chile	No	141,925,153	-	141,925,153
B5	UF	5,000,000	August 01, 2021	Semi-annual	At maturity	Chile	2.40%	2.40%	Banco Security	Chile	No	143,935,819	-	143,935,819
B6	UF	3,000,000	October 01, 2022	Semi-annual	At maturity	Chile	2.00%	2.00%	Banco Security	Chile	No	143,940,931	-	143,940,931
B7	UF	3,000,000	October 01, 2022	Semi-annual	At maturity	Chile	2.00%	2.00%	Banco Security	Chile	No	-	119,929,806	119,929,806
B8	UF	5,000,000	February 01, 2024	Semi-annual	At maturity	Chile	1.80%	1.80%	Banco Security	Chile	No	-	148,434,575	148,434,575
B9	UF	1,000,000	October 01, 2024	Semi-annual	At maturity	Chile	1.80%	1.80%	Banco Security	Chile	No	-	27,977,248	27,977,248
D1	UF	5,000,000	FEBRUARY 01, 2029	Semi-annual	At maturity	Chile	2.20%	2.20%	Banco Security	Chile	No	-	155,435,212	155,435,212
D2	UF	600,000	SEPTEMBER 30, 2022	Semi-annual	At maturity	Chile	6.00%	6.00%	Banco Security	Chile	No	-	17,504,242	17,504,242
D3	UF	600,000	SEPTEMBER 01, 2029	Semi-annual	At maturity	Chile	6.00%	6.00%	Banco Security	Chile	No	-	16,891,357	16,891,357
H1	UF	3,000,000	DECEMBER 01, 2029	Semi-annual	Semi-annual	Chile	4.42%	4.42%	Banco Security	Chile	No	11,875,089	32,168,674	44,043,763
K2	UF	4,000,000	NOVEMBER 01, 2021	Semi-annual	At maturity	Chile	3.74%	3.74%	Banco Security	Chile	No	113,079,121	-	113,079,121
K3	UF	4,000,000	NOVEMBER 01, 2022	Semi-annual	At maturity	Chile	3.53%	3.53%	Banco Security	Chile	No	113,430,137	-	113,430,137
K4	UF	5,000,000	OCTOBER 01, 2023	Semi-annual	At maturity	Chile	3.60%	3.60%	Banco Security	Chile	No	-	143,893,102	143,893,102
K5	UF	5,000,000	JUNE 01, 2024	Semi-annual	At maturity	Chile	2.75%	2.75%	Banco Security	Chile	No	-	140,433,904	140,433,904
K6	UF	5,000,000	MARCH 01, 2025	Semi-annual	At maturity	Chile	2.75%	2.75%	Banco Security	Chile	No	-	141,997,847	141,997,847
K7	UF	5,000,000	SEPTEMBER 01, 2025	Semi-annual	At maturity	Chile	2.75%	2.75%	Banco Security	Chile	No	-	145,957,124	145,957,124
K8	UF	5,000,000	OCTOBER 01, 2026	Semi-annual	At maturity	Chile	2.80%	2.80%	Banco Security	Chile	No	-	146,407,058	146,407,058
K9	UF	5,000,000	JULY 01, 2028	Semi-annual	At maturity	Chile	2.75%	2.75%	Banco Security	Chile	No	-	148,915,214	148,915,214
Q1	UF	3,000,000	AUGUST 01, 2033	Semi-annual	Semi-annual	Chile	2.50%	2.50%	Banco Security	Chile	No	-	99,941,124	99,941,124
R1	UF	3,000,000	JUNE 01, 2021	Semi-annual	At maturity	Chile	3.00%	3.00%	Banco Security	Chile	No	13,217,069	-	13,217,069
Z1	UF	19,000,000	JULY 01, 2020	Semi-annual	At maturity	Chile	5.25%	5.25%	Banco Security	Chile	No	77,221,007	-	77,221,007
Z2	UF	7,200,000	FEBRUARY 01, 2022	Semi-annual	At maturity	Chile	5.30%	5.30%	Banco Security	Chile	No	77,883,532	-	77,883,532
Z3	CH\$	75,000,000,000	JUNE 01, 2023	Semi-annual	At maturity	Chile	4.80%	4.80%	Banco Security	Chile	No	-	76,705,650	76,705,650
Z4	CH\$	75,000,000,000	APRIL 01, 2024	Semi-annual	At maturity	Chile	4.80%	4.80%	Banco Security	Chile	No	-	81,488,133	81,488,133
TOTAL												837,090,383	1,644,940,939	2,482,031,322

NOTE 20 - OTHER CURRENT NON-FINANCIAL LIABILITIES

As of December 31, 2020 and 2019, this account is detailed as follows:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
BANK		
Letters of credit paid in cash	36,422	-
Available funds mortgage loans	32,926,847	82,218,793
Current transactions pending payment	43,765,755	99,394,714
Collection on behalf of clients	7,986,754	12,180,269
Credit card balances payable	1,092,806	645,457
PARENT COMPANY AND OTHER SUBSIDIARIES		
Dividends payable (*)	16,570,834	16,259,508
Taxes payable	2,732,988	2,910,413
Third-party obligations	6,471,087	6,404,426
Taxes payable	1,201	118,252
Second category tax	136,252	32,025
Single employee tax	289,737	633,314
Compensation payable	521,400	123,161
Other payables	3,212,165	5,664,450
Deferred income	17,929,975	18,952,540
TOTAL	133,674,223	245,537,322

NOTE 21 - CURRENT TAX LIABILITIES

This account is detailed as follows:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Additional tax	93,138	172,058
Income tax provision	30,800,470	32,631,228
VAT payable	724,044	1,853,945
Other tax liabilities	275,258	211,476
TOTAL	31,892,910	34,868,707



NOTE 22 - OTHER SHORT-TERM PROVISIONS

Short-term provisions include the following items:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
BANK		
Contingent loan risk	6,707,508	5,094,198
Minimum dividends	4,622	951
Country risk	463,287	274,182
Other provisions	8,391,116	2,573,550
PARENT COMPANY AND OTHER SUBSIDIARIES		
Portfolio fluctuations	800,497	927,017
Provisions for other expenses	19,463,715	18,022,803
TOTAL	35,830,745	26,892,701

NOTE 23 - EMPLOYEE BENEFIT PROVISIONS

Current employee benefit provisions are detailed as follows:

MOVEMENT IN 2020

ITEM	OPENING BALANCE	PROVISIONS RECOGNIZED	REVERSAL OF PROVISIONS	RECOVERED AMOUNTS	WRITE-OFFS	CLOSING BALANCE
Vacation accrual	8,190,284	3,074,685	(2,214,319)	-	-	9,050,650
Provision for other employee benefits	1,663,521	4,791,927	(3,441,837)	-	-	3,013,611
Bonus provision	219,166	85,354	-	-	-	304,520
TOTAL	10,072,971	7,951,966	(5,656,156)	-	-	12,368,781

MOVEMENT IN 2019

ITEM	OPENING BALANCE	PROVISIONS RECOGNIZED	REVERSAL OF PROVISIONS	RECOVERED AMOUNTS	WRITE-OFFS	CLOSING BALANCE
Vacation accrual	7,912,562	1,606,326	(1,328,604)	-	-	8,190,284
Provision for other employee benefits	1,126,564	909,214	(372,257)	-	-	1,663,521
Bonus provision	219,166	-	-	-	-	219,166
TOTAL	9,258,292	2,515,540	(1,700,861)	-	-	10,072,971

NOTE 24 - OTHER NON-CURRENT FINANCIAL LIABILITIES

Other non-current financial liabilities as of December 31, 2020 and 2019, are detailed as follows:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Borrowings from financial institutions	17,288,676	33,729,618
SUBTOTAL, BORROWINGS FROM FINANCIAL INSTITUTIONS	17,288,676	33,729,618
Long-term outstanding bond obligations	427,238,691	358,229,647
Subordinated bonds	263,521,303	211,106,657
Indexation payable on subordinated bonds	54,867,792	50,230,718
Interest payable on subordinated bonds	2,852,443	2,420,445
Deferred price difference on subordinated bonds	26,582,264	11,938,603
Expenses for subordinated bonds	(21,522)	(25,714)
SUBTOTAL, BONDS PAYABLE	775,040,971	633,900,356
Discount on bond placement	(4,330,564)	(5,712,927)
Loans maturing in over one year (Bank) and other obligations	81,298,015	43,117,576
TOTAL OTHER NON-CURRENT FINANCIAL LIABILITIES	869,297,098	705,034,623

BORROWINGS FROM FINANCIAL INSTITUTIONS AS OF DECEMBER 31, 2020, ARE DETAILED AS FOLLOWS:

THCH\$														
DESCRIPTION	TAXPAYER ID DEBTOR	DEBTOR NAME	DEBTOR COUNTRY	TAXPAYER ID CREDITOR	CREDITOR NAME	CREDITOR COUNTRY	CURRENCY	REPAYMENT	EFFECTIVE RATE %	NOMINAL RATE %	CARRYING AMOUNT			
											MATURITY			
											1-3 YEARS	3-5 YEARS	OVER 5 YEARS	TOTAL
Borrowings from financial institutions	78.769.870-0	Inversiones Previsión Security Ltda	Chile	97.006.000-6	Banco BCI	Chile	CH\$	Semi-annual	7.01%	7.01%	3,835,313	2,556,875	2,556,875	8,949,063
Borrowings from financial institutions	78.769.870-0	Inversiones Previsión Security Ltda	Chile	99.500.410-0	Banco de Chile	Chile	CH\$	Semi-annual	7.19%	7.19%	5,357,045	1,785,682	-	7,142,727
Borrowings from financial institutions	85.633.900-9	Travel Security S.A.	Chile	97.032.000-8	Banco Scotiabank	Chile	CH\$	Monthly	0.25%	0.25%	1,021,537	-	-	1,021,537
Borrowings from financial institutions	20,517,207,331	Protecta S.A. Compañía de Seguros	Peru	20,100,047,218	Banco de Crédito	Peru	USD	Installments	4.94%	4.94%	175,349	-	-	175,349
TOTAL											10,389,244	4,342,557	2,556,875	17,288,676

BORROWINGS FROM FINANCIAL INSTITUTIONS AS OF DECEMBER 31, 2019, ARE DETAILED AS FOLLOWS:

THCH\$														
DESCRIPTION	TAXPAYER ID DEBTOR	DEBTOR NAME	DEBTOR COUNTRY	TAXPAYER ID CREDITOR	CREDITOR NAME	CREDITOR COUNTRY	CURRENCY	REPAYMENT	EFFECTIVE RATE %	NOMINAL RATE %	CARRYING AMOUNT			
											MATURITY			
											1-3 YEARS	3-5 YEARS	OVER 5 YEARS	TOTAL
Borrowings from financial institutions	78.769.870-0	Inversiones Previsión Security Ltda	Chile	97.006.000-6	Banco BCI	Chile	CH\$	Semi-annual	7.01%	7.01%	3,835,313	2,556,875	3,835,312	10,227,500
Borrowings from financial institutions	78.769.870-0	Inversiones Previsión Security Ltda	Chile	99.500.410-0	Banco de Chile	Chile	CH\$	Semi-annual	7.19%	7.19%	5,357,045	3,571,364	-	8,928,409
Borrowings from financial institutions	78.769.870-0	Inversiones Previsión Security Ltda	Chile	99.500.410-0	Banco Consorcio	Chile	CH\$	Semi-annual	4.44%	4.46%	4,714,032	3,142,688	4,714,031	12,570,751
Borrowings from financial institutions	85.633.900-9	Travel Security S.A.	Chile	97.032.000-8	Banco Scotiabank	Chile	CH\$	Monthly	0.25%	0.25%	2,002,958	-	-	2,002,958
TOTAL											15,909,348	9,270,927	8,549,343	33,729,618



DETAIL OF BONDS AS OF DECEMBER 31, 2020

SERIES	INDEXATION UNIT	NOMINAL AMOUNT PLACED	MATURITY DATE	PERIODICITY		PLACEMENT IN CHILE OR ABROAD	EFFECTIVE RATE	NOMINAL RATE	ISSUER NAME	ISSUER COUNTRY	GUARANTEED YES/NO	CARRYING AMOUNT				
				INTEREST PAYMENTS	AMORTIZATION PAYMENTS							MATURITY				
												1-3 YEARS	3-5 YEARS	OVER 5 YEARS	TOTAL	
BSECU-L3	UF	3,000,000	November 15, 2035	Semi-annual	Semi-annual	CHILE	3.80%	3.80%	Grupo Security S.A.	Chile	No	-	-	87,210,990	87,210,990	
BSECU-F	UF	1,250,000	June 15, 2038	Semi-annual	Semi-annual	CHILE	4.52%	4.50%	Grupo Security S.A.	Chile	No	-	-	1,219,137	1,219,137	
BSECU-K	UF	3,000,000	September 15, 2032	Semi-annual	Semi-annual	CHILE	4.20%	4.20%	Grupo Security S.A.	Chile	No	-	-	87,210,990	87,210,990	
BSECU-M	UF	1,189,000	October 15, 2041	Semi-annual	Semi-annual	CHILE	4.20%	4.20%	Grupo Security S.A.	Chile	No	-	-	34,564,622	34,564,622	
BSECU-N1	UF	1,500,000	December 10, 2042	Semi-annual	Semi-annual	CHILE	2.85%	2.85%	Grupo Security S.A.	Chile	No	-	-	43,605,495	43,605,495	
BSECU-S	UF	1,000,000	June 30, 2040	Semi-annual	Semi-annual	CHILE	2.00%	2.00%	Grupo Security S.A.	Chile	No	-	-	29,070,330	29,070,330	
BFSEC-E	UF	1,500,000	October 15, 2022	Semi-annual	Semi-annual	CHILE	2.40%	2.41%	Factoring Security S.A.	Chile	No	42,994,613	-	-	42,994,613	42,994,613
BFSEC-H	CH\$	1,500,000	April 15, 2024	Semi-annual	Semi-annual	CHILE	3.95%	4.40%	Factoring Security S.A.	Chile	No	-	40,610,882	-	40,610,882	40,610,882
Series A	UF	1,000,000	August 31, 2038	Semi-annual	Beginning the 10th year	CHILE	3.60%	3.38%	Inversiones Previsión Security Ltda	Chile	No	-	-	28,686,018	28,686,018	
Series D	UF	1,200,000	December 20, 2040	Semi-annual	Beginning the tenth year	CHILE	2.65%	2.25%	Inversiones Previsión Security Ltda	Chile	No	-	-	32,065,614	32,065,614	
USECD2	UF	607,349	September 01, 2022	Semi-annual	Semi-annual	CHILE	7.16%	6.50%	Banco Security	Chile	No	1,165,609	3,533,421	-	4,699,030	4,699,030
USECE1	UF	1,200,000	MAY 01, 2028	Semi-annual	Semi-annual	CHILE	7.38%	6.00%	Banco Security	Chile	No	-	7,433,008	11,149,595	18,582,603	18,582,603
USECJ1	UF	2,000,000	DECEMBER 01, 2031	Semi-annual	Semi-annual	CHILE	3.00%	3.00%	Banco Security	Chile	No	-	10,522,946	33,081,168	43,604,114	43,604,114
USECJ2	UF	3,000,000	MARCH 01, 2037	Semi-annual	Semi-annual	CHILE	4.05%	4.00%	Banco Security	Chile	No	-	-	88,025,541	88,025,541	88,025,541
USECJ3	UF	2,500,000	OCTOBER 01, 2038	Semi-annual	Semi-annual	CHILE	4.00%	4.00%	Banco Security	Chile	No	-	-	76,705,014	76,705,014	76,705,014
USECJ4	UF	2,500,000	OCTOBER 01, 2038	Semi-annual	Semi-annual	CHILE	4.00%	4.00%	Banco Security	Chile	No	-	-	116,185,978	116,185,978	116,185,978
TOTAL												44,160,222	62,100,257	668,780,492	775,040,971	

DETAIL OF BONDS AS OF DECEMBER 31, 2019

SERIES	INDEXATION UNIT	NOMINAL AMOUNT PLACED	MATURITY DATE	PERIODICITY		PLACEMENT IN CHILE OR ABROAD	EFFECTIVE RATE	NOMINAL RATE	ISSUER NAME	ISSUER COUNTRY	GUARANTEED YES/NO	CARRYING AMOUNT				
				INTEREST PAYMENTS	AMORTIZATION PAYMENTS							MATURITY				
												1-3 YEARS	3-5 YEARS	OVER 5 YEARS	TOTAL	
BSECU-L3	UF	3,000,000	November 15, 2035	Semi-annual	Semi-annual	CHILE	3.80%	3.80%	Grupo Security S.A.	Chile	No	-	-	84,929,820	84,929,820	
BSECU-F	UF	1,250,000	June 15, 2038	Semi-annual	Semi-annual	CHILE	4.52%	4.50%	Grupo Security S.A.	Chile	No	-	-	1,295,180	1,295,180	
BSECU-K	UF	3,000,000	September 15, 2032	Semi-annual	Semi-annual	CHILE	4.20%	4.20%	Grupo Security S.A.	Chile	No	-	-	84,929,820	84,929,820	
BSECU-M	UF	1,189,000	October 15, 2041	Semi-annual	Semi-annual	CHILE	4.20%	4.20%	Grupo Security S.A.	Chile	No	-	-	33,660,519	33,660,519	
BSECU-N1	UF	1,500,000	December 10, 2042	Semi-annual	Semi-annual	CHILE	2.85%	2.85%	Grupo Security S.A.	Chile	No	-	-	42,464,911	42,464,911	
BFSEC-E	UF	1,500,000	October 15, 2020	Semi-annual	Semi-annual	CHILE	2.40%	2.40%	Factoring Security S.A.	Chile	No	42,434,267	-	-	42,434,267	42,434,267
BFSEC-H	CH\$	1,500,000	April 15, 2024	Semi-annual	Semi-annual	CHILE	3.95%	4.40%	Factoring Security S.A.	Chile	No	40,610,882	-	-	40,610,882	40,610,882
Series A	UF	1,000,000	August 31, 2038	Semi-annual	Beginning the 10th year	CHILE	3.60%	3.38%	Inversiones Previsión Security Ltda	Chile	No	-	-	27,904,248	27,904,248	
USECD2	UF	607,349	September 01, 2022	Semi-annual	Semi-annual	CHILE	7.16%	6.50%	Banco Security	Chile	No	1,063,163	5,637,785	-	6,700,948	6,700,948
USECE1	UF	1,200,000	May 01, 2028	Semi-annual	Semi-annual	CHILE	7.38%	6.00%	Banco Security	Chile	No	-	7,220,087	13,236,906	20,456,993	20,456,993
USECJ1	UF	2,000,000	December 01, 2031	Semi-annual	Semi-annual	CHILE	3.00%	3.00%	Banco Security	Chile	No	-	9,896,450	35,543,665	45,440,115	45,440,115
USECJ2	UF	3,000,000	MARCH 01, 2037	Semi-annual	Semi-annual	CHILE	4.05%	4.00%	Banco Security	Chile	No	-	-	85,675,844	85,675,844	85,675,844
USECJ3	UF	2,500,000	OCTOBER 01, 2038	Semi-annual	Semi-annual	CHILE	4.00%	4.00%	Banco Security	Chile	No	-	-	74,988,804	74,988,804	74,988,804
USECJ4	UF	2,500,000	OCTOBER 01, 2038	Semi-annual	Semi-annual	CHILE	4.00%	4.00%	Banco Security	Chile	No	-	-	42,408,005	42,408,005	42,408,005
TOTAL												84,108,312	22,754,322	527,037,722	633,900,356	

NOTE 25 - NON-CURRENT PAYABLES

This account is detailed as follows:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
BANK		
Non-current accounts and notes payable	185,992	3,364,391
Other non-current liabilities	8,541,776	16,204,755
PARENT COMPANY AND OTHER SUBSIDIARIES		
Non-current notes payable	2,005,512	3,144,112
TOTAL	10,733,280	22,713,258

NOTE 26 - CURRENT ACCOUNTS PAYABLE TO RELATED PARTIES

This account is detailed as follows:

TAXPAYER ID NUMBER	COMPANY	COUNTRY	RELATIONSHIP	CURRENCY	OWNERSHIP INTEREST	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
96.588.080-1	Principal Cía. de Seguros de Vida Chile S.A.	Chile	Through ownership	CH\$	49%	1,308,842	25,819
76.213.641-4	Inversiones CMC Ltda.	Chile	Through management	CH\$	30%	3,504,117	-
TOTAL						4,812,959	25,819

Principal Compañía de Seguros de Vida Chile S.A., an entity that does not belong to Grupo Security, has a relationship with the subsidiary Hipotecaria Security Principal S.A. (it holds shares in this company) and its balances correspond to dividends received and paid the month after receipt.

This company is part of Principal Servicios de Administración S.A., which has a 48.997% interest in the subsidiary Hipotecaria Security Principal S.A., with 349,956 shares acquired in July 2012.

This is an endorsable promissory note with the following characteristics:

- Amount: UF 35,160
- Interest: 5.75%
- Maturity: December 2021



NOTE 27 - NON-CURRENT ACCOUNTS PAYABLE TO RELATED PARTIES

This account is detailed as follows:

TAXPAYER ID NUMBER	COMPANY	COUNTRY	RELATIONSHIP	CURRENCY	OWNERSHIP INTEREST	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
76.213.641-4	Inversiones CMC Ltda.	Chile	Through management	CH\$	30%	-	3,412,460
TOTAL						-	3,412,460

This is an endorsable promissory note with the following characteristics:

- Amount: UF 35,160
 - Interest: 5.75%
 - Maturity: December 2021
- (Therefore, it was classified as a related party payable, current as of December 2020).



NOTE 28 - REVENUE AND EXPENSES

(A) REVENUE

This is detailed as follows:

	12.31.2020 THCH\$	12.31.2019 THCH\$
Factoring revenue	32,364,006	35,425,718
Gross written premiums	311,866,956	330,725,936
Other interest income	80,805,523	82,915,799
Insurance brokerage commissions	5,599,896	5,446,827
Advisory and other services	27,729,521	27,110,590
Sales revenue	69,402,803	33,018,920
Investment income	11,827,313	32,527,055
Lease income	27,513,626	24,174,917
Fee and commission income	11,967,536	44,742,772
INTEREST		
Repurchase agreements	13,591	21,027
Loans and advances to banks	242,069	886,799
Commercial loans	203,643,818	217,714,894
Mortgage loans	19,540,212	20,576,473
Consumer loans	50,536,896	56,570,267
Investment securities	20,132,242	20,935,792
Financial instruments held for trading	1,538,132	2,554,116
Other interest income	5,242,596	7,760,739
INDEXATION		
Commercial loans	66,237,866	57,745,854
Mortgage loans	18,919,872	17,544,314
Consumer loans	159,005	368
Investment securities	4,071,270	2,810,293
Other indexation earned	144,060	239,227
FEES AND COMMISSIONS		
Loans funded with mortgage bonds	16,949	20,378
Lines of credit and overdrafts	636,581	700,707
Guarantees and letters of credit	4,903,884	5,846,267
Card services	7,608,120	9,345,887
Account maintenance	4,435,960	4,627,072
Collections and payments	10,811,792	13,747,735
Securities brokerage and management	11,785,291	11,669,570
Mutual funds and other investments	21,824,490	24,271,561
Other fees and commissions earned	13,882,982	14,901,959
FINANCIAL OPERATING INCOME		
Net gain on instruments held for trading	896,377	5,523,385
Trading derivatives	9,447,954	5,247,703
Net gain (loss) on investments available for sale	11,773,417	10,696,054
Sale of loan portfolio	1,733,928	752,123
Other income	229,261	634,547
OTHER OPERATING INCOME		
Income from repossessed or awarded assets	303,939	136,777
Reversal of contingency provisions	184,166	106,724
Gain on sale of property, plant and equipment	1,027,669	1,579,916
Rental payments received	141,494	188,599
Recovery of expenses	1,464,761	2,274,309
Penalty interest	30,623	35,017
Other operating income from leases	16,995,075	20,333,153
Other income	418,982	1,778,457
TOTAL	1,090,052,504	1,155,866,597



B) COST OF SALES

Cost of sales is detailed as follows

	12.31.2020 THCH\$	12.31.2019 THCH\$
Cost of sales, Factoring	6,098,976	9,601,920
Cost of sales, Inmobiliaria Security	41,642,510	6,054,776
Cost of sales, Vida Security	377,913,030	431,678,528
Cost of sales, other subsidiaries	10,497,151	16,299,038
Loss on sale of assets to securitize	12,436,604	18,504,858
Other fees and commissions	4,669,679	5,511,650
Other costs	-	580,460
INTEREST		
Demand deposits	16,894	150,129
Repurchase agreements	347,454	587,557
Savings accounts and time deposits	46,014,922	88,594,063
Borrowings from financial institutions	7,891,242	8,314,011
Debt issued	72,401,716	66,753,757
Other financial liabilities	82,701	153,124
Lease liabilities	172,076	158,408
Other interest or indexation expenses	21,207	131,162
INDEXATION		
Demand deposits	168,428	97,114
Savings accounts and time deposits	984,359	2,520,144
Debt issued	66,250,671	56,088,124
Other financial liabilities	70,710	132,804
Other interest or indexation expenses	46	45
FEES AND COMMISSIONS		
Securities transactions fees and commissions	530,492	131,083
Other fees and commissions	15,061,587	13,778,471
PROVISIONS		
Commercial loans	46,138,398	27,768,610
Mortgage loans	841,461	764,454
Consumer loans	27,205,134	23,655,433
Loans and advances to banks	(729)	(34,935)
Contingent loans	1,615,189	(2,252,264)
Recovery of written-off loans	(4,100,738)	(3,804,093)
OTHER COST OF SALES		
Other cost of sales	3,069,794	2,947,899
TOTAL	738,040,964	774,866,330

C) OTHER INCOME

The detail of other income by function is as follows:

	12.31.2020 THCH\$	12.31.2019 THCH\$
Interest earned	5,676	111,352
Income from time deposits	6,105	327,922
Income from mutual funds	195,854	395,056
Other financial operating income	228,030	404,390
Proceeds from shares and rights in other companies	13,357	162,340
Other income	918,488	1,593,823
TOTAL	1,367,510	2,994,883

D) OTHER EXPENSES BY FUNCTION

Other expenses by function are detailed as follows:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Administrative expenses, insurance area	243,925	202,209
Provisions for repossessed or awarded assets	2,818,313	834,262
Country risk provisions	373,270	119,279
Miscellaneous expenses	7,296,252	4,291,277
Other expenses	1,116,890	1,415,796
TOTAL	11,848,650	15,046,774



NOTE 29 - ADMINISTRATIVE EXPENSES

The detail of administrative expenses is as follows:

	12.31.2020 THCH\$	12.31.2019 THCH\$
Compensation	131,341,630	123,018,769
Consultancy services	23,356,363	24,695,970
Maintenance expenses	5,789,585	3,932,285
Office supplies	407,278	713,543
Depreciation and amortization	13,147,177	11,566,226
Insurance	1,890,848	677,004
IT and communications expenses	9,985,683	10,361,257
Subcontracted services	16,496,624	11,523,069
Board expenses	1,947,319	1,547,927
Publicity and advertising	4,720,323	9,629,997
Taxes, property taxes and contributions to SBIF	4,520,381	3,940,101
Loan provision	2,698,384	2,559,403
Miscellaneous provisions	6,144,605	6,463,161
Fees and commissions	655,601	712,071
Expenses for short-term leases	4,904,382	5,429,996
Overhead costs	15,355,633	30,266,256
TOTAL	243,361,816	247,037,035

NOTE 30 - PAYROLL AND PERSONNEL EXPENSES

Payroll and personnel expenses consist of expenses accrued during the year for employee remunerations and compensation.

The expense for the years ended December 31, 2020 and 2019, is as follows:

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Wages and salaries	113,205,833	93,418,993
Employee benefits	18,135,797	29,599,776
TOTAL	131,341,630	123,018,769

	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
Compensation paid to key management personnel	24,582,527	23,282,951

NOTE 31 - FINANCIAL INSTRUMENTS

In accordance with the definition of fair value measurement and valuation of financial instruments in Note 2 Bases of Preparation and Presentation of the Consolidated Financial Statements and Significant Accounting Policies, financial assets are recognized in the consolidated financial statements when acquired and are initially measured at fair value including costs related to their acquisition for instruments valued at amortized cost.

Details of their book values versus their market values by financial instrument category as of December 31, 2020 and 2019, are as follows.

FINANCIAL ASSETS	12.31.2020		12.31.2019	
	THCH\$ CARRYING AMOUNT	THCH\$ FAIR VALUE	THCH\$ CARRYING AMOUNT	THCH\$ FAIR VALUE
CASH AND CASH EQUIVALENTS				
Cash	597,497,193	597,497,193	830,974,213	830,974,213
TOTAL	597,497,193	597,497,193	830,974,213	830,974,213
OTHER FINANCIAL ASSETS, CURRENT				
Investments available for sale	932,317,422	932,317,422	701,795,336	701,795,336
Financial instruments held for trading	110,671,980	110,671,980	123,763,735	123,763,735
Hedge assets	243,421,835	243,421,835	274,975,111	274,975,111
Other financial assets	2,591,675,549	2,591,675,549	2,576,687,531	2,576,687,531
TOTAL	3,878,086,786	3,878,086,786	3,677,221,713	3,677,221,713
RECEIVABLES				
Trade and other receivables, current	6,603,317,195	7,053,561,439	6,537,560,347	6,978,514,449
Accounts receivable from related parties, current	53,343,286	53,343,286	71,771,274	71,771,274
TOTAL	6,656,660,481	7,106,904,725	6,609,331,621	7,050,285,723
INVESTMENT PROPERTY				
Investment property ^(*)	291,000,879	334,171,266	253,547,718	253,547,718
TOTAL	291,000,879	334,171,266	253,547,718	253,547,718

FINANCIAL LIABILITIES	12.31.2020		12.31.2019	
	THCH\$ CARRYING AMOUNT	THCH\$ FAIR VALUE	THCH\$ CARRYING AMOUNT	THCH\$ FAIR VALUE
OTHER FINANCIAL LIABILITIES				
Other financial liabilities, current	7,087,156,906	7,087,156,906	7,274,787,198	7,274,787,198
Other financial liabilities, non-current	869,297,098	869,297,098	705,034,623	705,034,623
TOTAL	7,956,454,004	7,956,454,004	7,979,821,821	7,979,821,821
ACCOUNTS PAYABLE				
Trade and other payables, current	2,863,722,025	2,863,722,025	2,882,201,150	2,882,201,150
Accounts payable to related parties, current	4,812,959	4,812,959	25,819	25,819
Other payables, non-current	10,733,280	10,733,280	22,713,258	22,713,258
Accounts payable to related parties, non-current	-	-	3,412,460	3,412,460
TOTAL	2,879,268,264	2,879,268,264	2,908,352,687	2,908,352,687



(*) Investment property must be valued at the lesser of price-restated cost less accumulated depreciation, calculated in accordance with standards from the Chilean Institute of Accountants, and the commercial appraisal value, which is the lesser of two appraisals. If the commercial appraisal value is greater than the price-restated cost less accumulated depreciation, the real estate property will not be subject to any accounting adjustment and this difference as a result of the appraisal will be reflected in Disclosures. If the appraisal value is less than the price-restated cost less accumulated depreciation, the Company must make an adjustment for the difference by recognizing a provision in profit or loss that will remain until a new appraisal is made, on which date the provision will be reversed and a new provision established, if appropriate.

Under this model, these properties are recognized at restated cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is determined using the straight-line method over the cost of the investment property less its residual value. The land on which buildings and other facilities are built is considered to have an infinite useful life and, therefore, is not depreciated.

The reference market value is calculated based on appraisals made by expert appraisers (level 2).

The fair value levels are described in 2.5 in Note 2 Bases of Preparation and Presentation of the Consolidated Financial Statements and Significant Accounting Policies and are as follows by type of financial asset and liability:

12.31.2020

FINANCIAL ASSETS	12.31.2020			
	THCH\$ LEVEL 1	THCH\$ LEVEL 2	THCH\$ LEVEL 3	THCH\$ TOTAL
CASH AND CASH EQUIVALENTS				
Cash	597,497,193	-	-	597,497,193
TOTAL	597,497,193	-	-	597,497,193
OTHER FINANCIAL ASSETS, CURRENT				
Investments available for sale	-	932,317,422	-	932,317,422
Financial instruments held for trading	-	110,671,980	-	110,671,980
Hedge assets	-	243,421,835	-	243,421,835
Other financial assets	-	2,591,675,549	-	2,591,675,549
TOTAL	-	3,878,086,786	-	3,878,086,786
FINANCIAL LIABILITIES				
Other financial liabilities				
Other financial liabilities, current	-	7,087,156,906	-	7,087,156,906
Other financial liabilities, non-current	-	869,297,098	-	869,297,098
TOTAL	-	7,956,454,004	-	7,956,454,004



12.31.2019

FINANCIAL ASSETS	12.31.2020			
	THCH\$ LEVEL 1	THCH\$ LEVEL 2	THCH\$ LEVEL 3	THCH\$ TOTAL
CASH AND CASH EQUIVALENTS				
Cash	830,974,213	-	-	830,974,213
TOTAL	830,974,213	-	-	830,974,213
OTHER FINANCIAL ASSETS, CURRENT				
Investments available for sale	-	701,795,336	-	701,795,336
Financial instruments held for trading	-	123,763,735	-	123,763,735
Hedge assets	-	274,975,111	-	274,975,111
Other financial assets	-	2,576,687,531	-	2,576,687,531
TOTAL	-	3,677,221,713	-	3,677,221,713
FINANCIAL LIABILITIES				
Other financial liabilities				
Other financial liabilities, current	-	7,274,787,198	-	7,274,787,198
Other financial liabilities, non-current	-	705,034,623	-	705,034,623
TOTAL	-	7,979,821,821	-	7,979,821,821



NOTE 32 - FOREIGN CURRENCY

CURRENT ASSETS	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
CASH AND CASH EQUIVALENTS	597,497,193	830,974,213
USD	257,428,637	299,681,663
Euro	10,164,053	9,389,741
CH\$	328,833,376	521,162,750
Other	1,071,127	740,059
OTHER FINANCIAL ASSETS, CURRENT	3,878,086,786	3,677,221,713
USD	766,877,737	772,334,961
Euro	28,337,500	-
UF	1,710,005,122	1,731,312,878
CH\$	1,362,907,582	1,134,822,566
Other	9,958,845	38,751,308
OTHER NON-FINANCIAL ASSETS, CURRENT	26,679,326	38,790,468
UF	1,775,287	2,637,742
CH\$	24,522,190	35,407,059
Other	381,849	745,667
TRADE AND OTHER RECEIVABLES, CURRENT	6,603,317,195	6,537,560,347
USD	630,465,488	592,979,228
Euro	4,396,307	12,643,249
UF	3,555,044,372	3,412,349,404
CH\$	2,411,320,948	2,499,305,577
Other	2,090,080	20,282,889
ACCOUNTS RECEIVABLE FROM RELATED PARTIES, CURRENT	53,343,286	71,771,274
UF	4,876,132	5,166,477
CH\$	48,467,154	66,604,797
INVENTORY	100,558,693	124,009,249
UF	2,778,277	857,827
CH\$	97,780,416	123,151,422
CURRENT TAX ASSETS	41,281,447	52,637,468
CH\$	41,195,609	52,581,038
Other	85,838	56,430
NON-CURRENT ASSETS CLASSIFIED AS AVAILABLE FOR SALE	2,874,447	6,755,814
CH\$	2,874,447	6,755,814
TOTAL CURRENT ASSETS	11,303,638,373	11,339,720,546
USD	1,654,771,862	1,664,995,852
Euro	42,897,860	22,032,990
UF	5,274,479,190	5,152,324,328
CH\$	4,317,901,722	4,439,791,023
Other	13,587,739	60,576,353



NON-CURRENT ASSETS	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
OTHER NON-FINANCIAL ASSETS, NON-CURRENT	53,035,727	144,744,157
CH\$	52,925,525	144,486,166
Other	110,202	257,991
EQUITY-ACCOUNTED INVESTMENTS	1,950,093	3,093,437
CH\$	1,950,093	3,093,437
INTANGIBLE ASSETS OTHER THAN GOODWILL	36,247,970	37,896,155
CH\$	34,600,399	36,887,178
Other	1,647,571	1,008,977
GOODWILL	119,066,570	119,066,570
CH\$	117,885,131	117,885,131
Other	1,181,439	1,181,439
PROPERTY, PLANT AND EQUIPMENT	50,610,006	53,291,742
CH\$	35,854,455	38,071,135
Other	14,755,551	15,220,607
INVESTMENT PROPERTY	291,000,879	253,547,718
USD	124,655,449	115,055,626
CH\$	166,345,430	138,492,092
RIGHT-OF-USE ASSETS	9,073,519	11,755,599
UF	9,073,519	11,755,599
DEFERRED TAX ASSETS	56,887,820	50,772,292
CH\$	56,757,865	50,772,292
TOTAL NON-CURRENT ASSETS	617,872,584	674,167,670
USD	124,655,449	115,055,626
UF	9,073,519	11,755,599
CH\$	466,318,898	529,687,431
Other	17,824,718	17,669,014



CURRENT LIABILITIES	UP TO 90 DAYS		91 DAYS TO 1 YEAR		ADJUSTMENTS		TOTAL	
	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
OTHER FINANCIAL LIABILITIES, CURRENT	2,867,130,689	3,154,593,279	4,255,775,398	4,160,273,847	(35,749,181)	(40,079,928)	7,087,156,906	7,274,787,198
USD	866,224,732	719,936,241	175,817,528	280,715,407	-	-	1,042,042,260	1,000,651,648
Euro	39,315,974	15,382,892	85,049	576,053	-	-	39,401,023	15,958,945
UF	81,173,040	124,248,990	2,273,598,134	2,236,371,131	-	(40,079,928)	2,354,771,174	2,320,540,193
CH\$	1,879,127,249	2,291,476,507	1,794,207,463	1,642,611,256	(35,749,181)	-	3,637,585,531	3,934,087,763
Other	1,289,694	3,548,649	12,067,224	-	-	-	13,356,918	3,548,649
LEASE LIABILITIES, CURRENT	736,828	-	261,565	287,985	(289,527)	-	708,866	287,985
UF	736,828	-	261,565	287,985	(289,527)	-	708,866	287,985
TRADE AND OTHER PAYABLES	108,423,980	98,555,969	2,793,489,926	2,770,026,977	(38,191,881)	13,618,204	2,863,722,025	2,882,201,150
USD	-	-	356,843,047	334,078,184	-	-	356,843,047	334,078,184
Euro	-	-	1,076,877	1,080,245	-	-	1,076,877	1,080,245
UF	-	-	2,061,217,703	2,098,637,153	-	-	2,061,217,703	2,098,637,153
CH\$	107,301,665	95,098,054	245,149,252	206,624,130	(38,191,881)	13,618,204	314,259,036	315,340,388
Other	1,122,315	3,457,915	129,203,047	129,607,265	-	-	130,325,362	133,065,180
ACCOUNTS PAYABLE TO RELATED PARTIES, CURRENT	9,788,211	4,367,947	3,033,967	286,084	(8,009,219)	(4,628,212)	4,812,959	25,819
UF	1,308,842	58,830	3,033,967	286,084	-	-	4,342,809	344,914
CH\$	8,479,369	4,309,117	-	-	(8,009,219)	(4,628,212)	470,150	(319,095)
OTHER SHORT-TERM PROVISIONS	48,628,895	46,045,226	5,241,303	3,936,510	(18,039,453)	(23,089,035)	35,830,745	26,892,701
USD	3,834,226	-	-	3,936,510	-	-	3,834,226	3,936,510
UF	1,178,055	188,737	2,501,035	-	-	-	3,679,090	188,737
CH\$	43,552,536	45,760,559	1,939,771	-	(18,039,453)	(23,089,035)	27,452,854	22,671,524
Other	64,078	95,930	800,497	-	-	-	864,575	95,930
CURRENT TAX LIABILITIES	29,047,762	34,868,707	2,845,148	-	-	-	31,892,910	34,868,707
CH\$	29,047,762	34,868,707	2,845,148	-	-	-	31,892,910	34,868,707
EMPLOYEE BENEFIT PROVISIONS, CURRENT	10,096,697	6,683,565	2,272,084	3,389,406	-	-	12,368,781	10,072,971
USD	-	-	135,796	320,569	-	-	135,796	320,569
CH\$	10,045,915	6,568,042	2,136,288	3,068,837	-	-	12,182,203	9,636,879
Other	50,782	115,523	-	-	-	-	50,782	115,523
OTHER NON-FINANCIAL LIABILITIES, CURRENT	134,316,759	235,607,047	4,489,664	15,881,553	(5,132,200)	(5,951,278)	133,674,223	245,537,322
USD	15,114,802	6,407,087	759,937	321,489	-	-	15,874,739	6,728,576
Euro	3,848,075	274,890	-	-	-	-	3,848,075	274,890
UF	22,040,433	8,242,209	1,424,612	14,291,056	-	-	23,465,045	22,533,265
CH\$	93,267,847	220,571,750	2,305,115	1,269,008	(5,132,200)	(5,951,278)	90,440,762	215,889,480
Other	45,602	111,111	-	-	-	-	45,602	111,111
TOTAL CURRENT LIABILITIES	3,208,169,821	3,580,721,740	7,067,409,055	6,954,082,362	(105,411,461)	(60,130,249)	10,170,167,415	10,474,673,853
USD	885,173,760	726,343,328	533,556,308	619,372,159	-	-	1,418,730,068	1,345,715,487
Euro	43,164,049	15,657,782	1,161,926	1,656,298	-	-	44,325,975	17,314,080
UF	106,437,198	132,738,766	4,342,037,016	4,349,873,409	(289,527)	(40,079,928)	4,448,184,687	4,442,532,247
CH\$	2,170,822,343	2,698,652,736	2,048,583,037	1,853,573,231	(105,121,934)	(20,050,321)	4,114,283,446	4,532,175,646
Other	2,572,471	7,329,128	142,070,768	129,607,265	-	-	144,643,239	136,936,393

NON-CURRENT LIABILITIES	1 TO 3 YEARS		3 TO 5 YEARS		MORE THAN 5 YEARS		ADJUSTMENTS		TOTAL	
	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$	BALANCE 12.31.2020 THCH\$	BALANCE 12.31.2019 THCH\$
OTHER FINANCIAL LIABILITIES, NON-CURRENT	330,898,330	94,468,103	75,011,189	27,969,628	463,387,579	583,393,296	-	(796,404)	869,297,098	705,034,623
USD	175,349	145,995	18,369,020	-	63,081,501	-	-	-	81,625,870	145,995
UF	43,452,089	41,279,425	7,082,224	16,051,228	400,306,078	328,445,058	-	-	450,840,391	385,775,711
CH\$	287,270,892	53,042,683	49,559,945	11,918,400	-	254,948,238	-	(796,404)	336,830,837	319,112,917
LEASE LIABILITIES, NON-CURRENT	2,463,014	10,455,523	3,859,518	-	3,057,986	-	-	-	8,765,575	10,455,523
UF	2,463,014	10,455,523	3,859,518	-	3,057,986	-	-	-	9,380,518	10,455,523
ACCOUNTS PAYABLE, NON-CURRENT	15,058,870	88,032,796	-	23,533	-	546,033	(4,325,590)	(65,889,104)	10,733,280	22,713,258
USD	3,416,628	13,599,395	-	-	-	-	-	-	3,416,628	13,599,395
Euro	271,914	292,708	-	-	-	-	-	-	271,914	292,708
CH\$	9,657,508	73,183,866	-	23,533	-	546,033	(4,325,590)	(65,889,104)	5,331,918	7,864,328
Other	1,712,820	956,827	-	-	-	-	-	-	1,712,820	956,827
ACCOUNTS PAYABLE TO RELATED PARTIES, NON-CURRENT	-	3,412,460	-	-	-	-	-	-	-	3,412,460
UF	-	3,412,460	-	-	-	-	-	-	-	3,412,460
DEFERRED TAX LIABILITIES	803,274	4,141,065	-	-	-	-	-	(3,349,708)	803,274	791,357
CH\$	803,274	4,141,065	-	-	-	-	-	(3,349,708)	803,274	791,357
TOTAL NON-CURRENT LIABILITIES	349,223,488	200,509,947	78,870,707	27,993,161	466,445,565	583,939,329	(4,940,533)	(70,035,216)	889,599,227	742,407,221
USD	3,591,977	13,745,390	18,369,020	-	63,081,501	-	-	-	85,042,498	13,745,390
Euro	271,914	292,708	-	-	-	-	-	-	271,914	292,708
UF	45,915,103	55,147,408	10,941,742	16,051,228	403,364,064	328,445,058	-	-	460,220,909	399,643,694
CH\$	297,731,674	130,367,614	49,559,945	11,941,933	-	255,494,271	(4,940,533)	(70,035,216)	342,351,086	327,768,602
Other	1,712,820	956,827	-	-	-	-	-	-	1,712,820	956,827

NOTE 33 - EARNINGS PER SHARE

The following chart details the earnings or loss per share generated during the reporting periods:

EARNINGS PER SHARE	2020 CH\$	2019 CH\$
BASIC EARNINGS PER SHARE		
Basic earnings per share from continuing operations	16.9514	21.9637
Basic earnings per share from discontinued operations	0.0000	0.00000
BASIC EARNINGS PER SHARE	16.9514	21.9637
Profit attributable to owners of the parent	65,146,394	81,155,810
Annual average number of shares	3,843,121	3,695,000



NOTE 34 - OPERATING SEGMENTS

Grupo Security is the parent company of a diversified conglomerate of companies engaged in the major sectors of the domestic financial services industry.

The conglomerate is structured into four main business areas. Each area has subsidiaries and divisions that share common business objectives. These four areas are: lending, insurance, asset management and other services.

The lending area includes Banco Security and Factoring Security, which provide lending services to companies and individuals.

The subsidiaries Vida Security, Corredora de Seguros Security and Europ Assistance operate in the life insurance, insurance brokerage and assistance industries, respectively.

In the asset management area, Valores Security Corredores de Bolsa, Administradora General de Fondos Security, Asesorías Security and Securitizadora Security complement the Group's offering of financial services by developing and distributing specialized financial products and personalized investment and asset management services.

The other services area comprises the real estate business with the subsidiary Inmobiliaria Security and the travel and tourism industry with Travel Security.

The corporate support area comprises the subsidiaries Mandatos Security, Global Gestión and Servicios Security, which provide the sales force for the lending area, and Capital S.A., which provides a variety of services such as accounting, business risk and control, corporate culture, corporate research and technology services that meet the technological development and support needs of all Group companies. The standalone entity Grupo Security is also included in this area.

Grupo Security discloses segment information in accordance with IFRS 8 "Operating Segments", which sets forth the rules for operating segment reporting and related disclosures for financial and other services.

The management of Grupo Security S.A. prepares statements of financial position and of profit by segment to analyze and make operating decisions. Note that those statements are only prepared for the purposes of analyzing such segments. The statements are detailed below:

A) CLASSIFIED STATEMENT OF FINANCIAL POSITION BY SEGMENT AS OF DECEMBER 31, 2020

STATEMENT OF FINANCIAL POSITION	LENDING THCH\$	ASSET MANAGEMENT THCH\$	INSURANCE THCH\$	OTHER SERVICES THCH\$	INTERNATIONAL BUSINESS THCH\$	CORPORATE SUPPORT THCH\$	ADJUSTMENTS THCH\$	TOTAL THCH\$
ASSETS								
Total current assets	8,109,800,733	233,514,164	2,579,736,428	137,511,958	274,147,799	125,477,872	(156,550,581)	11,303,638,373
Total non-current assets	250,941,324	21,152,216	207,702,646	9,110,928	129,213,336	1,396,221,991	(1,396,469,857)	617,872,584
TOTAL ASSETS	8,360,742,057	254,666,380	2,787,439,074	146,622,886	403,361,135	1,521,699,863	(1,553,020,438)	11,921,510,957
LIABILITIES								
Total current liabilities	7,114,143,944	132,904,153	2,577,592,674	107,339,584	363,679,624	43,246,829	(168,739,393)	10,170,167,415
Total non-current liabilities	528,236,721	5,032,945	3,620,818	3,634,994	2,177,188	355,565,116	(8,668,555)	889,599,227
TOTAL LIABILITIES	7,642,380,665	137,937,098	2,581,213,492	110,974,578	365,856,812	398,811,945	(177,407,948)	11,059,766,642

NOTE: THE INFORMATION IN THE STATEMENT OF FINANCIAL POSITION PER SEGMENT PRESENTED HERE DIFFERS FROM THE FINANCIAL STATEMENTS OF EACH SUBSIDIARY, AS IT INCLUDES CONSOLIDATION AND PRESENTATION ADJUSTMENTS.

B) STATEMENT OF INCOME BY SEGMENT FOR THE YEAR ENDED DECEMBER 31, 2020.

STATEMENT OF INCOME	LENDING THCH\$	ASSET MANAGEMENT THCH\$	INSURANCE THCH\$	OTHER SERVICES THCH\$	INTERNATIONAL BUSINESS THCH\$	CORPORATE SUPPORT THCH\$	ADJUSTMENTS THCH\$	TOTAL THCH\$
PROFIT FOR THE YEAR								
Revenue	489,360,300	62,247,112	353,949,664	60,169,172	124,638,505	20,349,138	(20,661,387)	1,090,052,504
Cost of sales	(277,317,817)	(28,807,095)	(282,118,888)	(43,043,622)	(107,693,312)	(111,624)	1,051,394	(738,040,964)
GROSS PROFIT	212,042,483	33,440,017	71,830,776	17,125,550	16,945,193	20,237,514	(19,609,993)	352,011,540
Other income	20,528	56,632	246,852	706,103	26,651	440,516	(129,772)	1,367,510
Administrative expenses	(122,077,618)	(30,455,035)	(42,722,710)	(14,645,471)	(16,316,498)	(37,028,254)	19,883,770	(243,361,816)
Other expenses, by function	(9,520,758)	(1,727,850)	(281,759)	(31,122)	(416,714)	-	129,553	(11,848,650)
Other gains (losses)	-	338,532	202,213	537,053	733,413	130,567	(901,635)	1,040,143
NET OPERATING INCOME (LOSS)	80,464,635	1,652,296	29,275,372	3,692,113	972,045	(16,219,657)	(628,077)	99,208,727
Finance income	-	318,760	10,386	-	-	-	-	329,146
Finance costs	-	(6,073)	(35,251)	(975,551)	(117,004)	(13,331,315)	-	(14,465,194)
Share of profit (loss) of associates, equity-accounted	(236)	-	(250,492)	(358,060)	-	(93,866)	613,881	(88,773)
Exchange differences	1,154,055	4,647,992	219,567	10,448	(2,729,442)	(323,918)	-	2,978,702
Gain (loss) on indexed assets and liabilities	(25,409)	(203,101)	(4,273,060)	780,997	-	(7,889,946)	-	(11,610,519)
Gain (loss) arising from the difference between the book value and the fair value of financial assets reclassified at fair value	(24,175)	744,269	-	-	-	-	-	720,094
PROFIT (LOSS) BEFORE TAX	81,568,870	7,154,143	24,946,522	3,149,947	(1,874,401)	(37,858,702)	(14,196)	77,072,183
Income tax benefit (expense) from continuing operations	(17,108,751)	(979,451)	(552,204)	(842,199)	380,599	6,327,648	-	(12,774,358)
PROFIT (LOSS) FROM CONTINUING OPERATIONS	64,460,119	6,174,692	24,394,318	2,307,748	(1,493,802)	(31,531,054)	(14,196)	64,297,825
Profit (loss) from discontinued operations	-	-	-	-	-	-	-	-
PROFIT (LOSS) FOR THE YEAR	64,460,119	6,174,692	24,394,318	2,307,748	(1,493,802)	(31,531,054)	(14,196)	64,297,825
PROFIT (LOSS) ATTRIBUTABLE TO								
Profit (loss) attributable to owners of the parent	64,446,078	6,174,000	23,949,000	3,001,000	(929,270)	(31,529,531)	35,117	65,146,394
Profit (loss) attributable to non-controlling interests	14,041	692	445,318	(693,252)	(564,532)	(1,522)	(49,314)	(848,569)
PROFIT (LOSS) FOR THE YEAR	64,460,119	6,174,692	24,394,318	2,307,748	(1,493,802)	(31,531,053)	(14,197)	64,297,825

NOTE: THE INFORMATION IN THE CONSOLIDATED STATEMENT OF INCOME PER SEGMENT PRESENTED HERE DIFFERS FROM THE FINANCIAL STATEMENTS OF EACH SUBSIDIARY, AS IT INCLUDES CONSOLIDATION AND PRESENTATION ADJUSTMENTS. ADDITIONALLY, THE RESULTS OF BANCO SECURITY INCLUDED IN THE LENDING AREA DO NOT CONSIDER THE ACCRUED INCOME OF ITS SUBSIDIARIES VALORES SECURITY AND ADMINISTRADORA GENERAL DE FONDOS SECURITY, WHICH ARE PRESENTED IN THE ASSET MANAGEMENT AREA. THE COLUMN "CORPORATE SUPPORT" DOES NOT CORRESPOND TO A BUSINESS SEGMENT, BUT INSTEAD TO THE SUPPORT AND OTHER EXPENSES OF THE GROUP'S PARENT COMPANY.



C) STATEMENT OF CASH FLOWS BY SEGMENT (DIRECT METHOD) FOR THE YEAR ENDED DECEMBER 31, 2020

STATEMENT OF CASH FLOWS	LENDING THCH\$	ASSET MANAGEMENT THCH\$	INSURANCE THCH\$	OTHER SERVICES THCH\$	INTERNATIONAL BUSINESS THCH\$	CORPORATE SUPPORT THCH\$	ADJUSTMENTS THCH\$	TOTAL THCH\$
Net cash flows provided by (used in) operating activities	(107,621,843)	(39,777,531)	10,635,314	27,251,906	(56,226)	2,074,070	(11,361,660)	(118,855,970)
Net cash flows provided by (used in) investing activities	(867,958,717)	(23,938,465)	(18,557,304)	(3,254,426)	-	41,847,865	863,581,601	(8,279,446)
Net cash flows provided by (used in) financing activities	(126,666,151)	(28,264,384)	14,832,275	(25,053,917)	-	17,848,567	59,878,204	(87,425,406)
Net increase (decrease) in cash and cash equivalents	(1,102,246,711)	(91,980,380)	6,910,285	(1,056,437)	(56,226)	61,770,502	912,098,145	(214,560,822)
Effect of exchange rate changes on cash and cash equivalents	(15,777,951)	37,251	(3,175,498)	-	-	-	-	(18,916,198)
Net increase (decrease) in cash and cash equivalents	(1,118,024,662)	(91,943,129)	3,734,787	(1,056,437)	(56,226)	61,770,502	912,098,145	(233,477,020)
Cash and cash equivalents at the beginning of the year	692,837,276	103,931,298	43,360,834	6,960,027	117,273	26,323,678	(42,556,173)	830,974,213
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	(425,187,386)	11,988,169	47,095,621	5,903,590	61,047	88,094,180	869,541,972	597,497,193

D) CLASSIFIED STATEMENT OF FINANCIAL POSITION BY SEGMENT AS OF DECEMBER 31, 2019.

STATEMENT OF FINANCIAL POSITION	LENDING THCH\$	ASSET MANAGEMENT THCH\$	INSURANCE THCH\$	OTHER SERVICES THCH\$	INTERNATIONAL BUSINESS THCH\$	CORPORATE SUPPORT THCH\$	ADJUSTMENTS THCH\$	TOTAL THCH\$
ASSETS								
Total current assets	8,119,519,853	301,469,570	2,627,937,766	168,507,497	249,237,071	76,382,429	(203,333,640)	11,339,720,546
Total non-current assets	332,906,505	19,303,111	185,571,037	12,762,901	119,217,777	1,356,300,983	(1,351,894,644)	674,167,670
TOTAL ASSETS	8,452,426,358	320,772,681	2,813,508,803	181,270,398	368,454,848	1,432,683,412	(1,555,228,284)	12,013,888,216
LIABILITIES								
Total current liabilities	7,238,426,478	198,585,038	2,562,676,300	136,653,305	322,111,231	63,900,391	(47,678,890)	10,474,673,853
Total non-current liabilities	428,434,708	9,174,307	10,396,325	12,045,849	-	302,476,956	(21,836,558)	742,407,221
TOTAL LIABILITIES	7,666,861,186	207,759,345	2,573,072,625	148,699,154	322,111,231	366,377,347	(69,515,448)	11,217,081,074

E) STATEMENT OF INCOME BY SEGMENT FOR THE YEAR ENDED DECEMBER 31, 2019.

STATEMENT OF INCOME	LENDING THCH\$	ASSET MANAGEMENT THCH\$	INSURANCE THCH\$	OTHER SERVICES THCH\$	INTERNATIONAL BUSINESS THCH\$	CORPORATE SUPPORT THCH\$	ADJUSTMENTS THCH\$	TOTAL THCH\$
PROFIT (LOSS) FOR THE YEAR								
Revenue	511,134,821	73,890,656	417,828,222	34,276,663	115,280,304	23,772,733	(20,316,802)	1,155,866,597
Cost of sales	(284,006,323)	(32,484,104)	(345,779,872)	(15,574,234)	(96,672,241)	(1,433,381)	1,083,825	(774,866,330)
GROSS PROFIT	227,128,498	41,406,552	72,048,350	18,702,429	18,608,063	22,339,352	(19,232,977)	381,000,267
Other income	168,792	136,859	562,551	381,232	312,416	1,433,033	-	2,994,883
Administrative expenses	(113,994,969)	(35,527,291)	(45,916,349)	(15,963,387)	(17,943,522)	(36,250,715)	18,559,198	(247,037,035)
Other expenses, by function	(6,475,561)	(8,111,607)	(499,561)	(29,664)	(385,590)	(356,371)	811,580	(15,046,774)
Other gains (losses)	-	247,089	280,961	375,046	976,694	651,191	-	2,530,981
NET OPERATING INCOME (LOSS)	106,826,760	(1,848,398)	26,475,952	3,465,656	1,568,061	(12,183,510)	137,801	124,442,322
Finance income	-	206,260	38,335	-	-	151,423	(137,554)	258,464
Finance costs	-	(78,247)	(28,303)	(1,284,600)	(242,405)	(12,626,530)	-	(14,260,085)
Share of profit (loss) of associates and joint ventures, equity-accounted	(256)	-	927,022	(1,935)	-	35,472	(38,030)	922,273
Exchange differences	6,975,599	3,584,668	796,909	356,102	(52,795)	51,758	-	11,712,241
Gain (loss) on indexed assets and liabilities	31,446	(212,360)	(3,015,964)	44,168	-	(6,997,361)	-	(10,150,071)
Gain (loss) arising from the difference between the prior carrying amount and the fair value of financial assets reclassified at fair value	165,208	(117,622)	-	-	-	-	-	47,586
PROFIT (LOSS) BEFORE TAX	113,998,757	1,534,301	25,193,951	2,579,391	1,272,861	(31,568,748)	(37,783)	112,972,730
Income tax benefit (expense) from continuing operations	(27,246,571)	(925,314)	(3,685,366)	(830,122)	(156,540)	2,900,220	-	(29,943,693)
PROFIT (LOSS) FROM CONTINUING OPERATIONS	86,752,186	608,987	21,508,585	1,749,269	1,116,321	(28,668,528)	(37,783)	83,029,037
Profit (loss) from discontinued operations								
PROFIT (LOSS) FOR THE YEAR	86,752,186	608,987	21,508,585	1,749,269	1,116,321	(28,668,528)	(37,783)	83,029,037
PROFIT (LOSS) ATTRIBUTABLE TO								
Profit (loss) attributable to owners of the parent	86,732,461	615,561	20,736,716	1,120,988	681,894	(28,668,528)	(63,282)	81,155,810
Profit (loss) attributable to non-controlling interests	19,727	(6,575)	771,869	628,280	434,429	-	25,497	1,873,227
PROFIT (LOSS) FOR THE YEAR	86,752,188	608,986	21,508,585	1,749,268	1,116,323	(28,668,528)	(37,785)	83,029,037



F) STATEMENT OF CASH FLOWS BY SEGMENT (DIRECT METHOD) FOR THE YEAR ENDED DECEMBER 31, 2019

STATEMENT OF CASH FLOWS	LENDING THCH\$	ASSET MANAGEMENT THCH\$	INSURANCE THCH\$	OTHER SERVICES THCH\$	INTERNATIONAL BUSINESS THCH\$	CORPORATE SUPPORT THCH\$	ADJUSTMENTS THCH\$	TOTAL THCH\$
Net cash flows provided by (used in) operating activities	524,738,163	37,889,680	2,192,525	(26,478,840)	21,085,494	(1,740,420)	(281,881,238)	275,805,364
Net cash flows provided by (used in) investing activities	(255,828,486)	37,994,740	(4,501,719)	(1,310,303)	(11,198,559)	28,847,677	201,900,429	(4,096,221)
Net cash flows provided by (used in) financing activities	(10,513,019)	17,083,042	15,926,108	28,691,890	3,885,586	(38,479,571)	45,897,374	62,491,410
Net increase (decrease) in cash and cash equivalents	258,396,658	92,967,462	13,616,914	902,747	13,772,521	(11,372,314)	(34,083,435)	334,200,553
Effect of exchange rate changes on cash and cash equivalents	23,422,091	291,173	(12)	-	170,721	-	(3)	23,883,970
Net increase (decrease) in cash and cash equivalents	281,818,749	93,258,635	13,616,902	902,747	13,943,242	(11,372,314)	(34,083,438)	358,084,523
Cash and cash equivalents at the beginning of the year	411,012,451	10,800,215	11,482,196	6,057,280	4,435,771	37,695,989	(8,594,212)	472,889,690
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	692,831,200	104,058,850	25,099,098	6,960,027	18,379,013	26,323,675	(42,677,650)	830,974,213

NOTE 35 - ENVIRONMENT

As of the reporting date for the consolidated financial statements, given the nature of their businesses, Grupo Security S.A. and subsidiaries have not made any environmental disbursements.

NOTE 36 - RISK MANAGEMENT

A) GRUPO SECURITY

Grupo Security considers risk management to be critical to achieving the target returns defined by its shareholders and guaranteeing business continuity. Risk management at Grupo Security is supervised centrally by the Business Risk Management Area and Controller's Office, which consolidates and reports to Grupo Security's board of directors on a regular basis.

As Grupo Security S.A. is the parent of a conglomerate of companies that are diversified across different sectors of the local financial services industry, its subsidiaries face a number of risk factors that are unique to the particular sector in which they do business. These specific risks are controlled by specialized units in each of the companies.

In each of its related companies, Grupo Security has overseen the development of structures and processes required to properly identify, measure and value all kinds of risks, as well as follow-up on those risks in accordance with policies defined by the board of directors of each company and regulations defined by authorities.

RISK FACTORS

1) OPERATIONAL RISK

In an effort to continuously improve its corporate governance and particularly its internal controls, Grupo Security has used an audit approach to develop control tools for the most significant processes in each of its companies. This involved mapping those processes, developing flowcharts and separate and consolidated risk maps, and documenting all information collected, which is used in operations. This has allowed the Group to identify risks and develop mitigating action plans. On a monthly basis, the Group monitors its mitigating action plans and risk determination, with its respective risk matrix, using a computer program that helps it obtain the status of those plans from the respective process owner for all companies within Grupo Security.

2) HIGHLY COMPETITIVE BUSINESSES LINES

The industries in which the Group competes are known for being highly competitive, especially the banking and insurance industries. Continual mergers and competitor alliances are proof of the competition Group companies face. Despite the potential challenges to income generation, the possible negative effects of competition are deemed to be offset by Grupo Security's solid brand image in its target market, strong customer loyalty, the niche strategy that drives the Group's development and its excellent service quality.

These qualities allow the Group to offer its customers personalized, specialized products and services, which is very difficult in large organizations targeting more large-scale segments of the population. The Group's offering has earned it a favorable market position with which to face future competition.

3) REGULATORY CHANGES IN GROUP INDUSTRIES

The industries in which the Group does business, particularly the banking and insurance industries, are government-regulated and are consequently subject to potential regulatory changes over time. However, this risk is estimated to be low thanks to market transparency, the considerable development of these industries and their excellent global reputation.

4) FINANCIAL RISK

For Grupo Security, financial risk management and oversight are critical to guaranteeing liquidity and solvency in each of its subsidiaries. This allows its businesses to operate and grow in the long term.

Financial risk management and oversight in Grupo Security's companies are based on the implementation of policies, procedures, methodologies and limits defined by their respective boards of directors, in order to strengthen the companies' financial position and also improve and ensure their long-term profitability and reduce funding and liquidity costs.

4.1) RISKS ASSOCIATED WITH INTERNATIONAL MARKET VOLATILITY

The Chilean economy and its markets generally operate within international markets and may be affected by external shocks. The volatility of world financial markets and changes in global economic conditions can negatively affect the performance of local assets and risk premiums demanded by investors.



4.2) CREDIT RISK

The companies in the lending area (Banco Security S.A. and Factoring Security S.A.) have skilled employees and an appropriate structure for analyzing and measuring credit risk. Through this structure, these employees participate in all credit-related processes and support sales areas as an independent counterpart in the loan origination process.

The risk management policies of our subsidiaries Banco Security and Vida Security are published in their annual financial statements in accordance with the Compendium of Standards from the former SBIF (presently CMF) and the CMF Standards, respectively, and, therefore, the consolidated financial statements contain the most recent annual published disclosures.

RISKS ASSOCIATED WITH THE BANKING BUSINESS

RISK MANAGEMENT

- I. RISK MANAGEMENT OBJECTIVES
- II. RISK MANAGEMENT STRUCTURE
- III. CREDIT RISK
- IV. FINANCIAL RISK
- V. OPERATIONAL RISK
- VI. RISK COMMITTEE
- VII. CAPITAL REGULATORY REQUIREMENTS

I. RISK MANAGEMENT OBJECTIVES

Banco Security considers risk management to be a critical component in guaranteeing business continuity, achieving necessary solvency and ensuring sustainable results. Risk management is intended to minimize losses from risk and optimize the risk-return ratio and growth (risk appetite) defined by senior management.

In order to achieve this, the Bank has made a considerable effort to optimize risk management. Therefore, risk management is separated into three specific divisions by type of risk: Credit Risk, Financial Risk and Operational Risk.

Through this structure, the Bank can properly and timely identify, measure, value and monitor all kinds of risk that Banco Security may face.

II. RISK MANAGEMENT STRUCTURE

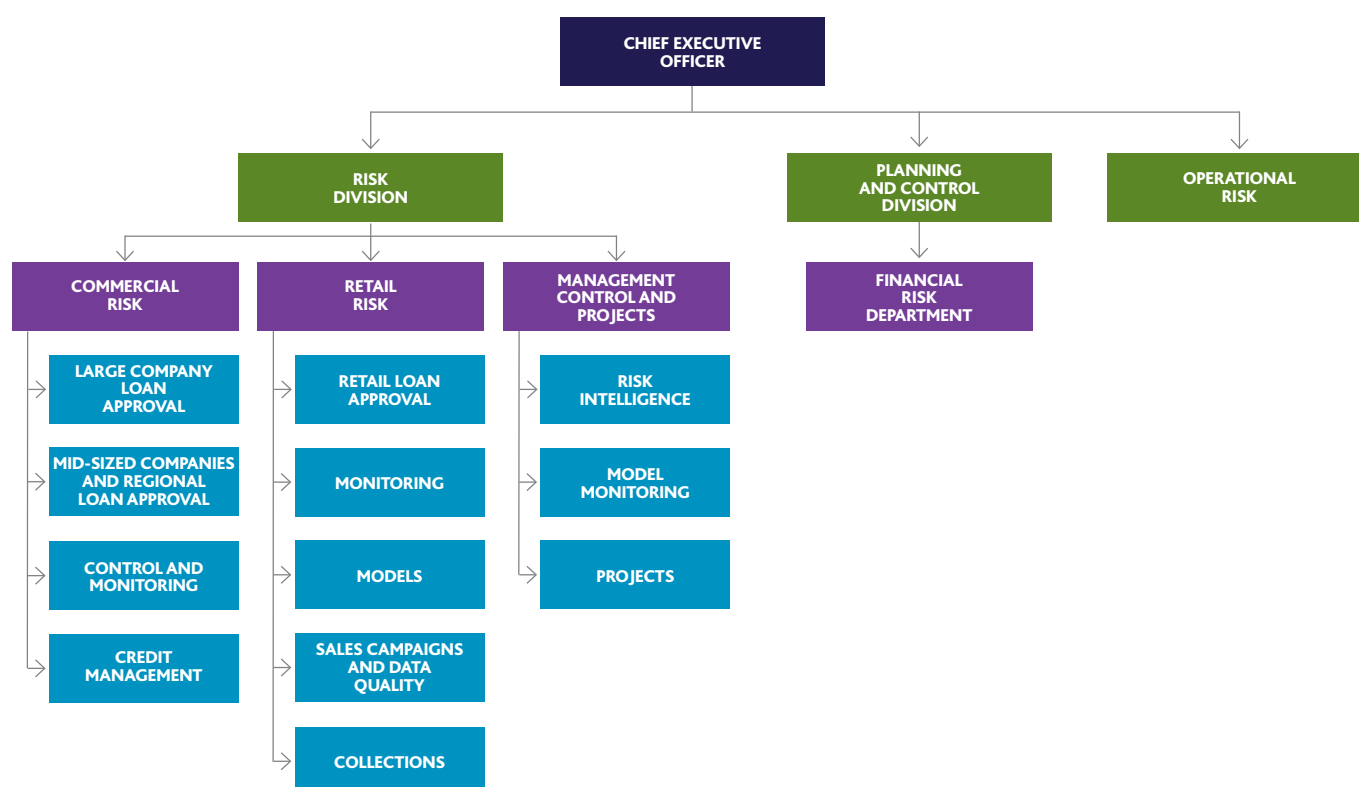
Risk management is carried out through three divisions that report to the Chief Executive Officer: The Risk Division (credit risk); the Planning and Control Division (financial risk) and the Operational Risk Division, all of which operate independently from other business areas and serve as a counterbalance on the Bank's various committees.

The Risk Division is focused on credit risk management and is divided into three departments: Commercial Risk, Retail Risk and Management Control and Projects.

The Financial Risk Department now reports to the Planning and Control Division. It is also responsible for financial control and capital management.

In 2018, the Operational Risk Division was created. This structure helps create complete independence from possible sources of operational risk.

The Bank's risk division is structured as follows:



There is also a Loan Restructuring Department for individual companies within the Structured Business Division, which reports to the Chief Executive Officer.

Another important component of this structure is the Office of the Controller, which is responsible for regularly and independently evaluating whether the defined risk policies enable effective management and meet regulatory requirements. It is also responsible for conducting audits to verify compliance. The conclusions of these audits are analyzed by the Audit Committee and included in a written report submitted to the Bank's CEO and the department managers involved in the review. The reports provide conclusions from the evaluation and a work plan for resolving the observations made.

DEPARTMENT DESCRIPTIONS:

1) CREDIT RISK:

COMMERCIAL RISK:

This department is in charge of risk for entire credit process for customers in the Commercial Banking and Finance divisions. In this role, the department is responsible for defining the policies and procedures for this process and ensuring compliance, all in line with defined



risk appetite. It is also responsible for monitoring operations, ensuring risk is correctly classified and maximizing recovery. To accomplish this, the department is structured as follows:

A. LARGE COMPANY LOAN APPROVAL DEPARTMENT:

Department in charge of analyzing risk during customer assessment for the large companies and finance segments, as well as evaluating and controlling the Bank's exposure in foreign markets.

This department also participates in decision-making committees for its segment, such as the Circulating Folder Committee and the Managers Committee; and acts as secretary for the Board Credit Committee.

The Real Estate Analysis Department is within this department, which is responsible for analyzing this portfolio and generating warning reports used by the monitoring department to control real estate customers.

This department also serves as the counterparty and controls the loan process for subsidiaries of Banco Security.

B. MID-SIZED COMPANY AND REGIONAL LOAN APPROVAL DEPARTMENT:

Department in charge of analyzing risk during customer assessment of mid-sized and regional companies. It is also responsible for standardizing and analyzing the financial statements for the entire portfolio,

This department also participates in decision-making committees, such as the Circulating Folder Committee and the Managers Committee; and acts as secretary for the Board Credit Committee. It manages all record keeping and procedures related to loan decision making for Commercial Banking.

C. CREDIT MANAGEMENT DEPARTMENT:

The Credit Management Department is responsible for credit management, particularly changes in portfolio classification and the provisioning process (at month end).

It also oversees credit management tasks such as supervising appraisers.

D. CREDIT RISK MONITORING DEPARTMENT:

The Credit Risk Monitoring Department is responsible for three functions:

Early detection, which helps the Bank more efficiently recover amounts owed by customers.

Consolidating customer and loan information, which provides data for the ongoing reclassification process to ensure that customer classifications faithfully reflect potential losses.

It is also responsible for controlling compliance with credit risk policies, and managing the pre-court collections process for Commercial Banking.

It also controls and monitors progress on real estate projects using reports prepared by the Real Estate Analysis Department.

RETAIL RISK:

This department is in charge of risk for entire credit process with customers in the Retail Banking Divisions. In this role, the department is responsible for defining the policies and procedures for this process and ensuring compliance, all in line with defined risk appetite. It is also

responsible for monitoring operations, ensuring risk is correctly classified and maximizing recovery through the collections department. To accomplish this, the department is structured as follows:

A. RETAIL LOAN APPROVAL DEPARTMENT:

Department in charge of risk for loan approval process (initiation, assessment and decision) with customers in the Retail Banking Division. In this role, it is responsible for defining the policies and procedures for this process and ensuring compliance, all in line with the defined risk appetite.

B. SALES CAMPAIGN AND DATA QUALITY DEPARTMENT:

Department in charge of generating sales campaigns and monitoring outcomes.

It is also responsible for the process of validating and maintaining data for the entire Risk Division,

as well as validating regulatory reports for which the Risk Division is responsible.

C. MODELS DEPARTMENT:

Department in charge of generating and maintaining models in accordance with the Bank's requirements and guidelines from the Model Monitoring Department.

D. CREDIT RISK MONITORING DEPARTMENT:

The Credit Risk Monitoring Department is responsible for three functions:

Early detection, which helps the Bank more efficiently recover amounts owed by customers.

Consolidating customer and loan information, which provides data for the ongoing reclassification process to ensure that customer classifications faithfully reflect potential losses.

E. COLLECTIONS DEPARTMENT:

This department is responsible for the collections process and for efficiently recovering amounts owed by customers with payment problems. It also manages pre-court, court and out-of-court collections (defined as sale of the written-off portfolio once all collections alternatives have been exhausted).

MANAGEMENT CONTROL AND PROJECTS DEPARTMENT:

This department is in charge of three functions: Risk intelligence, model monitoring, provision adequacy, capital reporting and global credit risk management processes:

It is responsible for the following central processes:

- Interpreting and implementing regulatory modifications.
- Updating, coordinating and communicating credit risk policies and their related procedures.
- Managing the Risk Committee.



It also provides internal support such as:

- Managing projects for the division and others related to credit risk management.
- Conducting training.
- Controlling internal targets.
- Managing the division's budget and director plan.

A. RISK INTELLIGENCE DEPARTMENT:

This department is in charge of continuously monitoring risk indicators, generating risk management and analysis reports and monitoring limits and concentration in order to more efficiently manage risk in accordance with the Bank's defined risk appetite.

It is also responsible for monitoring new market trends in credit risk management in search of new tools and processes to attain its objectives.

B. MODEL MONITORING AND PROVISION ADEQUACY DEPARTMENT:

This department is in charge of continuously monitoring all of the Bank's models and making recommendations regarding any deviations detected.

It must also monitor the adequacy of provisions on the Bank's portfolios.

Lastly, it is responsible for conducting stress testing for capital management.

2) FINANCIAL RISK:

FINANCIAL RISK DEPARTMENT

Department in charge of ensuring financial risk is effectively managed, which is staffed by nine employees. Further information on its functions is available in section IV.

3) OPERATIONAL RISK:

OPERATIONAL RISK DEPARTMENT

Department in charge of ensuring operational risk, business continuity and information security are effectively managed, which is staffed by nine employees. Further information on its functions is available in section V.

III. CREDIT RISK

A. CREDIT RISK MANAGEMENT OBJECTIVES:

The Risk Division is responsible for managing credit risk through the Credit Risk Department. The objective of this department is to complete the six-stage loan approval process: Target market; analysis and assessment; decision; management; monitoring and control; and collections. The above must be carried out in accordance with the risk tolerance (appetite) defined by senior management.

B. CREDIT RISK STRUCTURE:

The Credit Risk Department has numerous departments that participate throughout the entire loan approval process, supporting the Bank's sales departments at all times and acting as an independent counterweight during the loan decision-making process.

This department is made up of:

- Commercial Risk.
- Retail Risk.
- Management Control and Projects.

C. CREDIT RISK PROCESS:

The following chart details the six stages of the loan approval process and the departments that participate in each stage.

LOAN APPROVAL PROCESS	COMMERCIAL	RETAIL
Target Market	Commercial Risk Management	Retail Risk Management
Credit Analysis and Assessment		
Loan Decision		
Credit Management		
Credit Monitoring and Control		
Collections		

C.1 CREDIT RISK STAGES:

1. TARGET MARKET:

Although the Bank's senior management is responsible for defining the target market, this decision is based on a proposal prepared jointly by the sales and risk departments after having analyzed the opportunities available on the market and the risks of the different segments. This proposal is contained in the Bank's Credit Risk Policy Manual.

2. CREDIT ANALYSIS AND ASSESSMENT:

The tools used to analyze and assess a customer depend on the customer's market. For example, a scoring system is used in retail banking (individuals and companies), while a case-by-case analysis prepared by a credit risk expert is utilized in commercial banking.

3. LOAN DECISION:

The credit risk area acts as a counterweight in the loan decision process in all committees on which it participates. It also defines the approval limits for commercial areas and may intervene if risk standards are surpassed at any time.

There are mainly two types of committees, separated by the way they operate: circulating folder or meeting. In the first case, which involves smaller amounts, a folder is passed from one level to the next until it reaches the required level. In the second



case, for larger amounts, a meeting is held where an account executive presents the loan to members of the committee for their approval. Meeting committees are also divided by amount.

Of these loan committees, the most important is the Board Credit Committee, which includes four directors, the Bank's CEO, the Risk Division Manager and the Commercial Loan Approval Manager. This committee analyzes the most important loans, assessing close to 70% of loans in terms of amount and 5% in terms of number of customers.

4. CREDIT MANAGEMENT:

This department works to ensure proper customer classification, which begins with executives, followed by reclassifications made mainly by the Monitoring and Control Department, committees and the Loan Restructuring Department, and ends with the Reclassification Committee. The latter body executes and carries out the classification and provisioning process in order to ensure the Bank is operating correctly and to reflect the reality of its portfolio.

It also works with sales departments to keep the number of expired and/or overdrawn lines of credit within expected parameters, and it maintains strict control of appraisals of assets provided to guarantee loans.

5. COLLECTIONS:

In this stage, the specialized Collections (Retail Risk) and Loan Restructuring (Commercial Risk) departments perform a variety of activities to collect on loans, including out-of-court and court collections.

6. MONITORING AND CONTROL:

This stage aims to maintain an overall vision of how the above-mentioned loan processes are functioning. Its involvement includes reviewing and auditing current credit policies, monitoring the performance of the analysis departments and committees, and properly managing credit.

It relies on various sources of information to fulfill its duties, including reports provided by the Credit Risk Intelligence Department and information on portfolio behavior. It uses this information to strictly monitor and control the Bank's portfolio and, as a result, it is the department that proposes most of the potential customer reclassifications.

This function is separated into two departments that serve the Commercial and Retail Banking divisions.

D. RISK RATING AND PROVISIONS:

Risk rating and assessments for provisioning purposes depend on customer and product type. Customers can be rated individually or as a group, as detailed below:

INDIVIDUAL RATING		GROUP RATING	
CUSTOMER TYPE	METHODOLOGY	CUSTOMER TYPE	METHODOLOGY
Companies (includes individuals with business accounts)	Business rules	Commercial loans	Standard regulatory matrix
Real estate	Business rules		
OTHER - Banks - Restructuring of retail and commercial loans - Non-profit - Special group leasing	Business rules	Residential mortgage loans	Standard regulatory matrix
		Consumer loans	Internal model

D.1 RATING INDIVIDUAL CUSTOMERS:

This group includes all customers (individuals or legal entities) that the Bank needs to understand and analyze in detail because of their size, complexity or exposure level.

As a result, Banco Security individually assesses all entities with over MCH\$200 in commercial debt, as well as real estate projects, institutional companies, non-profit organizations and bankrupt entities, among others.

D.2 RATING GROUP LOANS:

Group assessments are used for customers that tend to behave similarly. Thus, they are assessed using methodologies and models to analyze operations related to the same product.

- Commercial Products.
- Consumer Products.
- Mortgage Products.

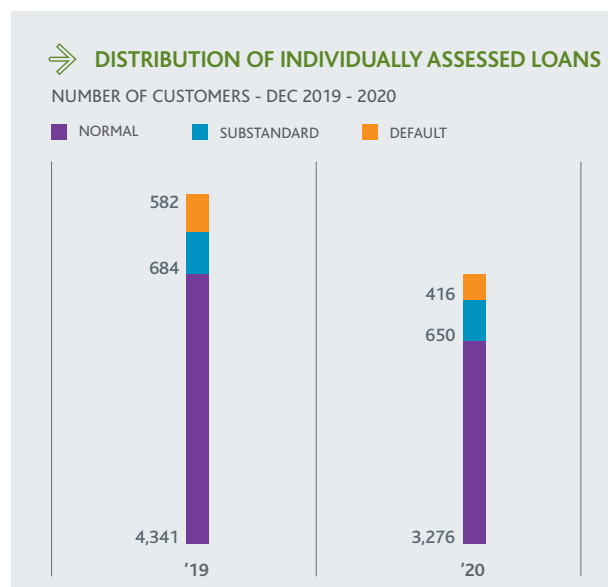
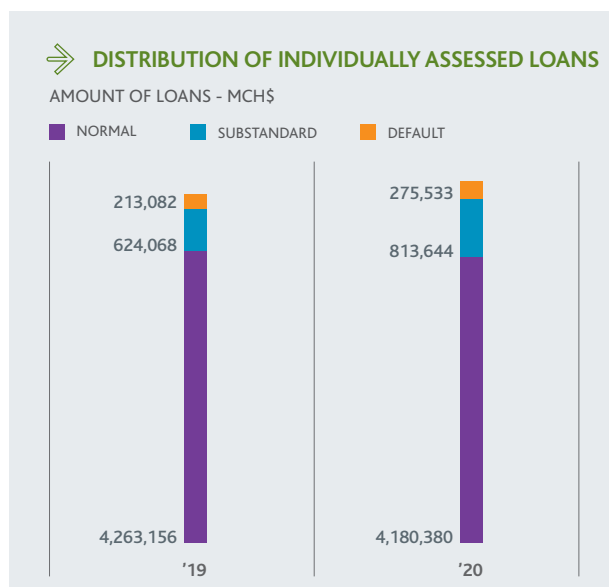
D.3 DISTRIBUTION OF LOAN PORTFOLIO:

The Bank's portfolio is distributed as follows, based on the type of risk assessment used (i.e. group or individual):





Individually rated loans are distributed by category (normal, substandard and default) using the following criteria:



D.4 PORTFOLIO DISTRIBUTION BY DELINQUENCY:

Banco Security's portfolio has the following delinquency levels, detailed by product:

DECEMBER 2019 MCH\$

PORTFOLIO	LOANS	PAST DUE	NPL (> 90)	% PAST DUE / LOANS	% NPL (> 90) / LOANS
COMMERCIAL	5,062,503	5,164	29,508	0.10%	0.58%
CONSUMER	793,350	1,888	3,123	0.24%	0.39%
RESIDENTIAL MORTGAGE	744,256	213	766	0.03%	0.10%
TOTAL	6,600,109	7,265	33,397	0.11%	0.51%

DECEMBER 2020 MCH\$

PORTFOLIO	LOANS	PAST DUE	NPL (> 90)	% PAST DUE / LOANS	% NPL (> 90) / LOANS
COMMERCIAL	5,291,965	7,970	36,134	0.15%	0.68%
CONSUMER	711,609	1,459	1,730	0.21%	0.24%
RESIDENTIAL MORTGAGE	710,791	140	819	0.02%	0.12%
TOTAL	6,714,365	9,569	38,683	0.14%	0.58%

The impaired portfolio by type of assessment is detailed as follows:

DECEMBER 2019 MCH\$

ASSESSMENT	LOANS	IMPAIRED	% IMP / LOANS
Group	1,820,635	53,204	2.92%
Individual	4,779,474	221,589	4.64%
TOTAL	6,600,109	274,793	4.16%

DECEMBER 2020 MCH\$

ASSESSMENT	LOANS	IMPAIRED	% IMP / LOANS
Group	1,733,025	63,367	3.66%
Individual	4,981,339	391,395	7.86%
TOTAL	6,714,364	454,762	6.77%

IV. FINANCIAL RISK

A. FINANCIAL RISK MANAGEMENT OBJECTIVES

For the organization, financial activities are defined as all transactions that are closed by the Bank and its subsidiaries Valores Security and Administradora General de Fondos, either on their own account or on behalf of third parties.

In general, financial transactions include operations involving foreign currency, loans, financing instruments, fixed-income instruments, derivatives and stocks.

The strategic objectives of financial activities include:

- Strengthening and expanding the Bank's position, consolidating and developing long-term relationships with customers and different market players, and providing a full range of investment banking products.
- Improving and ensuring the stability of long-term returns and effectively managing the different potential risks.

Financial activities are limited to previously-approved strategic product areas and will only be carried out within the overall risk guidelines defined by the Bank's board of directors.

In managing the portfolio of financial investments, the organization will actively manage positions based on an ongoing analysis of economic and financial conditions. Therefore, positions in financial instruments will be in line with the consensus for the macroeconomic outlook. However, short-term trading positions can also be taken to capitalize on a one-time misalignment of a market variable.

In order to achieve the objectives established in the Bank's investment strategies, a broad range of currencies and products can be traded, always in accordance with current applicable regulations.



The Bank is primarily engaged in trading non-derivative fixed-income financial instruments, interbank funding, transactions with repo agreements, foreign currency spot sales and purchases, currency and interest rate derivatives (forwards and swaps), stocks and simultaneous operations.

Treasury products can be geared towards different objectives, such as profiting from short or medium-term variations in market factors, making returns by generating spreads with respect to the financing rate of positions, leveraging maturity mismatches and slopes of interest rate structures or exchange rate differentials, engaging in economic and/or accounting hedges and distributing treasury products through the Bank's sales network.

Derivatives are particularly used to hedge risks, for market arbitrage some market or to take certain proprietary positions.

Hedge management using derivatives can use economic or accounting hedges, depending on the defined strategy.

Strategies with derivatives with accounting hedges can be used to hedge cash flows or the fair value of any item in the statement of financial position or expected transaction that generates risk or volatility in profit or loss, in compliance with international accounting standards. These strategies must meet all requirements included in current regulations and their effectiveness is reviewed at least monthly for each hedge.

Risk management and control take place through policies, procedures, methodologies and limits, which create value for shareholders and the market in general, guaranteeing adequate solvency levels.

These internal limits, defined by portfolio type, maturity mismatches, currency and instrument type based on the Bank's risk appetite, allow the Bank to control risk levels and diversify investment portfolios.

The Bank's policies also allow it to require guarantees under certain circumstances, mainly for derivative transactions, in order to mitigate credit risk.

B. FINANCIAL RISK STRUCTURE

The board of directors is responsible for approving risk management policies, limits and structures for the Bank and its subsidiaries. To accomplish this, it has set up several committees to monitor compliance with defined policies and limits. These committees are made up of directors and executives and provide the board with regular reports on risk exposure, strategies and management results analyzed in those committees

The following committees currently analyze matters related to financial risk:

- Finance Committee: Controls and manages financial investments from a short and medium-term trading perspective and the risks associated with these portfolios.
- Asset and Liability Committee: controls and manages the risk of mismatches in assets and liabilities in order to stabilize and protect and control the Bank's financial margin and economic value. It also monitors liquidity gaps, diversification of funding sources, highly-liquid assets and risk-adjusted capital limits (solvency).

The objective of the Bank's financial risk management policies is to identify and analyze the risks faced by the Group, set concentration limits and put ongoing controls in place to monitor compliance.

The committees regularly revise these policies in order to incorporate changes in market conditions and the Bank's activities. Once revised, the changes are submitted to the board for its approval.

The Financial Risk Department, which reports to the Planning and Control Division, is charged with monitoring and controlling risks and is independent from the business areas that take and manage the risks.

This department is specifically responsible for:

- Centralizing efforts to control and measure the different risks affecting the Bank and its subsidiaries by applying uniform policies and controls.
- Ensuring that risk managers, senior management and the board of directors are kept informed of key matters regarding market and liquidity risk.
- Ensuring that recommendations from regulators and internal auditors are followed and appropriately implemented.
- Reporting and monitoring market risk and liquidity and limit compliance on a daily basis for the Bank and its subsidiaries.
- Developing and reviewing the effectiveness of methods and procedures for measuring risk.

Risk is measured and controlled on a daily basis using risk reports used by senior management to make decisions. These reports include Value at Risk measurements and rate sensitivity for both the investment portfolio and the banking book as a whole, risk exposure by portfolio, instrument, risk factors and concentration and compliance with internal limits.

C. FINANCIAL RISK PROCESS

Risk measurements are based on automated systems used to monitor and control the risk to which the Bank and its subsidiaries are exposed on a daily basis, thus allowing for proper decision-making.

The Treasury is in charge of taking positions and risks within the limits defined by senior management. It is responsible for managing financial risks arising from positions in investment books, from structural asset/liability mismatches and from managing liquidity gaps and also for adequately funding operations.

The Internal Audit Department regularly assesses risk processes. The general risk structure is continuously being evaluated by the CMF, the Bank's independent auditors and other individuals who are independent from management.

D. DEFINITION OF FINANCIAL RISKS

A) MARKET RISK

Market risk represents the potential loss that can result from changes in market prices over a certain period of time as a result of movements in interest rates, foreign currencies, indexation indices and stock prices. These losses affect the value of financial instruments held for trading and available for sale, both for the Bank and its subsidiaries.



MARKET RISK METHODOLOGY

Market risk is measured using the Value at Risk (VaR) methodology, which allows the different risks and types of operations to be standardized, modeling the collective relationship of these factors in a single risk measurement.

VaR provides an estimate of the maximum potential loss from treasury positions of financial assets or liabilities in the event of an adverse, yet normal, scenario.

The methodology used to calculate VaR is a parametric technique that assumes that the price returns on investments follow a normal distribution using a threshold of 95% confidence, a maintenance horizon of 1 day and a historical data sample of 250 days adjusted using statistical techniques to assign greater weight to more recent developments, in order to quickly capture increases in market volatilities.

The assumptions on which the model is based have some limitations, including:

- A maintenance period of one day assumes that the positions can be covered or disposed of within that period. However, investment portfolios held for trading are comprised of highly-liquid instruments.
- A confidence level of 95% does not reflect the losses that could occur in the remaining 5% of the distribution.
- Value at risk is calculated with positions at the end of the day and does not reflect the exposure that could arise during the trading day.
- The use of historical information to determine possible ranges of future outcomes may not cover all possible scenarios, especially exceptional circumstances.
- Market price returns of financial instruments can present abnormal probability distributions.

The limitations of the assumptions used by the VaR model are minimized using nominal limits for investment concentration and sensitivity to specific risk factors.

The reliability of the VaR methodology used is verified using backtesting, which is contrasted with the actual results obtained to determine whether they are consistent with the methodological assumptions within the given confidence levels. Ongoing monitoring of these tests allows the Bank to confirm the validity of the assumptions and hypothesis used in the model.

Control of financial risk is complemented with specific simulation exercises and stress testing to analyze different financial crises that have occurred in the past and the effect they may have on current investment portfolios.

These risks are monitored on a daily basis. Risk levels incurred and compliance with limits established for each unit are reported to risk managers and senior management.

Banco Security and its subsidiaries measure and limit Value at Risk in their investment portfolios (trading and available for sale) by risk factor, interest rates, currencies, instrument type and portfolio type.

Details of the market risks of the different investment portfolios by type of risk are as follows:

	VAR BY TYPE OF RISK	
	AS OF DECEMBER 31, 2020 MCH\$	AS OF DECEMBER 31, 2019 MCH\$
TRADING:		
Fixed income (rate)	122	125
Derivatives (rate)	22	83
Embedded options (price)	3	1
FX (currency)	49	134
Shares (price)	1	3
Diversification effect	(1)	(108)
TOTAL PORTFOLIO	196	239
AVAILABLE FOR SALE:		
Rate	459	702
TOTAL PORTFOLIO	459	702
Total diversification	(99)	(279)
TOTAL VAR	556	770

B) STRUCTURAL INTEREST RATE RISK

This risk stems mainly from commercial activity (commercial loans v/s deposits), caused by the effects of variations in interest rates and/or the slopes of interest rate curves to which assets and liabilities are indexed. When these show temporary repricing or maturity gaps, they can impact the stability of results (financial margin) and solvency levels (economic value of equity).

To do this, the Bank establishes internal limits using sensitivity techniques for interest rate structures. The Bank also uses stress testing to evaluate the sensitivity of interest rates, currency repricing, changes in stock prices, changes in underlying assets for options and changes in commissions that may be sensitive to interest rates. This stress testing enables the Bank to measure and control the impact of sudden movements in the different risk factors that affect its solvency ratio, the financial margin and the economic value of equity.

Compliance with limits established by the Bank, in accordance with the definitions established by the Chilean Central Bank in Chapter III.B.2.21 of the Compendium of Financial Standards and by the CMF in Chapter 12- 21 of the Updated Standards, is also monitored on a daily basis. The Bank also files a weekly report with the CMF on the risk positions of the investment portfolio within the trading book and limit compliance. It also files a monthly report with the CMF on the consolidated positions at risk (including subsidiaries) for the trading book and individually for the banking book, which includes sensitivity to market risk in the available-for-sale portfolio and the commercial book.



In accordance with the methodology defined in Chapter III.B.2.2 of the Compendium of Financial Standards of the Chilean Central Bank, market risk is detailed as follows:

	MARKET RISK TRADING BOOK	
	AS OF DECEMBER 31, 2020 MCH\$	AS OF DECEMBER 31, 2019 MCH\$
MARKET RISK		
Interest rate risk	6,846	9,307
Currency risk	2,714	1,162
Options risk	6	1
TOTAL RISK	9,566	10,470
Consolidated risk-weighted assets	6,596,514	5,862,013
Regulatory capital (RC)	926,896	774,770
Basel limit	8.00%	8.00%
Basel with market risk	13.80%	12.93%
Basel I	14.05%	13.22%

	MARKET RISK BANKING BOOK	
	DECEMBER 31, 2020 MCH\$	DECEMBER 31, 2019 MCH\$
SHORT-TERM		
Interest rate risk (short-term)	26,515	9,610
UF mismatch	168	813
Sensitive commissions	220	175
TOTAL RISK	26,903	10,598
Limit 35% margin (board)	71,880	59,325
Surplus (board)	44,977	48,727
LONG-TERM		
Interest rate risk	41,755	19,984
Limit 25% RC (board)	231,724	193,693
Surplus (board)	189,969	173,709

The regulatory methodology is focused on measuring and controlling exposure to losses that may be incurred as a result of adverse changes in market interest rates or in the value, measured in domestic currency, of foreign currencies and indexation units or indices in which instruments, contracts and other transactions are denominated, which are registered as assets or liabilities.

That methodology involves classifying cash flows from the asset and liability positions into fourteen time bands. These amounts are sensitized in present value through movements in interest rate curves (this is the greatest risk factor for the positions of the Bank and its subsidiaries), assigning vertical and horizontal adjustments that attempt to simulate the effects of correlations between maturities and currencies.

For the trading book, the following shocks are established in basis points (bp) over the interest rate curves:

- In CLP and FX, 125 bp in the bands up to 1 year, 100 bp between 1 and 4 years and 75 bp over 4 years.
- In CLF, they start at 350 bp up to 1 month, decreasing almost proportionally in each of the bands until reaching 75 bp over 4 years.

For the banking book, the impacts on the interest rate curves are detailed as follows:

- In CLP and FX, 200 bp across the board for all control bands.
- In CLF, 400 bp for up to 1 year, 300 bp between 1 and 2 years and 200 bp for bands over 2 years.

The details of other types of lower-impact risks (indexation, options, currency) are detailed in Appendix 1 of Chapter III.B.2.2

C) LIQUIDITY RISK

Liquidity risk represents the possibility of not fulfilling obligations when they mature as a result of the inability to liquidate assets or obtain funds, or not being able to dispose of them easily or offset exposure without significantly reducing prices due to insufficient market depth (market liquidity).

The following concepts are involved with liquidity risk.

- MATURITY RISK: the risk arising from having cash inflows and outflows with different maturity dates.
- COLLECTION RISK: the risk of being unable to collect any cash inflow as a result of stoppage of payment, default or delay.
- FUNDING RISK: the risk of being unable to raise market funds, either in the form of debt or capital, or only being able to do so by substantially increasing the cost of funds, thus affecting the financial margin.
- CONCENTRATION RISK: the risk from concentrating funding or revenue sources in a few counterparties that may bring about an abrupt change in the matching structure.
- LIQUIDITY MARKET RISK: this risk is linked to certain products or markets and arises from not being able to close or sell a particular position at the last quoted market price (or a similar price) due to low liquidity.



LIQUIDITY RISK METHODOLOGY

The methodologies used to control liquidity are the liquidity gap, which considers probable behavior scenarios for assets and liabilities, stress testing, liability concentration limits and early warning indicators.

The liquidity gap provides information regarding contractual cash inflows and outflows (i.e. those that will occur at a given future time according to asset and liability contracts). For items without contractual maturities, simulations are created based on statistical studies to infer maturity behavior.

Based on these scenarios, assumptions for normal operating conditions are established. These omit items (mainly assets) that create a set of conservative liquidity management conditions from daily management. They are limited through minimum mismatching margins per control segment defined on a weekly and monthly basis over a horizon of one year.

This is supplemented by special procedures to face a liquidity crisis and early warning indicators that can identify any potential risk.

A series of ratios and funding concentration limits by creditor and maturity are also controlled. This enables the Bank to keep its funding sources organized and diversified.

The Bank uses the contractual maturity methodology to comply with the regulatory liquidity limits established in Chapter III.B.2.1 of the Chilean Central Bank's Compendium of Financial Standards and Chapter 12- 20 of the CMF's Updated Compilation of Standards.

Mismatches and compliance with consolidated regulatory limits by the Bank and its subsidiaries are reported to the SBIF every three days.

[illegible]



Regulatory liquidity gap as of December 31, 2020 and 2019, in foreign currency presented in MCH\$

	< 1 MONTH		1 - 3 MONTHS		3 MONTHS - 1 YEAR		1 - 3 YEARS		3 - 6 YEARS		> 6 YEARS		TOTAL	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Available funds	287,902	431,953	-	-	-	-	-	-	-	-	-	-	287,902	431,953
Financial investments	148,765	173,262	-	-	-	-	-	-	-	-	-	-	148,765	173,262
Loans to other domestic banks	52	286	-	-	-	-	-	-	-	-	-	-	52	286
Commercial and consumer loans	67,034	103,209	42,144	73,018	144,081	149,198	123,753	113,359	174,838	103,508	156,768	139,157	708,618	681,449
Lines of credit and overdrafts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	14,622	57,923	513	234	74	-	-	-	-	-	-	-	15,209	58,157
Derivatives	179,773	63,539	125,863	32,186	79,169	91,545	39,432	71,110	55,710	64,931	49,952	87,294	529,899	410,605
	698,148	830,172	168,520	105,438	223,324	240,743	163,185	184,469	230,548	168,439	206,720	226,451	1,690,445	1,755,712
Current accounts and other demand deposits	293,422	153,985	-	-	-	-	-	-	-	-	-	-	293,422	153,985
Domestic interbank loans	1,079	16,811	-	-	-	-	-	-	-	-	-	-	1,079	16,811
Savings accounts and time deposits	223,650	166,966	246,576	190,329	97,619	102,889	-	-	-	-	-	-	567,845	460,184
External funding	-	23,572	-	27,804	-	173,543	-	17,322	-	17,345	-	21,493	-	281,079
Other liabilities	76,917	201,562	53,525	-	97,871	-	19,857	-	19,883	-	-	-	268,053	201,562
Derivative instruments	138,480	82,677	147,197	30,172	66,307	81,746	46,456	63,077	46,517	63,159	57,642	-	502,599	320,831
	733,548	645,573	447,298	248,305	261,797	358,178	66,313	80,399	66,400	80,504	57,642	21,493	1,632,998	1,434,452
Net cash flow	(35,400)	184,597	(278,778)	(142,867)	(38,473)	(117,435)	96,872	104,070	164,148	87,935	149,078	204,958	57,447	321,260
Accumulated net cash flow	(35,400)	184,597	(314,178)	41,731	(352,651)	(75,704)	(255,779)	28,366	(91,631)	116,301	57,447	321,259	114,894	642,519
Regulatory limit	(659,308)	(617,274)												
Limit exceeded by	623,908	801,871												

This regulatory methodology is based on measuring and controlling the difference between cash outflows and inflows, on and off balance sheet, for a given maturity or time band, which is known as a maturity gap.

Maturity gaps are calculated separately for domestic and foreign currency. Cash flows related to indexed items or those expressed in foreign currency but payable in domestic currency are always recognized in the maturity gap in domestic currency.

Chapter III.B.2.1 V.1 No. 8, letter b, establishes the criteria for allocating flows among time bands. Asset accounts and their corresponding cash inflows are classified in a time band based on the latest maturity or contractual date of payment, as appropriate. Cash outflows related to liability accounts are classified in a time band based on the nearest contractual maturity date.

Likewise, to calculate gaps, debtors, depositors and creditors are classified as "wholesalers" (i.e. considering the effect on liquidity of each operation recognized in its books contractually with no adjustments based on the hypothesis of renewal (the most conservative position in liquidity management)).

To supplement these gap analyses, the Bank monitors the amount of liquid assets backing net cash outflows over a 30-day horizon under stress scenarios (Liquidity Coverage Ratio or LCR).

$$\text{LCR} = \text{High Quality Liquid Assets} / \text{Net Outflows Stressed up to 30 Days}$$

The calculation methodology, assumptions and criteria are detailed in Chapter 12-20 of the CMF's Updated Compilation of Standards.

The LCR has a regulatory limit of 70% (year 2020), which increases by 10% every year until it reaches 100% in 2023.

Among its risk control policies, Banco Security has established internal limits that are more conservative than current regulations, maintaining a ratio above 100% at all times in 2019 and reaching 323.53% as of 12/31/2020.

HEDGE ACCOUNTING

The Bank hedges assets or liabilities in the statement of financial position using derivatives in order to minimize the effects on profit or loss of possible variations in their market value or estimated cash flows.

At the inception of the hedge relationship, the Bank formally documents the relationship between hedging instruments and the hedged item, as well as the hedge's strategies and objectives and the methodologies for testing its effectiveness.

The effectiveness of the hedge relationship is tested using prospective and retrospective evaluations. The hedge is deemed highly effective if the results of the tests are between 80% and 125%.

As of December 31, 2020, the bank has five hedge accounting strategies to cover the following risks:

- 1) Cash Flow Hedging Strategy, to hedge the future cash flow risk of UF liabilities arising from bonds placed in UF.
- 2) Cash Flow Hedging Strategy, to hedge the future cash flow risk of UF assets arising from mortgages in UF.
- 3) Cash Flow Hedging Strategy, to hedge the future cash flow risk of loans in US\$.
- 4) Fair Value Hedging Strategy, to hedge the risk of volatility in base interest rates on UF, arising from commercial loans placed in UF.
- 5) Fair Value Hedging Strategy, using macro hedges to hedge the risk of volatility in interest rates in UF, arising from mortgage loans in UF.

EMBEDDED DERIVATIVES

These derivatives can be embedded in another contractual agreement (or host contract) and, therefore, are accounted for at market price separately from the host contract when it is not recognized at fair value since the characteristics and economic risks of the embedded derivative are not related to the characteristics and economic risks of the host contract.



Currently, the Bank carries at fair value through profit and loss embedded derivatives arising from variable rate mortgage loans that incorporate a fixed rate after a certain amount of time or a rate ceiling used by customers to obtain an option in their favor. These will generate negative effects for the Bank when market rates are above the rate ceiling on these loans. This effect is determined on a daily basis using sophisticated methodologies to evaluate options, and the change in fair value is treated as profit or loss for the year (increases in the theoretical value of that derivative are a loss for the Bank).

Relevant data on these embedded derivatives are as follows:

	AS OF DECEMBER 31, 2020 MCH\$	AS OF DECEMBER 31, 2019 MCH\$
Balance MUF mortgage portfolio	36	44
Ceiling rate (average)	7.2%	7.2%
Option value MCH\$	16	21

V. OPERATIONAL RISK

A. DEFINITION

The Bank and Security subsidiaries define operational risk as the risk of losses resulting from inadequate or faulty processes, staff and internal systems, or due to external incidents. This definition includes legal and reputational risks but excludes strategic risks.

Furthermore, loss (write-off) is defined as negative financial effects on the physical, financial or intangible assets of the Bank or its subsidiaries caused by the materialization of an operational risk. If this event does not generate negative financial effects, it will not be considered "an incident".

B. OBJECTIVES

The objective is to define a framework for managing operational risk at Banco Security and its subsidiaries. This includes establishing principles for identifying, assessing, controlling and mitigating such risk in order to reduce losses from operational risk, thus complying with corporate objectives, appetite definitions and operational risk exposure, where the framework for action is defined in board-approved policies.

C. OPERATIONAL RISK MANAGEMENT STRATEGY

The operational and cybersecurity risk management strategy, implemented by the Operational and Cybersecurity Risk Division, must be consistent with the volume and complexity of the activities of the Bank and its subsidiaries. To accomplish this, it defines lines of action for operational risk management in the following areas: products or processes, fraud prevention, suppliers, business continuity, information security and cybersecurity. These lines are implemented throughout the Bank and its subsidiaries.

The strategy must set a risk appetite and tolerance level for operational risk taken on by the Bank and its subsidiaries that enables it to manage mitigation efforts and monitor risks with exposure greater than or equal to this set tolerance. The strategy must be implemented

throughout the entire Bank and its subsidiaries, which means that all personnel must understand and carry out their role in managing this risk.

As a minimum, the strategy should address yearly planning, operational risk models and methodologies and tools for managing all operational risks for the Bank and its subsidiaries.

D. OPERATIONAL RISK STRUCTURE

The Operational and Cybersecurity Risk Division reports to the Chief Executive Officer.

According to the operational risk policy approved by the board of directors, risk management is based on: those responsible for and those who carry out processes, who are the primary risk managers (first line of defense); the operational and cybersecurity risk department, which is in charge of operational risk management and monitoring (second line of defense); the board of directors and the Operational Risk Committee, which are responsible for ensuring that the Bank has an operational risk management framework in accordance with defined objectives and good practices and that the Bank has the trained personnel, organizational structure and budget necessary to implement this framework. Three lines of defense model.

E. UNAUDITED OPERATIONAL RISK MANAGEMENT

In order to properly manage risk and comply with the objectives defined by the Bank in its Operational Risk Policy and other related policies, a series of activities have been developed as the basic pillars for implementing the Operational Risk Management Framework, as described below:

- Culture: Raising awareness of the importance of operational risk management across the entire organization at all levels.
- Qualitative Management: Managing by detecting present and potential risks in order to manage them effectively. That means avoiding, transferring, mitigating or accepting such risks. Qualitative management is based on:
 - Managing an incident log.
 - Executing a process to identify and assess Operational Risks in processes and projects carried out by the organization.
 - Tracking key risk indicators (KRI) for the organization's main risks.
 - Permanently monitoring critical suppliers.
 - Other activities.
- Quantitative Management: Managing by creating awareness in the organization of the level and nature of operational loss events. This enables the Bank to budget for the effects of expected losses and to efficiently allocate capital for unexpected losses. Quantitative management is based on:
 - Actively managing the operational loss database, which contains all events that have generated such losses with sufficient detail to attack the root causes of the events.



F. OPERATIONAL RISK MANAGEMENT FRAMEWORK

The Operational Risk Management Framework is applied in the following stages:

- **ESTABLISHING THE CONTEXT:** Setting the strategic, organizational and risk management context within which the process will take place. The Bank must stipulate the criteria for assessing risks and define the analysis structure.
- **IDENTIFYING RISKS:** Associating risks with the numerous processes and/or procedures executed as part of the various activities carried out by the Bank and its subsidiaries.
- **ANALYZING RISKS:** Specifically analyzing each of the risks detected based on the context set to determine whether that risk has an associated control or requires an action or mitigation plan. This situation will be established in accordance with the priorities of the Bank and its subsidiaries.
- **ASSESSING RISKS:** Assessing each of the risks based on the probability of occurrence and the level of impact.
- **MITIGATING RISKS:** Once risks have been detected and assessed, an analysis will be performed. To accomplish this, the Bank will define an action plan, assign an individual in charge of executing it and set a date for its resolution.
- **MONITORING AND REVIEWING:** Monitoring, reviewing and updating the risk survey and resolution commitments from the person in charge; Live risk.
- **COMMUNICATING AND CONSULTING:** Communicating and consulting with internal and external stakeholders, as appropriate, in each stage of the risk management process, considering the process as a whole.
- **CULTURE:** Developing various initiatives that help the organization to understand every aspect of operational risk, in order to make the model sustainable and manage operational and cybersecurity risk.

VI. RISK COMMITTEES

In order to ensure a robust governance structure that enables the Bank to correctly manage risks, it has set up several risk committees, described briefly below:

A. CREDIT RISK COMMITTEES:

There are three credit risk committees: The Board Credit Committee, the Executive Credit Committee and the Circulating Folder Credit Committee. The Bank's retail banking and commercial banking credit risk policies clearly specify the criteria used to identify which committee should analyze each transaction. The sales areas have almost no lending authority on their own and must almost always obtain approval from the credit risk areas or the respective committees in order to approve loans.

COMPOSITION OF CREDIT RISK COMMITTEE:

The Committee is made up of four directors, the Bank's CEO, the Risk Division Manager and the Commercial Loan Approval Manager.

The Bank also has an Executive Credit Committee.

MATTERS ADDRESSED:

These committees are responsible for approving or rejecting the loan applications submitted to the appropriate committee based on the loan amount and conditions.

FREQUENCY:

The Board Credit Risk Committee meets every Tuesday and Thursday (except the second Thursday of each month) while the Executive Credit Risk Committee meets every Wednesday.

BOARD INVOLVEMENT:

The board is highly involved in the credit risk process through the Board Credit Risk Committee. Two directors and the chairman of the board sit on this committee, which is the Bank's main credit risk body and is responsible for approving the most important transactions.

B. CREDIT RISK RECLASSIFICATION COMMITTEE

This committee's objective is to review customer risk classifications in light of new developments that may downgrade or upgrade their risk rating provided by the rating system.

This committee meets monthly and is comprised of:

- Chief Executive Officer
- Risk Division Manager
- Commercial Division Manager (depending on the case being assessed)
- Retail Division Manager (depending on the case being assessed)
- Commercial Risk Manager
- Retail Risk Manager
- Commercial Division Agents (depending on the case being assessed)
- Company Control and Monitoring Deputy Manager
- Retail Credit Risk Control and Monitoring Manager

C. WATCH COMMITTEE

This committee is responsible for monitoring and controlling operations and customers by reviewing information on potential future problems (asymptomatic), non-evident variables and evident variables. It also monitors any previously given instructions.



There are two types of committees:

- i. The Board Watch Committee.
- ii. The Monitoring or Executive Watch Committee.

D. MODELING COMMITTEE

This committee meets to review and monitor all models used for credit risk management. It is also charged with approving new models and monitoring progress. It also reviews the different credit risk methodologies that the Bank uses or is considering using.

E. RISK COMMITTEE

This committee's objective is to comprehensively review risks faced throughout the Bank and those that may impact it in the future. Based on this review, it generates guidelines and approves action plans in order to meet the objectives outlined in the budget based on the defined risk appetite.

This committee also reviews credit risk policies and processes and lending authority and any proposed amendments.

In addition, it analyzes the matters and resolutions discussed by the remaining credit risk committees.

This committee is in charge of presenting topics, committee resolutions and policies to the board for its approval.

This committee meets monthly and its members are:

- One director
- Chief Executive Officer
- Division managers (Commercial, Risk, Finance, Operations and Planning)
- Commercial Risk Manager
- Retail Risk Manager
- Risk and Project Management Control Deputy Manager

F. FINANCE COMMITTEE

This committee's objective is to jointly evaluate positions in financial investments and risks taken by the Bank and its subsidiaries, defining strategies to be adopted and validating compliance.

Its main duties include reporting on each unit's performance regarding profits and margins versus budget, aligning strategies and escalating investment and divestiture decisions.

The Financial Committee is also responsible for proposing risk management policies and methodologies for managing financial assets to the board and ensuring compliance with market risk limits.

This committee is comprised of:

- Two Banco Security directors
- Chief Executive Officer at Banco Security
- Finance Division Manager at Banco Security
- Planning and Management Control Division Manager at Banco Security
- Chief Financial Officer at Valores Security

G. OPERATIONAL RISK COMMITTEES

This committee's objective is to define the guidelines for properly managing operational risk and giving continuity to the operational risk management model, policies and strategy, approving action plans and control indicators that help mitigate it, in addition to being knowledgeable of operational risks and how they are managed by the Bank and its subsidiaries, among other activities.

MEETING FREQUENCY

The Operational Risk Committee meets regularly, ideally monthly or as otherwise needed.

Members of Operational Risk Committee

- Director (committee chairman)
- Chief Executive Officer (committee vice chairman)
- Operational and Cybersecurity Risk Division Manager (committee Secretary)
- Operations and IT Division Manager (replaces vice chairman)
- Commercial Banking Division Manager
- Retail Banking Division Manager
- Finance and Corporate Division Manager
- Planning and Control Division Manager
- Credit Risk Division Manager
- General Counsel
- Information Security and BCP Officer
- Asset Management Division Manager
- Compliance Manager
- Controller

The Controller for Grupo Security must attend committee meetings but does not have any responsibility for risk management carried out by the first and second lines of defense. His or her role is to ensure that any potential corrective measures in response to observations on areas audited by his or her unit are properly implemented.

BOARD INVOLVEMENT

The board is informed about the implementation of the Operational Risk Policy and other related policies, as well as the detection of incidents, potential risks and measurements of operational and cybersecurity risks (i.e., occurrence, severity, approval of new products and services, among others).



H. ASSET AND LIABILITY COMMITTEE

This committee is responsible for managing and controlling (1) structural maturity and currency mismatches in the statement of financial position, (2) liquidity and (3) the Bank's financial margin and stability, as well as for (4) defining and controlling capital management policies.

The standing members of this committee are:

- Two directors
- Chief Executive Officer
- Finance and Corporate Division Manager
- Risk Division Manager
- Financial Risk Manager
- Planning and Management Manager
- Trading Desk and Investment Manager
- Distribution Desk Manager
- Asset and Liability Management Desk Manager
- Commercial Banking Division Manager
- Retail Banking Division Manager
- Foreign Trade and International Services Manager

VII. CAPITAL REGULATORY REQUIREMENTS

In accordance with the General Banking Law, the Bank must maintain a minimum ratio of Regulatory Capital to Consolidated Risk-Weighted Assets of 8%, net of required provisions, and a minimum ratio of Core Capital to Total Consolidated Assets of 3%, net of required provisions. To accomplish this, Regulatory Capital is determined based on Capital and Reserves and Core Capital with the following adjustments: a) Adding subordinate bonds limited to 50% of Core Capital and b) subtracting the asset balance of goodwill or premiums paid and unconsolidated investments in companies.

Assets are weighted using risk categories, which are assigned a risk percentage based on the capital needed to back up each asset. There are 5 risk categories (0%, 10%, 20%, 60% and 100%). For example, cash, due from banks and financial instruments issued by the Chilean Central Bank have 0% risk, which means that, in accordance with current standards, no capital is required to back up assets. Property, plant and equipment have 100% risk, which means that a minimum capital equivalent to 8% of the value of these assets is needed.

All derivative instruments traded off-market are taken into account to determine risk assets using conversion factors over notional values, thus calculating the value of the credit risk exposure (or "credit equivalent"). For weighting purposes, "credit equivalent" also considers off-balance sheet contingent loans.

Levels of Basic and Regulatory Capital as of December 31, 2020 and 2019, are detailed as follows:

	CONSOLIDATED ASSETS		RISK-WEIGHTED ASSETS	
	2020 MCH\$	2019 MCH\$	2020 MCH\$	2019 MCH\$
BALANCE SHEET ASSETS (NET OF PROVISIONS)				
Cash and due from banks	447,692	693,082	-	-
Transactions in the course of collection	39,433	150,526	28,037	108,387
Financial instruments held for trading	110,673	123,763	57,745	81,260
Receivables from repurchase agreements and securities borrowing	-	-	-	-
Financial derivative instruments	146,623	209,656	115,207	150,955
Loans and advances to banks	724	568	683	339
Loans to customers	6,104,615	5,950,720	5,671,380	5,653,087
Financial investments available for sale	932,317	756,594	332,493	266,693
Investments held to maturity	-	-	-	-
Investments in other companies	2,095	2,095	2,095	2,095
Intangible assets	41,645	44,943	28,606	31,904
Property, plant and equipment	20,980	22,168	20,978	22,166
Right-of-use leased assets	7,297	8,206	7,297	8,207
Current tax assets	1,992	2,085	199	209
Deferred tax assets	28,899	24,434	2,890	2,443
Other assets	113,046	210,611	68,174	172,655
OFF-BALANCE-SHEET ASSETS				
Contingent loans	434,551	462,407	260,730	277,445
TOTAL RISK-WEIGHTED ASSETS	8,432,582	8,661,858	6,596,514	6,777,845

	AMOUNT	AMOUNT	RATIO	RATIO
	2020 MCH\$	2019 MCH\$	2020 %	2019 %
Core capital	661,885	617,274	7.85%	7.13%
Regulatory capital	926,896	834,064	14.05%	12.31%

Regulatory capital is calculated as follows:

	AS OF DECEMBER 31, 2020 MCH\$	AS OF DECEMBER 31, 2019 MCH\$
CORE CAPITAL	661,885	617,274
Subordinated bonds	273,997	229,778
Additional provisions	4,000	-
Tax guarantees	-	-
Equity attributable to non-controlling interests	53	51
Goodwill subsidiaries	(13,039)	(13,039)
REGULATORY CAPITAL	926,896	834,064



RISKS ASSOCIATED WITH THE INSURANCE BUSINESS, VIDA SECURITY

As a direct subsidiary of Grupo Security, Inversiones Previsión Security aligns its practices with the risk management definitions and policies defined by its parent company. Grupo Security considers risk management to be critical to achieving the target returns defined by its shareholders and guaranteeing business continuity. Risk management at Grupo Security is supervised centrally by the Business Risk Management Area and Controller's Office, which consolidates and reports to Grupo Security's board of directors on a regular basis.

I. RISK FACTORS

OPERATIONAL RISK

In an effort to continuously improve its corporate governance and particularly its internal controls, Grupo Security has used an audit approach to develop control tools for the most significant processes in each of its companies. This involved mapping those processes flowcharts and separate and consolidated risk maps, and documenting all information collected, which is used in operations. This has allowed the Group to identify risks and develop mitigating action plans.

Corporate governance at Seguros Vida Security Previsión S.A. has deemed it necessary to disclose to the market the most important aspects of its technical, financial and operational risk management, related to the pandemic declared in Chile as a result of COVID-19. As a result, it has added information in the financial statements of December 31, 2020, that is supplemental to the disclosures in the financial statements as of December 2019.

This disclosure note is mandatory for the financial statements as of December 31 of each year, in accordance with Ruling 2022 dated May 17, 2011, and that Management should disclose the supplement to this note in the financial statements as of December 31, 2020, as indicated in the preceding paragraph.

RISK MANAGEMENT AS A RESULT OF THE PANDEMIC

Vida Security had to redouble its response to the risks related to the COVID-19 pandemic. The measures adopted by the Insurance Company during 2020 were as follows:

FINANCIAL RISK

The Insurance Company executed various activities in line with its objectives to quantify the potential impact that the pandemic could have on its investment portfolio. It analyzed the situation and prepared action plans to address these risks.

It increased the frequency with which it monitored the factors affecting its cash flows, in order to quickly incorporate any changes in its assets and the annuities market. It also regularly monitored compliance with its liquidity policy.

It constantly reviewed the credit risk of the entire portfolio, with an emphasis on those industries most exposed to the pandemic. Then, it closely studied the issuers to which the portfolio was exposed, by reviewing their financial statements and risk ratings, meeting with the companies involved, analyzing potential agreements or assistance from various entities. Rescheduling programs were executed by the real estate business.

Finally, Value At Risk exercises were carried out to estimate the maximum probable loss that the investments could suffer within one month, with a confidence level of 95%.

TECHNICAL RISK

The Insurance Company established specific monitoring processes for claims associated with COVID-19.

It estimated the specific impact that the pandemic could have on its various insurance portfolios and on the risks that would be affected, such as death, both for policyholders and annuitants, as well as its health coverage.

It regularly and frequently monitored the occurrence and amount of claims due to the effect of the pandemic on our policyholders, and compared their trends with initial estimates.

Each of the claims reported to the Insurance Company or known by it were identified to determine whether or not they were directly or indirectly caused by COVID-19 and a record of these claims was kept to prepare the statistics and controls mentioned above.

OPERATIONAL RISK

The Insurance Company activated its business continuity plans for the most critical processes at the beginning of the pandemic, such as paying annuity pensions and paying disability and survivorship insurance claims. As time went by, and in view of the increased restrictions and sanitary measures imposed by the authorities, the Insurance Company closed its offices and branches in order to protect the health of its customers and employees, and arranged for almost all of its employees to work remotely. The Insurance Company strengthened and adapted its processes to make customer services and sales exclusively virtual. It accelerated the adoption of collaborative tools and remote access to its internal network via VPN. It provided continual support to employees and their families, so that remote working could be carried out properly.

It identified the most important operational risks associated with remote working, which included the risk that our pensioners may not be able to access the payment of their pensions in person, so the Insurance Company made available all its remote channels to facilitate payment by electronic transfer; the risk of customer impersonation during any interaction with the Insurance Company, so the associated controls were increased to validate the identity of customers; the risk that policy premiums paid over the counter may lapse, so the Insurance Company improved the payment channels on its webpage; the risks associated with cybercrime, such as phishing, so the Insurance Company reinforced daily monitoring, improved cybersecurity controls and increased employee training. The Insurance Company's senior management continually monitored any developments associated with these changes to processes and controls, and reported them to the respective board committees.



Finally, the Insurance Company declared that none of the various analyses or projections to date warn of significant threats to its net worth or solvency. On the contrary, opportunities for improvement have been discovered and the benefits of digital transformation and remote working have been confirmed. These aspects will be explored and definitively incorporated into the Insurance Company's operational and commercial processes in the future.

The Insurance Company reported the following disclosures as of December 31, 2020:

CORPORATE GOVERNANCE

Corporate governance refers to the set of practices and policies set forth by Grupo Security's Board of Directors. These corporate governance principles aim to ensure that the Group's objectives are met and its values are upheld. They add value to the Insurance Company by encouraging self-regulation and regulatory compliance, and establishing common guidelines for the Group companies. Thus, corporate governance facilitates decision making in Group companies, within a framework of transparency and responsibility, involving all those who participate in the organization: shareholders, employees or other stakeholders. At the same time, corporate governance principles ensure that the activities undertaken by the Group's companies are consistent with its business strategy, institutional values and risk tolerance and appetite. Grupo Security's board of directors is responsible for ensuring that corporate policies are applied at company level. Compliance is monitored by the Corporate CEO and the Directors' Committee, as well as various corporate- and subsidiary-level committees.

Vida Security (the "Insurance Company") has a board-approved corporate governance policy that encompasses the following matters.

- A description of the corporate governance structure at Vida Security and the corporate governance best practices adopted by the Insurance Company.
- The structure and operation of the board of directors and Directors' Committees, including the treatment of reports presented, minutes, creation record of each committee and the procedure to update the directors' Xtranet, which houses all past presentations given to the board of directors and Directors' Committees.

The Insurance Company's corporate governance structure includes the following levels:

- **ANNUAL SHAREHOLDERS' MEETINGS AND THE BOARD OF DIRECTORS.**
The role of the board is to oversee control and strategic monitoring for the Insurance Company in both the short- and long-term. Its seven members have broad professional experience and the necessary moral standing to hold the office of director.
- **BOARD COMMITTEES.**
The board of directors delegates to these committees powers and responsibilities related to the implementation, control and monitoring of the strategic guidelines provided by the board, as well as compliance with policies. The following committees, on which at least 3 directors sit, meet regularly: Businesses, Financial Risk, Compliance and Operational Risk, Technical Actuarial, Audit, Operations and IT.
- **SENIOR MANAGEMENT.**
The Insurance Company's organizational structure allows it to assign and control compliance with strategic objectives by establishing functions or business and support areas with clearly defined objectives and adequate resources for reaching their

goals, with properly segregated duties and an appropriate internal control environment. There are corporate support areas that provide services to all Group companies, including Culture, Marketing, Technology Services Unit, Accounting, Controller's Office and Business Risk.

- **RISK MANAGEMENT DIVISION.**

This division is aligned with the Group's Comprehensive Risk Management Model and is in charge of maintaining the Insurance Company's process maps and risk matrices. This division is responsible for managing operational and compliance risk. The Insurance Technical Risk Division is responsible for managing insurance technical risks and the Financial Risk Unit is responsible for financial risk management.

- **GRUPO SECURITY CORPORATE CONTROLLER.**

This division has a team dedicated exclusively to auditing Vida Security based on planning approved by the Audit Committee and board of directors using a risk approach consistent with the Group's comprehensive risk management model.

To ensure quick and timely responses to inquiries from shareholders and investors, Grupo Security provides support to the Insurance Company in the form of presentations to analysts and investors given on a quarterly basis or as required, which also involve Vida Security's Chief Executive Office. The Insurance Company also has a Corporate Investor Relations Area that is responsible for managing investor relations and preparing periodical market information, which is available on Grupo Security's website. Finally, due to the Insurance Company's share structure, any inquiry from a shareholder is personally responded to by the Chief Executive Officer or the person appointed by him for this purpose.

The Insurance Company applies these principles for Market Conduct in the Insurance Sector (General Standard 420) using different internal policies and procedures such as its quality and transparency policies, which aim to provide customers fair and transparent treatment in accordance with the values and principles that Vida Security promotes. The Insurance Company conducted the self-assessment to determine the degree of compliance as set forth in that standard and complies fully with these principles.

As a publicly held corporation, Vida Security must complete the questionnaire on "Adoption of Corporate Governance Practices" as per CMF SVS General Standard No. 385, where the Insurance Company states whether or not it has adopted a number of practices.

The Insurance Company has corporate policies and manuals to which it adheres, and internal policies in accordance with its reality. These corporate policies include the Comprehensive Risk Management Policy; the Information Security Policy; the Crime Prevention Policy; the Code of Ethics and Code of Conduct, and the Significant Market Information Management Policy, among others. The insurance area policies include the Investment and Financial (Credit, Market and Liquidity) Risk Management Policy, the Technical Risk Management Policy (Reinsurance, Pricing and Subscription, Reserve and Claim Management), the Good Corporate Governance Policy, the Legal and Regulatory Risk Management Policy, the Quality and Transparency Policy, the Related Party Customary Transactions Policy, the IT Corporate Governance Policy, the Supplier Management Policy and the Crime Prevention Manual, among others. All these policies provide general and specific guidelines on the Insurance Company's daily operations and are the cornerstone of a suitable internal control environment.

This policy and the entire content of a Good Corporate Governance Handbook are the main tools used for the induction of new directors, managers and senior executives. Additionally, directors may hold meetings with other directors, the Chief Executive Officer or managers to learn about the Insurance Company, its businesses, risks, policies, procedures, significant accounting policies and the most significant current legal framework applicable to the Insurance Company and the board of directors. Also, the board of directors has access to the online directors' Xtranet, which contains minutes and presentations made to the board and Directors' Committees.



The board of directors has an annual budget of UF 10,000 approved by shareholders to hire consultants specialized in accounting, financial, legal and other matters any time the board sees fit.

The board of directors holds meetings twice a year with the external auditing company that is responsible for auditing the standalone financial statements to review the management letter, the audited standalone financial statements, the annual audit plan, the limited review report on the June standalone financial statements and other matters of interest. When appropriate, these meetings will be conducted without the presence of the senior executives.

External audit and risk rating services are provided by internationally reputable firms registered with the CMF.

The Insurance Company has a Code of Ethics and a Code of Conduct, which are prepared by Grupo Security for all Group companies and then adapted to each individual company and approved by its board of directors. Both documents are also applicable to directors.

The Insurance Company has a Senior Management Recruitment and Compensation Policy approved by the board of directors. There is also an Incentive Policy and a Compensation Committee in place for Grupo Security and subsidiaries, which regularly reviews and applies the Incentive Program.

The Insurance Company has a senior management performance evaluation process to verify compliance with objectives set by the board of directors.

The Insurance Company has an Internal Legal and Compliance Risk Committee that deals with matters related to legal and regulatory compliance, the Code of Ethics and the Code of Conduct, fraud, reported irregularities or criminal offenses, etc. There is also an online corporate reporting channel that ensures all claims remain confidential.

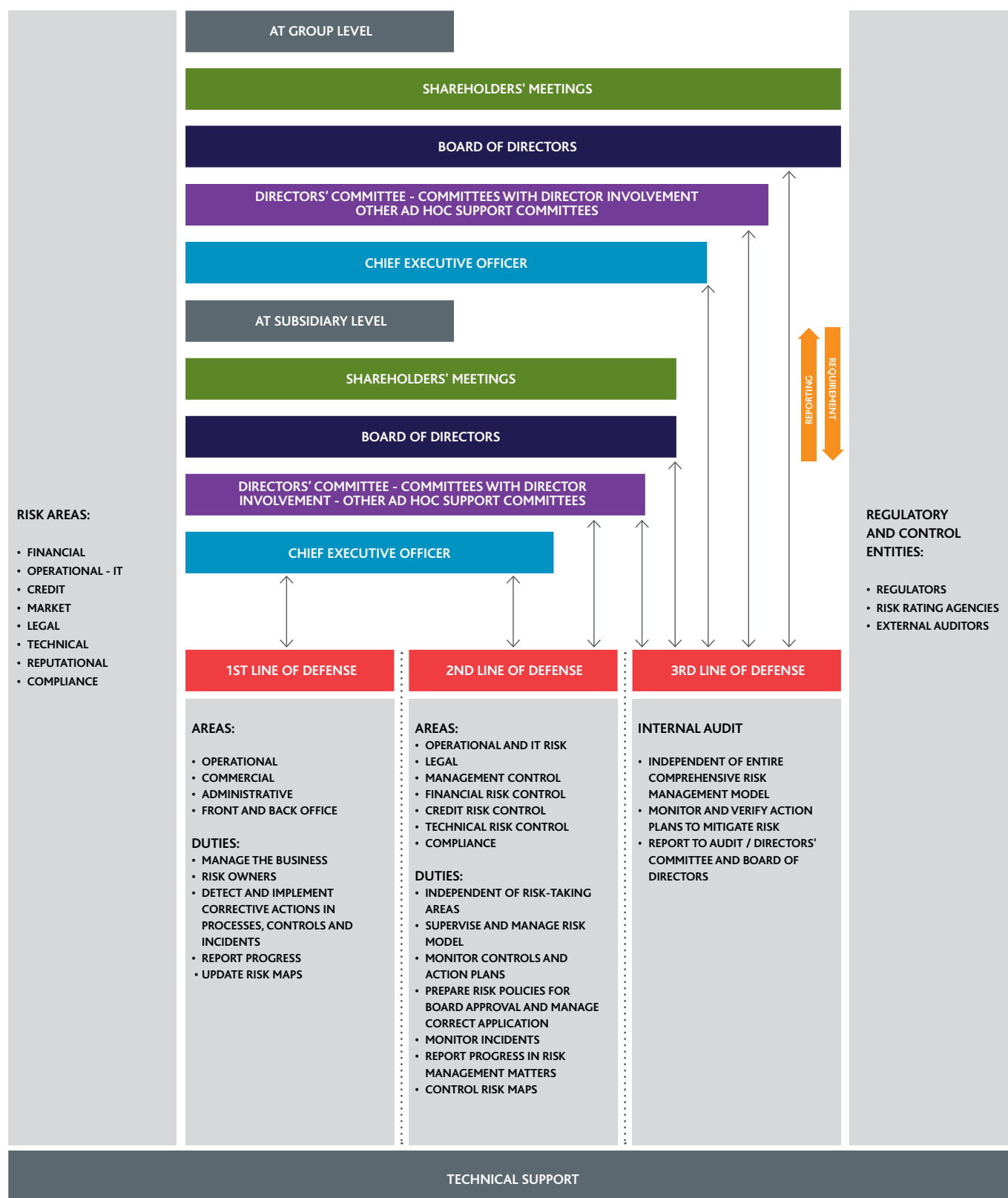
The Insurance Company has an Intercompany Customary Transactions Policy that determines and approves customary transactions with related parties in accordance with the Insurance Company's corporate purpose (Article No. 147 of Law No. 18,046). This policy is reviewed on an annual basis and Note 49 of the financial statements, which discloses all of the related party transactions carried out in the year to date, is presented to the board of directors on a quarterly basis.

RISK MANAGEMENT STRATEGY

In order to comply with the provisions of CMF General Standard 325, the Insurance Company has formalized a Risk Management Strategy (RMS), which is intended to adopt best practices in risk management, thus allowing for adequate identification, analysis, evaluation, treatment and monitoring of risks in conformity with the guidelines established by the Group for such purposes, current industry regulations and the individual needs of the business.

The Insurance Company has adopted the Comprehensive Risk Management and Information Security Policies of Grupo Security, and assigned roles and responsibilities according to its organizational structure and its three lines of defense covering its operating departments, support departments and Internal Audit. The following figure shows the governance system that correctly manages risks at Grupo Security, and the Insurance Company has adopted it:

CORPORATE GOVERNANCE BASED ON COMPREHENSIVE RISK MANAGEMENT AT GRUPO SECURITY





Through its RMS, the Insurance Company establishes the objective of managing the main risks to which the entity is comprehensively exposed. These risks include Financial Risks, Insurance Technical Risks, Operational and Compliance Risks, and are defined as follows:

FINANCIAL RISKS

- **CREDIT:** Exposure to economic losses as a result of a counterparty's failure to comply with the terms and conditions stipulated in a contract or agreement.
- **MARKET:** Possible loss caused by changes in market prices of stocks, inflation, interest rates or exchange rates. It includes mismatch and reinvestment risks.
- **LIQUIDITY:** Insurer's failure to obtain the funds necessary to pay obligations without incurring significant losses.

INSURANCE TECHNICAL RISKS

- **PREMIUM RATING:** Significant departures from estimates of variables used in the determination of rates for products. This includes longevity risks in annuities and lapse of policy.
- **SUBSCRIPTION:** Possible losses related to significant weaknesses in the risk subscription process or an incorrect assessment of the premiums to be charged for acceptance.
- **PRODUCT DESIGN:** This relates to the Insurance Company's incursion in new unknown lines of business or the introduction of or significant modification to existing products.
- **CLAIMS MANAGEMENT:** Significant increase in losses associated with claims due to weaknesses in the controls over processes for evaluating and managing such claims.
- **INSUFFICIENCY IN TECHNICAL RESERVES:** Possible losses and weakening of creditworthiness due to an insufficient determination of future obligations assumed by the Insurance Company with policyholders and costs to be incurred by management to fulfill them.
- **REINSURANCE:** Risk related to the transfer of the insurance risks accepted by the Insurance Company and transferred to a reinsurer. This risk includes the credit risk related to reinsurers as well as the proper determination of reinsurance hedging, contract management and application of guidelines for the subscription of risks and claims agreed with them.

OPERATIONAL AND COMPLIANCE RISKS

- **OPERATIONAL RISK:** Risk of losses resulting from the lack of adaptation or a failure involving processes, personnel and internal systems or due to external events. It includes Technological Risk.

- REGULATORY/ LEGAL: The risk of receiving legal or regulatory sanctions, material financial losses or reputational losses that may affect the Insurance Company as a result of non-compliance with laws, regulations, self-regulation standards and codes of conduct applicable to its activities.
- REPUTATIONAL: This is the possibility of losses incurred by an entity due to discredit, corporate image problems, negative advertising, whether true or not, regarding the institution and its business practices that causes losses to its clients, decreases in revenue or legal actions.
- GROUP RISK: Group risk derives from belonging to a foreign or domestic economic or financial group and is related to the losses to which the Insurance Company is exposed due to investments, transactions or operations with related companies and risk of contagion or reputational risk in the event of any problems of the Insurance Company's controlling group.

The RMS states that the risk monitoring process is consistent with the roles and responsibilities of the different levels defined in the RMS and is inherent to the Insurance Company. It also establishes a number of mechanisms that allow the Insurance Company to effectively monitor all types of risks. These include:

- Monitoring responsibilities assigned at the executive (first and second lines of defense), board, board committee and other levels in order to ensure consistent and effective monitoring of risks and their exposure in accordance with defined corporate governance practices.
- Establishing a role in the Insurance Company (risk function) in charge of ensuring that monitoring mechanisms are being carried out.
- Considering the monitoring activities in the Insurance Company's and Group's risk management policies and procedures.
- Defining tolerance limits and levels to preventively identify the existence of potential business risks.
- Support tools to generate risk reports, monitoring of action plans, indicators and limits.

The Chief Executive Officer reports to the board of directors, which validates strategies and provides guidelines on the matter. There is also a Corporate Risk Division, which provides support and monitors on an aggregate basis the risk of each of the companies and reports to the Group's board of directors. The Internal Audit Department, which is part of this corporate division, is the third line of defense.

The RMS also defines that the Insurance Company's risk management be carried out by the aforementioned board committees and the different functions involved in managing and controlling risks.

General Standard 408 supplements General Standard 309 regarding corporate governance principles, risk management and internal control systems, and contains the Own Risk and Solvency Assessment (ORSA).

In December 2020, the Insurance Company submitted its fourth report to the CMF containing the results of applying the Own Risk Solvency Assessment (ORSA) method as of June 2020. This method is based on the European solvency model with the same name, which was introduced into the Chilean insurance industry by the that General Standard. The Vida Security model considers the following aspects:

- i) defining the company's appetite and risk tolerance for its most strategic risk factors; ii) preparing a three-year forecast for its standalone



financial statements based on exercise V of the Risk-Based Capital (RBC) methodology; iii) defining and applying stress scenarios to the model for the most strategic risk factors; iv) preparing a model for qualitatively measuring the degree of maturity of its risk management and v) drafting the ORSA Report filed with the CMF. The exercise fulfilled the objective of assessing solvency requirements in the given horizon based on the company's risk appetite and strategic business plan. It will now work to introduce improvements each year to make the assessment a valid instrument for decision making by senior management and the board, just like RBC has after its first few years in use.

The following section describes the risks to which the company is exposed:

I. FINANCIAL RISKS

QUALITATIVE INFORMATION

Vida Security has a specialized, independent area for controlling financial risks related to the company's investments. Its main duties include identifying credit, liquidity and market risks; measuring their impact in terms of potential related losses; and recommending actions for the Insurance Company to take in light of different risk scenarios.

To comply with these duties, our policies are regularly updated in order to incorporate changes in financial markets and Vida Security's consolidated portfolio.

Thus, our policy becomes a key tool in controlling risks, defining the qualitative and quantitative indicators to monitor, allowed limits and reporting procedures. In this context, reports are prepared for management and directors, which are regularly submitted to the Board Financial Risk Committee.

Finally, one of the main challenges for the following years is to continue improving risk management models and incorporating new regulatory requirements.

CREDIT RISK

QUALITATIVE INFORMATION

Credit risk refers to the possible exposure to losses due to a counterparty's breach of conditions stipulated in a contract or agreement. Due to the fact that a significant percentage of our investments are intended to meet medium and long-term obligations, efficient management of this risk is crucial in order to minimize possible related losses.

As a result, our policy contains the principles, the risk map, the indicators to be monitored, the main roles and responsibilities of the agents involved and the limits the investments will be subject to, diversified by type of security and issuer.

One of the tools we use is our scoring model. This model, combined with qualitative and quantitative analysis and regular monitoring, allows us to set investment lines by issuer in order to properly diversify and, thus, mitigate credit risk.

The above is supplemented by limits based on the rating of debt securities, where at least 70% must have a rating equal to or greater than A- and 5% lower than B-.

In addition, the impairment calculation is based on the guidelines in IFRS 9. We divided the investments subject to impairment testing into three buckets: Bucket 1 (assets without significant impairment in credit quality), Bucket 2 (assets with significant deterioration but no objective evidence of impairment) and Bucket 3 (assets with objective evidence of impairment). Based on this, a probability of default of 12 months is used for Bucket 1 and of the life of the loan is used for Buckets 2 and 3. A factor for probability of recovery is also used. All assets governed by some other local regulation are excluded from this analysis.

QUANTITATIVE INFORMATION

As of year-end 2020, our Impairment Policy for the proprietary and guaranteed CUI portfolios has resulted in a balance of MCH\$17,001, as shown in the table below:

MCH\$	IMPAIRMENT (MCH\$)
State-issued domestic fixed income	-
Corporate domestic fixed income	7,101
State-issued international fixed income	-
Corporate international fixed income	613
Syndicated loans	9,277
RFC	10
TOTAL	17,001

The age by tranche of past due financial assets is as follows:

DELINQUENCY PER TRANCHE	MORTGAGE LOANS	COMPLEMENTARY LOANS	RETIREE LOANS	SYNDICATED LOANS	NON-RESIDENTIAL LEASES	LEASES
1 to 3 months	64	-	-	109	107	49
4 - 6 months	6	-	-	92	40	42
7 - 9 months	4	-	-	-	59	7
10 - 12 months	79	-	2	-	-	-
13 - 24 months	139	-	1	-	-	-
More than 24 months	323	-	-	-	-	-
TOTAL (MCH\$)	615	-	3	201	206	98
TOTAL (% OF NET EQUITY)	0.3%	0.0%	0.0%	0.1%	0.1%	0.0%
PROVISION (MCH\$)	1,234	3	62	9,277	175	64

* DELINQUENCY WAS CALCULATED BY MULTIPLYING THE VALUE OF THE INSTALLMENT BY THE NUMBER OF UNPAID PERIODS.



As of December 2020, the Insurance Company had the following guarantees for the above amounts:

INSTRUMENT	GUARANTEE (MCH\$)	GUARANTEE TYPE
Mortgage loans	19,936	Property
Complementary loans	165	Property
Retiree loans	-	Without guarantee
Syndicated loans	-	Without guarantee
Non-residential leases	16,813	Property
Leases	-	Without guarantee
TOTAL	36,914	

Of rated debt securities, over 80% have a local rating equal to or greater than A-, while less than 1% of them has a rating equal to or lower than B-. Investments by risk rating and type of instrument (debt securities portfolio includes CUI) are detailed as follows:

INSTRUMENT	RISK RATING									TOTAL
	AAA	AA	A	BBB	BB	B	C	D	NOT RATED	
Corporate domestic fixed income	123,271	640,820	360,603	109,549	10,050	15	3,813	8,936	55,490	1,312,547
Recognition bonds	4,384	-	-	-	-	-	-	-	-	4,384
Chilean Central Bank and treasury bonds	45,689	-	-	-	-	-	-	-	-	45,689
Foreign fixed income	-	3,187	-	16,595	85,569	18,470	-	-	-	123,821
Real estate fixed income	20,688	4,720	1,539	-	-	-	-	-	327,808	354,755
TOTAL (MCH\$)	194,032	648,727	362,142	126,144	95,619	18,485	3,813	8,936	383,298	1,841,196

*NOTE: REAL ESTATE FIXED INCOME WITHOUT RATINGS ARE MORTGAGE LOANS AND LEASES, WHICH DO NOT HAVE A SPECIFIC RISK RATING. CORPORATE DOMESTIC FIXED-INCOME INSTRUMENTS ARE ESSENTIALLY SYNDICATED LOANS AND AFRS.

As of December 31, 2020, the Insurance Company had been awarded and held the following real estate properties:

ADDRESS	AMOUNTS IN MCH\$		STATUS
	NET VALUE	APPRAISAL	
Puerto Domingo 1172	25	31	For sale
TOTAL	25	31	

LIQUIDITY RISK

QUALITATIVE INFORMATION

Liquidity risk corresponds to the possible inability of the insurer to obtain the funds necessary to pay its obligations without incurring in significant losses.

In this context, the purpose of our policy is to ensure that the Insurance Company has liquid funds required to meet assumed commitments at all times. For this purpose, the policy identifies the main sources of internal and external liquidity risk faced by the Insurance Company. Based on that information, the Insurance Company develops and determines limits for each indicator to be monitored.

Particularly, the Insurance Company should maintain highly liquid investments equal to or greater than 20% of liabilities within regulatory tier 1, have readily realizable instruments for an amount equal to or greater than its financial debt, have lines of credit that allow it to cover the payment of at least one month of pensions, have readily realizable tier 1 assets equal to or greater than tier 1 liabilities, among other requirements

Other purposes include analyzing potential reputational impairment, financial system crises and regulatory changes.

QUANTITATIVE INFORMATION

In general, all of the Insurance Company's investments are highly liquid, except for the following investments held at year end 2020:

TYPE OF INSTRUMENT	AMOUNT (MCH\$)
Shares	3,518
Alternative assets	155,225
Debt funds	34,000
Real estate funds	69,175
Infrastructure funds	59,717
TOTAL	321,635

The table below details investments in fixed income instruments (including CUI) by maturity:

INSTRUMENT	DURATION (YEARS)						TOTAL
	1	2	3	4	5	OVER 6	
Corporate domestic fixed income	11,053	39,997	48,899	160,683	122,326	929,589	1,312,547
Recognition bonds	2,292	893	452	305	133	309	4,384
Chilean Central Bank and treasury bonds	1,099	26	55	149	85	44,276	45,690
Foreign fixed income	7,667	23,359	8,725	18,385	18,847	46,838	123,821
Real estate fixed income	2,052	6,457	6,049	22,649	14,334	303,214	354,755
TOTAL (MCH\$)	24,163	70,732	64,180	202,171	155,725	1,324,226	1,841,197



In regard to financial liabilities, the Insurance Company has short-term debt of MCH\$40,347 and no long-term commitments, as detailed below at year-end 2020:

BANK OR FINANCIAL INSTITUTION	GRANT DATE	OUTSTANDING BALANCE		SHORT-TERM			LONG-TERM		
		AMOUNT (MCH\$)	CURRENCY	INTEREST RATE	LAST MATURITY	AMOUNT (MCH\$)	INTEREST RATE	LAST MATURITY	AMOUNT (MCH\$)
Banco de Chile (overdraft)	12/31/2020	272	CH\$	0.00%	01/01/2021	272			
Banco Estado (overdraft)	12/31/2020	17	CH\$	0.00%	01/01/2021	17			
Banco BCI (line of credit)	12/31/2020	40	CH\$	0.00%	01/01/2021	40			
Banco Santander (line of credit)	12/31/2020	0	CH\$	0.00%	01/01/2021	0			
Banco de Chile (line of credit)	12/31/2020	0	CH\$	0.00%	01/01/2021	0			
Banco Scotiabank (loan)	12/16/2020	10,005	CH\$	1.10%	12/16/2021	10,005			
Banco Scotiabank (loan)	12/16/2020	10,005	CH\$	1.10%	12/16/2021	10,005			
Banco BCI - loan	12/16/2020	20,009	CH\$	1.10%	12/16/2021	20,009			
TOTAL		40,348				40,348			0

MARKET RISK

QUALITATIVE INFORMATION

Market risk is the possible loss caused by changes in market prices of variables such as stock prices, inflationary factors, interest or exchange rates that have an impact on profit or loss and/or equity. The policy establishes the main types of risk; their sources and the map of indicators required for monitoring and controlling limits. This category also includes mismatch risks (maturity and currency) and reinvestment risk.

QUANTITATIVE INFORMATION

In order to manage these risks, one of the processes that we regularly perform is the calculation of value at risk (VaR) on the relevant portfolio. For this purpose, we use the methodology described in CMF General Standard 148 (repealed) to estimate the maximum probable loss that investments could have in one month with a confidence level of 95%.

For real estate VaR, two sources of risk were identified: the value of leased real estate property and changes in the unit value of funds with real estate investments for rent and/or development purposes. As not enough historical price data is available, an arbitrary value was selected (5% is used in General Standard No. 148) to calculate the VaR of real estate and real estate investment funds.

Thus, the sensitivity exercise performed by the Insurance Company to measure the impact of significant market risks is as follows as of December 2020:

TYPE OF RISK	PRESENT VALUE (MCH\$)	SENSITIVITY FACTOR	VAR (MCH\$)	VAR (% EQUITY)
Stock risk	137,226	5.9%	8,098	9.0%
Fixed income risk	74,085	1.1%	799	0.9%
Real estate risk	365,335	5.0%	18,267	20.3%
Currency risk	359,086	0.6%	2,145	2.4%
TOTAL	935,732		29,309	

In regard to assets in foreign currency, Vida Security's policy allows it to maintain an asset-liability mismatch, which may not exceed 25% of assets. This position is monitored in nominal terms using a historical VaR.

The company monitors and controls reinvestment risk using the Asset Sufficiency Test (AST), which as of December 31, 2020 was 1.1%, with sufficiency of UF 4,295,353.

DERIVATIVE PRODUCTS

In order to minimize risks that may affect Vida Security's equity, our policy allows the company to use hedging derivatives for asset-liability mismatches. The policy authorizes the company to enter into trading derivatives under certain limits and controls. The total number of this type of transaction in net terms should not exceed the lesser of 20% of equity (measured based on the value of the hedged asset) and 1% of technical reserves plus equity at risk (measured based on the carrying amount of the transactions).

In regard to limits for these transactions, the company has defined that total hedging and investment derivatives may not exceed 2% of technical reserves plus equity at risk, detailed below as of year end 2020.

LIMIT	DERIVATIVES (MCH\$)	2% TECH RESERVES + EQUITY AT RISK	SURPLUS (MCH\$)
2% (TR + EaR)	12,803	50,366	37,564

Our policy includes a list of authorized counterparties. Any changes to this list must be approved by the Board Financial Risk Committee. Additionally, the company may not carry out hedging derivative transactions with the same counterparty (other than clearing houses) for more than 4% of technical reserves and equity at risk (measured based on the value of the hedged asset). As of December 31, 2020, the largest counterparty was Banco de Chile with close to 3% of technical reserves plus equity at risk.

The Insurance Company has pledged the following instruments as guarantees with counterparties of derivative transactions:

COUNTERPARTY	INSTRUMENT	NOMINAL	GUARANTEE USD
Banco Santander	BTU0300339	75,000	4,453,639
Deutsche London	CENC USP2205JAK62	7,900,000	9,012,660
HSBC	BSECH11206	96,000	3,305,206
HSBC	BFFCC-M	40,000	2,720,780
TOTAL			19,492,285

Finally, any derivative transaction that negatively affects equity by 5% or more shall be reported to the Financial Risk Committee.



INSURANCE RISK

1. INSURANCE RISK MANAGEMENT

A) REINSURANCE

This involves managing insurance risks related to deviations, due to mortality or morbidity, in the expected results typical of insurance activity and by means of the proper transfer of part of these risks to reinsurers. It also includes the risk of properly selecting and managing reinsurance, including credit risk and the risk of improperly measuring the company's transfers to such reinsurers.

The above is performed based on the reinsurance policies that have been defined by the Insurance Company and approved by the board of directors. These policies are updated in accordance with the evolution of businesses, the volume of insured portfolios and the risks assumed.

Insurance risk management related to the mitigation of mortality and morbidity risks through reinsurance considers the following aspects:

- The portfolios or lines of business that will be considered in reinsurance, the coverage included in such reinsurance, and the retention limits defined by the Insurance Company to establish the risks it will take on its own (retained risks) are defined.
- The company has defined the individuals responsible for implementing and controlling agreements with reinsurers regarding limits and risks that are being included in the policyholder portfolio in order to ensure that the reinsurance policy and the related benefits are implemented with no exceptions for all new policies. The responsible individuals are:
 - The subscribers of the different business lines and those subject to its Rating and Subscription Policies.
 - The authorized assessors of medical and financial risk for policyholders must also follow the company's Pricing and Subscription Policies.

In regard to the proper selection of reinsurance including credit risk, the Reinsurance Policy establishes:

- The set of conditions that must be met by all reinsurers.
- The set of contents and requirements that should be contained in every formal transfer of risks to a reinsurer by means of reinsurance contracts and notes of coverage.

In regard to reinsurance management, the Reinsurance Policy requires that the company establish:

- The method and the individual responsible for the safeguarding of and access to the reinsurance contract.
- The area responsible for defining the set of standards, processes and procedures for managing and controlling transfers of reinsurance. The Technical Division has been assigned the latter role and, therefore:
 - It has been provided the required human and material resources to assume its role
 - It has implemented procedure manuals and appropriate controls, which are subject to ongoing audits to verify compliance.

- It is authorized to request that other areas in the Insurance Company that are directly and indirectly involved in calculating or generating information for reinsurance, modify, reinforce or establish controls to prevent errors or a lack of coordination.

Credit risk in reinsurance is controlled by following the Reinsurance Policy, including requirements that should be met by a reinsurer to operate with the Insurance Company.

The company's exposure to reinsurance is due to the balance of reinsurance claims receivable. This balance is shown in the table below by business line: Note 17.3 provides additional information by month of maturity.

REINSURANCE CLAIMS RECEIVABLE DEC-2020 (THCH\$)

BUSINESS LINE	REINSURANCE BROKERS																
	AON CHILE		GUY CARPENTER			MDB			GENERAL REINSURANCE AG	HANNOVER RÜCK SE	MAPFRE RE, COMPANIA DE REASEGUROS, S.A.	MÜNCHENER RÜCKVERSICHERUNGSGESELLSCHAFT AKTIENGESELLSCHAFT IN MÜNCHEN (MUNICH REINSURANCE COMPANY)	PARTNER RE S.A.	SCOR SE	SWISS RE CORPORATE SOLUTIONS LTD	IRGA REINSURANCE COMPANY	TOTAL
	HANNOVER RÜCK SE	XL RE LATIN AMERICA LTD.	SAGICOR LIFE INC.	XL RE LATIN AMERICA LTD.	AXA FRANCE VIE S.A.	CAISSE CENTRALE DE REASSURANCE	SWISS RE CORPORATE SOLUTIONS LTD	AXA FRANCE VIE S.A.									
RATING 1	AA-	A+	A-	A+	A2	AA	A+	A2	A++	AA-	A+	AA	A1	AA-	A+	A	
RATING 2	A+	AA-	BB-	AA-	AA-	A+	AA-	AA-	AA+	A+	A	AA3	A+	A+	AA-	A1	
Individual life	-	-	-	-	-	-	-	-	-	-	-	-	-	52,222	-	-	52,222
Flexible (CUI)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44,183	-	44,183
Individual health	-	-	78,814	590	-	-	-	-	102,696	-	218,332	-	-	25,344	-	25,344	451,119
Group personal accident	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group life	10,421	3,858	-	-	736	2,274	334	-	7,244	-	41,028	7,290	891	1,515	1,227	-	76,818
Group health	-	-	-	-	-	-	-	-	166,351	-	225,174	-	-	45,035	-	45,035	481,594
Group personal accident	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Group credit life	-	-	-	-	-	-	-	-	-	-	99,894	-	-	-	-	-	99,894
Disability and survivor insurance	-	-	-	-	-	-	-	-	-	5,056	-	-	-	589,209	-	-	594,265
Insurance with voluntary pension savings (APV)	-	-	-	-	-	-	-	-	-	-	-	-	-	14,483	-	-	14,483
	10,421	3,858	78,814	590	736	2,274	334	0	276,290	5,056	584,428	7,290	891	727,808	45,410	70,379	1,814,578

B) COLLECTIONS

The purpose of collection is to manage the portfolio receivable, ensure premiums are properly collected and keep uncollectability equal to or lower than 5%.

Premiums are collected centrally by a specialized department that reports to the Finance and Planning Division. The Finance Unit is responsible for ensuring that collection and default control policies are followed, amounts due are collected and uncollectability is controlled.

The model is intensive in terms of use of resources depending on the product to be managed. Disability and survivor insurance and annuities have a pre-set model and there is ongoing communication between the different parties and the pension fund administrators. This method is 100% effective in collecting the amounts owed.



The Insurance Company promotes automatic payments for individual policies, whether through automatic checking account deductions or automatic credit card payments or using Payment Buttons. If debits are rejected by the participating institutions (bank or Transbank), sales agents are an effective channel for collections.

Finally, for group policies collection is managed in several ways, including direct communication with debtors by phone or e-mail. The issue with this product is not the effectiveness of collection, which is very high (99%), but the time lag between coverage months and collection of those months. The Insurance Company has implemented various policies with its clients to correct these time-lags. One of the most effective policies is to block benefits.

C) DISTRIBUTION

The main distribution channel for each line of business is determined using factors such as customer purchasing methods and preferences, the specialization required, the efficiency of the channel, product features and the line's relative importance to the Insurance Company's business plan, among others.

Thus, for mass products related to banks or retailers, the distribution channels of the sponsoring bank or retailer are used.

Internal channels such as the Insurance Company's call center and branch executives are used for consumer loans, which are offered exclusively to the life annuity portfolio. These are non-exclusive channels since the product does not require a specialized channel.

Group life and health insurance policies are sold through insurance brokers specialized in this type of product. Assistance for this channel is provided by account executives, which guarantees high-quality service.

For individual insurance policies, although they are sold through external and internal channels, the Insurance Company prefers to sell them using its own sales force, which provides expert advice to the insured party, properly identifying their needs to offer the most adequate product for their situation. The Insurance Company also began selling uncomplicated, pre-approved personal accident products by phone in 2013.

Finally, the sales strategy for annuities includes the pension advisor channel and direct sales at the Insurance Company's branches. The pension advisor channel is staffed by life annuity sales executives, which guarantees high-quality service for both the channel and the client.

D) TARGET MARKET

Vida Security's target market can be defined by line of business as follows:

- INDIVIDUAL INSURANCE: High-income men and women (socio-economic groups B, C1, C2, C3) interested in obtaining insurance to protect their family's quality of life in case of unexpected events or their net worth or income in case of health complications, or as a savings objective for personal projects. This target group is comprised of individuals over 25 and less than 60 years old with stable employment who are generally married with dependents.

- **GROUP INSURANCE:** Companies and industries throughout Chile with 50 employees or more interested in protecting their employees, generating new benefits for them and securing their productivity.
- **ANNUITIES:** Vida Security's target market for annuities is retirement-aged men and women from middle and middle-low socio-economic groups mainly located in the cities with the largest workforces: Santiago, Antofagasta, Valparaíso/Viña del Mar, Rancagua, Talca, Concepción, Temuco and Puerto Montt.

2. FINANCIAL RISK MANAGEMENT IN INSURANCE CONTRACTS

Management of financial risks related to insurance contracts, as well as typical insurance risks in insurance contracts, are disclosed below

A) CREDIT RISK IN INSURANCE CONTRACTS

The credit risk related to insurance contracts is based on reinsurance credit risk analyzed in 1a) in section II.

B) LIQUIDITY RISK IN INSURANCE CONTRACTS

Liquidity needs related to insurance contracts are mainly based on the liability flows of annuities, private income and reinsurance debt.

REINSURANCE DEBT AS OF DEC- 2020 (THCH\$)			
REINSURER	RATING 1	RATING 2	TOTAL
GEN RE	A++	AA+	1,107,209
HANNOVER	AA-	A+	20,800
MAPFRE RE	A+	A	1,599,081
MUNCHENER RE	AA	Aa3	562,382
SAGICOR	A-	BB-	95,441
SCOR SE	AA-	A+	1,489,339
SWISS RE	A+	AA-	112,380
RGA	A	A1	94,646
			5,081,278

Faced with the possibility of catastrophic or material claims in group contracts, the Insurance Company has entered into a number of reinsurance contracts that minimize this risk for the entire portfolio, which include clauses related to the prompt payment of significant claims or the significant accumulation of minor claims that affect the Insurance Company's retention. The Insurance Company regularly monitors concentration indicators over the highest capital insured in individual and group insurance policies.

The Insurance Company must consider the possibility of mass withdrawals from insurance with savings components (CUI), especially in regard to policies with guaranteed rates of return on savings, which could be unexpectedly withdrawn. With respect to events that require massive redemption payments, our policies require portfolios backing guaranteed fixed income instruments to maintain at least 10% in liquid assets.



C) MARKET RISK IN INSURANCE CONTRACTS

Market risk in insurance contracts is mainly based on interest rate and reinvestment risk related to the flows of annuities. In this regard, the company believes that the AST is an adequate measure to control reinvestment risk.

Market risk is also observed in CUI investments if Vida Security does not accurately match policyholder investments to the investments it actually makes, or if the guarantee has an adverse impact on the Insurance Company in specific market situations. Therefore, the Insurance Company monitors matches by fund on a daily basis since its Investment Policy allows a mismatch only in a limited number of assets.

Section I above provides an explanation for financial risks related to investments backing reserves in the different lines of business.

No currency risk is associated with insurance contracts as the company grants insurance contracts only in the local market and they are denominated in UF (inflation index-linked units of account). The policy does not allow a mismatch for savings denominated in foreign currency, basically in U.S. dollars. Finally, as stated above, the currency risk related to non-CUI investments in foreign currency is mitigated through swap contracts and conventional exchange rate insurance policies, thus allowing a maximum mismatch of 25% of assets.

3. CONCENTRATION OF INSURANCE POLICIES

The Insurance Company's gross written premiums amounted to THCH\$229,391,654 in 2020. 91% of which was sold in central Chile, mainly in the Metropolitan Region (Santiago, Chile's capital and most important city). All pension policies are assigned to this region. Excluding this product, the total amount sold in this area is 66% of total gross written premiums.

Individual products that include CUI represent 46% of the Insurance Company's gross written premiums.

Group products (life + health + personal accident) account for 26% of gross written premiums.

Pension insurance policies (annuities and voluntary pension savings or APV) account for 25% of the company's total gross written premiums.

The distribution of gross written premiums by geographical area and insurance product is as follows:

PRODUCT	GROSS WRITTEN PREMIUMS 2020 BY GEOGRAPHIC AREA (THCH\$)				
	CENTRAL	NORTH CENTRAL	NORTH	SOUTH	TOTAL
Group	58,475,414	362,077	422,423	1,086,231	60,346,145
DSI	325,700				325,700
Individual	87,137,194	2,099,691	8,398,766	7,348,920	104,984,571
Retirement	57,524,296				57,524,296
Mass	6,210,943				6,210,943
TOTAL	209,673,547	2,461,768	8,821,189	8,435,151	229,391,655

Geographical area is not a relevant analysis factor for the Insurance Company given the high concentration in central Chile. Therefore, it does not analyze the number of claims based on this factor. Factors such as industry and currency are not relevant for the Insurance Company either.

The distribution of gross written premiums by distribution channel and insurance product are as follows. The table also illustrates the importance of sales agents for individual insurance and brokers for group insurance. The annuity brokers channel is the same as the pension advisor channel.

PRODUCT	GROSS WRITTEN PREMIUMS 2020 BY DISTRIBUTION CHANNEL (THCH\$)				
	AGENT	BROKERS	ALLIANCES	OTHER	TOTAL
Group	4,827,692	54,311,530	1,206,923	0	60,346,145
DSI	325,700	0	0	0	325,700
Individual	97,317,732	7,666,839	0	0	104,984,571
Retirement	11,815,943	45,708,353	0	0	57,524,296
Mass	0	6,210,943	0	0	6,210,943
TOTAL	114,287,067	113,897,665	1,206,923	0	229,391,655

4. SENSITIVITY ANALYSIS

The following sensitivity analysis shows how profit and equity in 2020 would have been affected by reasonable deviations in some risk variables.

A) METHODS AND ASSUMPTIONS USED TO PERFORM THE SENSITIVITY ANALYSIS:

Given the lack of historical information available, the Insurance Company decided to use international benchmarks for this calculation. It relied particularly on recommendations from the Canadian Institute of Actuaries. Both qualitative and quantitative methods and assumptions were used based on the variable addressed.

The Insurance Company performed a short-term analysis that determined the impact that a percentage variation of the insurance risk variables would have on profit.

Similarly, it performed a long-term analysis that reviewed the corresponding impact on reserves. In this case, as the Insurance Company's reserve is a combination of the regulatory reserve established by the CMF and the related liability adequacy test (LAT), some lines have a clear surplus of regulatory reserves based on the LAT, while others present deficiencies. These analyses were performed considering this fact, so that the effect will be null when the sensitivity variable still results in a reserve surplus in the corresponding LAT in regard to the regulatory reserves.

Finally, the impacts of each risk variable are not cumulative and are not linearly related. Therefore, the impacts should be analyzed separately and may not be added a priori.



B) CHANGES IN METHODS AND ASSUMPTIONS FROM THE PRIOR PERIOD AND REASONS FOR SUCH CHANGES:

Due to an absence of sufficient historical data for the local insurance industry, the Insurance Company continued using the methodology based on the recommendations of the Canadian Institute of Actuaries. Accordingly, there are no changes in the methods or assumptions used in this analysis.

C) SIGNIFICANT RISK FACTORS FOR THE INSURANCE COMPANY:

i. MORTALITY

For this variable, the Insurance Company evaluated the possible impact of a deviation in the number of deceased individuals on the Insurance Company's 2020 profit. Based on the recommendations from the Canadian Institute of Actuaries, the Insurance Company considered a 2% increase in mortality observed in the year. The effects are summarized in the following table:

(THCH\$)	REAL AS OF DEC. 2020	EFFECT (%)	REAL AS OF DEC. 2019	EFFECT (%)
Death claims	12,859,540.71	-0.57%	18,108,287.62	-0.45%
Reserve adjustment	80,064,896.99	0.05%	11,620,483.67	0.04%
Pension payments	142,033,067.27	0.27%	138,260,405.84	0.26%
TOTAL	234,957,504.97	-0.29%	167,989,177.13	-0.15%

The effect is measured in this case as a percentage of the total 2020 profit. This is summarized by business line in the table below:

(THCH\$)	EFFECT (%) 2020	EFFECT (%) 2019
Annuities	0.27%	0.30%
Individual life	-0.29%	-0.12%
Group	-0.15%	-0.18%
Group credit life	-0.04%	-0.04%
DSI	-0.09%	-0.10%
Mass	0.00%	0.00%
EFFECT ON PROFIT	-0.29%	-0.15%

ii. MORBIDITY

For this variable, the Insurance Company reviewed the possible impact of a reasonable variation in morbidity on the Insurance Company's 2020 profit. Based on the recommendations of the Canadian Institute of Actuaries, the Insurance Company considered a 5% deviation in morbidity noted during the year. The effects are summarized in the following table:

(THCH\$)	REAL AS OF DEC. 2020	EFFECT (%)	REAL AS OF DEC. 2019	EFFECT (%)
Non-death claims	41,786,078,753	-7.49%	58,718,453,393	-11.51%

Similarly, the effect is measured as a percentage of the total 2020 profit. This is summarized by business line in the table below:

(THCH\$)	EFFECT (%) 2020	EFFECT (%) 2019
Annuities	0.00%	0.00%
Individual life	-0.60%	-0.91%
Group	-6.01%	-8.66%
Group credit life	0.00%	-0.01%
DSI	-0.86%	-1.90%
Mass	-0.03%	-0.03%
EFFECT ON PROFIT	-7.49%	-11.51%

iii. LIFE SPAN

The Insurance Company calculated the possible impact of a reasonable deviation in this variable on the Insurance Company's 2020 profit, considering the recommendations of the Canadian Institute of Actuaries. The Insurance Company considered a 2% increase in life span observed at year end for each business line.

Since the Insurance Company used the same percentage deviation for mortality and the effect of this variable has the same magnitude but the opposite sign, a 2% increase in life span would result in a 0.29% effect on profit.

iv. INTEREST RATES

For the Insurance Company's portfolio of products, this variable is not significant when analyzing risks with an impact on profit. This is due to the fact that products with guarantees in long-term interest rates are related to investments that are valued at purchase price. For short-term products, there is no guarantee or the reserve involved is very small compared to the Insurance Company's total reserve.

v. EXCHANGE RATES

As the Insurance Company's insurance portfolio has mainly policies in local currency indexed to inflation, this variable is not considered a significant risk for profit.

vi. INFLATION

As above, because the Insurance Company's insurance portfolio has been traded mainly in local currency indexed to inflation, this is not recognized as a significant risk to be analyzed with respect to profit.

vii. UNEMPLOYMENT RATE

This risk has a significant impact mainly on coverage for disability and survivor insurance. Given the lack of experience with which to generate a correlation coefficient linking the unemployment rate and the results of the DSI business, this risk is evaluated based on the following assumptions:

- Even when the unemployment rate shows little change, there are important variations in the composition of employment as a result of the creation/elimination of salaried jobs, which directly affects the business. Therefore, the impact will be measured based on the variation in the number of salaried positions, not the unemployment rate.



- If the number of salaried positions falls, in the short term the number of policyholders with insurance coverage remains steady. However, the number of contributing policyholders decreases and, therefore, premiums paid are negatively affected.
- The impact of the decrease in the number of salaried positions is not reflected in the same number of contributors, since, in the short term, a person that no longer holds a salaried position does not necessarily stop contributing. For example, if the number of salaried positions drops by 5%, that does not imply that the number of contributors falls by the same 5%.
- We have not found evidence that the number of claims is affected by deviations in unemployment. Therefore, the Insurance Company will not measure the sensitivity of the unemployment rate with respect to people that file for disability after becoming unemployed.
- Although the number of salaried positions tends to increase, shocks have occasionally produced decreases from one year to the next. The most relevant drops include: June 1999 with a drop of 5.36%; March 2001 with a fall of 1.76%; and July 2009 with a drop of 1.85%, all over the same respective month in the prior year.
- Thus, the maximum historical variation is approximately 5.36%, and given the low volume of premiums (portfolio runoff), this translates into an impact of 0% on premiums:

(THCH\$)	REAL AS OF DEC. 2020	EFFECT (%)	REAL AS OF DEC. 2019	EFFECT (%)
Retained premium	62,701	0.00%	226,565	0.00%

Once again, the effect is measured as a percentage of the total profit for 2020.

viii. LOANS

Insignificant risk for the Insurance Company.

ix. COVERAGE FROM INSURANCE CONTRACTS

The Insurance Company has no insurance contracts with extraordinary coverage that have no reinsurance coverage to strongly limit this risk and, therefore this is not a significant risk.

x. EXPENSES

The Insurance Company has considered a 5% increase in direct administrative costs compared to year end by business line, in order to evaluate the possible impact of a deviation in this variable on 2020 profit, based on the recommendations of the Canadian Institute of Actuaries. The effects are summarized in the following table:

(THCH\$)	REAL AS OF DEC. 2020	EFFECT	REAL AS OF DEC. 2019	EFFECT
Direct costs	28,941,418	-5.12%	27,224,846	-5.34%

Similarly, the effect is measured as a percentage of the total 2020 profit. This is summarized by business line in the table below:

(THCH\$)	EFFECT (%) 2020	EFFECT (%) 2019
Annuities	-1.84%	-2.00%
Individual life	-1.81%	-1.88%
Group	-1.22%	-1.26%
Group credit life	-0.14%	-0.14%
DSI	-0.08%	-0.05%
Mass	-0.02%	-0.02%
EFFECT ON PROFIT	-5.12%	-5.34%

xi. VARIATION IN AVERAGE CLAIM

This risk has only a significant impact on business where the claim amount is unknown a priori. These businesses are mainly concentrated on health care coverage. The claim amounts of the Insurance Company's health care insurance portfolio are limited by coverage caps and reinsurance contracts in force that make this variable insignificant for the sensitivity analysis.

xii. OCCURRENCE OF DISASTERS

The Insurance Company has a disaster reinsurance contract in effect, which makes the related risk to which the Insurance Company is exposed insignificant for the sensitivity analysis.

D) LONG-TERM IMPACT ON RESERVES AS OF 2020 YEAR END REGARDING SIGNIFICANT RISK FACTORS FOR THE INSURANCE COMPANY

i. LIFE SPAN

To evaluate the possible impact of a deviation in a variable on long-term reserves as of December 2020, the company analyzed the effect on the LAT of a 2% decrease of q_x in mortality tables in the company's portfolio for annuities and individual life policies, specifically for products with mathematical reserves. As life span adversely affects the annuity portfolio and positively affects individual life policies, the company considered a joint impact, where the greater reserve surplus in LAT for individual life is offset by the decrease of the original surplus in life annuities. This has an immaterial effect given the clearance observed in both tests.

ii. MORTALITY

As for life span, the company considered 2% growth of q_x of life tables in its portfolio for annuities and individual life policies (mathematical reserve). The above would result in a greater surplus for annuities and smaller surplus for individual life. Thus, the effect would be null, since there would be an even larger surplus.

iii. EXPENSES

Finally, in terms of expenses considered in the LAT analyses, the company considered a 5% increase in expenses. For annuities and individual life policies, the effect is a decrease in the surplus over regulatory reserves, so that the effect is null.



II. INTERNAL CONTROL (UNAUDITED)

The Insurance Company performs a risk control and monitoring procedure consisting of updating process maps and risk matrices, identifying control weaknesses, establishing mitigating action plans and monitoring developments on a monthly basis, which is consistent with CMF General Standard 309.

Observations from external auditors from auditing operational cycles as stated in CMF Ruling 1441 (production, subscription of risks, valuation of reserves, reinsurance, claims, commissions and collections, systems and investments) and their amendments are added to this control process, as well as observations from internal audit and the CMF.

During 2020, the Insurance Company strictly complied with the monthly risk control procedure described above and, at the same time, its external auditors reported no significant observations. Action plans behind schedule are analyzed in order to request background information to explain the delay and, thus, set new deadlines for action plans. None of the residual risks threaten the Insurance Company's equity or solvency at a residual level.

It also continued building a database of loss events and operational risk incidents and improving the existing procedure for detecting and preventing fraud, which occurs occasionally with health insurance policies.

The risk management disclosure standards of Hipotecaria Security Principal S.A. require that this note is applicable to its annual financial statements as of December 31 each year, in accordance with Ruling 2143 dated January 24, 2014.

Although Hipotecaria Security Principal S.A. has not significantly changed its risk management during 2020, management considered it pertinent to report some events.

OPERATIONAL RISK:

Hipotecaria Security Principal S.A. continually adopted all the measures and protocols required to protect its employees and customers during the COVID-19 pandemic, and to maintain the continuity of its business under strict safety and operational measures at its headquarters.

It has communicated with the CMF through official letters and has focused on adapting its systems that control its endorsed mortgage loans, in order to provide a solution to our customers who request the postponement of loan payments, joint work and approved by investors and holders of financial instruments, all as instructed in Official Letter 13606 issued by the CMF, dated April 3, 2020. Hipotecaria Security Principal S.A. is fully complying with Official Letter 16905 dated April 22 related to detailed information regarding customers who have benefited from these transitory measures.

Hipotecaria Security Principal S. A. declares that none of its analyses or projections to date warn of significant threats to its equity or solvency in compliance with customers and investors.

The risk management disclosure standards of Corredores de Seguros Security Limitada require that this note is applicable to its annual financial statements as of December 31 each year, in accordance with Ruling 2137 dated January 13, 2014.

Although it has not significantly changed its risk management during 2020, management considered it pertinent to report some events.

OPERATIONAL RISK:

Corredores de Seguros Security Limitada continually adopted all the measures and protocols required to protect its employees and customers during the COVID-19 pandemic, and to maintain the continuity of its business under strict safety and operational measures at its headquarters.

The Insurance Company strengthened and adapted its processes to make customer services and sales exclusively virtual. It accelerated the adoption of collaborative tools and remote access to its internal network via VPN. It provided continual support to employees and their families, so that remote working could be carried out properly.

Corredores de Seguros Security Limitada declares that none of its analyses or projections to date warn of significant threats to its equity or solvency in compliance with customers.

NOTE 37 - EQUITY

A) ISSUED, SUBSCRIBED AND PAID CAPITAL

Subscribed and paid-in capital as of December 31, 2020 and December 31, 2019 is THCH\$487,690,566 and THCH\$432,124,050, respectively, represented as of December 31, 2020 by 4,042,290,725 shares without par value and by 3,695,000,000 shares without par value as of December 31, 2019.

SERIES	NUMBER OF SUBSCRIBED SHARES	NUMBER OF PAID-IN SHARES	NUMBER OF VOTING SHARES	SUBSCRIBED AND PAID-IN CAPITAL THCH\$
Single	4,042,290,725	4,042,290,725	4,042,290,725	487,690,566

CAPITAL INCREASE

On March 29, 2018, Grupo Security placed the remaining 11,980,563 shares, thus completing the full capital increase agreed on April 27, 2019, raising MCH\$3,354,557 at a price of CH\$220 per share with a treasury share premium of MCH\$718,792.

On April 27, 2018, an extraordinary shareholders' meeting of Grupo Security agreed to a capital increase from THCH\$335,616,076 divided into 3,382,363,592 shares, to MCH\$435,616,074, divided into 3,695,000,000 nominative, single-series, common shares with no



par value by issuing 436,636,408 new nominative, common shares with no par value of the same series, which shall be issued, subscribed and paid within a period of three years from the date of the shareholders' meeting.

At this meeting, shareholders also agreed to delegate to the Company's board of directors, in accordance with article 23 of the Regulations of the Corporations Law, the authority to set the final placement price for the shares that are issued as part of the capital increase and authorize the board of directors to adopt the agreements necessary to, among other things, issue in one or more stages and on the date or dates determined by the board itself, the 436,636,408 new shares as part of this capital increase.

On August 24, 2018, the preferential subscription period for the shares in Grupo Security's capital increase ended. During this period, 424,655,845 of a total of 436,636,408 shares were subscribed and paid in, equivalent to 97.26% of the capital increase, raising a total of MCH\$93,424. The 11,980,563 shares left unsubscribed were made available to the board as defined by shareholders at the extraordinary shareholders' meeting on April 27, 2018.

At an extraordinary shareholders' meeting held October 3, 2019, shareholders agreed to increase the Company's capital by THCH\$100,000,000 by issuing 415,000,000 registered, common shares with no par value. The term for issuing and placing these shares is three years from October 3, 2019. At the same meeting, shareholders voted to capitalize placement expenses of THCH\$270,868 and the discount on the share placement of THCH\$3,221,156, from the capital increase from 2017 and 2018.

At the extraordinary shareholders' meeting held on June 22, 2020, the shareholders resolved to set the placement price of the 15,000,000 shares issued against the share capital increase resolved at the extraordinary shareholders' meeting of October 3, 2019 at CH\$160 per share.

On August 24, 2020, Grupo Security reported that the preferential option period for the capital increase that was agreed at the extraordinary shareholders' meeting held on October 3, 2019, took place between July 20 and August 19, 2020, and the remaining shares not subscribed or paid during that period totaled 92,779,432 shares.

It reported that those shareholders who have exercised their preferential option rights during that period will have the right to subscribe on a pro-rata basis for 0.287937646488 shares for each share subscribed during the same period. This option will remain valid for 18 months from August 20, 2020.

On August 20, 2020, Grupo Security informed the CMF through Ruling 931 about the result of the capital increase that was agreed at the Company's extraordinary shareholders' meeting held on October 3, 2019 and that took place between July 20 and August 19, 2020. During this preferential option period, 322,220,568 shares were placed, equivalent to THCH\$51,555,291.

B) OTHER RESERVES

Other reserves are detailed as follows:

	12.31.2020 THCH\$	12.31.2019 THCH\$
Reserve for insurance income and pensions	(54,475,098)	(47,148,251)
Reserve for financial assets available for sale and other bank assets	11,057,451	7,558,979
Translation adjustment reserve	1,747,686	8,405,603
IFRS 15 first-time adoption adjustments to equity (Bank)	(9,755,158)	(9,755,158)
Accounting hedges	(4,327)	(4,327)
Other reserves	(346,491)	-
	(51,775,937)	(40,943,154)

C) DIVIDENDS

The dividend policy agreed by the shareholders is to distribute at least 30% of the profits of Grupo Security S.A. received from its direct subsidiaries during the year and divide the payment in two dividends, an interim dividend and a final dividend. Additionally, the board of directors has been authorized to approve additional dividend distributions with a charge to retained earnings if, in the opinion of the board, Grupo Security S.A.'s financial condition allows it.

At an extraordinary meeting of the board of Grupo Security held on April 24, 2020, the directors in agreed to set the share placement price at CH\$160 for the 415 million new shares under the capital increase agreed at the extraordinary shareholders' meeting on October 3, 2019.

It agreed to grant to those shareholders or assignees who fully or partially exercise their preferential option an additional subscription option on the remaining unsubscribed shares at the expiration of the preferential option period, on a pro-rata basis calculated as the number of shares subscribed and paid by each shareholder, divided by the total number of shares subscribed and paid by all the shareholders who participate in the capital increase during the preferential option period. The holder of this option may exercise it at any time during the 18 months following the expiration of the preferential option period, under the same price and payment method conditions.

An annual general meeting held on April 7, 2020, shareholders agreed to a dividend of CH\$7.45 per share. When added to the interim dividend of CH\$2.20 already paid on October 25, 2019, this results in a dividend of CH\$9.65 per share to be charged against 2019 earnings. Furthermore, an additional dividend of CH\$2.60 per share was already paid on October 25, 2019, out of retained earnings, bringing the total dividend to CH\$12.25 per share. The board also agreed to propose at the AGM a dividend payment date of April 20, 2020.

As authorized at the annual general meeting on April 29, 2019, the Company's board agreed on October 3, 2019, to pay a dividend of CH\$4.8 per share, comprised of an interim dividend of CH\$2.2 and an additional dividend of CH\$2.6 per share, which will be paid on October 25, 2019.

D) CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that its subsidiaries will be able to continue as a going concern, while maximizing shareholder value by optimizing debt and equity balances.

The Group's capital structure includes its net debt including bonds and loans as summarized in Notes 19 and 24 to the consolidated financial statements, and equity including share capital, reserves and retained earnings.



NOTE 38 - COMMITMENTS AND CONTINGENCIES

A) LAWSUITS AND LEGAL PROCEEDINGS

BANCO SECURITY

As of the date of issuance of these consolidated financial statements, no legal actions have been filed against the Bank and its subsidiaries involving its normal operations. Management and its legal counsel do not believe that the Bank and its subsidiaries are exposed to any potential significant losses not disclosed in these consolidated financial statements.

B) CONTINGENT LIABILITIES

As of December 31, 2020 and 2019, contingent liabilities are as follows:

	12.31.2020 THCH\$	12.31.2019 THCH\$
Commitments and responsibilities in memorandum accounts	8,242,194,042	7,526,414,330
Contingent loans and liabilities	8,994,000	1,184,773,724
Guarantees granted	1,278,802,304	125,621,787
TOTAL	9,529,990,346	8,836,809,841

NOTE 39 - BONDHOLDER PROTECTION COVENANT: LEVERAGE RATIO

As of December 31, 2020, Grupo Security S.A. must comply with the following ratios and restrictions as a result of bond issuances:

- INDEBTEDNESS:** Grupo Security S.A. must maintain a leverage ratio below 0.4, measured on its quarterly standalone statement of financial position. Leverage is defined as the ratio of standalone financial liabilities, as presented in the FECU-IFRS financial statement disclosures, and equity (hereinafter "IFRS Leverage"). Standalone financial liabilities are the sum of financial obligations contracted by Grupo Security, excluding subsidiary financial obligations, regardless of whether those subsidiaries are consolidated by Grupo Security S.A. Thus, standalone financial liabilities include the sum of the company's individually considered debts, which are classified within the following FECU-IFRS accounting concepts: (i) obligations with banks and financial institutions, current and non-current (as included in those concepts in the FECU-IFRS statements), (ii) financial obligations with the public (promissory notes and bonds), current and non-current (as included in those concepts in the FECU-IFRS statements), (iii) other liabilities, trade payables, notes payable, miscellaneous payables and provisions, all current and non-current (as included in those concepts in the FECU-IFRS statements), (iv) accounts payable to related parties, current and non-current (as included in those concepts in the FECU-IFRS statements). Point (iv) above shall include those individually considered accounts payable to Grupo Security S.A. that have been contracted with related parties, which have been eliminated during the consolidation process and therefore are not present in the issuer's financial statements.

Details of financial and accounting information in accordance with the previous paragraph are as follows.

	GROUP (STANDALONE)	OTHER GROUP COMPANIES / CONSOLIDATION ADJUSTMENTS	CONSOLIDATED
CURRENT LIABILITIES			
Other financial liabilities, current	888,176	7,086,268,730	7,087,156,906
Lease liabilities, current	204,981	503,885	708,866
Trade and other payables	55,249	2,863,666,776	2,863,722,025
Accounts payable to related parties, current	-	4,812,959	4,812,959
Other short-term provisions	202,495	35,628,250	35,830,745
Current tax liabilities	471,435	31,421,475	31,892,910
Employee benefit provisions	2,961,211	9,407,570	12,368,781
Other non-financial liabilities, current	23,648,651	110,025,572	133,674,223
TOTAL CURRENT LIABILITIES OTHER THAN LIABILITIES INCLUDED IN DISPOSAL GROUPS CLASSIFIED AS AVAILABLE FOR SALE	28,432,198	10,141,735,217	10,170,167,415
TOTAL CURRENT LIABILITIES	28,432,198	10,141,735,217	10,170,167,415
NON-CURRENT LIABILITIES			
Other financial liabilities, non-current	278,093,524	591,203,574	869,297,098
Lease liabilities, non-current	614,943	8,150,632	8,765,575
Accounts payable, non-current	-	10,733,280	10,733,280
Accounts payable to related parties, non-current	-	-	-
Deferred tax liabilities	-	803,274	803,274
TOTAL NON-CURRENT LIABILITIES	278,708,467	610,890,760	889,599,227
TOTAL LIABILITIES	307,140,665	10,752,625,977	11,059,766,642
EQUITY			
Issued capital	487,690,566	-	487,690,566
Retained earnings (losses)	399,604,981	-	399,604,981
Share premium	-	-	-
Other reserves	(51,775,937)	-	(51,775,937)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	835,519,610	-	835,519,610
Non-controlling interests	-	26,224,705	26,224,705
TOTAL EQUITY	835,519,610	26,224,705	861,744,315
TOTAL LIABILITIES AND EQUITY	1,142,660,275	10,778,850,682	11,921,510,957
TOTAL CURRENT LIABILITIES GRUPO SECURITY (STANDALONE)			307,140,665
TOTAL EQUITY (TOTAL NET EQUITY) GRUPO SECURITY			861,744,315
LEVERAGE (TOTAL STANDALONE CURRENT LIABILITIES / TOTAL EQUITY)			35.64%

OWNERSHIP: To maintain a 51% ownership interest in Banco Security.

As of year end, the Group has not exceeded the required leverage ratio and maintains the required ownership percentages.



NOTE 40 - MATERIAL EVENTS

GRUPO SECURITY S.A.

At a board meeting on March 12, 2020, the board of Group Security S.A., agreed to call an annual general meeting for April 7, 2020, to address the following matters.

1. Approve the annual report and financial statements for the year-ended December 31, 2019, including the report of independent auditors for that year;
2. Profit distribution and dividend payments;
3. Dividend policies;
4. Board fees for the year 2020;
5. Board expenses in 2019;
6. Information regarding Directors' Committee activities, performance and expenses during 2019;
7. Directors' Committee compensation and approval of the 2020 budget;
8. Appointment of the Company's independent auditors;
9. Appointment of risk rating agency;
10. Information on related party transactions in accordance with Article 146 *et seq.* of the Corporations Law;
11. Selection of the newspaper for legal publications;
12. In general, all other matters that should be addressed at an annual shareholders' meeting according to law.

The board of Valores Security agreed in the same meeting to call an extraordinary shareholders' meeting for April 7, 2020, immediately after the AGM to address the following matters:

1. Extend for a maximum of 180 additional days from the date the original 180-day period expired, the period to set the final price for the placement of the shares issued against the capital increase agreed at that meeting, all in accordance with the provisions of Article 23 of the Regulations of the Corporations Law;
2. Adopt all other agreements necessary to implement the decisions made with respect to this process.

The board agreed to propose a dividend of CH\$7.45 per share at the annual general meeting. When added to the interim dividend of CH\$2.2 per share already paid on October 25, 2019, this gives a total dividend of CH\$9.65 per share charged to earnings for 2019. Furthermore, an additional dividend of CH\$2.60 per share was already paid on October 25, 2019, out of retained earnings, bringing the total dividend to CH\$12.25 per share. The board also agreed to propose at the AGM a dividend payment date of April 20, 2020.

- At an extraordinary meeting of the board of Grupo Security held on April 24, 2020, the directors agreed to set the share placement price at CH\$160 for the 415 million new shares under the capital increase agreed at the extraordinary shareholders meeting on October 3, 2019.
- They also agreed to grant to those shareholders or assignees who fully or partially exercise their preferential option an additional subscription option on the remaining unsubscribed shares at the expiration of the preferential option period, on a pro-rata basis

calculated as the number of shares subscribed and paid by each shareholder, divided by the total number of shares subscribed and paid by all the shareholders who participate in the capital increase during the preferential option period. The holder of this option may exercise it at any time during the 18 months following the expiration of the preferential option period, under the same price and payment method conditions.

- On August 20, 2020, Grupo Security reported to the CMF through Ruling 931 about the result of the capital increase that was agreed at the Company's extraordinary shareholders' meeting held on October 3, 2019, and that took place between July 20 and August 19, 2020. During this preferential option period, 322,220,568 shares were placed, equivalent to THCH\$51,555,291.
- On August 24, 2020, Grupo Security reported that the shareholders who have exercised their preferential option right between July 20 and August 19, 2020, will be entitled to subscribe on a pro-rata basis 0.287937646488 shares for each share subscribed during the same period. This option will remain valid for 18 months from August 20, 2020.
- The Corporate Culture Manager, Ms. Karin Becker Schmidt announced her retirement from Grupo Security as of August 15 for personal reasons. The board of Grupo Security S.A. was informed of her decision at its meeting on July 30 and expressed their appreciation for Ms. Becker's valuable contribution and professionalism. At the same meeting, the board agreed to appoint Ms. Isabel Alliende Kingston as the new Corporate Culture Manager, a senior executive position, with effect from August 17.
- As authorized at the extraordinary shareholders' meeting held on April 7, 2020, at an extraordinary board meeting held on October 8, 2020, the board agreed to pay a total dividend of CH\$3.50 per share, comprised as follows: (i) an interim dividend of CH\$0.75 per share, to be paid in cash and charged to earnings for the year; and (ii) an additional dividend of CH\$2.75 per share, to be paid in cash and charged to retained earnings from prior years. This total dividend will be paid to shareholders on October 29, 2020, in the Banco Security Office located at Agustinas 621, 1st floor, Santiago, from 9:00am to 2:00pm, or another payment method chosen by the shareholders before the date of payment.

All shareholders registered in the Shareholder Registry five business days prior to the date of payment were entitled to receive this dividend.

- During 2020, Grupo Security carried out the following transactions during its internal property reorganization process:
 - i. On November 20, 2020, Inversiones Previsión Security Limitada sold its 0.00019% interest in Corredores de Seguros Security Ltda. to the related company Capital S.A. at market conditions.
 - ii. On November 30, 2020, Inversiones Previsión Security Limitada acquired a 0.00002% interest in Servicios Security S.A. from the related company Capital S.A., thus producing a full merger of this company.
 - iii. On November 30, 2020, Capital S.A. acquired a 0.2182% interest in Asesorías Security S.A. from the related company Factoring Security S.A., thus producing a full merger of this company.



- iv. On November 30, 2020, Travel Security S.A. acquired a 1% interest in Representaciones Security S.A. from the related company Inversiones Previsión Security Limitada, producing a full merger of this company.

- COVID 19

Grupo Security S.A. has been continually concerned about its employees throughout the COVID-19 pandemic. We have continued to operate all our businesses, in order to provide a timely response to our customers' requirements.

Banco Security has joined the government's COVID-19 lending program to support its customers, regardless of their industry. The process requires companies to meet conditions defined by the Government and the Bank's risk policies. The customer service model is personalized and cases are reviewed individually to meet the needs of each customer.

Travel Security has been greatly affected by the pandemic, which resulted in a significant reduction in operating expenses and an organizational restructuring in May.

ADMINISTRADORA GENERAL DE FONDOS SECURITY

- On March 20, 2020, Mr. Felipe Marín Viñuela left the position of Chief Investment Officer. The International Asset Manager, Mr. Gustavo Schmincke Aránguiz, was appointed to replace him.
- On April 15, 2020, at an ordinary board meeting of Administradora General de Fondos Security S.A., the board agreed to call an annual general meeting on April 30, 2020 at 9:30 am at the company's offices at Avenida Apoquindo 3150, 7th floor, Las Condes, Santiago. The purpose of the annual general meeting will be to address the following matters: a) Approve the annual report and financial statements for the year ended December 31, 2019, and the external auditors' report for the same year; b) Distribute dividends; c) Set directors' remuneration for 2020; d) Appoint directors; e) Receive information on the board of directors' expenses for 2019; f) Select the newspaper for legal publications; and g) Receive information on transactions with related parties in accordance with Corporations Law; h) In general, all matters that in accordance with the law are addressed at an annual general meeting.

As the Company's two shareholders committed to attend the meeting, the Company did not publish a notice to call the meeting. The board of directors agreed that shareholders will be permitted to participate in this meeting using the technological means that the Company will provide for such purpose, which will allow remote participation, voting and identification of shareholders, in accordance with the provisions of CMF General Standard 435 and Ruling 1,141. These means will be duly reported in the summons.

- On April 30, 2020, at the annual general meeting of Administradora General de Fondos Security S.A., the shareholders were informed of the resignation as directors of Mr. Bonifacio Bilbao Hormaeche and Mr. Gonzalo Baraona Bezanilla. At the meeting, shareholders then unanimously decided to appoint Mr. José Miguel Bulnes Zegers and Ms. Paulina Las Heras Bugedo in their place. In addition, the directors Mr. Francisco Silva Silva (chairman), Mr. Renato Peñafiel Muñoz and Mr. Eduardo Olivares Veloso were confirmed.

BANCO SECURITY

- At a board meeting on October 14, 2019, the Board accepted the resignation of Mr. Bonifacio Bilbao H. from the position of Chief Executive Officer as of March 6, 2020. Mr. Eduardo Olivares Veloso was appointed as the new Chief Executive Officer as of that date.
- On January 10, 2020, Banco Security was informed of Resolution No. 114-005 from the Director of the Financial Analysis Unit, by which it levies a fine of UF 800 for delayed reporting of suspicious operations by a customer.

Banco Security reserves the right to file any legal actions lawfully available to it in order to appeal the aforementioned resolution before administrative and judicial bodies.

- At an ordinary meeting of the Bank's board of directors held on April 16, 2020, the board accepted the resignation of Mr. Horacio Pávez Rodríguez as director and appointed Mr. Bonifacio Bilbao Hormaeche in his place.

VALORES SECURITY S.A. CORREDORES DE BOLSA

On March 18, 2020, at an ordinary meeting of the board of directors of Valores Security Corredores de Bolsa S.A., the board agreed to call an annual general meeting for April 30, 2020, at 9:00 am in the Company's offices located at Avenida Apoquindo 3150, 7th floor, Las Condes, Santiago.

The following matters are to be addressed at the annual general meeting:

1. Approve the annual report and financial statements for the year ended December 31, 2019, including the report of independent auditors for that year;
2. Dividend distribution;
3. Set directors remuneration for 2020;
4. Appoint directors;
5. Board expenses report for 2019.
6. Select the newspaper for legal publications;
7. Information on related party transactions in accordance with Corporations Law.
8. In general, all other matters that should be addressed at an annual shareholders' meeting according to law.

As the Company's two shareholders committed to attend the meeting, the Company did not publish a notice to call the meeting.

The board of directors agreed that shareholders will be permitted to participate in this meeting using the technological means that the Company will provide for such purpose, which will allow remote participation, voting and identification of shareholders, in accordance with the provisions of CMF General Standard 435 and Ruling 1,141. These means will be duly reported in the summons.



INVERSIONES PREVISIÓN SECURITY LTDA.

- On July 8, 2020, Inversiones Previsión Security Ltda. placed the Series BIPSL-D bond with a nominal value of UF 1,200,000 and maturity on December 20, 2040. This bond line is registered in the Securities Registry under No. 970 of October 15, 2019, which was reported under CMF Official Letter 2888 dated January 24, 2020.

SEGUROS VIDA SECURITY PREVISIÓN S.A.

- On March 23, 2020, the CMF was informed of the measures that the Company has taken in relation to the continuity plan to address the COVID-19 pandemic, in accordance with the authority's request.
- On March 25, 2020, an annual general meeting was called for April 14, 2020. The matters to be discussed were the distribution of a dividend of CH\$6,225,975.912, equivalent to approximately 30.90% of profit for 2019, which is a dividend of CH\$13 per share. Fee quotes were requested from external auditors Deloitte, KPMG, PWC and E&Y. These were analyzed based on their experience and knowledge of Vida Security's business, their market presence and participation as external auditors in the insurance market, the independence of their auditors and partners, the value, coverage and scope of their services. Accordingly, E&Y was proposed at the annual general meeting as first choice for 2020.
- An annual general meeting was held April 14, 2020, which was reported on April 15, 2020. The main topics were the distribution of a dividend of CH\$6,225,975,912, which is approximately 30.90% of profit for 2019, resulting in a dividend of CH\$13 per share. It was agreed to maintain the dividend policy of distributing the minimum of 30% of profit for the year. It was agreed to appoint Ernst & Young as external auditors for 2020. It was agreed to appoint Fitch Chile Clasificadora de Riesgo Ltda. and ICR Compañía Clasificadora de Riesgo Ltda. for 2020 and to appoint Mr. Francisco Silva Silva, Mr. Renato Peñafiel Muñoz, Mr. Andrés Tagle Domínguez, Mr. Juan Cristóbal Pavez Recart, Mr. Álvaro Vial Gaete, Mr. Gonzalo Pavez Aro and Mr. Francisco Juanicotena Sanzberro as the Company's directors for a three-year term.
- On April 28, 2020, the board of directors appointed at the annual general meeting held on April 14, 2020 was formed. Mr. Francisco Silva Silva was elected as chairman of the board and Mr. Renato Peñafiel Muñoz as vice chairman.
- On May 27, 2020, at an ordinary meeting of the board of directors held on May 26, 2020, the board unanimously announced that MAPFRE Compañía de Vida de Chile S.A. and Caja Reaseguradora de Chile S.A. have formally accepted the offer by Seguros Vida Security Previsión S.A. to acquire from them the annuity policy portfolio and the reinsurance portfolio of annuity policies, respectively, together with the respective asset counterparts. The transaction involves the transfer of financial assets for UF 3,328,069 and annuity reserves for UF 2,879,126, both at their book value as of March 31, 2020.
- On September 23, 2020, the Company announced that the board of directors agreed at its meeting held on September 22, 2020, to distribute an additional dividend out of the Company's retained earnings, amounting to CH\$6,225,975,912, which is CH\$13 per share.

SECURITIZADORA S.A.

- On April 9, 2020, at an ordinary meeting of the board of directors of Securitizadora Security, the board agreed to call an annual general meeting for April 30, 2020, at 1:00 pm in the Company's offices located at Augusto Leguía Sur 70, 5th floor, Las Condes, Santiago.
- On April 30, 2020, at the annual general meeting of Securitizadora Security S.A., shareholders approved the financial statements as of December 31, 2019, and decided not to distribute dividends, in accordance with its financial performance for 2019.

The following matters are to be addressed at the annual general meeting:

1. Approve the annual report and financial statements for the year ended December 31, 2019, including the report of independent auditors for that year;
2. Dividend distribution;
3. Reelect the directors;
4. Set directors remuneration for 2020;
5. Appoint the independent auditors.
6. Information on related party transactions in accordance with Corporations Law.
7. Select the newspaper for legal publications.
8. In general, all other matters that should be addressed at an annual general meeting according to law.

On January 8, 2020, the B Series bond of Estate 14-3 was placed on the market for CH\$3,928,014,280.

- On October 27, 2020, Securitizadora Security S.A. placed the preferred series of its Separate Equity 15. The issue had an AAA risk rating and was for UF 667,000, at a rate of 2.25% and a term of 29.5 years.

TRAVEL SECURITY S.A.

- An extraordinary shareholders' meeting of Travel Security S.A. held on January 2, 2020, shareholders approved a final dividend payment of THCH\$3,200,000, which is CH\$12,307.692308 per share, charged to retained earnings from prior years. The payment will be made no later than January 6, 2020.

FACTORING SECURITY S.A.

- At an annual general meeting held on April 6, 2020, shareholders set board compensation and other aspects. This was as follows:
 - a) Pay each director UF 35 for attending each meeting.
 - b) Pay the directors who participate in the Credit Committee a bonus, with a maximum value of UF 1,000, to be distributed among them all.
 - c) Pay the directors an annual bonus, with a maximum value of UF 3,000, to be distributed among them all.



NOTE 41 - SUBSEQUENT EVENTS

SECURITIZADORA S.A.

On February 22, 2021, Mr. Jorge Meyer de Pablo resigned as Chief Executive Officer, with effect from February 28, 2021. Ms. Fiorella María Battilana Ferla was appointed as Interim Chief Executive Officer as of March 1, 2021, who to date had been the Deputy CFO at Securitizadora Security S.A.

INMOBILIARIA CASANUESTRA S.A.

On February 22, 2021, Mr. Jorge Meyer de Pablo resigned as Chief Executive Officer, with effect from February 28, 2021. Ms. Fiorella María Battilana Ferla was appointed as Interim Chief Executive Officer as of March 1, 2021, who to date had been the Deputy CFO at Securitizadora Security S.A.

ADMINISTRADORA GENERAL DE FONDOS SECURITY

On February 22, 2021, the Company reported that Mr. Gustavo Schmincke Aránguiz will leave the position of Investment Manager with effect from February 28, 2021. Mr. Jorge Meyer de Pablo was appointed as Investment Manager in his replacement with effect from March 1, 2021, who is currently the Chief Executive Officer of Securitizadora Security S.A.

Between January 1, 2021, and the date these consolidated financial statements were issued, there have been no other subsequent events that significantly affect them.

NOTE 42 - APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements were approved by the board of directors in an ordinary meeting on Thursday, February 25, 2021.

Annual Earnings Report for the Consolidated Statements of Financial Position

GRUPO SECURITY EARNINGS REPORT

GRUPO SECURITY REPORTS PROFIT OF MCH\$65,146 FOR 2020 (-19.7% YOY)

SANTIAGO, CHILE – FEBRUARY 26, 2021. GRUPO SECURITY S.A., (BCS: SECURITY; BBG: SECUR).

Grupo Security's CEO, Renato Peñafiel, commented, "In a challenging context, Grupo Security reported profit of MCH\$65,146. These results were generated mainly during the second half of the year, with MCH\$17,328 earned in the first half and CH\$47,819 in the second, reflecting the pace at which Group companies adapted to the contingency and expenses for structural adjustments. In addition, in 2020 all Grupo Security companies implemented a savings plan and structural adjustments to improve their efficiency ratios. This plan involved cutting total expenses by MCH\$3,675 in 2020 and included MCH\$14,491 in termination benefits. In addition, given the context of risk, additional provisions were recorded on the bank and factoring subsidiary's loan portfolios, and market value adjustments were made to Vida Security and Banco Security's financial investment portfolios.

Amidst the challenging circumstances in 2020, the companies' commercial efforts helped contain the impact on the Group's consolidated revenue, down 5.7% to MCH\$1,090,053. Profit from related companies declined 12.1% YoY, explained by the effects of termination benefits, increased provisions and adjustments to investment portfolios."

- Banco Security reported consolidated profit of MCH\$60,150, -21.8% YoY for 2020, which compares favorably with the industry, where earnings fell 52.9%. Banco Security's market share was 3.4% as of December 2020, similar to last year's figure. Commercial loans expanded 6.2% YoY, with market share in its target segment of medium and large companies of 6.2%¹.
- Its risk ratio, measured as provisions to loans, was 1.97% as of December 2020 (+ 31bps YoY), which compares favorably to the banking system's 2.71%. The upturn in the coverage ratio for the NPL portfolio—measured as provisions over the NPL portfolio—was 112.0% as of December 2020 (76.4% as of September 2020). Including additional provisions recorded during the year, the ratio rose to 115.7%. Banco Security maintained one of the local financial industry's lowest levels of loan loss provisions because of its high collateral coverage in relation to the rest of the sector.
- Banco Security's consolidated efficiency ratio was 47.2% as of December 2020 (-25 bps YoY), below the industry figure of 48.9%. Efficiency improved gradually during the second half of the year to 45.7% in 3Q20 and 43.3% in 4Q20. The Bank posted an ROAE as of December 2020 of 9.4% (-348 bps YoY), versus 5.6% for the industry (-674 bps YoY).

¹ THIS INCLUDES COMPANIES WITH ANNUAL SALES OVER MCH\$800, ONLY IN THE PARTS OF CHILE WHERE BANCO SECURITY HAS OFFICES. SOURCE: CHILEAN INTERNAL REVENUE SERVICE (SII).



- Factoring Security reported profit of MCH\$9,471 for 12M20, +3.3% YoY, despite a drop of -12.5% YoY in factored receivables due to a decelerating economy, offset by larger spreads.
- Vida Security reported profit of MCH\$23,529 for 12M20 (+16.8% YoY), thanks to improved technical results across all businesses, particularly group insurance (+17.3% YoY) and disability and survivor insurance, offset partially by lower investment income (-25.7% YoY).
- For 12M20, Protecta Security reported profit of MS./ 23.1 (+2.5% YoY). Protecta Security has 23.6% market share in annuities, positioning it second in sales in the Peruvian market.
- The asset management area, including Securitizadora Security, reported profit of MCH\$6,174 for 12M20, up 903% over the same period last year due to lower total expenses of MCH\$35,168 (-18.5% YoY). Total expenses in 2019 included operational risk expense by the brokerage subsidiary. In 2020, AGF Security moved up from 10th to 5th place in the ranking of fund managers by average 2 returns.
- Meanwhile, Inmobiliaria Security posted profit of MCH\$6,038 for 12M20 explained by legal title transferred on more projects during the third and fourth quarters (96 and 72 units), as a result of districts easing lockdown restrictions and resuming municipal functions such as approving projects.
- Travel Security reported a loss of -MCH\$4,742 for 12M20 (versus MCH\$4,020 in 2019) because of declining sales due to the public health crisis and expenses to adapt its structure to a primarily digital sales model, watchful of how the industry will evolve.

SIGNIFICANT AND SUBSEQUENT EVENTS

On March 6, 2020, Eduardo Olivares Veloso took over as CEO of Banco Security, replacing Bonifacio Bilbao Hormaeche.

At the annual general meeting on April 7, 2020, Grupo Security shareholders approved a dividend payment of CH\$7.45 per share charged to profit for the year 2019. This dividend plus the interim dividend distributed in October 2019 are equivalent to CH\$12.25 per share, totaling MCH\$45,264, or 56% of profit for the year 2019. At this meeting, shareholders also approved the annual report, balance sheet and financial statements for the year 2019. They also agreed to appoint EY as the Company's external auditors for the year 2020 and Fitch and ICR as its risk rating agencies.

On April 16, 2020, Horacio Pavez García resigned from Banco Security's board, which appointed Bonifacio Bilbao Hormaeche to replace him.

On August 15th, the Corporate Culture Division Manager, Ms. Karin Becker Schmidt, retired after 38 years with the company. The board of Grupo Security S.A. was informed of her decision at its July 30th meeting and made note in the minutes of its recognition and appreciation for Ms. Becker's valuable contribution and professionalism. Similarly, at the same meeting the board agreed to appoint Ms. Isabel Alliende Kingston as the new Corporate Culture Division Manager, a senior executive position, effective August 17th.

² RANKING PUBLISHED BY EL MERCURIO INVERSIONES ON JANUARY 9, 2021.

On August 19, 2020, the preferential option period for the Company's capital increase was successfully brought to a close, raising MCH\$51,555. A total of 322,220,568 shares were subscribed at a value of CH\$160 per share, or almost 78% of the issuance. The remaining 92 million shares were granted on a prorated basis—approximately 0.28 shares for each share subscribed—to the shareholders participating in this increase, to be acquired by them for CH\$160 per share until February 2022. To date, a total of MCH\$55,568 has been raised, or 83.7% of the issuance.

In September 2020, Grupo Security completed the placement of UF 1,000,000 in 20-year bonds (series S) issued in June 2020 at an interest rate of 2.0% annual.

On October 8, 2020, Grupo Security's board agreed to pay a total dividend of CH\$3.50 per share, consisting of an interim dividend of CH\$0.75 per share charged to profit for the year 2020 and an additional dividend of CH\$2.75 per share charged to prior year retained earnings, paid on October 29, 2020.

In a process to simplify the corporate organizational structure, on November 30th the following mergers took place: Inversiones Previsión Security absorbed Servicios Security, Capital absorbed Asesorías Security and Travel Security absorbed Representaciones Security.

On December 17, 2020, Gustavo Pavez Rodríguez resigned from Banco Security's board, which appointed Juan Cristóbal Pavez Recart to replace him.

On February 22, 2021, Jorge Meyer De Pablo resigned from the position of CEO of Securitizadora Security and Inmobiliaria Casanueva effective February 28, 2021, to take on the role of Investment Manager of AGF Security. Fiorella Battilana Ferla will replace him as CEO of Securitizadora Security and Inmobiliaria Casanueva.

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GRUPO SECURITY EARNINGS REPORT FOR 4Q20 AND 2020

Grupo Security posted profit of MCH\$65,146 for 12M20 (-19.7% YoY) and MCH\$17,374 for 4Q20 (-42.9% QoQ). EBITDA totaled MCH\$105,586 for 12M20 (-23.9% YoY) and MCH\$30,411 for 4Q20 (-35.4% QoQ).

The Group posted an ROAE as of December 2020 of 8.1% (10.8% as of December 2019). Profit from the Group's business areas reached MCH\$96,641 (-12.1% YoY).

Grupo Security posted profit of MCH\$65,146 for 12M20 (-19.7% YoY), due to lower profit from the Group's business areas of MCH\$96,641 (-12.1% YoY) as explained throughout this document. In addition, Group and support area expenses reached MCH\$13,001 (+8.5%



YoY) due to greater expenditures for termination benefits and a rise in finance costs to MCH\$13,253 (+7.7% YoY), in line with greater liabilities. Furthermore, the adjustment for support companies was a loss of -MCH\$1,749 for 12M20, due to termination benefits, which were partially offset by tax refunds.

For the quarter, Grupo Security posted profit of MCH\$17,374 (-42.9% QoQ), explained by reduced profit from business areas during the quarter (-23.4% QoQ). It deserves mentioning that 3Q20 is a high basis of comparison. In addition, the line item taxes and others totaled MCH\$360 for 4Q20 (-MCH\$1,249 for 3Q20) because of tax refunds in 4Q20.

MCH\$	4Q20	3Q20	4Q19	% CHG		DEC-20	DEC-19	% CHG YOY
				QOQ	YOY			
Profit by business area	29,051	37,941	25,944	-23.4%	12.0%	96,641	109,888	-12.1%
Group and support area expenses	-3,984	-2,749	-3,474	44.9%	14.7%	-13,001	-11,980	8.5%
Finance costs	-3,324	-3,455	-3,341	-3.8%	-0.5%	-13,253	-12,308	7.7%
Indexation units	-4,293	-122	-2,375	3425.7%	80.8%	-7,896	-6,997	12.8%
Adjustment of support companies	-437	78	1,578	-660.6%	-	-1,749	1,009	-
Income taxes and other	360	-1,249	1,797	-	-80.0%	4,404	1,544	185.2%
GRUPO SECURITY PROFIT	17,374	30,445	20,130	-42.9%	-13.7%	65,146	81,156	-19.7%
EBITDA	29,509	47,106	34,059	-37.4%	-13.4%	104,685	138,799	-24.6%

From a consolidated perspective, Grupo Security reported total revenue of MCH\$1,090,053 for 12M20 (-5.7% YoY), because of lower revenue from direct premiums, explained on pages 311-319 of this report. Banco Security's revenue also fell 4.7% due to lower interest rates, loan deferrals and high prepayment volumes in 2019, as discussed on pages 294-308.

As for consolidated cost of sales, this figure reached MCH\$738,041 for 12M20 (-4.2% YoY). The main effect corresponds to cost of sales from Vida Security and Protecta, which fell 12.5% YoY. In particular, Vida Security's revenue declined in line with the drop in claims and pensions paid and underwriting expenses because of lower sales, as explained on pages 311-319. Furthermore, cost of sales at Banco Security was down 11.5% YoY due to lower cost of funds, as described on page 294 of this document. Meanwhile, cost of sales at Factoring Security fell 36.5%, in line with lower cost of funds and lower volumes of factored receivables. These effects were partially offset by a rise in loan loss provisions at Banco Security, as explained on pages 296-300.

GRUPO SECURITY CONSOLIDATED STATEMENT OF INCOME

MCH\$	4Q20	3Q20	4Q19	% CHG		DEC-20	DEC-19	% CHG YOY
				QOQ	YOY			
REVENUE	315,441	276,725	308,024	14.0%	2.4%	1,090,053	1,155,867	-5.7%
Banco Security, revenue ¹	135,678	109,173	136,265	24.3%	-0.4%	494,267	518,813	-4.7%
Vida Security & Protecta, gross written premiums	78,126	74,625	76,824	4.7%	1.7%	311,867	330,726	-5.7%
Vida Security & Protecta, interest and investment income	39,403	35,777	23,126	10.1%	70.4%	120,146	139,618	-13.9%
Factoring Security S.A., revenue	6,486	6,917	9,259	-6.2%	-29.9%	32,364	35,426	-8.6%
Other income	55,748	50,234	62,549	11.0%	-10.9%	131,408	131,284	0.1%
COST OF SALES	-231,634	-165,755	-214,091	39.7%	8.2%	-738,041	-774,866	-4.8%
Banco Security, cost of sales ²	-67,944	-27,083	-66,333	150.9%	2.4%	-212,448	-240,031	-11.5%
Banco Security, provisions net of recoveries	-22,497	-22,080	-16,827	1.9%	33.7%	-71,699	-46,097	55.5%
Vida Security & Protecta, cost of sales ³	-117,881	-86,419	-113,930	36.4%	3.5%	-377,913	-431,679	-12.5%
Factoring, cost of sales ⁴	-196	-1,114	-2,260	-82.4%	-91.3%	-6,099	-9,602	-36.5%
Other costs	-23,116	-29,059	-14,741	-20.5%	56.8%	-69,882	-47,458	47.3%
GROSS PROFIT	83,807	110,971	93,932	-24.5%	-10.8%	352,012	381,000	-7.6%
TOTAL EXPENSES	-54,419	-61,232	-64,868	-11.1%	-16.1%	-243,362	-247,037	-1.5%
Payroll expenses	-30,717	-33,429	-32,869	-8.1%	-6.5%	-131,342	-123,019	6.8%
Administrative expenses	-23,702	-27,803	-31,999	-14.8%	-25.9%	-112,020	-124,018	-9.7%
NET OPERATING INCOME	27,114	47,789	28,401	-43.3%	-4.5%	99,209	124,442	-20.3%
Finance costs	-3,652	-3,747	-3,695	-2.5%	-1.1%	-14,465	-14,260	1.4%
Profit (loss) before tax	22,569	39,960	27,321	-43.5%	-17.4%	77,072	112,973	-31.8%
PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT	17,374	30,445	20,130	-42.9%	-13.7%	65,146	81,156	-19.7%

*ANY DIFFERENCES BETWEEN THE FIGURE PRESENTED HERE AND THOSE PUBLISHED BY EACH SUBSIDIARY ARE THE RESULT OF DIFFERENT ACCOUNTING CRITERIA BETWEEN SUBSIDIARIES AND THE PARENT COMPANY. 1. INCLUDES INTEREST, INDEXATION AND FEE INCOME, FINANCIAL OPERATING INCOME AND OTHER OPERATING INCOME. 2. INCLUDES INTEREST, INDEXATION AND FEE EXPENSES. 3. INCLUDES VARIATIONS IN TECHNICAL RESERVES, CLAIMS AND PENSIONS PAID AND UNDERWRITING EXPENSES. 4. INCLUDES BANKING AND OTHER EXPENSES.

In 2020 Grupo Security implemented a savings plan in all subsidiaries. The plan involved one-time savings during 2020 and efficiency efforts for future years, including structural adjustments in the Group's main businesses. Along this line, total expenses reached MCH\$243,362 for 12M20 (-1.5% YoY), reflecting efforts made during the year that resulted in savings of MCH\$19,000. Administrative expenses were down 9.7% YoY. This effect was partly offset by a 6.8% increase in consolidated payroll expenses because of greater employee termination expenses of MCH\$14,491 during the year. Payroll expenses for 4Q20 of MCH\$30,717 (-8.1% QoQ, -6.5% YoY) already reflect the effects of structural adjustments made during the year.



GRUPO SECURITY	FEBRUARY 24, 2021 ¹	DEC-20	SEP-20	DEC-19	% CHG	
					QOQ	YOY
Grupo - Share price (CH\$)	156.02	131.93	129.9	195.62	1.6%	-32.6%
Grupo - Number of shares (millions)	4,042	4,042	4,017	3,695	0.6%	9.4%
Grupo - Free float	27.6%	27.6%	27.8%	27.0%	-20 p	60 p
Earnings per share	16.1	16.5	17.2	22.0	-4.5%	-25.0%
Price/Earnings	9.7	8.0	7.5	8.9	6.4%	-10.1%
Market / Book	0.73	0.62	0.61	0.91	2.2%	-31.8%
Employees	3,241	3,256	3,304	3,961	-1.5%	-17.8%

¹ TOTAL EQUITY AT DEC-20 AND PROFIT FOR 2020. THE NUMBER OF EMPLOYEES AS OF JANUARY 31, 2021

GRUPO SECURITY INDICATORS MCH\$	DEC-20	SEP-20	DEC-19	% CHG	
				QOQ	YOY
Banco - Total Loans	6,228,083	6,311,948	6,051,817	-1.3%	2.9%
Industry - Total Loans ¹	185,091,882	187,446,006	180,057,437	-1.3%	2.8%
Inversiones - AUM Mutual Funds	2,789,219	2,610,981	2,660,717	6.8%	4.8%
Industry - AUM Mutual Funds	51,307,877	50,715,066	45,052,916	1.2%	13.9%
Vida - Investment Portfolio	2,643,190	2,623,494	2,614,008	0.8%	1.1%
Industry (life insurance) - Investment Portfolio ²	-	46,030,086	45,208,815	-	-
Factoring - Total Factored Receivables	360,084	329,150	411,703	9.4%	-12.5%

¹ EXCLUDING FOREIGN SUBSIDIARIES OF CHILEAN BANKS

² NOT AVAILABLE AS OF THE DATE OF PUBLICATION OF THIS REPORT

GRUPO SECURITY INDICATORS MCH\$ STATEMENT OF INCOME	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG YOY
				QOQ	YOY			
Banco - Net Interest Margin	50,029	51,435	47,523	-2.7%	5.3%	196,322	182,435	7.6%
Banco - Net Fees	13,721	12,964	15,085	5.8%	-9.0%	57,812	67,277	-14.1%
Banco - Operating Expenses	-32,733	-34,588	-33,804	-5.4%	-3.2%	-134,127	-132,955	0.9%
Banco - Net Provision Expenses	-22,498	-20,095	-12,350	12.0%	82.2%	-70,288	-41,891	67.8%
Vida - Gross Written Premiums	62,383	53,319	64,463	17.0%	-3.2%	229,392	257,999	-11.1%
Vida - Claims Paid	-34,590	-15,991	-51,828	116.3%	-33.3%	-104,951	-136,306	-23.0%
Vida - Pensions Paid	-23,546	-26,970	-21,813	-12.7%	7.9%	-104,490	-138,614	-24.6%
Vida - Investment Income	44,637	40,481	32,649	10.3%	36.7%	107,929	145,276	-25.7%
Factoring - Revenue	6,486	6,911	9,264	-6.2%	-30.0%	32,373	35,433	-8.6%

RATIOS	DEC-20	SEP-20	DEC-19	% CHG	
				QOQ	YOY
Grupo - ROAE	8.1%	8.0%	10.8%	14 p	-272 p
Banco (Consolidated) - ROAE	9.4%	9.3%	12.9%	8 p	-348 p
Factoring - ROAE	17.4%	18.6%	18.6%	-125 p	-120 p
Vida - ROAE	11.7%	10.8%	10.8%	88 p	83 p
Travel - ROE	-	-	37.9%	-	-
Grupo - Leverage	35.6%	35.1%	35.1%	50 p	54 p
Banco - Efficiency	47.2%	48.6%	47.5%	-142 p	-25 p
Factoring - Efficiency	43.7%	42.2%	42.2%	156 p	153 p
Banco - Nonperforming Loans	1.76%	2.39%	1.55%	-63 p	21 p
Banco - Risk Index	1.97%	1.83%	1.66%	14 p	31 p
Factoring - Risk Index	1.68%	2.29%	1.86%	-62 p	-19 p
Banco - BIS Tier I Ratio	7.8%	7.4%	7.1%	47 p	72 p
Banco - BIS Tier II Ratio	14.1%	13.4%	12.3%	70 p	175 p

ROAE: ANNUALIZED PROFIT OVER AVERAGE EQUITY ATTRIBUTABLE TO OWNERS

EARNINGS FROM RELATED COMPANIES

MCH\$	4Q20	3Q20	4Q19	% CHG		DEC-20	DEC-19	% CHG
				QoQ	YoY			
LENDING AREA								
Banco Security (standalone)	14,462	13,720	20,737	5.4%	-30.3%	54,989	77,581	-29.1%
Factoring Security	2,071	1,832	2,353	13.1%	-12.0%	9,471	9,171	3.3%
ASSET MANAGEMENT AREA								
Valores Security	344	293	-3,089	17.6%	-111.1%	1,325	-5,834	-
AGF Security	1,123	716	722	56.9%	55.4%	3,838	5,210	-26.3%
Securizadora Security & CasaNuestra	1,450	2	1,974	-	-26.5%	903	1,096	-17.6%
INSURANCE AREA								
Vida Security	7,054	18,467	1,646	-61.8%	328.7%	23,529	20,146	16.8%
Servicios Security	121	145	86	-16.9%	40.9%	607	819	-25.9%
OTHER SERVICES								
Inmobiliaria Security	2,800	3,752	-681	-25.4%	-	6,038	-2,214	-
Travel Security	-467	-1,504	1,527	-	-	-4,742	4,020	-
INTERNATIONAL BUSINESS AREA								
Protecta Security (Thousands of soles)	13,206	5,282	11,453	150.0%	15.3%	23,143	22,572	2.5%
Travex Security (Thousands of soles)	600	-1,741	-322	-	-	-5,999	72	-
GRUPO SECURITY PROFIT	17,374	30,445	20,130	-42.9%	-13.7%	65,146	81,156	-19.7%

(1) SUBSIDIARY EARNINGS CORRESPOND TO 100% OF THEIR PROFITS AND DIFFER FROM THOSE USED TO PREPARE THE SEGMENT NOTE, WHICH INCLUDES CONSOLIDATION ADJUSTMENTS TO ACCOUNT FOR GRUPO SECURITY'S PERCENT OWNERSHIP IN EACH OF ITS RESPECTIVE SUBSIDIARIES.



REVIEW BY BUSINESS AREA

LENDING AREA

(70.0% OF ASSETS; 66.7% OF PROFIT FROM BUSINESS AREAS AS OF DECEMBER 2020)

The lending business area comprises the operations of Banco Security (excluding its subsidiaries, AGF Security and Valores Security Corredores de Bolsa), and Factoring Security.

BANCO SECURITY

For 12M20, Banco Security reported consolidated profit attributable to owners of the parent of MCH\$60,150, -21.8% YoY. Banco Security's standalone profit (excluding subsidiaries AGF Security and Valores Security Corredores de Bolsa) was MCH\$54,989, -29.1% YoY.

Banco Security's ROAE (profit LTM over average equity) was 9.4%, -348 bps YoY, which compares favorably to the industry's 5.6% (-674 bps YoY).

BANCO SECURITY - CONSOLIDATED STATEMENT OF INCOME

Banco Security posted consolidated profit of MCH\$60,150 for 12M20 (-21.8% YoY) and MCH\$15,930 for 4Q20 (+8.2% QoQ).

MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG YOY
				QOQ	YOY			
Net interest margin	50,029	51,435	47,523	-2.7%	5.3%	196,322	182,435	7.6%
Net fees and commissions	13,721	12,964	15,085	5.8%	-9.0%	57,812	67,277	-14.1%
Net financial operating income	6,505	14,719	5,248	-55.8%	24.0%	26,118	24,078	8.5%
Net foreign exchange transactions	5,146	-4,217	6,257	-	-17.8%	5,801	10,461	-44.5%
Recovery of written-off loans	1,126	1,185	925	-5.0%	21.7%	4,101	3,804	7.8%
Other net operating loss	-1,495	-444	-2,407	-	-	-6,591	-7,884	-
GROSS OPERATING INCOME	75,032	75,642	72,631	-0.8%	3.3%	283,563	280,171	1.2%
Loan loss provisions	-23,624	-21,280	-13,275	11.0%	78.0%	-74,389	-45,695	62.8%
Operating expenses	-32,460	-34,589	-33,804	-6.2%	-4.0%	-133,855	-132,955	0.7%
NET OPERATING INCOME	18,948	19,773	25,552	-4.2%	-25.8%	75,319	101,521	-25.8%
Profit from investments in companies	10	0	0	-	-	12	18	-
PROFIT BEFORE TAXES	18,958	19,773	25,552	-4.1%	-25.8%	75,331	101,539	-25.8%
Income tax expense	-3,028	-5,045	-7,182	-40.0%	-57.8%	-15,179	-24,582	-38.3%
PROFIT FOR THE YEAR	15,930	14,728	18,370	8.2%	-13.3%	60,152	76,957	-21.8%
Profit for the year attributable to owners of the Bank	15,929	14,728	18,373	8.2%	-13.3%	60,150	76,963	-21.8%

For 12M20 the Bank reported a net interest margin of MCH\$196,322 (+7.6% YoY), driven by lower interest and indexation expense (-12.7% YoY), which more than offset the drop in interest and indexation income (-3.6% YoY). Interest and indexation income reached MCH\$391,753 (-3.6% YoY), due to a drop in revenue from consumer loans (-18.6% YoY), in line with a 15.9% decline in loan volumes. In addition, revenue from commercial loans fell 2.0% because of lower interest rates, loan deferrals and high prepayment volumes in 2019, which results in lower accruals in 2020, partly offset by growth in commercial loans during the year (+6.2% YoY). Interest and indexation expense totaled MCH\$195,431 (-12.7% YoY) because of the lower cost of Chilean Central Bank funding lines, lower volumes of time deposits (-37.8% YoY) and lower interest rates. As a reference, the MPR was 0.5% as of December 2020 versus 1.75% as of December 2019.

For the quarter, the interest margin totaled MCH\$50,029 (-2.7% QoQ). Income and indexation income reached MCH\$111,615 (+45.2% QoQ) because of a rise in indexation due to quarterly inflation (3Q20 0.04% vs 4Q20 1.26%). This effect was offset by greater interest and indexation expense of MCH\$61,586 (+142.0% QoQ), due to greater indexation because of higher inflation (3Q20 0.04% vs 4Q20 1.26%).

NET INTEREST MARGIN	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG YOY
				QOQ	YOY			
Interest and indexation income	111,615	76,880	110,586	45.2%	0.9%	391,753	406,221	-3.6%
Interest and indexation expenses	-61,586	-25,445	-63,063	142.0%	-2.3%	-195,431	-223,786	-12.7%
NET INTEREST MARGIN	50,029	51,435	47,523	-2.7%	5.3%	196,322	182,435	7.6%
Interest margin net of provisions	26,405	30,155	34,248	-12.4%	-22.9%	121,933	136,740	-10.8%
NET INTEREST MARGIN / TOTAL LOANS	3.21%	3.26%	3.14%	-5 P	7 P	3.15%	3.01%	14 P
NET INTEREST MARGIN NET OF PROVISIONS / TOTAL LOANS	1.70%	1.91%	2.26%	-22 P	-57 P	1.96%	2.26%	-30 P

INTEREST AND INDEXATION INCOME MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG YOY
				QOQ	YOY			
Consumer	11,337	12,080	13,923	-6.2%	-18.6%	50,695	56,570	-10.4%
Mortgage	13,713	5,063	11,851	170.8%	15.7%	38,477	38,141	0.9%
Mortgage + Consumer	25,050	17,143	25,774	46.1%	-2.8%	89,172	94,711	-5.8%
Commercial	79,988	50,651	75,377	57.9%	6.1%	269,882	275,459	-2.0%

INTEREST AND INDEXATION INCOME/ TOTAL LOANS	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG YOY
				QOQ	YOY			
Consumer	9.91%	10.32%	10.24%	-41 p	-33 p	22.15%	20.80%	135 p
Mortgage	7.70%	2.90%	6.36%	481 p	134 p	10.81%	10.23%	58 p
Mortgage + Consumer	8.57%	5.87%	8.00%	269 p	57 p	15.25%	14.69%	56 p
Commercial	6.33%	3.94%	6.33%	239 p	-1 p	10.67%	11.57%	-90 p
TOTAL	6.75%	4.30%	6.69%	245 P	6 P	11.53%	12.23%	-70 P



Net fees totaled MCH\$57,854 for 12M20 (-14.0% YoY), due to reduced income from supplementary loan insurance products mainly in the retail banking division and lower fees in the fund management subsidiary. With respect to the preceding quarter, net fees were up 6.1% QoQ, because of higher commissions from card services.

Finance income, which is the sum of net financial operating income (loss) and the net gain from FX transactions, fell to MCH\$31,919 (-7.6% YoY), due to the impact of the crisis on the Bank's investment portfolio. Quarterly finance income reached MCH\$11,651 (+10.9% QoQ) because of greater trading of fixed-income, structured and currency instruments.

The line item other net operating loss was -MCH\$6,591 for 12M20 (vs. -MCH\$7,884 for 12M19), with a basis of comparison that includes operational risk expenses from the brokerage subsidiary in 2019. It also recorded greater provisions and write-offs for assets received in lieu of payment, along with decreased recovery of collections expenses.

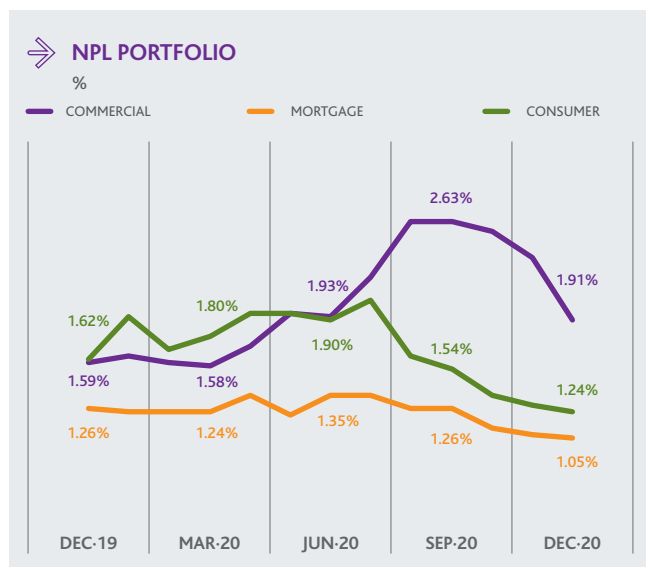
In terms of credit risk, the year 2020 was marked by the economic impact of the pandemic. The slowdown in economic activity during the first half of the year weakened both portfolio quality and risk indicators. Despite this deterioration and additional provisions recorded, Banco Security continued to maintain one of the local financial industry's lowest levels of loan loss provisions because of its high collateral coverage in relation to the rest of the sector.

INSTITUTION	LOANS ¹ MCH\$	GUARANTEES ² MCH\$	PROVISIONS MCH\$	GUARANTEES / LOANS	PROVISIONS / LOANS	(PROV. + GUAR.) / LOANS
Banking Industry	93,415,507	49,975,187	2,314,895	53.5%	2.5%	55.98%
Peer Banks ³	14,342,982	10,062,822	298,313	70.2%	2.1%	72.24%
Large Banks ⁴	77,324,336	40,103,821	1,991,581	51.9%	2.6%	54.44%
Banco Security	4,886,383	3,553,924	90,712	72.7%	1.86%	74.59%

1. COMMERCIAL LOANS WERE EVALUATED INDIVIDUALLY ON INFORMATION AS OF NOVEMBER 2020. 2. INTERNAL ESTIMATE OF INDIVIDUALLY ASSESSED COMMERCIAL LOAN PORTFOLIO BASED ON REPORT "BANK LLP INDICATORS" AS OF NOVEMBER, AVAILABLE WWW.CMF.CL. 3. PEER BANKS: BICE, CONSORCIO, INTERNACIONAL AND SECURITY 4. LARGE BANKS: CHILE, BCI, ESTADO, ITAÚ, SCOTIABANK AND SANTANDER.

INDICATORS	DEC-19	MAR-20	JUN-20	SEP-20	DEC-20
Loan loss provisions / Total loans	1.66%	1.66%	1.67%	1.83%	1.97%
Non-performing loans / Total loans	1.55%	1.56%	1.87%	2.39%	1.76%
Impaired loans / Total loans	4.54%	4.79%	5.57%	6.26%	7.30%

The ratios of loan loss provisions and impaired loans to total loans experienced upward trends, consistent with deteriorating economic activity. Nevertheless, as a result of Banco Security's efforts and relief measures from authorities, as well as improving economic conditions during the fourth quarter, the ratio of non-performing loans to total loans fell towards the end of the year. The following table shows the evolution of that index for each loan portfolio.

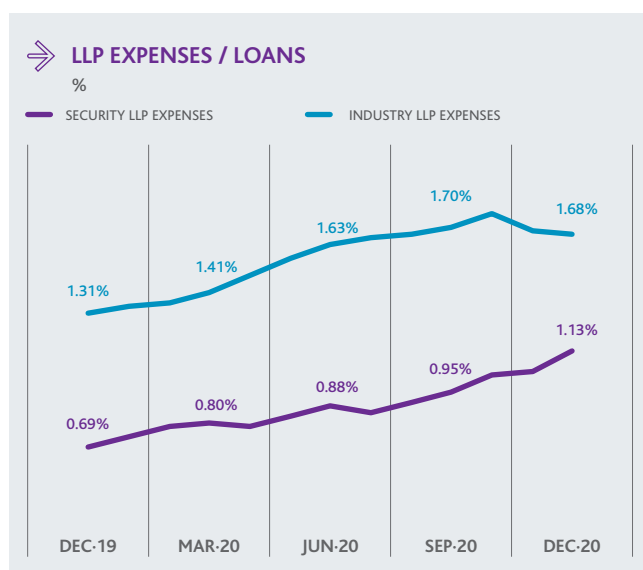


As a result of the above and the Bank's use of conservative criteria that includes voluntary provisions, our ratios of loan loss provisions and impaired loans to total loans closed the year even higher than the figure as of year-end 2019.





As mentioned, loan loss provisions rose sharply in 2020 to MCH\$70,288. This increase in LLP expenses translated into an annual LLP expense ratio of 1.13% of the loan portfolio. Although greater than the 2019 figure, it continues to be significantly less than the industry, as observed in the following chart.



Considering the relative importance of Banco Security's commercial portfolio in relation to total loans (81%), it deserves mentioning that the portfolio has one of the highest coverage ratios in the Chilean financial industry. This factor is one of the essential elements of Banco Security's risk management framework, since it enables the Bank to successfully navigate adverse economic cycles like in 2020.

For 2021 we expect economic conditions to gradually improve and help recuperate activity and portfolio risk levels. Nevertheless, we will still be dealing with the recession's impact on Chilean production, which will linger for some time.

MCH\$	4Q20	3Q20	4Q19	% CHG	
				QOQ	YOY
Consumer loans	457,704	468,432	543,953	-2.3%	-15.9%
Mortgage loans	712,074	699,126	745,550	1.9%	-4.5%
Commercial loans	5,057,580	5,144,150	4,761,744	-1.7%	6.2%
TOTAL LOANS	6,228,083	6,311,948	6,051,817	-1.3%	2.9%
Nonperforming loans - consumer	5,669	7,216	8,807	-21.4%	-35.6%
Nonperforming loans - mortgage	7,447	8,817	9,365	-15.5%	-20.5%
Nonperforming loans - commercial	96,431	135,047	75,643	-28.6%	27.5%
TOTAL NONPERFORMING PORTFOLIO (%)	109,547	151,080	93,815	-27.5%	16.8%
Nonperforming portfolio - consumer	1.24%	1.54%	1.62%	-30 p	-38 p
Nonperforming portfolio - mortgage	1.05%	1.26%	1.26%	-22 p	-21 p
Nonperforming portfolio - commercial	1.91%	2.63%	1.59%	-72 p	32 p
TOTAL NONPERFORMING PORTFOLIO (%)	1.76%	2.39%	1.55%	-63 p	21 p
Gross provisions	170,437	149,479	137,705	14.0%	23.8%
Write-offs	(47,694)	(34,093)	(37,179)	39.9%	28.3%
LOAN LOSS PROVISIONS	122,743	115,386	100,526	6.4%	22.1%
Provisions - consumer	24,721	24,492	23,689	0.9%	4.4%
Provisions - mortgage	1,136	1,072	1,469	6.0%	-22.7%
Provisions - commercial	96,886	89,822	75,368	7.9%	28.6%
LOAN LOSS PROVISIONS	122,743	115,386	100,526	6.4%	22.1%
NPL coverage - consumer	436.1%	339.4%	269.0%	9666 p	16709 p
NPL coverage - mortgage	15.3%	12.2%	15.7%	310 p	-43 p
NPL coverage - commercial	100.5%	66.5%	99.6%	3396 p	84 p
TOTAL NPL COVERAGE¹	112.0%	76.4%	107.2%	3567 p	489 p
Provisions / Loans	1.97%	1.83%	1.66%	14 p	31 p
IMPAIRED PORTFOLIO	7.30%	6.26%	4.54%	104 p	276 p
Impaired loans - consumer	5.28%	5.88%	4.10%	-61 p	118 p
Impaired loans - mortgage	1.60%	1.76%	1.56%	-16 p	4 p
Impaired loans - commercial	8.29%	6.90%	5.06%	139 p	323 p

¹ LOAN LOSS PROVISIONS / TOTAL NONPERFORMING LOANS



MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG YOY
				QOQ	YOY			
Risk provisions - consumer ²	(5,113)	(6,382)	(5,797)	-19.9%	-11.8%	(25,414)	(21,045)	20.8%
Risk provisions - mortgage ²	(267)	(36)	(381)	641.7%	-29.9%	(831)	(457)	81.8%
Risk provisions - commercial ²	(16,453)	(13,450)	(8,265)	22.3%	99.1%	(42,515)	(22,668)	87.6%
Others ³	(665)	(227)	2,093	-	-	(1,528)	2,279	-167.0%
TOTAL RISK PROVISIONS²	(22,498)	(20,095)	(12,350)	12.0%	82.2%	(70,288)	(41,891)	67.8%
Risk provisions consumer / Loans	4.47%	5.45%	4.26%	-98 p	21 p	5.55%	3.87%	168 p
Risk provisions mortgage / Loans	0.15%	0.02%	0.20%	13 p	-5 p	0.12%	0.06%	6 p
Risk provisions commercial / Loans	1.30%	1.05%	0.69%	26 p	61 p	0.84%	0.48%	36 p
PROVISION EXPENSES² / LOANS	1.44%	1.27%	0.82%	17 P	63 P	1.13%	0.69%	44 P

² PROVISION EXPENSE NET OF RECOVERIES

³ LOAN LOSS PROVISIONS FOR LOANS TO BANKS AND PROVISIONS FOR CONTINGENT LOANS

	CREDIT RISK (%)								
	PROVISIONS / LOANS					NON-PERFORMING LOANS			
	MORTGAGE	CONSUMER	TOTAL	COMMERCIAL	TOTAL	MORTGAGE	CONSUMER	COMMERCIAL	TOTAL
Banco Security	0.16	5.40	2.21	1.92	1.97	1.05	1.24	1.91	1.76
Peer Banks*	0.20	4.06	1.13	2.11	1.93	1.48	0.88	1.64	1.52
Banking Industry	0.67	6.78	2.40	2.97	2.71	1.53	1.43	1.66	1.58

* AVERAGE FOR BICE, INTERNACIONAL, CONSORCIO AND SECURITY

For 12M20, the Bank reported support expenses of MCH\$134,127 (+0.9% YoY). In addition, in 2020 all Grupo Security companies implemented a savings plan and structural adjustments to improve their efficiency ratios. As a result, personnel expenses rose to MCH\$65,424 (+11.1% YoY), due to an increase in termination expenses. On the other hand, administrative expenses totaled MCH\$60,867 (-9.1% YoY), because of the savings efforts mentioned above and reduced business in retail banking. Finally, depreciation and amortization expense reached MCH\$7,836 (+9.9% YoY).

For the quarter, support expenses rose to MCH\$32,733 (-5.4% QoQ). Personnel expenses were MCH\$16,019 (-6.5% QoQ), explained by a high basis of comparison because of termination benefits paid in 3Q20 as part of structural adjustments, offset by greater provisions for productivity bonuses, while administrative expenses totaled MCH\$14,720 (-4.9% QoQ) because of regulator contributions in 3Q20. Finally, depreciation and amortization expense reached MCH\$1,994 for 4Q20 (+1.2% QoQ).

MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG YOY
				QOQ	YOY			
Personnel expenses	-16,019	-17,136	-15,757	-6.5%	1.7%	-65,424	-58,875	11.1%
Administrative expenses	-14,720	-15,482	-16,160	-4.9%	-8.9%	-60,867	-66,947	-9.1%
Depreciation and amortization	-1,994	-1,970	-1,887	1.2%	5.7%	-7,836	-7,133	9.9%
TOTAL OPERATING EXPENSES	-32,733	-34,588	-33,804	-5.4%	-3.2%	-134,127	-132,955	0.9%
Gross operating income	75,032	75,642	72,631	-0.8%	3.3%	283,563	280,171	1.2%
EFFICIENCY RATIO	43.3%	45.7%	46.5%	-245 P	-327 P	47.2%	47.5%	-25 P

Banco Security's efficiency ratio, measured as operating expenses + other operating expenses over total operating income, was 47.2% for 12M20 (-25 bps YoY), an improvement over the banking industry's 48.9%, and 43.3% for 4Q20 (-245 bps QoQ).

For 12M20, the Bank had a smaller income tax expense (MCH\$15,179, -38.3% YoY), due to a drop in profit before tax (-25.8% YoY) and a lower effective tax rate because of increased price-level restatement of tax-basis equity.

BANCO SECURITY - OPERATING SEGMENTS

BANCO SECURITY SEGMENT NOTE (YOY)

MCH\$	COMMERCIAL BANKING		RETAIL BANKING		TREASURY		OTHER		TOTAL BANK		SUBSIDIARIES		TOTAL CONSOLIDATED	
	DEC-20	DEC-19	DEC-20	DEC-19	DEC-20	DEC-19	DEC-20	DEC-19	DEC-20	DEC-19	DEC-20	DEC-19	DEC-20	DEC-19
Net interest margin	102,250	96,169	59,841	67,122	45,325	27,925	-10,927	-8,455	196,489	182,760	30	-325	196,519	182,435
Δ% 12M20	6.3%		-10.8%		62.3%		29.2%		7.5%		-109.3%		7.7%	
Net fee and commission income	18,567	20,872	14,919	20,582	-195	-317	930	483	34,221	41,619	23,633	25,658	57,854	67,277
Δ% 12M20	-11.0%		-27.5%		-38.3%		92.7%		-17.8%		-7.9%		-14.0%	
Net FX transactions and other income	8,957	8,455	2,161	1,574	19,048	17,257	-6,033	-2,596	24,133	24,690	8,399	2,397	32,532	27,087
Δ% 12M20	5.9%		37.3%		10.4%		132.4%		-2.3%		250.4%		20.1%	
Loan losses and repossessed assets	-47,706	-11,142	-29,939	-28,408	-74	38	260	-2,811	-77,459	-42,323	0	0	-77,459	-42,323
Δ% 12M20	328.2%		5.4%		-		-109.2%		83.0%		-		83.0%	
TOTAL OPERATING INCOME NET OF PROVISIONS	82,068	114,353	46,982	60,870	64,104	44,903	-15,770	-13,380	177,384	206,746	32,062	27,730	209,446	234,476
Δ% 12M20	-28.2%		-22.8%		42.8%		17.9%		-14.2%		15.6%		-10.7%	
Operating expenses	-42,946	-38,436	-55,157	-58,440	-14,234	-12,595	4,373	4,237	-107,964	-105,234	-26,163	-27,721	-134,127	-132,955
Δ% 12M20	11.7%		-5.6%		13.0%		3.2%		2.6%		-5.6%		0.9%	
NET OPERATING INCOME (LOSS)	39,121	75,917	-8,174	2,430	49,870	32,308	-11,397	-9,144	69,420	101,512	5,899	9	75,319	101,521
Δ% 12M20	-48.5%		-436.4%		54.4%		24.6%		-31.6%		-		-25.8%	
Income tax expense	-8,138	-17,909	1,700	-573	-10,374	-7,622	2,368	2,152	-14,443	-23,952	-736	-630	-15,179	-24,582
Δ% 12M20	-54.6%		-396.6%		36.1%		10.0%		-39.7%		16.8%		-38.3%	
PROFIT (LOSS) ATTRIBUTABLE TO OWNERS OF THE BANK	30,984	58,008	-6,474	1,857	39,496	24,687	-9,017	-6,974	54,989	77,578	5,161	-629	60,150	76,950
Δ% 12M20	-46.6%		-448.7%		60.0%		29.3%		-29.1%		-921.1%		-21.8%	



BANCO SECURITY SEGMENT NOTE (QOQ)

MCH\$	COMMERCIAL BANKING		RETAIL BANKING		TREASURY		OTHER		TOTAL BANK		SUBSIDIARIES		TOTAL CONSOLIDATED	
	4Q-20	3Q-20	4Q-20	3Q-20	4Q-20	3Q-20	4Q-20	3Q-20	4Q-20	3Q-20	4Q-20	3Q-20	4Q-20	3Q-20
Net interest margin	26,565	26,114	13,935	14,509	12,952	14,368	-3,349	-3,390	50,103	51,600	123	-165	50,226	51,435
Δ% 4Q20	1.7%		-4.0%		-9.8%		-1.2%		-2.9%		-174.6%		-2.3%	
Net fee and commission income	4,335	3,825	3,506	3,274	-36	-56	89	810	7,894	7,852	5,868	5,113	13,762	12,965
Δ% 4Q20	13.3%		7.1%		-		-		0.5%		14.8%		6.1%	
Net FX transactions and other income	2,355	2,580	121	145	8,261	7,515	-439	-926	10,298	9,312	3,028	2,421	13,326	11,733
Δ% 4Q20	-8.7%		-16.7%		9.9%		-52.6%		10.6%		25.1%		13.6%	
Loan losses and repossessed assets	-17,351	-15,046	-8,280	-7,114	-3	-5	0	394	-25,634	-21,770	0	0	-25,634	-21,771
Δ% 4Q20	15.3%		16.4%		-		-		17.7%		-		17.7%	
TOTAL OPERATING INCOME NET OF PROVISIONS	15,904	17,471	9,281	10,813	21,174	21,822	-3,699	-3,113	42,661	46,994	9,019	7,369	51,680	54,362
Δ% 4Q20	-9.0%		-14.2%		-3.0%		18.8%		-9.2%		22.4%		-4.9%	
Operating expenses	-10,158	-11,321	-13,310	-14,268	-3,280	-3,444	1,402	518	-25,347	-28,513	-7,385	-6,076	-32,732	-34,589
Δ% 4Q20	-10.3%		-6.7%		-4.8%		170.6%		-11.1%		21.5%		-5.4%	
NET OPERATING INCOME (LOSS)	5,746	6,152	-4,029	-3,454	17,894	18,378	-2,297	-2,595	17,314	18,481	1,634	1,293	18,948	19,773
Δ% 4Q20	-6.6%		-		-2.6%		-11.5%		-6.3%		26.4%		-4.2%	
Income tax expense	-719	-1,898	779	781	-3,266	-4,350	346	703	-2,860	-4,763	-168	-282	-3,028	-5,045
Δ% 4Q20	-62.1%		-0.3%		-24.9%		-50.7%		-40.0%		-40.4%		-40.0%	
PROFIT (LOSS) ATTRIBUTABLE TO OWNERS OF THE BANK	5,027	4,254	-3,250	-2,673	14,628	14,029	-1,941	-1,892	14,464	13,718	1,466	1,011	15,930	14,727
Δ% 4Q20	18.2%		21.6%		4.3%		2.6%		5.4%		45.0%		8.2%	

COMMERCIAL BANKING

Banco Security's Commercial Banking Division targets companies with annual sales above MUS\$ 1.2. While Banco Security's core business targets large companies, efforts have been made in recent years to strengthen the medium-sized company segment by tailoring services to its needs. This strategy is designed to diversify our customer base and improve returns in each segment.

COMMERCIAL LOANS BY ECONOMIC SECTOR	% TOTAL
Financial services and insurance	16.1%
Construction and real estate	19.2%
Real estate and corporate services	17.8%
Social services	12.2%
Commerce	10.2%
Manufacturing	6.2%
Transportation	6.6%
Electricity, gas and water	4.2%
Agriculture and livestock	3.6%
Fishing	1.4%
Mining	1.6%
Telecom	0.5%
Forestry	0.2%
TOTAL COMMERCIAL LOANS	100%

As of December 2020, the Bank's commercial loans were up 6.2% YoY to BCH\$5,057, while the industry's commercial loans grew 3.6% YoY. Including foreign subsidiaries, the industry's commercial loans increased 4.1% YoY. Banco Security's market share in commercial loans was 4.9% as of December 31, 2020⁴, while its market share in its target segment of medium and large companies was 6.1%⁵. The Commercial Banking Division had 8,023 customers as of December 2020 (-3.2% YoY).

The first tender of the FOGAPE COVID-19 state-backed credit line was held on April 28, 2020. The program was created to provide liquidity to companies with annual sales of up to UF 1 million. During the year, Banco Security granted 457 FOGAPE loans for a total of MCH\$55,626, representing 19% growth in commercial loans YoY. Excluding these loans, Banco Security's commercial loans grew 5.0% YoY, reflecting a strong commercial performance in comparison to the industry's 4.5% YoY decline.

The Commercial Banking Division posted profit of MCH\$30,984 for 12M20 (-46.6% YoY). This weaker result is explained mainly by increased LLP expenses, totaling MCH\$47,706 for 12M20 compared to MCH\$11,142 for 12M19 (see pages 296-300 for more information). It is important to note that 12M19 represents a low basis of comparison due to provisions reversed in 1Q19. Support expenses also rose +11.7% YoY to MCH\$42,946 because of termination benefits following the structural changes mentioned above and increased personnel expenses in 1Q20 for 2019 performance bonuses. The division also recognized lower net fees of MCH\$18,567 (-11.0% YoY), explained by reduced business. This was not fully offset by a higher net interest margin of MCH\$102,250 for 12M20 (+6.3% YoY) due to increased commercial loans (+6.2% YoY) and a larger average spread. The line item financial operating income, net FX transactions and other income rose to MCH\$8,957 (+5.9% YoY), because of a larger spread resulting from exchange rate volatility.

For the quarter, the commercial banking division reported profit of MCH\$5,027 (+18.2% QoQ) explained by lower support expenses of MCH\$10,158 (-10.3% QoQ) due to a drop in personnel expenses, and a high basis of comparison because of termination benefits paid in 3Q20. In addition, the division reported greater net fees of MCH\$4,335 (+13.3% QoQ) because of increased business with respect to 3Q20 and a stable net interest margin of MCH\$26,565 (+1.7% QoQ). These effects were only partially offset by greater LLP expense of MCH\$17,351 (+15.3% QoQ).

RETAIL BANKING

Banco Security's retail banking division targets high-income individuals. In recent years, the retail division has focused on expanding consumer products.

As of December 2020, the Bank had total retail loans (consumer + mortgage) of BCH\$1,170 (-9.3% YoY), driven by consumer (-15.9% YoY) and mortgage (-4.5% YoY) loans, representing 7.3% and 11.4% of the Bank's total loans, respectively. For the industry, retail loans increased 0.8% YoY, driven by growth in mortgage loans (+8.1% YoY), partially offset by consumer loans (-13.9% YoY). Including foreign subsidiaries, the industry's retail loans grew +0.4% YoY. The Bank boasts market share of 4.0%⁵ in its target segment of high-income individuals as of December 2020. The Retail Banking Division had 67,496 customers as of December 31, 2020 (-4.4% YoY).

⁴ EXCLUDING FOREIGN SUBSIDIARIES OF LOCAL BANKS

⁵ THIS INCLUDES COMPANIES WITH ANNUAL SALES OVER MCH\$800, ONLY IN THE PARTS OF CHILE WHERE BANCO SECURITY HAS OFFICES. SOURCE: CHILEAN INTERNAL REVENUE SERVICE (SII).

⁶ THIS DIVISION INCLUDES INDIVIDUALS BETWEEN 24 AND 65 YEARS OF AGE IN THE MIDDLE AND HIGH-INCOME SEGMENTS (UF 60 IN SANTIAGO OR UF 50 ELSEWHERE IN CHILE) WITH A RISK/RETURN PROFILE SIMILAR TO BANCO SECURITY'S CUSTOMERS, ONLY FOR THE PARTS OF CHILE WHERE BANCO SECURITY HAS OFFICES. SOURCE: CHILEAN INTERNAL REVENUE SERVICE (CMF).



The retail banking division reported a loss of -MCH\$6,474 for 12M20 (loss of -MCH\$1,857 for 12M19) due to a decrease in the net interest margin and net fees. The division's net interest margin fell to MCH\$59,841 (-10.8% YoY), explained by a contraction in consumer loans (-15.9% YoY). Net fees and commissions fell to MCH\$14,919 (-27.5% YoY), due to a decline in supplementary loan insurance products. Finally, LLP expenses reached MCH\$21,659 (+13.1% YoY). For more information, see pages 8-300 of this report. That increase was partially offset by lower support expenses of MCH\$55,157 (-5.6% YoY) due to reduced business and the savings plan implemented organization-wide by Grupo Security. It also reported an increase in financial operating income, net FX transactions and other income, which totaled MCH\$2,161 for 12M20 (+37.3% YoY), because of higher sales of mortgage bonds.

The retail banking division reported a loss of -MCH\$3,250 for 4Q20 (vs -MCH\$2,673 for 3Q20) because of a rise in LLP expenses of MCH\$8,280 (+16.4% QoQ) and a lower net interest margin of MCH\$13,935 (-4.0% QoQ) due to a smaller spread. These effects only partially offset lower support expenses of MCH\$13,310 (-6.7% QoQ), with a high basis of comparison because of termination benefits paid in 3Q20. In addition, the division reported greater net fees of MCH\$3,506 (+7.1% QoQ) because of increased credit card and current account activity, partly offset by reduced revenue from supplementary loan insurance products.

TREASURY

In March 2020, the Chilean Central Bank announced the creation of the Credit Facility Conditional on Increased Lending (FCIC) to inject liquidity into the economy, accepting a broad range of fixed-income instruments as collateral for that financing. In this context, Banco Security's board of directors approved a temporary increase in limits for the Treasury's investment portfolios, and broadened risk limits to access low-risk instruments at attractive prices given current market conditions. Portfolio growth allowed it to access Chilean Central Bank financing using these instruments as collateral and also take advantage of that portfolio's accrual spread and potential capital gains should interest rates return to normal, pre-pandemic levels.

For 12M20, the treasury area reported profit of MCH\$39,496 (+60.0% YoY), explained by higher net operating income of MCH\$64,104 (+42.8% YoY), due to growth in its proprietary investment portfolio, sales of corporate and bank bonds, structured deals in the distribution area and strong results from short-term inflation positions, coupled with the effects of MPR cuts (December 2020 0.5% vs December 2019 1.75%) and financing facilities provided by the Chilean Central Bank. The division reported support expenses of MCH\$14,234 (+13.0% YoY).

For 4Q20, it reported profit of MCH\$14,628 (+4.3% QoQ). Net operating income totaled MCH\$21,213 (-3.1% QoQ) explained by a drop in prepayments and higher cost of international funds. That was offset by higher inflation during the period (3Q20 0.04% vs 4Q20 1.26%) and favorable results from short-term inflation positions. Support expenses fell to MCH\$3,280 (-4.8% QoQ) due to lower financial risk expenses. Lastly, it had a lower effective tax rate (18.3% in 4Q20 vs 23.7% in 3Q20) because of price-level restatement of equity due to higher inflation during the quarter (1.26% in 4Q20 vs 0.04% in 3Q20).

The treasury division consists of trading, investment, distribution and asset and liability management (ALM) transactions. The ALM desk manages financial investments used to stabilize the net interest margin, manage the balance of interest rate risk, manage liquidity and efficiently fund the bank's loan portfolio. ALM represented 49.5% of treasury income in 2020. The investment and trading desks manage the Bank's own portfolio of primarily Chilean Central Bank notes and corporate bonds and represent 25.8% of treasury income. The

remaining 21.3% of treasury division income comes from the distribution desk, which brokers specialized products for corporate banking customers (currency, forwards and structured products).

LOAN PORTFOLIO - BANCO SECURITY

Total loans reached MCH\$6,228,083 as of December 2020, +2.9% YoY, while industry loans were up +2.8% YoY. Including foreign investments, industry loans grew +2.3% YoY. Commercial loans grew 6.2% YoY, to MCH\$5,057,580 (81.2% of Banco Security's total loan portfolio), while retail loans (consumer + mortgage) reached MCH\$1,169,778 as of December 2020, -9.3% YoY. The 20 largest borrowers represent 11.6% of the Bank's total loan portfolio.

TOTAL LOANS MCH\$	4Q20	3Q20	4Q19	% CHG	
				QOQ	YOY
Consumer	457,704	468,432	543,953	-2.3%	-15.9%
Mortgage	712,074	699,126	745,550	1.9%	-4.5%
Mortgage + Consumer	1,169,778	1,167,558	1,289,503	0.2%	-9.3%
NO. OF CUSTOMERS	67,496	68,153	70,633	-1.0%	-4.4%
Commercial	5,057,580	5,144,150	4,761,744	-1.7%	6.2%
NO. OF CUSTOMERS	8,023	8,082	8,291	-0.7%	-3.2%
TOTAL LOANS	6,228,083	6,311,948	6,051,817	-1.3%	2.9%
MARKET SHARE	3.4%	3.4%	3.4%	0 p	0 p

INTEREST AND INDEXATION INCOME MCH\$	4Q20	3Q20	4Q19	% CHG		DEC-20	DEC-19	% CHG
				QoQ	YoY			
Consumer	11,337	12,080	13,923	-6.2%	-18.6%	50,695	56,570	-10.4%
Mortgage	13,713	5,063	11,851	170.8%	15.7%	38,477	38,141	0.9%
Mortgage + Consumer	25,050	17,143	25,774	46.1%	-2.8%	89,172	94,711	-5.8%
Commercial	79,988	50,651	75,377	57.9%	6.1%	269,882	275,459	-2.0%

INTEREST AND INDEXATION INCOME/ TOTAL LOANS	4Q20	3Q20	4Q19	% CHG		DEC-20	DEC-19	% CHG
				QoQ	YoY			
Consumer	9.91%	10.32%	10.24%	-41 p	-33 p	22.15%	20.80%	135 p
Mortgage	7.70%	2.90%	6.36%	481 p	134 p	10.81%	10.23%	58 p
Mortgage + Consumer	8.57%	5.87%	8.00%	269 p	57 p	15.25%	14.69%	56 p
Commercial	6.33%	3.94%	6.33%	239 p	-1 p	10.67%	11.57%	-90 p
TOTAL	6.75%	4.30%	6.69%	245 p	6 p	11.53%	12.23%	-70 p



BANCO SECURITY - FUNDING SOURCES

FUNDING SOURCES MCH\$	DEC-20		SEP-20		DEC-19		% CHG	
							QoQ	YoY
Demand deposits	1,175,142	14.5%	1,249,255	14.9%	974,730	11.8%	-5.9%	20.6%
Time deposits	1,890,734	23.4%	2,068,266	24.7%	3,039,673	36.8%	-8.6%	-37.8%
Total deposits	3,065,876	37.9%	3,317,521	39.6%	4,014,403	48.6%	-7.6%	-23.6%
Bonds	2,930,589	36.3%	2,860,609	34.1%	2,768,376	33.5%	2.4%	5.9%
Borrowings from financial institutions	1,071,537	13.3%	1,052,374	12.5%	272,634	3.3%	1.8%	293.0%
Other liabilities*	349,776	4.3%	508,232	6.1%	592,031	7.2%	-31.2%	-40.9%
TOTAL LIABILITIES	7,417,778	91.8%	7,738,736	92.3%	7,647,444	93%	-4.1%	-3.0%
Total equity	661,938	8.2%	647,151	7.7%	617,326	7.5%	2.3%	7.2%
LIABILITIES + EQUITY	8,079,716	100%	8,385,887	100%	8,264,770	100%	-3.7%	-2.2%

* INCLUDES THE FOLLOWING ACCOUNTS: TRANSACTIONS IN THE COURSE OF COLLECTION/PAYMENT, REPO AGREEMENTS, FINANCIAL DERIVATIVE INSTRUMENTS, OTHER FINANCIAL LIABILITIES, CURRENT TAXES, DEFERRED TAXES, PROVISIONS AND OTHER LIABILITIES.

DEMAND AND TIME DEPOSITS

As of December 2020, deposits totaled MCH\$3,065,876, -23.6% YoY. Deposits rose by +7.1% YoY for the industry, and deposits including foreign subsidiaries rose by +7.7% YoY. Banco Security's time deposits consisted of 31.4% retail deposits and 68.6% institutional deposits. The 15 largest depositors represent 12.0% of the Bank's total deposits. The loan to deposit ratio was 203% as of December 2020, compared to 151% as of December 2019. Banco Security's strategy is to diversify funding sources using sales incentives to increase its retail deposit base.

As of December 2020, borrowings from financial institutions reached MCH\$1,071,537 (+293.0% YoY), mainly because of the use of credit lines and financing from the Chilean Central Bank.

Banco Security strictly monitors liquidity risk⁷, striving to diversify funding sources while monitoring and controlling a series of limits on asset/liability mismatches, maintaining an important volume of liquid assets and lengthening liabilities to increase funding terms. The Bank's exposure from asset and liability mismatches is among the industry's lowest thanks to a conservative interest rate gap strategy that takes advantage of record-low rates to lengthen our liabilities. As of December 31, 2020, the ratio of long-term interest rate risk to regulatory capital was 4.5%⁸.

As of December 31, 2020, liquid assets⁹ represented 93% of demand and other time deposits. The liquidity coverage ratio as of December 2020 was 322.7%, above the regulatory minimum of 70%.

⁷ LIQUIDITY RISK REPRESENTS THE POSSIBILITY OF NOT FULFILLING OBLIGATIONS WHEN THEY MATURE AS A RESULT OF THE INABILITY TO LIQUIDATE ASSETS OR FUNDS, OR NOT BEING ABLE TO DISPOSE OF THEM EASILY OR OFFSET EXPOSURE WITHOUT SIGNIFICANTLY REDUCING PRICES DUE TO INSUFFICIENT MARKET DEPTH (GRUPO SECURITY ANNUAL REPORT, NOTE 35).

⁸ THIS MEASURES THE EXPOSURE TO CHANGES IN INTEREST RATES AS A PERCENTAGE OF EQUITY. EXPOSURE TO LONG-TERM INTEREST RATES IS CALCULATED AS THE SUM OF THE DIFFERENCES BY TIME BAND AND CURRENCY OF CASH FLOWS FROM BANKING BOOKS ASSETS AND LIABILITIES, INCLUDING AMORTIZATION AND INTEREST, ADJUSTED BY A SENSITIVITY FACTOR AS PER TABLE 2 OF APPENDIX 1 OF CHAPTER III.B.2.2 OF THE CHILEAN CENTRAL BANK'S COMPENDIUM OF FINANCIAL STANDARDS.

⁹ INCLUDES CASH AND CASH DEPOSITS, TRANSACTIONS IN THE COURSE OF COLLECTION OR PAYMENT AND THE PORTFOLIO OF FINANCIAL INSTRUMENTS.

¹⁰ LIQUIDITY COVERAGE RATIO (LCR, C48) PUBLISHED ON WEBSITE WWW.BANCOSECURITY.CL

BANCO SECURITY - DEBT ISSUED

SERIES	CMF REGISTRATION NUMBER	CMF REGISTRATION DATE	CURRENCY	AMOUNT	ANNUAL INTEREST RATE	DURATION (YEARS)	MATURITY
H1	03/2007	Jan 25, 2007	UF	3,000,000	3.00	23	Dec 1, 2029
R1	10/2011	06-Oct-11	UF	3,000,000	3.00	10	Jun 1, 2021
K2	01/2012	Mar 14, 2012	UF	4,000,000	3.25	10	Nov 1, 2021
K3	01/2013	Feb 26, 2013	UF	4,000,000	3.50	10	Nov 1, 2022
K4	10/2013	Nov 06, 2013	UF	5,000,000	3.60	10	Oct 1, 2023
K5	14/2014	Oct 09, 2014	UF	5,000,000	2.75	10	Jun 1, 2024
K6	05/2015	01-Apr-15	UF	5,000,000	2.75	5	Mar 1, 2025
K7	05/2015	01-Apr-15	UF	5,000,000	2.75	10	Sept 1, 2025
Z1	10/2015	Sept 30, 2020	CH\$	75,000,000,000	5.25	5	Sept 1, 2020
B5	11/2016	Oct 3, 2016	UF	5,000,000	2.40	5	Aug 1, 2021
K8	12/2016	Oct 3, 2016	UF	5,000,000	2.80	10	Oct 1, 2036
Z2	13/2016	Oct 3, 2016	CH\$	75,000,000,000	5.30	5.5	Feb 1, 2027
B6	06/2017	Jul 11, 2017	UF	5,000,000	2.25	5.5	Apr 1, 2022
B7	08/2018	May 9, 2018	UF	4,000,000	2.20	5	Feb 1, 2023
K9	08/2018	May 9, 2018	UF	5,000,000	2.75	10	Jan 01, 2028
Z3	08/2018	May 9, 2018	CH\$	75,000,000,000	4.80	5	Dec 1, 2022
B8	11/2018	Dec 20, 2018	UF	5,000,000	1.80	5.5	Aug 1, 2023
Q1	11/2018	Dec 20, 2018	UF	3,000,000	2.50	15	Aug 1, 2033
Z4	11/2018	Dec 20, 2018	CH\$	75,000,000,000	4.80	5.5	Oct 1, 2023
D1	11/2018	Dec 20, 2018	UF	5,000,000	2.20	10.5	Aug 1, 2028
B9	11/2019	Nov 11, 2019	UF	5,000,000	0.70	5.5	Apr 1, 2024
D2	11/2019	Nov 11, 2019	UF	5,000,000	0.90	8.5	Mar 1, 2027
D3	11/2019	Nov 11, 2019	UF	5,000,000	1.00	10.5	Mar 1, 2029
Z5	11/2019	Nov 11, 2019	CH\$	75,000,000,000	3.50	6	Jun 1, 2025
D2	11/2019	Nov 11, 2019	UF	5,000,000	0.90	8.5	Mar 1, 2027
D3	11/2019	Nov 11, 2019	UF	5,000,000	1.00	10.5	Mar 1, 2029
Z5	11/2019	Nov 11, 2019	CH\$	75,000,000,000	3.50	6	Jun 1, 2025

As of December 2020, Banco Security had issued MCH\$2,571,801 in senior bonds, as detailed in Note 21 of Banco Security's financial statements.



BANCO SECURITY – CAPITALIZATION

As of December 2020, Banco Security's equity attributable to the equity holders of the parent totaled MCH\$661,886 (+7.2% YoY).

MCH\$	DEC-20	SEP-20	DEC-19	% CHG	
					YoY
Issued capital	302,048	302,047	302,047	0.0%	0.0%
Reserves and valuation accounts	36,010	32,375	33,506	11.2%	7.5%
Retained earnings	323,828	312,676	281,721	3.6%	14.9%
EQUITY ATTRIBUTABLE TO OWNERS	661,886	647,098	617,274	2.3%	7.2%
Core capital	661,886	647,098	617,274	2.3%	7.2%
Regulatory capital	926,896	907,494	834,064	2.1%	11.1%
Minimum required capital	527,721	543,690	542,228	-2.9%	-2.7%
Risk-weighted assets	6,596,514	6,796,127	6,777,845	-2.9%	-2.7%
Regulatory Capital / APR	14.05%	13.35%	12.31%	70 p	175 p
Core capital / Total assets	7.85%	7.37%	7.13%	47 p	72 p

In order to strengthen the Bank's capital base, in April 2020 its shareholders agreed to reduce dividends to 30% of profit for the year 2019, which is the legal minimum. Furthermore, in August 2020, Grupo Security successfully closed the preferential option period for its capital increase, raising MCH\$55,568. Over the next few months it will allocate part of the funds raised to capitalizing the Bank.

The Bank's capital adequacy ratio as of December 2020, calculated as regulatory capital over risk-weighted assets, reached 14.1% (with a regulatory minimum of 8%), +175 bps YoY. This increase can be attributed to 11.1% growth in regulatory capital because of an 14.9% rise in retained earnings, impacted positively by a reduction in dividend distributions. The ratio of core capital to total assets reached 7.85%, +72 bps YoY. The return on average equity for Banco Security came to 9.4% for 2020.

FACTORING SECURITY

Factoring Security reported profit of MCH\$9,471 for 12M20 (+3.3% YoY), with operating income of MCH\$32,604 (-5.9% YoY), despite a smaller volume of factored receivables because of the economic slowdown (-12.5% YoY), which was more than offset by a larger spread and more prepayments during the period. Operating expenses totaled MCH\$7,060 (-26.5% YoY) attributable to lower borrowing costs and a smaller volume of factored receivables, while support expenses reached MCH\$11,482 (+5.2% YoY) because of higher payroll expenses due to termination benefits paid in 4Q20 and increased depreciation and amortization expense (+57.5% YoY) because of software investments in 2019. The higher expenses were partially offset by a cost savings plan and structural adjustments aimed at improving efficiency ratios in all Grupo Security companies.

Profit for 4Q20 was MCH\$2,071 (+13.1% QoQ), with operating revenue of MCH\$7,446 (+4.6% QoQ) due to higher prepayments and indexation in the quarter. In addition, it had lower operating expenses of MCH\$1,277 (-10.7% QoQ) explained by lower finance costs as

a result of the decrease in borrowings from financial institutions during the year. Support expenses totaled MCH\$3,062 (+10.0% QoQ) due to higher severance payments in the period (+15.1% QoQ), in accordance with the restructuring.

These effects resulted in an efficiency ratio of 43.8% as of December 2020 (+151 bps YoY and +69 bps QoQ). As of December 2020, the risk ratio measured as provisions over total loans was 1.68%, -16 bps YoY and -62 bps QoQ, because of write-offs during the period. The ratio of LLP / loans was 0.69% as of December 2020 (+11 bps YoY, -19 bps QoQ), due to provision expenses in line with 2019 (+4.0% YoY) and lower loan volumes (-12.5% QoQ).

MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG
				QoQ	YoY			
Loans	360,084	329,150	411,703	9.4%	-12.5%	360,084	411,703	-12.5%
Provisions	6,040	7,549	7,674	-20.0%	-21.3%	6,040	7,549	-20.0%
Gross operating income	7,446	7,116	8,956	4.6%	-16.9%	32,604	34,658	-5.9%
Operating expenses	-1,277	-1,431	-2,255	-10.7%	-43.3%	-7,060	-9,607	-26.5%
Loan loss provision expense	-634	-737	-737	-13.9%	-13.9%	-2,481	-2,386	4.0%
Operating expenses	-3,062	-2,784	-3,087	10.0%	-0.8%	-11,482	-10,924	5.1%
PROFIT	2,071	1,832	2,353	13.1%	-12.0%	9,471	9,171	3.3%
Efficiency ¹	48.7%	48.0%	43.9%	69 p	478 p	43.8%	42.2%	151 p
Risk provisions / Total loans	0.70%	0.90%	0.72%	-19 p	-1 p	0.69%	0.58%	11 p
Risk ratio ²	1.68%	2.29%	1.86%	-62 p	-19 p	1.68%	1.83%	-16 p

¹ SUPPORT COSTS / MARGIN BEFORE EXPENSES.

² PROVISIONS / LOANS

ASSET MANAGEMENT AREA

(2.1% OF ASSETS; 6.4% OF PROFIT FROM BUSINESS AREAS AS OF DECEMBER 2020)

The asset management business area includes Administradora General de Fondos Security and Valores Security Corredores de Bolsa. It also includes Securitizadora Security, which manages securitized assets and their respective special purpose vehicles (SPVs). This business area complements the product range offered by the rest of the Group's companies, providing services tailored to the needs of each customer segment. The products offered by the different companies in the asset management business area are: AGF Security manages mutual funds, investment funds and voluntary retirement savings (APV). Valores Security offers foreign exchange and stock brokerage services and forwards. Asesorías Security and Global Security provide support and advisory services for the different asset management businesses.

The subsidiary's AUM as of December 2020 totaled MCH\$4,229,873 (-1.4% YoY and +3.8% QoQ) due to a decrease in AUM of domestic stocks in custody (-21.4% YoY), local fixed income instruments (-17.6% YoY) and investment funds (-18.9% YoY). These decreases were partly offset by greater AUM in mutual funds, which amounted to MCH\$2,789,219 (+4.8% YoY and +6.8% QoQ), mainly in money market funds and debt maturing in under 1 year, with market share of 5.4% of the industry. In 2020, AGF Security moved up to 5th place (10th in 2019) in the ranking of fund managers by average returns published by El Mercurio Inversiones. The total value of shares traded was MCH\$1,154,903 for 12M20 (-48.8% YoY and -38.3 QoQ), with market share of 2.0%.



MCH\$	2020	9M20	2019	% CHG	
				QoQ	YoY
Assets under management (AUM)	4,229,873	4,076,187	4,290,869	3.8%	-1.4%
Mutual funds under management	2,789,219	2,610,981	2,660,717	6.8%	4.8%
Market share - mutual funds	5.4%	5.1%	5.9%	29 p	-47 p

MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG
				QoQ	YoY			
Value of shares traded	195,276	316,504	756,662	-38.3%	-74.2%	1,154,903	2,257,239	-48.8%
Market share - stocks	1.8%	2.3%	3.2%	-46 p	-135 p	2.0%	3.5%	-154 p
Operating income	9,226	8,306	10,285	11.1%	-10.3%	36,133	38,730	-6.7%
Non-operating income	2,273	1,377	-165	65.1%	-	5,088	4,526	12.4%
Total expenses	-9,444	-8,516	-11,565	10.9%	-18.3%	-35,168	-43,172	-18.5%
Efficiency ratio	82.1%	87.9%	114.3%	-582 p	-3215 p	85.3%	99.8%	-1449 p
AGF Security	1,124	715	721	57.1%	55.7%	3,838	5,209	-26.3%
Valores Security	346	291	-3,081	18.5%	-	1,326	-5,826	-
Asesorias Security and Global Security	301	-90	-88	-	-	108	137	-21.6%
Securitizadora + Inmobiliaria Casanuestra	1,450	2	1,974	-	-26.5%	903	1,096	-17.6%
PROFIT - ASSET MANAGEMENT	3,219	920	-474	250.0%	-	6,174	616	903.0%

For 12M20, the asset management area reported profit of MCH\$6,174 (+903.0% YoY), because of lower total expenses of MCH\$35,168 (-18.5% YoY). Figures for 12M19 include operational risk expense of the brokerage subsidiary. In addition, in 2020 all Grupo Security companies implemented a savings plan. This plan involved savings during 2020 and efficiency efforts for future years, including structural adjustments. It also had higher non-operating income (+12.4% YoY) due to improved returns from proprietary trading because of falling interest rates during the year. These effects were only partially offset by lower operating revenue (-6.7% YoY) because of lower fund income due to smaller volumes of AUM (-1.4% YoY) and a lower ROA for the funds.

For 4Q20 the business area reported profit of MCH\$3,219 (+250.0% QoQ) due to greater operating income of MCH\$9,226 (+11.1% QoQ) explained by a rise in fund income because of increased ROA and AUM (+3.8% QoQ). In addition, the area posted greater non-operating income (+69.4% QoQ), favored by the rise in CPI during 4Q20 (3Q20 0.04% vs 4Q20 1.26%). This was only partially offset by greater total expenses (+10.9% QoQ) due to technology expenses for digital projects. In addition, in October Securitizadora Security issued a securitized bond and reported a gain of MCH\$1,450 for 4Q20 (MCH\$2 in 3Q20).

INSURANCE AREA

(23.3% OF ASSETS; 24.8% OF PROFIT FROM BUSINESS AREAS FOR 2020)

The insurance business area reported profit of MCH\$20,949 for 12M20. This area includes the operations of the Vida Security insurance company and the insurance brokerage subsidiary, Corredores de Seguros Security. The following entities providing complementary activities are also included: Hipotecaria Security, Beneficios Security and Europ Assistance.

In July 2020, Inversiones Previsión Security, the parent of Vida Security, completed the placement of UF 1,200,000 21-year bonds (series D) issued in August 2019 at an interest rate of 2.3%.

VIDA SECURITY

Vida Security reported profit of MCH\$23,529 for 12M20 (+16.8% YoY), thanks to improved results from collective insurance (+17.3% YoY), family protection insurance (+29.2%) and disability and survivor insurance, coupled with lower administrative expenses (-11.8% YoY) and a lower effective tax rate (1.2% vs 13.1%). Results recovered considerably in the second half of the year, with a loss of -MCH\$1,992 during 1H20 and profit of MCH\$25,521 during 2H20, explained mainly by upturns in local and international financial markets during the second half of the year.

On May 27th, Vida Security reported a deal to acquire Mapfre's annuity portfolio and Caja Reaseguradora de Chile's annuity reinsurance portfolio. This transaction will involve transferring MUF 3.33 in assets and will increase Vida Security's financial assets by 4.4% and its reserves by 6.3%. The deal is currently awaiting authorization, closing and contract approval.

RESULTS BY PRODUCT LINE

MCH\$	INDIVIDUAL		FAMILY PROTECTION		GROUP		ANNUITIES		DSI		TOTAL	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Gross written premiums	141,284	119,199	6,907	6,757	66,557	73,308	14,318	58,093	326	642	229,392	257,999
RETAINED PREMIUMS	139,009	117,186	6,907	6,757	64,958	71,348	14,318	58,093	63	227	225,255	253,610
Variation in technical reserves	-41,963	-42,580	-43	-5	-362	-730	-	-	-3,432	-	-45,801	-43,316
Claims paid	-98,166	-92,800	-1,537	-1,654	-34,015	-43,991	-41	-	28,726	2,139	-105,034	-136,306
Pensions paid	-2,297	-2,247	-	-	-	-	-72,630	-124,393	-29,563	-11,974	-104,490	-138,614
Underwriting expenses	-9,422	-10,581	-2,040	-2,553	-4,020	-4,150	-177	-507	-	-0	-15,659	-17,792
Medical expenses	-14	-40	-1	-1	-4	-7	-0	-0	-	-	-19	-48
Insurance impairment	-	-	-	-	32	202	-	-	-	5	32	207
CONTRIBUTION MARGIN	-12,853	-31,062	3,286	2,543	26,589	22,670	-58,448	-66,807	-4,206	-9,604	-45,633	-82,259
Investment income (CUI)	25,146	45,024									25,146	45,024
Return on own investment portfolio	-	-									82,783	100,252
INVESTMENT INCOME											107,929	145,276
Administrative expenses											-32,880	-37,270
Exchange differences											-903	276
Gain (loss) on indexed assets and liabilities											-4,165	-3,236
Other income and expenses											-522	397
Income taxes											-297	-3,037
PROFIT FOR THE YEAR											23,529	20,146



MCH\$	INDIVIDUAL		FAMILY PROTECTION		GROUP		ANNUITIES		DSI		TOTAL	
	4Q20	3Q20	4Q20	3Q20	4Q20	3Q20	4Q20	3Q20	4Q20	3Q20	4Q20	3Q20
Gross written premiums	41,133	33,422	1,744	1,727	13,640	17,926	5,767	178	100	65	62,383	53,319
RETAINED PREMIUMS	40,599	32,722	1,744	1,751	13,230	17,523	5,767	178	27	12	61,367	52,187
Variation in technical reserves	-22,166	-15,185	5	-34	-125	-397	-	-	-3,432	-	-25,718	-15,615
Claims paid	-26,988	-21,879	-742	-395	-12,693	-5,369	-41	-	5,792	11,652	-34,673	-15,991
Pensions paid	-442	-804	-	-	-	-	-19,875	-12,652	-3,229	-13,513	-23,546	-26,970
Underwriting expenses	-2,002	-2,395	-524	-589	-897	-1,036	-60	-1	-	-	-3,483	-4,022
Medical expenses	-4	-4	-0	-0	-3	-0	-0	-0	-	-	-6	-5
Insurance impairment	-	-	-	-	36	42	-	-	-	-	36	42
CONTRIBUTION MARGIN	-11,003	-7,545	483	732	-452	10,764	-14,127	-12,475	-842	-1,849	-25,942	-10,374
Investment income (CUI)	15,408	10,580									15,408	10,580
Return on own investment portfolio	-	-									29,230	29,901
INVESTMENT INCOME											44,637	40,481
Administrative expenses											-7,191	-8,749
Exchange differences											-191	-1,114
Gain (loss) on indexed assets and liabilities											-2,645	-57
Other income and expenses											-390	-10
Income taxes											-1,225	-1,711
PROFIT FOR THE YEAR											7,054	18,467

INDIVIDUAL INSURANCE

(61.6% OF GROSS WRITTEN PREMIUMS AS OF DECEMBER 31, 2020)

Individual insurance policies are contracted by individuals to cover certain risks (life, health, credit life, etc.). They include product lines 101-112 and 425 and exclude line 107 in figure 601 in the financial statements of Vida Security. One-year permanence of funds from insurance with savings components (CUI) has averaged 89.1% over the last twelve months (+0 bps YoY).

The contribution margin was a loss of -MCH\$12,853 for 12M20, versus -MCH\$31,062 for 12M19. Gross written premiums totaled MCH\$141,284 for 12M20 (+18.5% YoY), due to greater gross written premiums from CUI insurance. The variation in technical reserves was -MCH\$41,963, versus -MCH\$42,580 for 12M19, due to a decrease in the CUI investment portfolio of MCH\$25,146 (-44.2% YoY), offset by increased premiums. Meanwhile, claims paid totaled MCH\$98,166 (+5.8% YoY) due to increased surrenders and transfers from CUI policies.

As of December 2020, CUI and APV policies represent 90.4% of total individual insurance premiums.

INDIVIDUALS MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG
				QoQ	YoY			
Gross written premiums	41,133	33,422	37,873	23.1%	8.6%	141,284	119,199	18.5%
RETAINED PREMIUM	40,599	32,722	37,336	24.1%	8.7%	139,009	117,186	18.6%
Variation in technical reserves	-22,166	-15,185	-9,403	46.0%	135.7%	-41,963	-42,580	-1.4%
Claims paid	-26,988	-21,879	-33,161	23.4%	-18.6%	-98,166	-92,800	5.8%
Pensions paid	-442	-804	-242	-45.0%	82.9%	-2,297	-2,247	2.2%
Underwriting expenses	-2,002	-2,395	-2,586	-16.4%	-22.6%	-9,422	-10,581	-11.0%
Medical expenses	-4	-4	-13	-13.1%	-72.6%	-14	-40	-65.8%
Insurance impairment	0	0	0	-	-	0	0	-
CONTRIBUTION MARGIN	-11,003	-7,545	-8,068	45.8%	36.4%	-12,853	-31,062	-58.6%
Loss ratio ⁽¹⁾	67.6%	69.3%	89.5%	-176 p	-2190 p	72.3%	81.1%	-884 p
Underwriting expense rate ⁽²⁾	4.9%	7.3%	6.9%	-239 p	-200 p	6.8%	9.0%	-225 p

1 CLAIMS PAID / GROSS WRITTEN PREMIUMS
2 UNDERWRITING EXPENSES / GROSS WRITTEN PREMIUMS

For 4Q20, the contribution margin was a loss of -MCH\$11,003, versus -MCH\$7,545 for 3Q20. Gross written premiums reached MCH\$41,133 (+23.1 QoQ) due to greater gross written premiums from CUI insurance. The total variation in technical reserves was -MCH\$22,166 (versus -MCH\$15,185 for 3Q20) due to increased investment income from CUI and APV investments (+45.6% QoQ) and increased premiums during the quarter. In addition, claims paid were up to MCH\$26,988 (+23.4% QoQ) due to increased surrenders and transfers from CUI policies.

FAMILY PROTECTION

(3.0% OF GROSS WRITTEN PREMIUMS AS OF DECEMBER 31, 2020)

FAMILY PROTECTION MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG
				QoQ	YoY			
Gross written premiums	1,744	1,727	1,699	1.0%	2.7%	6,907	6,757	2.2%
RETAINED PREMIUM	1,744	1,751	1,699	-0.4%	2.7%	6,907	6,757	2.2%
Variation in technical reserves	5	-34	10	-	-47.1%	-43	-5	-
Claims paid	-742	-395	-399	87.7%	86.1%	-1,537	-1,654	-7.1%
Pensions paid	0	0	0	-	-	0	0	-
Underwriting expenses	-524	-589	-615	-11.1%	-14.7%	-2,040	-2,553	-20.1%
Medical expenses	0	0	-1	-	-	-1	-1	-
Insurance impairment	0	0	0	-	-	0	0	-
CONTRIBUTION MARGIN	483	732	695	-34.0%	-30.4%	3,286	2,543	29.2%
Loss ratio ⁽¹⁾	42.5%	22.6%	23.5%	1996 p	1907 p	22.3%	24.5%	-223 p
Underwriting expense rate ⁽²⁾	30.1%	33.7%	36.2%	-361 p	-612 p	29.5%	37.8%	-825 p

1 CLAIMS PAID / GROSS WRITTEN PREMIUMS
2 UNDERWRITING EXPENSES / GROSS WRITTEN PREMIUMS



Family protection insurance covers the insured party's family group in the event of death or disability, depending on the terms of the policy. It is product line 107 in figure 601 in the Vida Security financial statements.

For 12M20, the contribution margin totaled MCH\$3,286 (+29.2% YoY) due to lower underwriting expenses (-825 bps YoY), in line with decreased business and a drop in claims paid of MCH\$1,537 (-7.1% YoY). Gross written premiums remained stable from one year to the next (+2.2% YoY).

Compared to the preceding quarter, the contribution margin for 4Q20 was MCH\$483 (-34.0% QoQ), due to a rise in claims paid to MCH\$742 in 4Q20 (versus MCH\$395 in 3Q20), partially offset by a lower underwriting expense rate (-361 bps QoQ).

GROUP INSURANCE

(29.0% OF GROSS WRITTEN PREMIUMS AS OF DECEMBER 31, 2020)

Group insurance is contracted by a company for its employees and may include life or health coverage, depending on the terms of the policy. It also includes credit life insurance covering the unpaid balance of debt in the event of the insured party's death. Based on figure 601 in the financial statements of Vida Security, it includes product lines 202-213 and 302-313.

GROUP MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG
				QoQ	YoY			
Gross written premiums	13,640	17,926	16,982	-23.9%	-19.7%	66,557	73,308	-9.2%
RETAINED PREMIUM	13,230	17,523	16,586	-24.5%	-20.2%	64,958	71,348	-9.0%
Variation in technical reserves	-125	-397	-316	-68.4%	-60.3%	-362	-730	-50.4%
Claims paid	-12,693	-5,369	-10,078	136.4%	26.0%	-34,015	-43,991	-22.7%
Pensions paid	0	0	0	-	-	0	0	-
Underwriting expenses	-897	-1,036	-977	-13.4%	-8.1%	-4,020	-4,150	-3.2%
Medical expenses	-3	0	-2	-	41.5%	-4	-7	-38.8%
Insurance impairment	36	42	78	-15.0%	-54.1%	32	202	-84.3%
CONTRIBUTION MARGIN	-452	10,764	5,292	-	-	26,589	22,670	17.3%
Loss ratio ⁽¹⁾	95.9%	30.6%	60.8%	6530 p	3518 p	52.4%	61.7%	-929 p
Underwriting expense rate ⁽²⁾	6.8%	5.9%	5.9%	87 p	89 p	6.2%	5.8%	37 p

1 CLAIMS PAID / GROSS WRITTEN PREMIUMS

2 UNDERWRITING EXPENSES / GROSS WRITTEN PREMIUMS

As of December 2020, the contribution margin reached MCH\$26,589 (+17.3% YoY), explained by reduced claims paid of MCH\$34,015 for 12M20 (-22.7% YoY) because of a lower claims rate in group health insurance. This effect was partially offset by decreased gross written premiums of MCH\$66,557 (-9.2% YoY), because of commercial efforts limited by the pandemic, compounded by lower volumes of credit life insurance due to the drop in consumer loans.

For the quarter, this product line reported a loss of -MCH\$452 (versus MCH\$10,764 for 3Q20), due to increased claims paid of MCH\$12,693 (+136.4% QoQ), with a low basis of comparison because of reduced claims paid in 3Q20 due to the pandemic. In addition, gross written premiums fell to MCH\$13,640 (-23.9% QoQ) due to lower volumes of credit life insurance.

ANNUITIES

(6.2% OF GROSS WRITTEN PREMIUMS AS OF DECEMBER 31, 2020)

Employees that choose an annuity upon retirement turn over their retirement funds to an insurance company and receive in exchange a fixed, inflation-indexed monthly payment for the rest of their life and survivor pensions for their legal beneficiaries. Based on figure 601 in the financial statements of Vida Security, it includes product lines 421, 422 and 423¹¹.

When an annuity is sold, a reserve must be recognized in the company's liabilities, equivalent to the present value of the obligations to the retiree, which is recognized within the line item pensions paid. This results in an accounting loss in the income statement.

As of December 2020, annuity sales rates in the industry have averaged 1.88% during the year. In contrast, the rate for calculating scheduled withdrawals has averaged 3.66% for the year, which has driven retirees to prefer scheduled withdrawals over annuities, thus sharply reducing sales industry-wide.

ANNUITIES MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG
				QoQ	YoY			
Gross written premiums	5,767	178	7,817	-	-26.2%	14,318	58,093	-75.4%
RETAINED PREMIUM	5,767	178	7,817	-	-26.2%	14,318	58,093	-75.4%
Variation in technical reserves	0	0	0	-	-	0	0	-
Claims paid	-41	0	0	-	-	-41	0	-
Pensions paid	-19,875	-12,652	-23,488	57.1%	-15.4%	-72,630	-124,393	-41.6%
Underwriting expenses	-60	-1	-129	-	-53.5%	-177	-507	-65.1%
Medical expenses	0	0	0	-	-	0	0	-
Insurance impairment	0	0	0	-	-	0	0	-
CONTRIBUTION MARGIN	-14,127	-12,475	-15,801	13.2%	-10.6%	-58,448	-66,807	-12.5%
Underwriting expense rate ⁽¹⁾	1.0%	0.5%	1.7%	52 p	-61 p	1.2%	0.9%	36 p

(1) UNDERWRITING EXPENSES / RETAINED PREMIUM

For 12M20, the contribution margin for annuities totaled -MCH\$58,448 (-12.5% YoY), because of a 75.4% YoY drop in gross written premiums due to a contracting market since 4Q19. This effect was partially offset by a decrease in annuities paid, reaching MCH\$72,630 for 12M20 (-41.6% YoY), because of lower reserve requirements due to lower sales volumes.

For the quarter, the contribution margin was a loss of -MCH\$14,127 (+13.2% QoQ) due to greater claims paid of MCH\$19,875 because of a higher volume of gross written premiums of MCH\$5,767 (versus MCH\$178 in 3Q20). In the annuity business the decision was made to adjust technical parameters in order to boost sales, thus maintaining expected returns.

¹¹ THIS ALSO INCLUDES CMF LINE 424, WHICH IS THE OLD DISABILITY AND SURVIVOR'S SYSTEM DEFINED IN RULING 528 (C-528). AS OF DECEMBER 2020, THIS PRODUCT LINE ACCOUNTS FOR ONLY MCH\$972 IN PENSIONS PAID AND MCH\$41 IN CLAIMS PAID BY VIDA SECURITY.



DISABILITY AND SURVIVOR INSURANCE (DSI)

(0.1% OF GROSS WRITTEN PREMIUMS AS OF DECEMBER 31, 2020)

Disability and survivor insurance is mandatory for all individuals with pension accounts at Pension Fund Management Companies (AFPs) and is directly contracted collectively by the AFPs for these individuals through semi-annual public bidding processes. It is financed by employers throughout a member's active work life with a fraction of the additional amount charged by the AFP¹². It provides protection to the insured and his or her family group in the event of disability or death of the insured party. Based on figure 601 in the financial statements of Vida Security, it includes product line 420.

DSI MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG
				QoQ	YoY			
Gross written premiums	100	65	93	53.7%	8.5%	326	642	-49.3%
RETAINED PREMIUM	27	12	18	-	-	63	227	-72.3%
Variation in technical reserves	-3,432	0	0	-	-	-3,432	0	-
Claims paid	5,792	11,652	-8,191	-50.3%	-	28,726	2,139	1243.1%
Pensions paid	-3,229	-13,513	1,916	-76.1%	-	-29,563	-11,974	146.9%
Underwriting expenses	0	0	0	-	-	0	0	-
Medical expenses	0	0	0	-	-	0	0	-
Insurance impairment	0	0	0	-	-	0	5	-
CONTRIBUTION MARGIN	-842	-1,849	-6,256	-54.4%	-86.5%	-4,206	-9,604	-56.2%

This table of pensions paid includes disability and survivor payments to insured retirees. Claims paid includes a reserve for the present value of the obligation with the insured parties.

The fifth DSI tender was organized by the AFPs for the period from July 2016 to June 2018, and Vida Security was awarded two fractions for men and two for women. The seventh tender for DSI insurance for the next period (July 1, 2020 to June 30, 2022) was concluded in June 2020, and Vida Security was not awarded any fractions.

Gross written premiums totaled MCH\$326 for 12M20 since the subsidiary was not awarded any fractions from the current tender. Meanwhile, claims and pensions paid reached MCH\$837 (-91.5% YoY), because of a drop in regulatory reserves, with a high basis of comparison due to lower discount rates in 2019. The variation in technical reserves was a loss of -MCH\$3,432 as a result of projected future claims rates.

This explains the contribution margin of -MCH\$4,206 for 12M20, compared to -MCH\$9,604 in 2019.

VIDA SECURITY - CONSOLIDATED RESULTS

Vida Security posted profit of MCH\$23,529 (+16.8 YoY) for 12M20 due to reduced claims and pensions paid (-23.8% YoY), partly offset by lower premiums (-11.1% YoY) and reduced investment income (-25.7% YoY). For the quarter, profit reached MCH\$7,054 (-61.8% QoQ) because of increased claims paid (+116.3% QoQ), partly offset by higher premiums (+17.0% QoQ)

MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG
				QoQ	YoY			
Gross written premiums	62,383	53,319	64,463	17.0%	-3.2%	229,392	257,999	-11.1%
RETAINED PREMIUMS	61,367	52,187	63,456	17.6%	-3.3%	225,255	253,610	-11.2%
Changes in technical reserves	-25,718	-15,615	-9,708	64.7%	164.9%	-45,801	-43,316	5.7%
Claims paid	-34,590	-15,991	-51,828	116.3%	-33.3%	-104,951	-136,306	-23.0%
Pensions paid	-23,546	-26,970	-21,813	-12.7%	7.9%	-104,490	-138,614	-24.6%
Underwriting expenses	-3,483	-4,022	-4,306	-13.4%	-19.1%	-15,659	-17,792	-12.0%
Medical expenses	-6	-5	-16	28.1%	-60.0%	-19	-48	-61.1%
Insurance impairment	36	42	78	-15.0%	-54.1%	32	207	-84.6%
CONTRIBUTION MARGIN	-25,942	-10,374	-24,138	150.1%	7.5%	-45,633	-82,259	-44.5%
Administrative expenses	-7,191	-8,749	-6,544	-17.8%	9.9%	-32,880	-37,270	-11.8%
CUI results	15,408	10,580	12,327	45.6%	25.0%	25,146	45,024	-44.2%
Return on own investment portfolio	29,230	29,901	20,322	-2.2%	43.8%	82,783	100,252	-17.4%
INVESTMENT INCOME	44,637	40,481	32,649	10.3%	36.7%	107,929	145,276	-25.7%
Exchange differences	-191	-1,114	1,099	-	-	-903	276	-
Gain (loss) on indexed assets and liabilities	-2,645	-57	-1,509	-	75.3%	-4,165	-3,236	28.7%
Other income and expenses	-390	-10	92	-	-	-522	397	-
Income tax	-1,225	-1,711	-3	-28.4%	-	-297	-3,037	-90.2%
PROFIT FOR THE YEAR	7,054	18,467	1,646	-61.8%	328.6%	23,529	20,146	16.8%

In aggregate, gross written premiums reached MCH\$229,392 for 12M20 (-11.1% YoY) explained by lower sales of annuities (-75.4% YoY) and group insurance policies (-9.2% YoY), offset by growth in individual insurance (+18.5% YoY).

Meanwhile, the variation in technical reserves was a loss of -MCH\$45,801 as of December 2020 (+5.7% YoY) as a result of projected future claims rates for the DSI product line. Claims and pensions paid totaled MCH\$209,441 (-23.8% YoY), because of a decrease in annuities paid (-41.6% YoY) due to lower sales volumes and a lower claims rate in group insurance (-929 bps YoY). Finally, underwriting expenses totaled -MCH\$15,659 (-12.0% YoY), explained by reduced business during the period.

This explains the contribution margin of -MCH\$45,633 for 12M20, compared to -MCH\$82,259 for 2019.

The area reported investment income of MCH\$107,929 (-25.7% YoY), attributable to weakened returns from equity investments in both the CUI and APV portfolios, compounded by poorer returns from real estate assets in the proprietary trading portfolio. Weaker



returns on the CUI and APV investment portfolio are counterbalanced by releases of technical reserves. Administrative expenses reached MCH\$32,880 (-11.8% YoY) in line with cost savings efforts throughout the year and decreased business.

Furthermore, for the year 2020, the subsidiary reported income tax expense of -MCH\$297 (-90.2% YoY). It reported a tax loss in 2019, thus lessening the favorable impact of the dividends received the year before. Tax earnings were reported in 2020, giving way to a lower effective rate because of the favorable effect of the dividends received during the year and price-level restatement of equity, among other effects.

For 4Q20, Vida Security reported a loss of -MCH\$7,054 (MCH\$18,467 for 3Q20). The larger direct premiums written can be explained by a rise in individual insurance policies (+18.5% QoQ) due to greater premiums from CUI insurance and greater annuity sales (MCH\$5,767 for 4Q20 vs MCH\$178 for 3Q20). For the quarter, investment income totaled MCH\$44,637 (+10.3% QoQ), due to improved returns on equity instruments in the CUI portfolio. The total variation in technical reserves was -MCH\$25,718 (-MCH\$15,615 for 3Q20) due to increased investment income from CUI investments (+45.6% QoQ) and additional reserves recognized because of projected future claims rates.

ADMINISTRATIVE EXPENSES - VIDA SECURITY

MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG
				QoQ	YoY			
Compensation	-3,672	-4,636	-2,710	-20.8%	35.5%	-15,523	-13,375	16.1%
Distribution channel expenses	-862	-441	-748	95.6%	15.2%	-2,633	-3,693	-28.7%
Other	-2,658	-3,672	-3,085	-27.6%	-13.9%	-14,724	-20,202	-27.1%
TOTAL ADMINISTRATIVE EXPENSES	-7,191	-8,749	-6,544	-17.8%	9.9%	-32,880	-37,270	-11.8%

For 12M20, Vida Security reported administrative expenses of MCH\$32,880 (-11.8% YoY). In 2020 Grupo Security implemented a savings plan in all subsidiaries. This plan involved one-time savings during 2020 and efficiency efforts for future years, including structural adjustments. Along these lines, expenses fell as a result of the aforementioned cost-cutting efforts, compounded by lower sales volumes, partly offset by greater payroll expenses (+16.1% YoY) due to termination benefits in 3Q20. During the quarter, expenses totaled MCH\$7,191 (-17.8% QoQ), with a high basis of comparison because of termination benefits paid in 3Q20, as described above.

INVESTMENT INCOME - VIDA SECURITY

The subsidiary's investment income for 12M20 totaled MCH\$107,929 (-25.7% YoY). The proprietary trading portfolio generated income of MCH\$82,783 (-17.4% YoY) due to weaker returns on real estate funds and a high basis of comparison due to prepayments and property sales in 2019. Returns on foreign equities also fell during the period. Meanwhile, the CUI and APV portfolios had income of MCH\$25,146 for 12M20 (-44.2% YoY), also associated with weaker returns on equity instruments. Weaker returns on the CUI and APV investment portfolio are counterbalanced by releases of technical reserves.

In quarterly terms, investment income reached MCH\$44,637 (+10.3% QoQ). The proprietary trading portfolio generated income of MCH\$29,230 for 4Q20 (-2.2% QoQ), in line with prior quarter results. The CUI and APV portfolios generated income of MCH\$15,408 for the quarter (+45.6% QoQ) due to better returns on equity instruments.

MCH\$	4Q20	3Q20	4Q19	% CHG		PORTFOLIO % 4Q20
				QoQ	YoY	
Fixed income	1,727,716	1,759,105	1,767,637	-1.8%	-2.3%	65.4%
Equities and indexes	608,022	577,076	573,049	5.4%	6.1%	23.0%
Real estate	272,602	262,796	235,468	3.7%	15.8%	10.3%
Other investments	34,850	24,517	37,854	42.1%	-7.9%	1.3%
INVESTMENTS	2,643,190	2,623,494	2,614,008	0.8%	1.1%	-
CUI	586,888	569,416	546,112	3.1%	7.5%	22.2%
Own portfolio	2,056,302	2,054,078	2,067,896	0.1%	-0.6%	77.8%
INVESTMENT PORTFOLIO	2,643,190	2,623,494	2,614,008	0.8%	1.1%	-

MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG
				QoQ	YoY			
Fixed income	15,872	17,705	18,833	-10.4%	-15.7%	73,233	80,350	-8.9%
Equities and indexes	25,697	19,326	6,874	33.0%	273.8%	25,591	47,297	-45.9%
Real estate	3,426	3,673	7,011	-6.7%	-51.1%	13,062	17,438	-25.1%
Other investments	-357	-224	-70	-	-	-3,957	190	-
INVESTMENT INCOME	44,637	40,481	32,649	10.3%	36.7%	107,929	145,276	-25.7%
CUI	15,408	10,580	12,327	45.6%	25.0%	25,146	45,024	-44.2%
Own portfolio	29,230	29,901	20,322	-2.2%	43.8%	82,783	100,252	-17.4%
INVESTMENT INCOME	44,637	40,481	32,649	10.3%	36.7%	107,929	145,276	-25.7%

ROI	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG
				QoQ	YoY			
Fixed income	3.67%	4.03%	4.26%	-35 p	-24 p	4.24%	4.55%	-31 p
Equities and indexes	16.91%	13.40%	4.80%	351 p	860 p	4.21%	8.25%	-404 p
Real estate	5.03%	5.59%	11.91%	-56 p	-632 p	4.79%	7.41%	-261 p
Other investments	-4.10%	-3.65%	-0.74%	-45 p	-291 p	-11.36%	0.50%	-
CUI	10.50%	7.43%	9.03%	307 p	-160 p	4.28%	8.24%	-396 p
Own portfolio	5.69%	5.82%	3.93%	-14 p	189 p	4.03%	4.85%	-82 p
ROI	6.76%	6.17%	5.00%	58 p	118 p	4.08%	5.56%	-147 p



EXCHANGE DIFFERENCES AND GAIN (LOSS) FROM INDEXED ASSETS AND LIABILITIES

Exchange differences generated a loss of -MCH\$903 for 12M20 (-MCH\$276 for 12M19). Compared to the immediately preceding quarter, exchange differences resulted in a loss of -MCH\$191 (-MCH\$1,114 for 3Q20).

The loss on indexation adjustments was -MCH\$4,165 for 12M20 (-MCH\$3,236 for 12M19). For the quarter, the loss on indexation adjustments was -MCH\$2,645 (versus -MCH\$57 for 3Q20), due to higher inflation during the period (1.26% in 4Q20 vs 0.04% in 3Q20).

OTHER SERVICES AREA

(1.2% OF ASSETS; 3.1% OF PROFIT FROM BUSINESS AREAS AS OF DECEMBER 2020)

This business area includes the operations of Travel Security and Inmobiliaria Security, which offer non-financial products and services that complement Grupo Security's offering and are directed towards the same target markets.

INMOBILIARIA SECURITY

Inmobiliaria Security reported profit of MCH\$6,038 for 12M20 (versus a loss of -MCH\$2,214 for 12M19) due to legal titles transferred on more units during the quarter. Ownership was transferred on 186 units as of December 2020 versus 11 units as of December 2019. In quarterly terms, profit for 4Q20 reached MCH\$2,800 (-25.4% QoQ) because title was transferred on fewer units during the quarter (72 in 4Q20 vs 96 in 3Q20). There is a lag between a sale and revenue recognition. Under IFRS, revenue is recognized once legal title to the property has been transferred.

Inmobiliaria Security signed purchase promise agreements totaling MUF 1.2 for 12M20 (+8.5% YoY, +513.1 QoQ) because of larger volumes and greater average prices of the units sold. Meanwhile, real estate assets under management totaled MCH\$97,487, (-20.8% YoY and -12.2% QoQ), explained by the rise in the number of units on which ownership was transferred.

MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG
				QoQ	YoY			
Real estate assets under management	97,487	111,044	123,151	-12.2%	-20.8%	97,487	123,151	-20.8%
Provisional sales (UF)	692,930	113,024	178,405	513.1%	288.4%	1,204,884	1,110,241	8.5%
Ownership transferred (Units)	72	96	3	-25.0%	-	186	11	-
PROFIT	2,800	3,752	-681	-25.4%	-	6,038	-2,214	-

TRAVEL AGENCY: TRAVEL SECURITY

Travel Security had a loss of -MCH\$4,742 for 12M20 (versus profit of MCH\$4,020 for 12M19) due to reduced sales because of the public health crisis. This situation gave rise to an important structural adjustment to shift to a fundamentally digital sales model, watchful of how the industry will evolve.

MCH\$	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG
				QoQ	YoY			
Total sales - Travel (MUSD)	12	7	59	78.2%	-79.5%	66	267	-75.3%
Net operating income - Travel (MCH\$)	-614	-1,555	2,345	-	-	-4,276	6,515	-
PROFIT - TRAVEL (MCH\$)	-467	-1,504	1,527	-	-	-4,742	4,020	-

INTERNATIONAL BUSINESS AREA

(3.4% OF ASSETS; -1.0% OF PROFIT FROM BUSINESS AREAS FOR 2020)

The international business area reported a loss attributable to the owners of the parent of -MCH\$959. This area has consolidated 61% of Protecta Security since November 2018. Protecta Security is a Peruvian life insurance company focused on annuities that was acquired in September 2015, and marks Grupo Security's entrance into the Peruvian financial market. This area also consolidates 75% of Travel Perú, the group's travel agency in Peru.

PROTECTA SECURITY

Protecta posted profit of MS./ 23.1 (+2.5% YoY) for 12M20 with total premiums written of MS./ 408.6 (+2.1% YoY), reduced claims paid (-2.5% YoY) and lower commission expenses (-32.2% YoY). Meanwhile, investment income remained in line with the prior year (-0.6% YoY).

Protecta reported annuity sales of MS./ 188.1 (-3.7% YoY) and market share of 23.6%. This decrease stems from a contraction in the Peruvian annuities market (-16.2% YoY). In addition, the subsidiary boasted sales of private annuities of MS./ 160.1 (+17.9% YoY) and market share of 17.0%.

Profit for 4Q20 was MS./ 13.2 due to higher total premiums of MS./ 124.5 (+33.7% QoQ) because of an upturn in the annuities market and improved investment income of MS./ 39.7 (+37.5% QoQ). The variation in technical reserves rose during the quarter due to an increase in premiums and a rise in net claims (+17.2% QoQ).

(THOUSANDS OF SOLES)	4Q20	3Q20	4Q19	% CHG		2020	2019	% CHG
				QoQ	YoY			
Total premiums written - annuities	56,250	30,601	53,285	83.8%	5.6%	188,121	195,377	-3.7%
Market share - annuities	22.5%	21.1%	22.0%	140 p	52 p	23.6%	20.5%	306 p
Total premiums written - private annuities	47,565	51,031	36,086	-6.8%	31.8%	160,090	135,818	17.9%
Market share - private annuities	15.5%	19.5%	15.7%	-394 p	-17 p	17.0%	14.2%	282 p
TOTAL PREMIUMS WRITTEN	124,498	93,101	107,999	33.7%	15.3%	408,647	400,349	2.1%
Investment income	39,726	28,883	39,935	37.5%	-0.5%	126,281	127,045	-0.6%
Portfolio performance LTM	7.2%	7.6%	9.3%	-45 p	-215 p	7.2%	9.3%	-215 p
PROFIT	13,206	5,282	11,453	150.0%	15.3%	23,143	22,572	2.5%



RISK RATINGS

	GRUPO SECURITY	BANCO SECURITY	VIDA SECURITY	FACTORING SECURITY	INV. PREVISIÓN SECURITY
Fitch Ratings (local)	AA-	AA	AA-	AA-	A+
ICR (local)	AA-	AA	AA	AA-	A+
Fitch Ratings (international)		BBB			

BONDS ISSUED BY GRUPO SECURITY

SERIES	REGISTRATION NUMBER	REGISTRATION DATE	CURRENCY	AMOUNT	ANNUAL INTEREST RATE	DURATION (YEARS)	MATURITY
F	620	September 15, 2009	UF	45,750	4.50	23	September 15, 2032
K	763	June 30, 2013	UF	3,000,000	4.00	25	June 30, 2038
L3	795	October 09, 2014	UF	3,000,000	3.40	21	November 15, 2035
M	842	October 25, 2016	UF	1,189,000	4.20	25	October 15, 2041
N1	885	January 31, 2018	UF	1,500,000	2.85	25	December 10, 2042
S	1,036	June 30, 2020	UF	1,000,000	2.00	20	June 30, 2040
TOTAL			UF	9,734,750			

For more information on debt issued by subsidiaries of Grupo Security, please see the financial liability notes in the financial statements.

RETURNS AND DIVIDENDS

On April 7, 2020, Grupo Security shareholders approved a dividend payment of CH\$7.45 per share charged to earnings for 2019.

On October 8, 2020, the Board of Directors of Grupo Security agreed to pay a total dividend of CH\$3.50 per share, consisting of an interim dividend of CH\$0.75 per share charged to profit for the year 2020 and an additional dividend of CH\$2.75 per share charged to prior year retained earnings. This dividend, along with the interim and final dividends of CH\$2.2 and CH\$7.45, respectively, that have already been paid, total CH\$12.4 per share, equivalent to 57.5% of profit for the year 2019.

Grupo Security's dividend yield, calculated as dividends per share, divided by the average share price when each dividend was distributed for the corresponding year, amounted to 8.3% in 2019. Grupo Security's stock reported a return of -27.1% for 2020, underperforming the S&P/CLX IPSA (-10.6%).

4Q20 EARNINGS CONFERENCE CALL

Grupo Security's fourth quarter earnings report will be explained to the market in a conference call on March 5, 2021. A transcript of the call will be available on our website. For more information, please contact the Investor Relations Team at relacioninversionistas@security.cl.

GRUPO SECURITY

Grupo Security S.A. is a niche Chilean-based diversified financial group offering banking, insurance, asset management and other services to large and medium-sized companies and high-income individuals. Through a differentiated and innovative offering of financial products and services tailored to its niche, the group leverages operational and financial synergies through organic growth and acquisitions.

SAFE HARBOR

This report contains results of the different business units, which are not guarantees of future results and are subject to significant risks and uncertainty. They may be affected by a number of unforeseen factors such as changes in global economic conditions, changes in market conditions, regulatory changes, actions by competitors and operational and financial risks inherent to the financial services business.



APPENDICES

1. FINANCIAL STATEMENTS AND INDICATORS - ASSETS

ASSETS MCH\$	DECEMBER 31, 2019	DECEMBER 31, 2020
CURRENT ASSETS		
Cash and cash equivalents	830,974	597,497
Other financial assets, current	3,677,222	3,878,087
Other non-financial assets, current	38,790	26,679
Trade and other receivables, current	6,537,560	6,603,317
Accounts receivable from related parties, current	71,771	53,343
Inventory	124,009	100,559
Current tax assets	52,637	41,281
TOTAL CURRENT ASSETS OTHER THAN ASSETS OR DISPOSAL GROUPS CLASSIFIED AS AVAILABLE FOR SALE OR HELD FOR DISTRIBUTION TO OWNERS	11,332,965	11,300,764
Non-current assets classified as available for sale or held for distribution to owners	6,756	2,874
TOTAL NON-CURRENT ASSETS CLASSIFIED AS AVAILABLE FOR SALE OR HELD FOR DISTRIBUTION TO OWNERS	6,756	2,874
TOTAL CURRENT ASSETS	11,339,721	11,303,638
NON-CURRENT ASSETS		
Other non-financial assets, non-current	144,744	53,036
Equity-accounted investments	3,093	1,950
Intangible assets other than goodwill	37,896	36,248
Goodwill	119,067	119,067
Property, plant and equipment	53,292	50,610
Investment property	253,548	291,001
Right-of-use assets	0	0
Deferred tax assets	50,772	56,888
TOTAL NON-CURRENT ASSETS	674,168	617,873
TOTAL ASSETS	12,013,888	11,921,511

2. FINANCIAL STATEMENTS AND INDICATORS - LIABILITIES AND EQUITY

LIABILITIES MCH\$	DECEMBER 31, 2019	DECEMBER 31, 2020
Other financial liabilities, current	7,274,787	7,087,157
Lease liabilities, current	288	709
Trade and other payables	2,882,201	2,863,722
Accounts payable to related parties, current	26	4,813
Other short-term provisions	26,893	35,831
Current tax liabilities	34,869	31,893
Employee benefit provisions	10,073	12,369
Other non-financial liabilities, current	245,537	133,674
TOTAL CURRENT LIABILITIES	10,474,674	10,170,167
NON-CURRENT LIABILITIES		
Other financial liabilities, non-current	705,035	869,297
Lease liabilities, non-current	10,456	8,766
Accounts payable, non-current	22,713	10,733
Related party payables, non-current	3,412	0
Deferred tax liabilities	791	803
TOTAL NON-CURRENT LIABILITIES	742,407	889,599
TOTAL LIABILITIES	11,217,081	11,059,767
EQUITY		
Issued capital	432,124	487,691
Retained earnings	377,666	399,605
Share premium	0	0
Other reserves	(40,943)	(51,776)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	768,847	835,520
Non-controlling interests	27,960	26,225
TOTAL EQUITY	796,807	861,744
TOTAL LIABILITIES AND EQUITY	12,013,888	11,921,511



3. FINANCIAL STATEMENTS AND INDICATORS - CONSOLIDATED STATEMENT OF INCOME

CONSOLIDATED STATEMENT OF INCOME (MCH\$)	DECEMBER 31, 2019	DECEMBER 31, 2020
Revenue	1,155,867	1,090,053
Cost of sales	-774,866	-738,041
GROSS PROFIT	381,000	352,012
Other income, by function	2,995	1,368
Distribution costs	0	0
Administrative expenses	-247,037	-243,362
Other expenses, by function	-15,047	-11,849
Other gains (losses)	2,531	1,040
Finance income	258	329
Finance costs	-14,260	-14,465
Share of profit (loss) of associates and joint ventures, equity-accounted	922	-89
Exchange differences	11,712	2,979
Gain (loss) on indexed assets and liabilities	-10,150	-11,611
Gain (loss) arising from the difference between the book value and the fair value of financial assets reclassified at fair value	48	720
PROFIT BEFORE TAX	112,973	77,072
Income tax benefit (expense)	-29,944	-12,774
PROFIT FROM CONTINUING OPERATIONS	83,029	64,298
Profit from discontinued operations	0	0
PROFIT FOR THE YEAR	83,029	64,298
PROFIT ATTRIBUTABLE TO		
Profit attributable to owners of the parent	81,156	65,146
Profit (loss) attributable to non-controlling interests	1,873	-849
Profit for the year	83,029	64,298
Depreciation and amortization	11,566	13,147
EBITDA	138,799	104,685

4. SEGMENT NOTE - GRUPO SECURITY YoY

SEGMENT NOTE GRUPO SECURITY MCH\$	LENDING		ASSET MANAGEMENT		INSURANCE		INTERNATIONAL BUSINESS		OTHER SERVICES		CONSOLIDATION ADJUSTMENTS, SUPPORT AREAS AND GROUP EXPENSES		TOTAL GRUPO SECURITY	
	DEC-19	DEC-20	DEC-19	DEC-20	DEC-19	DEC-20	DEC-19	DEC-20	DEC-19	DEC-20	DEC-19	DEC-20	DEC-19	DEC-20
Revenue	511,279	489,360	73,891	62,247	417,828	353,950	115,280	124,639	34,277	60,169	3,312	-312	1,155,867	1,090,053
Cost of sales	-279,371	-277,318	-32,484	-28,807	-345,780	-282,119	-96,672	-107,693	-15,574	-43,044	-4,985	940	-774,866	-738,041
GROSS PROFIT	231,908	212,042	41,407	33,440	72,048	71,831	18,608	16,945	18,702	17,126	-1,673	628	381,000	352,012
Other income, by function	25	21	137	57	563	247	312	27	381	706	1,577	311	2,995	1,368
Administrative expenses	-118,630	-122,078	-35,527	-30,455	-45,916	-42,723	-17,944	-16,316	-15,963	-14,645	-13,056	-17,144	-247,037	-243,362
Other expenses, by function	-6,476	-9,521	-8,112	-1,728	-500	-282	-386	-417	-30	-31	455	130	-15,047	-11,849
Other gains (losses)	0	0	247	339	281	202	977	733	375	537	651	-771	2,531	1,040
Finance income	0	0	206	319	38	10	0	0	0	0	14	0	258	329
Finance costs	0	0	-78	-6	-28	-35	-242	-117	-1,285	-976	-12,627	-13,331	-14,260	-14,465
Share of profit (loss) of associates and joint ventures, equity- accounted	0	0	0	0	927	-250	0	0	-2	-358	-3	520	922	-89
Exchange differences	6,976	1,154	3,585	4,648	797	220	-53	-2,729	356	10	52	-324	11,712	2,979
Gain (loss) on indexed assets and liabilities	31	-25	-212	-203	-3,016	-4,273	0	0	44	781	-6,997	-7,890	-10,150	-11,611
Gain (loss) arising from the difference between the book value and the fair value of financial assets reclassified at fair value	165	-24	-118	744	0	0	0	0	0	0	0	0	48	720
PROFIT (LOSS) BEFORE TAX	113,999	81,569	1,534	7,154	25,194	24,947	1,273	-1,874	2,579	3,150	-31,607	-37,873	112,973	77,072
Income tax benefit (expense)	-27,247	-17,109	-925	-979	-3,685	-552	-157	381	-830	-842	2,900	6,328	-29,944	-12,774
Profit (loss) from continuing operations	86,752	64,460	609	6,175	21,509	24,394	1,116	-1,494	1,749	2,308	-28,706	-31,545	83,029	64,298
PROFIT (LOSS) ATTRIBUTABLE TO														
Profit (loss) attributable to owners of the parent	86,732	64,446	616	6,174	20,737	23,949	682	-929	1,121	3,001	-28,732	-31,494	81,156	65,146
Profit (loss) attributable to non- controlling interests	20	14	-7	1	772	445	434	-565	628	-693	26	-51	1,873	-849
PROFIT (LOSS)	86,752	64,460	609	6,175	21,509	24,394	1,116	-1,494	1,749	2,308	-28,706	-31,545	83,029	64,298



5. SEGMENT NOTE - GRUPO SECURITY QoQ

SEGMENT NOTE GRUPO SECURITY MCH\$	LENDING		ASSET MANAGEMENT		INSURANCE		INTERNATIONAL BUSINESS		OTHER SERVICES		CONSOLIDATION ADJUSTMENTS, SUPPORT AREAS AND GROUP EXPENSES		TOTAL GRUPO SECURITY	
	3Q20	4Q20	3Q20	4Q20	3Q20	4Q20	3Q20	4Q20	3Q20	4Q20	3Q20	4Q20	3Q20	4Q20
Revenue	107,473	132,648	6,731	27,588	96,579	110,971	28,800	33,197	27,749	21,159	9,394	-10,122	276,725	315,441
Cost of sales	-47,972	-85,548	606	-18,337	-65,272	-90,016	-23,764	-30,239	-20,751	-16,475	-8,602	8,981	-165,755	-231,634
GROSS PROFIT	59,501	47,099	7,337	9,251	31,307	20,955	5,036	2,958	6,998	4,684	792	-1,140	110,970	83,807
Other income	-2	9	9,103	-9,391	128	29	6	14	124	215	-9,436	9,559	-77	435
Administrative expenses	-31,643	-29,060	-7,852	-5,893	-11,148	-10,019	-3,872	-3,325	-3,570	-2,406	-3,147	-3,716	-61,232	-54,419
Other expenses, by function	-1,387	-2,183	-365	-515	-136	126	-123	-96	-19	5	21	83	-2,008	-2,579
Other gains (losses)	0	0	-21	17	29	86	152	174	-39	600	14	-1,009	135	-131
Finance income	0	0	146	173	17	-6	0	0	15	-15	167	-167	344	-15
Finance costs	0	0	-2	-1	-4	-18	-10	-21	-261	-265	-3,471	-3,347	-3,747	-3,652
Share of profit (loss) of associates and joint ventures, equity- accounted	0	0	0	0	41	-165	0	0	0	-356	12	506	53	-15
Exchange differences	-5,635	4,021	1,417	1,122	423	168	-724	-286	259	-310	-66	6	-4,326	4,723
Gain (loss) on indexed assets and liabilities	0	0	-11	-29	-63	-2,654	0	0	-34	769	-116	-4,293	-223	-6,207
Gain (loss) arising from the difference between the book value and the fair value of financial assets reclassified at fair value	9	13	62	608	0	0	0	0	0	0	0	0	71	621
PROFIT (LOSS) BEFORE TAX	20,844	19,900	1,168	3,989	20,595	8,501	464	-582	3,472	2,923	-6,584	-12,163	39,960	22,569
Income tax benefit (expense) from continuing operations	-5,292	-3,367	-247	-771	-1,841	-1,256	0	380	-953	-700	-906	426	-9,238	-5,288
Profit (loss) from continuing operations	15,553	16,533	922	3,218	18,754	7,245	464	-202	2,519	2,223	-7,490	-11,737	30,722	17,281
PROFIT (LOSS) ATTRIBUTABLE TO														
Profit (loss) attributable to owners of the parent	15,549	16,530	921	3,217	18,449	7,084	278	-122	2,743	2,341	-7,497	-11,677	30,445	17,374
Profit (loss) attributable to non- controlling interests	3	4	0	1	305	161	186	-80	-224	-118	7	-60	277	-93
PROFIT (LOSS)	15,553	16,533	922	3,218	18,754	7,245	464	-202	2,519	2,223	-7,490	-11,737	30,722	17,281

6. GRUPO SECURITY CONSOLIDATED STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2020	DEC-19 MCH\$	DEC-20 MCH\$
Net cash flows provided by (used in) operating activities	275,805	-118,856
Net cash flows provided by (used in) investing activities	-4,096	-8,279
Net cash flows provided by (used in) financing activities	62,491	-87,425
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES	334,201	-214,561
Effect of exchange rate changes on cash and cash equivalents	23,884	-18,916
Net increase (decrease) in cash and cash equivalents	358,085	-233,477
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	472,890	830,974
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	830,974	597,497

OPERATING CASH FLOWS

For the year ended December 2020, the company reported net operating cash flows of -MCH\$118,856 (MCH\$275,805 for 12M19) due to the acquisition of additional financial instruments by Banco Security. These effects were partially offset by larger collection volumes related to greater total loans at the Bank (+2.9% YoY).

INVESTING CASH FLOWS

For the year ended December 2020, the company reported net investing cash flows of -MCH\$8,279 (-MCH\$4,096 for 12M19) due to a drop in purchases of property, plant and equipment, offset by an increase in sales of PPE, in comparison to the prior year.

FINANCING CASH FLOWS

For the year ended December 2020, the company posted net financing cash flows of -MCH\$87,425, largely due to a rise in loan payments by the factoring subsidiary and a high basis of comparison for bond placements by the same subsidiary of MCH\$40,000 in June 2019. These effects were partially offset by Grupo Security's capital increase, which raised MCH\$55,568, and bond placements totaling UF 1,000,000 at Grupo Security and UF 1,200,000 at Inversiones Previsión Security.



7. QUARTERLY STATEMENT OF INCOME

QUARTERLY EARNINGS		3RD QTR 2019	4TH QTR 2019	1ST QTR 2020	2ND QTR 2020	3RD QTR 2020	4TH QTR 2020
Revenue	MCH\$	280,945	308,024	298,418	199,468	276,725	315,441
Cost of sales	MCH\$	(195,946)	(214,091)	(215,693)	(124,960)	(165,755)	(231,634)
Gross profit	MCH\$	84,999	93,932	82,725	74,509	110,971	83,807
Administrative expenses	MCH\$	(49,231)	(64,868)	(67,772)	(59,939)	(61,232)	(54,419)
Net operating income	MCH\$	28,946	28,401	11,104	13,202	47,789	27,114
Finance costs	MCH\$	(3,606)	(3,695)	(3,797)	(3,269)	(3,747)	(3,652)
Profit before tax	MCH\$	27,155	27,321	7,752	6,791	39,960	22,569
Profit attributable to owners of the parent	MCH\$	18,207	20,130	6,500	10,828	30,445	17,374
EBITDA ¹ (Ebitda)	MCH\$	33,781	34,059	14,805	13,264	47,106	29,509

¹ EBITDA= PROFIT BEFORE TAX - (FINANCE COSTS) + ADJUSTED FOR DEPRECIATION AND AMORTIZATION

8. CONSOLIDATED FINANCIAL AND BUSINESS INDICATORS

STATEMENT OF FINANCIAL POSITION		SEP-30-2019	DEC-31-2019	MAR-31-2020	JUN-30-2020	SEPT-30-2020	DEC-31-2020
Standalone cash	MCH\$	20,087	8,026	3,977	5,807	76,000	60,294
Total consolidated assets	MCH\$	11,326,897	12,013,888	12,522,935	12,172,785	12,117,911	11,921,511
Total consolidated liabilities	MCH\$	10,559,300	11,217,081	11,752,468	11,381,065	11,255,703	11,059,767
Total equity	MCH\$	767,597	796,807	770,467	791,721	862,208	861,744

LEVERAGE RATIO		SEP-30-2019	DEC-31-2019	MAR-31-2020	JUN-30-2020	SEPT-30-2020	DEC-31-2020
Individual leverage ratio ¹	%	36.03%	35.10%	36.64%	34.46%	35.14%	35.64%
Consolidated financial expense coverage ²	(times)	9.11	8.92	3.04	3.06	6.04	6.33

1. INDIVIDUAL LEVERAGE RATIO: DEFINED AS THE QUOTIENT BETWEEN THE SUM OF GRUPO SECURITY'S INDIVIDUALLY CONSIDERED LEVERAGE AND TOTAL CONSOLIDATED EQUITY, DEFINED IN NOTE 38 TO GRUPO SECURITY'S CONSOLIDATED FINANCIAL STATEMENT.

2. FINANCIAL EXPENSE COVERAGE: DEFINED AS THE SUM OF PROFIT BEFORE TAX AND FINANCE COSTS DIVIDED BY FINANCE COSTS.

PROFITABILITY		SEP-30-2019	DEC-31-2019	MAR-31-2020	JUN-30-2020	SEPT-30-2020	DEC-31-2020
Revenue	MCH\$	847,843	1,155,867	298,418	497,886	774,611	1,090,053
Profit attributable to owners of the parent	MCH\$	61,026	81,156	6,500	17,328	47,772	65,146
EBITDA	MCH\$	104,741	138,799	14,805	28,070	75,175	104,685
Return on equity ³	%	11.05%	10.84%	3.40%	4.56%	7.98%	7.81%
Return on assets ⁴	%	0.744%	0.720%	0.212%	0.281%	0.524%	0.542%
Earnings per share ⁵	CH\$	22.7	22.0	18.0	15.1	17.2	16.5
Number of shares	million	3,695	3,695	3,695	3,695	4,017	4,042

3. RETURN ON EQUITY: DEFINED AS THE QUOTIENT BETWEEN PROFIT ATTRIBUTABLE TO CONTROLLED PROPERTIES FOR THE ANNUALIZED PERIOD AND AVERAGE EQUITY ATTRIBUTABLE TO CONTROLLED PROPERTIES.

4. RETURN ON ASSETS: DEFINED AS THE QUOTIENT BETWEEN PROFIT ATTRIBUTABLE TO CONTROLLED COMPANIES FOR THE ANNUALIZED PERIOD AND TOTAL AVERAGE ASSETS.

5. EARNINGS PER SHARE: DEFINED AS THE QUOTIENT BETWEEN PROFIT ATTRIBUTABLE TO CONTROLLED COMPANIES LTM AND THE WEIGHTED AVERAGE NUMBER OF SHARES LTM.

Grupo Security's total consolidated assets were MCH\$11,921,511 as of December 2020, -0.8% YoY. Of these assets, 55.4% are trade and other receivables, primarily the Bank's loan portfolio. As of December 2020, this item reached MCH\$6,603,317, +1.0% YoY, driven by +2.9% YoY growth in loans as explained on pages 304-305.

Furthermore, 32.5% of total assets are other current financial assets. This line item primarily includes the investment portfolio for the insurance subsidiary's technical reserves and the Bank's portfolio of financial instruments. As of December 2020, other current financial assets reached MCH\$3,878,087, +5.5% YoY, because of the rise of 16.8% YoY in the Bank's current financial assets, which totaled MCH\$1,298,289 as of December 2020, and an increase of 0.4% YoY in the investment portfolio for the insurance company's technical reserves, which reached MCH\$2,575,607 as of December 2020.

As of December 2020, total consolidated liabilities were MCH\$11,059,767, -1.4 YoY. Of those, 64.1% are other current financial liabilities, which include the Bank's time deposits and current accounts, as well as debt issued by the Bank or the Group. As of December 2020, other current financial liabilities reached MCH\$7,087,157, -2.6% YoY.

Of total liabilities, 25.9% were trade and other payables, which are primarily the technical reserves of Vida Security and Protecta Security. As of December 2020, trade payables totaled MCH\$2,863,722 (-0.6% YTD), because of balances reclassified and restated by Banco Security, offset by the 1.4% YoY increase in life insurance technical reserves, which totaled MCH\$2,680,181, in line with activity levels at Vida Security, as explained on pages 311-319. There were also greater reserves at Protecta Security, in line with greater annuity sales, as discussed on page 321 of this report.

Grupo Security's equity totaled MCH\$861,744 as of December 2020, +8.0% YoY, because of the capital increase carried out in 2020, which raised MCH\$55,568, with a subscription rate of 83.7% of the issuance.



The individual leverage ratio is defined in note 38 of Grupo Security's financial statements as the ratio of standalone financial liabilities, as presented in the FECU disclosures, and total equity. Under the bondholder protection covenant, it may not exceed 0.4, measured on the standalone statement of financial position. As of December 2020, this ratio was 0.3564, +54 bps YoY.

Consolidated financial expense coverage is the sum of profit before tax and finance costs, divided by finance costs. The majority of finance costs for this indicator are interest and indexation expenses for Grupo Security bonds. As of December 2020, the consolidated financial expense coverage ratio was 6.33 (-29.1% YoY) due to a -31.8% YoY variation in profit before tax.

As of December 2020, revenue was MCH\$1,090,053, -5.7% YoY. Of this, 21.2% corresponds to gross written premiums from Vida Security, which fell 11.2% due to a drop in annuity and group insurance sales, offset by growth in individual premiums, as explained on pages 311-319. In addition, 35.8% of revenue was from interest and indexation on Bank loans, which fell 3.7% YoY, due to lower interest rates, loan deferrals and a high prepayment volume in 2019, as explained on pages 294-308. On the other hand, 14.8% of consolidated revenue corresponds to other interest income earned mainly on Vida Security's investment portfolio, which had lower returns on investments, as mentioned on pages 311-319.

For 2020, profit attributable to owners of the parent was MCH\$65,146, -19.7% YoY, while EBITDA reached MCH\$104,685 (-24.6% YoY). As of December 2020 return on equity was 8.1% (-272 bps YoY) and return on assets was 0.54% (-18 bps YoY) with earnings per share of CH\$16.5 (-24.7% YoY). These results are explained by the results of Grupo Security and its subsidiaries, which are presented in detail throughout this report.

MARKET INFORMATION

Grupo Security is structured into five main business areas. Each area includes the subsidiaries and divisions that share common business objectives. These five areas are: lending, insurance, asset management, other services and international business.

Grupo Security is the parent company of a conglomerate of diversified companies engaged in the main sectors of the Chilean financial industry. Its subsidiaries Banco Security and Factoring Security provide lending services to companies and individuals. The subsidiary Seguros de Vida Security Previsión, Corredora de Seguros Security and Europ Assistance operate respectively in the life insurance and life annuity, insurance brokerage and travel assistance industries. Valores Security Corredora de Bolsa, Administradora General de Fondos Security and Securitizadora Security, complement the Group's offering of financial services by developing and distributing specialized financial products and personalized investment and asset management services. Starting in 4Q18, the international business area, which consists of the Peruvian subsidiaries Protecta Security and Travel Perú, is reported separately.

Grupo Security's other services business area includes two subsidiaries engaged in the real estate (Inmobiliaria Security) and travel and tourism (Travel Security) industries. In addition, since 2001 the subsidiary Invest Security provides all group companies with shared services such as accounting, business risk and control, corporate culture, research and corporate IT services to support their development and technological requirements. In December 2014, Invest Security merged with Capital S.A., a wholly-owned subsidiary of Grupo Security.



THE BANKING INDUSTRY

As of December 2020, the Chilean banking industry was made up of 18 financial institutions, including 1 state-owned bank (Banco Estado), 14 domestic banks and 3 branches of foreign banks. As of that date, industry loans totaled MCH\$200,932,289 (MCH\$185,091,882 excluding foreign subsidiaries). Equity totaled MCH\$22,170,344 while profit for 2020 was MCH\$1,242,602, with return on average equity¹³ of 5.6%. The industry reported an efficiency ratio of 48.9% measured as support expenses over gross operating profit, and 1.7% measured as support expenses over total assets. The banking system posted a risk ratio of 2.71%, measured as loan loss provisions to total loans, and 1.58%, measured as 90-day nonperforming loans to total loans. As of December 2020, Banco Security had total loans of MCH\$6,228,083, positioning it 8th in total loans with 3.1% of the Chilean market (3.4% excluding foreign subsidiaries).

FACTORING INDUSTRY

Factoring has become an important source of alternative financing to complement traditional bank lending for small- and medium-sized companies. This service allows customers to receive advances on receivables via a discount on their invoices, checks, promissory notes or other similar documents. It provides them immediate liquidity and reduces costs and inefficiencies by handing the collections process over to the factoring service provider. Although the industry is still maturing, several situations and regulatory changes have boosted growth recently, making it one of the financial sector industries with the best domestic and international outlook.

MUTUAL FUND INDUSTRY

As of December 2020, the mutual fund industry reported average assets under management of MCH\$51,307,877 and 2,664,852 investors. Administradora General de Fondos Security boasted average assets under management of MCH\$2,789,219 as of December 2020, giving it a market share of 5.4% and a sixth-place industry ranking among the 20 fund managers operating in the market.

STOCK BROKERAGE INDUSTRY

During 2020, market activity measured as value of shares traded fell 8.6% in comparison to 2019, reaching BCH\$59,109. Value of shares traded by Valores Security Corredores de Bolsa for the same period totaled BCH\$1,155 billion with market share of 2.0%. Market share is based on transactions on Santiago Exchange and the Chilean Electronic Stock Exchange.

LIFE INSURANCE INDUSTRY

As of September 2020, there were 35 life insurance companies in Chile. Total gross written premiums for the industry were MCH\$3,564,115 for 9M19. The life insurance industry posted profit of MCH\$328,436 for the period ended September 2020. For the same period, Vida Security had market share of 4.7% based on gross written premiums.

13. ANNUALIZED PROFIT FOR THE PERIOD OVER AVERAGE EQUITY FOR THE PERIOD



DIFFERENCES BETWEEN BOOK VALUES AND ECONOMIC VALUES AND/OR MARKET VALUES OF PRINCIPAL ASSETS

Grupo Security participates in the insurance and services businesses through its investments in related companies, mainly Europ Assistance and in private investment funds through Inmobiliaria Security. As of December 2020, investments accounted for using the equity method in the Consolidated Statements of Financial Position represent approximately 0.02% of total assets.

Goodwill, which represents the difference between the acquisition cost and the fair value of assets and liabilities, totaled MCH\$119,067 as of December 2020, equivalent to 1.00% of total assets.

Given the varying natures of the companies considered investments in related companies, their market value is normally higher than their carrying amount, which depends on the industry and the economic conditions they face.

RISK FACTORS

DEPENDENCE ON SUBSIDIARY RESULTS

Grupo Security is the ultimate parent company of a conglomerate of companies and receives its income from subsidiary profits. As of December 2020, Grupo Security had received the following dividends from subsidiaries: MCH\$23,084 (30% of 2019 profit) from Banco Security and MCH\$5,502 from Factoring Security (60% of 2019 profit).

Grupo Security controls its main subsidiaries with an ownership interest of more than 90% in each subsidiary, which gives it flexibility in setting each subsidiary's investment policies based on growth requirements. This situation enables Grupo Security to increase its economic value by reinvesting its subsidiaries' profits while maintaining a flow of dividends to Grupo Security, which enables it to meet its financial obligations and pay dividends to its shareholders. This is especially true because of the vast diversification of the Company's revenue sources, with subsidiaries in various sectors of the financial industry.

OTHER RISK FACTORS

RISKS ASSOCIATED WITH GENERAL ECONOMIC PERFORMANCE

The performance of the Grupo Security subsidiaries is correlated to economic and financial conditions that, in turn, are dependent on monetary policy, which results in reduced growth of income and profits under restrictive conditions and the opposite under expansionary conditions.

COMPETITION IN ALL GROUP BUSINESS AREAS

The industries in which the Group competes are known for being highly competitive, especially the banking and insurance industries, and trending toward decreased margins. The mergers and alliances that arise between competitors are proof of the competition that

Group companies face. Despite the potential challenges to the companies, the possible negative effects of competition are deemed to be offset by Grupo Security's solid brand image in its target market, strong customer loyalty and the niche strategy that drives the Group's development. This has allowed Grupo Security to earn a favorable market position with which to face future competition.

REGULATORY CHANGES

The banking and insurance industries in which the Group does business are government-regulated and are consequently subject to potential regulatory changes over time. However, this risk is estimated to be low thanks to market transparency, the considerable development of these industries and their excellent global reputation.

RISKS ASSOCIATED WITH THE FINANCIAL BUSINESS

CREDIT RISK

Credit risk is dependent on monetary policy, which ultimately determines a customers' payment capacity. In early 2008, a general deterioration was seen in the system's loan portfolio, which was reflected in higher risk and delinquency ratios. In the third quarter of 2011, trends in risk ratios began to shift, with an improvement in risk levels. Banco Security has consistently posted risk levels below industry averages, even despite the public health crisis in 2020, because it has better collateral coverage than the rest of the industry.

MARKET RISK

The main market risks facing the Chilean banking industry are inflation and interest rate risk. As a result, Grupo Security has established market risk policies, procedures and limits to manage its maturity and exchange rate exposure in accordance with its own objectives and regulatory limits. In particular, the bank, its subsidiaries and the insurance companies have implemented a special system for controlling interest rate risk that also allows ongoing monitoring of their medium- and long-term investment portfolios.

RISKS ASSOCIATED WITH INTERNATIONAL FINANCIAL MARKET VOLATILITY

The Chilean economy and its markets generally operate within international markets and may be affected by external shocks. The volatility of world financial markets and changes in global economic conditions can negatively affect the performance of local and international assets and risk premiums demanded by investors.

INTEREST RATE RISK

As of December 31, 2020, the Company has loans at reasonable rates based on current market conditions.



FOREIGN EXCHANGE RISK

Grupo Security has implemented the policy of matching foreign currency transactions with financial institutions to sales transactions in the same currency.

COMMODITY RISK

As of December 31, 2020, Grupo Security does not have any significant assets or liabilities in commodities.

RISKS ASSOCIATED WITH THE INSURANCE BUSINESS

LOCAL FINANCIAL RISKS

Decreases in medium- and long-term interest rates could affect the performance of life annuity-backing assets and guaranteed-return investment accounts when investments with shorter maturities must be made, creating a medium-term operating deficit.

MORTALITY AND MORBIDITY RATES

Increases in morbidity rates could cause the number of catastrophic claims to rise in the medium-term and the number of medical reimbursement claims to increase in the short term. If companies do not adjust to the new structure of the mortality curves, the decrease in adult mortality rates could negatively affect the income expected from the annuities area.

INDUSTRY STRUCTURE

The large number industry players can lead to company closures and mergers. Consequently, the current industry structure may vary, triggering adjustments to the structure of sales and operating margins.

RE-INSURANCE INDUSTRY

The current trend toward concentration of re-insurance companies could affect the variety of coverage options and could prevent the reinsurance of risks that are currently backed thanks to the strong competition that until recently had existed in this market.

GRUPO SECURITY CORPORATE STRUCTURE



In 2020, the following changes were made to the corporate organizational structure:

- Asesorías Security was absorbed by Capital
- Servicios Security was absorbed by Inversiones Previsión Security
- Representaciones Security was absorbed by Travel Security



Summarized Financial Statements of Subsidiaries

BANCO SECURITY AND SUBSIDIARIES

TYPE OF COMPANY

Banking corporation.

TAXPAYER ID NUMBER

97.053.000-2

SECURITIES REGISTRY

Banco Security is not registered in the Securities Registry.

CORPORATE PURPOSE

To undertake the business, contracts, transactions and operations appropriate for a commercial bank, in accordance with current legislation.

GENERAL BACKGROUND

The company was formed by public instrument on August 26, 1981, signed before notary public Enrique Morgan Torres. The respective extract of the articles of incorporation was published in the Official Gazette on September 23, 1981.

IMPORTANT INFORMATION

On April 1, 2001, Leasing Security S.A. merged with Banco Security at its book value with no effect on profit or loss. On October 1, 2004, Banco Security merged with Dresdner Bank Lateinamerika, after which time Grupo Security took control of 99.67% of the company

Dresdner Bank Lateinamerika AG and 100% of the company Dresdner Bank Lateinamerika Corredora de Bolsa. This transaction was financed mainly through a capital increase from the Group's shareholders.

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$302,048.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Banco Security and subsidiaries represent 57.89% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT (*)

Banco Security provides banking services (mercantile current accounts, loans, lines of credit and overdraft, payment services, etc.) to the parent company, subsidiaries and associates of Grupo Security S.A. These services may possibly be offered to customers of the group's subsidiaries and associates in the future.

(*) FIGURES FOR TRANSACTIONS BETWEEN THE PARENT COMPANY AND ITS SUBSIDIARIES AND ASSOCIATES CAN BE FOUND IN THE FINANCIAL STATEMENTS OF GRUPO SECURITY.

BOARD OF DIRECTORS

CHAIRMAN OF THE BOARD

Francisco Silva S. Chilean National ID: 4.103.061-5

DIRECTORS:

Hernán Felipe Errázuriz C.	Chilean National ID: 4.686.927-3
Jorge Marín C.	Chilean National ID: 7.639.707-4
Juan Cristóbal Pavez R.	Chilean National ID: 9.901.478-4
Renato Peñafiel M.	Chilean National ID: 6.350.390-8
Bonifacio Bilbao H.	Chilean National ID: 9.218.210-K
Ramón Eluchans O.	Chilean National ID: 6.464.460-2

ALTERNATE DIRECTORS:

Mario Weiffenbach O.	Chilean National ID: 4.868.153-0
Ignacio Ruiz Tagle V.	Chilean National ID: 6.068.262-3

CHIEF EXECUTIVE OFFICER:

Bonifacio Bilbao H.	Chilean National ID: 9.218.210-K
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF DECEMBER 31, 2020 AND 2019

	DECEMBER 31, 2020 MCH\$	DECEMBER 31, 2019 MCH\$
ASSETS		
Cash and due from banks	447,692	693,082
Transactions in the course of collection	39,433	150,526
Financial instruments held for trading	110,673	123,763
Receivables from repurchase agreements and securities borrowing	-	-
Financial derivative instruments	223,385	274,975
Loans and advances to banks	724	568
Loans to customers	6,104,615	5,950,720
Financial investments available for sale	932,317	756,594
Investments held to maturity	-	-
Investments in other companies	2,095	2,095
Intangible assets	41,645	44,943
Property, plant and equipment	20,980	22,168
Right-of-use leased assets	7,297	8,206
Current tax assets	1,992	2,085
Deferred tax assets	28,899	24,434
Other assets	113,046	210,611
TOTAL ASSETS	8,074,793	8,264,770
LIABILITIES		
Current accounts and other demand deposits	1,175,142	974,730
Transactions in the course of payment	29,276	130,482
Payables from buyback agreements and securities lending	9,764	79,811
Savings accounts and time deposits	1,890,734	3,039,673
Financial derivative instruments	220,106	244,482
Borrowings from financial institutions	1,052,094	272,634
Debt issued	2,930,589	2,768,376
Other financial liabilities	18,515	9,955
Lease liabilities	7,565	8,350
Current tax assets	9	2,342
Deferred tax assets	-	-
Provisions	37,626	34,429
Other liabilities	41,435	82,181
TOTAL LIABILITIES	7,412,855	7,647,445
EQUITY		
Attributable to owners of the Bank:		
Issued capital	302,048	302,047
Reserves	24,172	24,739
Valuation accounts	11,838	8,767
Retained earnings		
Retained earnings from prior periods	281,721	227,847
Profit for the year	60,150	76,963
Less: Minimum dividend provision	(18,044)	(23,089)
	661,885	617,274
Non-controlling interests	53	51
TOTAL EQUITY	661,938	617,325
TOTAL LIABILITIES AND EQUITY	8,074,793	8,264,770



CONSOLIDATED STATEMENT OF INCOME

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	DECEMBER 31, 2020 MCH\$	DECEMBER 31, 2019 MCH\$
Interest and indexation income	391,753	406,221
Interest and indexation expense	(195,431)	(223,786)
NET INTEREST AND INDEXATION INCOME	196,322	182,435
Fee and commission income	70,421	81,186
Fee and commission expense	(12,609)	(13,909)
NET COMMISSION INCOME	57,812	67,277
Net financial operating income	26,118	24,078
Net foreign exchange transactions	5,801	10,461
Other operating income	3,861	5,469
TOTAL OPERATING INCOME	289,914	289,720
Loan loss provisions	(70,288)	(41,891)
OPERATING INCOME, NET OF LOAN LOSS PROVISIONS	219,626	247,829
Payroll and personnel expenses	(65,424)	(58,875)
Administrative expenses	(60,595)	(66,947)
Depreciation and amortization	(7,836)	(7,133)
Impairment	-	-
Other operating expenses	(10,452)	(13,353)
TOTAL OPERATING EXPENSES	(144,307)	(146,308)
NET OPERATING INCOME	75,319	101,521
Income attributable to investments in other companies	12	18
PROFIT BEFORE TAX	75,331	101,539
Income tax benefit (expense)	(15,179)	(24,582)
PROFIT FROM CONTINUING OPERATIONS	60,152	76,957
PROFIT FROM DISCONTINUED OPERATIONS	-	-
CONSOLIDATED PROFIT FOR THE YEAR	60,152	76,957
Attributable to:		
Owners of the Bank	60,150	76,963
Non-controlling interests	2	(6)
Earnings per share attributable to owners of the Bank:	CH\$	CH\$
Basic earnings per share	263	337
Diluted earnings per share	263	337

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	DECEMBER 31, 2020 MCH\$	DECEMBER 31, 2019 MCH\$
CONSOLIDATED PROFIT FOR THE YEAR	60,152	76,957
OTHER COMPREHENSIVE INCOME		
Valuation of investments available for sale	9,914	11,301
Valuation of accounting hedges	(5,707)	377
Other comprehensive income	-	-
Other comprehensive income before tax	4,207	11,678
Income taxes related to other comprehensive income	(1,136)	(3,154)
TOTAL OTHER COMPREHENSIVE INCOME	3,071	8,524
CONSOLIDATED COMPREHENSIVE INCOME FOR THE YEAR	63,223	85,481
Attributable to:		
Owners of the Bank	63,221	85,487
Non-controlling interests	2	(6)
Comprehensive earnings per share attributable to owners of the Bank:	CH\$	CH\$
BASIC EARNINGS PER SHARE	277	374
DILUTED EARNINGS PER SHARE	277	374



CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	ATTRIBUTABLE TO OWNERS							NON-CONTROLLING INTERESTS MCH\$	TOTAL MCH\$
	SHARE CAPITAL MCH\$	RESERVES MCH\$	VALUATION ACCOUNTS MCH\$	RETAINED EARNINGS			TOTAL MCH\$		
				PRIOR YEARS MCH\$	PROFIT (LOSS) FOR THE YEAR MCH\$	MINIMUM DIVIDEND PROVISION MCH\$			
AS OF JANUARY 1, 2019	302,047	25,654	243	198,786	72,653	(21,796)	577,587	59	577,646
Reclassification of profit for the year	-	-	-	72,653	(72,653)	-	-	-	-
Dividends paid	-	-	-	(43,591)	-	-	(43,591)	-	(43,591)
Minimum dividend provision	-	-	-	-	-	21,796	21,796	-	21,796
Other equity movements	-	(915)	-	(1)	-	-	(916)	(2)	(918)
Investments available for sale	-	-	8,250	-	-	-	8,250	-	8,250
Accounting hedges	-	-	274	-	-	-	274	-	274
Profit for the year	-	-	-	-	76,963	-	76,963	(6)	76,957
Minimum dividend provision	-	-	-	-	-	(23,089)	(23,089)	-	(23,089)
AS OF DECEMBER 31, 2019	302,047	24,739	8,767	227,847	76,963	(23,089)	617,274	51	617,325
AS OF JANUARY 1, 2020	302,047	24,739	8,767	227,847	76,963	(23,089)	617,274	51	617,325
Reclassification of profit for the year	-	-	-	76,963	(76,963)	-	-	-	-
Dividends paid	-	-	-	(23,089)	-	-	(23,089)	-	(23,089)
Minimum dividend provision	-	-	-	-	-	23,089	23,089	-	23,089
Other equity movements	1	(567)	-	-	-	-	(566)	-	(566)
Capital increase	-	-	-	-	-	-	-	-	-
Investments available for sale	-	-	7,237	-	-	-	7,237	-	7,237
Accounting hedges	-	-	(4,166)	-	-	-	(4,166)	-	(4,166)
Profit for the year	-	-	-	-	60,150	-	60,150	2	60,152
Minimum dividend provision	-	-	-	-	-	(18,044)	(18,044)	-	(18,044)
AS OF DECEMBER 31, 2020	302,048	24,172	11,838	281,721	60,150	(18,044)	661,885	53	661,938



CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	DECEMBER 31, 2020 MCH\$	DECEMBER 31, 2019 MCH\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Consolidated profit before tax	75,331	101,539
Charges (credits) to profit that do not represent cash flows:		
Loan loss provisions	70,288	41,891
Depreciation and amortization	7,836	7,133
Impairment	-	-
Other provisions	3,192	954
Operational write-offs	(121)	-
Changes in deferred tax assets and liabilities	(4,465)	(1,716)
Valuation of investments in trading book	(720)	(49)
Valuation of trading derivatives	27,214	7,562
Income attributable to investments in other companies	(12)	(18)
Gain (loss) on sales of repossessed or awarded assets	95	(6)
Net fee and commission income	(57,811)	(67,277)
Net interest and indexation income	(196,322)	(182,435)
Other charges that do not represent cash flows	(11,501)	(11,665)
Changes in operating assets and liabilities:		
(Increase) decrease in loans and advances to banks	(156)	10,124
Increase in loans to customers	(203,645)	(670,093)
Increase in investments	(162,426)	(24,438)
(Increase) decrease in leased assets	(653)	1,865
Sale of repossessed assets	258	384
Increase in demand deposits and other obligations	275,195	242,128
Increase (decrease) in sales with repurchase agreements and securities lending	(69,914)	45,702
Increase (decrease) in savings accounts and time deposits	(1,128,364)	75,295
Net change in mortgage bonds	(1,079)	(996)
Net change in senior bonds	50,672	503,353
Decrease in other assets and liabilities	10,071	21,373
Recovered taxes	22	713
Interest and indexation received	342,870	297,424
Interest and indexation paid	(169,092)	(204,096)
Fees and commissions received	70,421	81,186
Fees and commissions paid	(12,609)	(13,909)
NET CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES	(1,085,425)	261,928
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(1,590)	(1,487)
Acquisition of intangible assets	(1,335)	(2,009)
Sale of property, plant and equipment	-	-
NET CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES	(2,925)	(3,496)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in domestic interbank loans	540	-
Increase (decrease) in foreign interbank loans	(58,467)	49,328
Variation in Central Bank obligations	838,037	-
Increase (decrease) in other financial liabilities	8,993	(1,422)
Net change in subordinated bonds	67,062	37,316
Capital increase	-	-
Dividends paid	(23,090)	(43,591)
NET CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES	833,075	41,631
TOTAL POSITIVE (NEGATIVE) NET CASH FLOWS	(255,275)	300,063
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	713,126	413,057
EFFECT OF NON-CONTROLLING INTERESTS	(2)	6
CASH AND CASH EQUIVALENTS AT END OF YEAR	457,849	713,126



VALORES SECURITY S.A. CORREDORES DE BOLSA

TYPE OF COMPANY

Corporation, subsidiary of Banco Security.

TAXPAYER ID NUMBER

96.515.580-5

SECURITIES REGISTRY

Valores Security is registered under number 0111 in the Securities Registry.

CORPORATE PURPOSE

To undertake various businesses, including trading equities (stockbroking), fixed income, foreign currency, portfolio management and financial advisory services.

GENERAL BACKGROUND

This subsidiary was incorporated by public instrument on April 10, 1987. In accordance with current laws and regulations on the securities market and corporations, the company is registered in the Santiago Commerce Registry under number 3,630 for the year 1987.

IMPORTANT INFORMATION

The subsidiary was also registered in the Registry of Securities Brokers and Agents under No. 0111 on June 2, 1987. On October 16, 1997, at an extraordinary shareholders' meeting, the shareholders agreed to change the company's name to "Valores Security S.A. Corredores de Bolsa". On August 27, 2004, at an extraordinary shareholders' meeting, the shareholders approved the merger between the company and Dresdner Lateinamerika S.A. Corredores de Bolsa. Then, in Ordinary Ruling 10098 dated October 27, 2004, the Chilean Securities and Insurance Supervisor approved the merger by absorption of Dresdner Lateinamerika S.A. Corredores de Bolsa and Valores Security S.A. Corredores de Bolsa, whereby the latter would absorb all assets and liabilities of Dresdner Lateinamerika S.A. Corredores de Bolsa, and be the legal successor of its rights and obligations as of October 1, 2004.

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$36,394.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Valores Security S.A. Corredores de Bolsa represent 3.35% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Valores Security provides a variety of services to the subsidiaries and associates of Grupo Security S.A., as well as to the parent company. For Banco Security, it provides advisory services, fixed-income and currency trading services and forwards. For Administradora General de Fondos S.A. and Asesorías Security, it also provides services to buy and sell financial instruments, stocks and dollars, as well as other advisory services and forward contracts. For the Group's insurance area, Valores Security performs transactions related to insurance policies for Penta-Security Seguros Generales S.A. and Seguros Vida Security Previsión S.A., and insurance brokerage for Corredora de Seguros Security. For Travel Security S.A., it assists with ticket purchases and for Global Security it provides credit check processing services. It also provides data processing and phone services as well as auditing and accounting services for Capital S.A. (formerly Inversiones Invest Security Ltda.). It provides financial services for Inversiones Seguros Security Ltda. These services may possibly be offered to customers of the group's subsidiaries and associates in the future.

BOARD OF DIRECTORS

CHAIRMAN:

Enrique Menchaca O. Chilean National ID: 6.944.388-5

DIRECTORS:

Fernando Salinas P. Chilean National ID: 8.864.773-4

Maximum Hitoshi Kamada L. Chilean National ID: 21.259.467-9

CHIEF EXECUTIVE OFFICER:

Piero Nasi T. Chilean National ID: 13.190.931-4

SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
Assets		
Current assets	134,252.3	197,349.1
Non-current assets	3,362.2	3,607.2
TOTAL ASSETS	137,614.5	200,956.3
LIABILITIES		
Current liabilities	98,118.3	162,320.8
Non-current liabilities	1,151.2	1,282.9
Equity attributable to owners of the parent	38,345.0	37,352.6
Non-controlling interests	0.0	0.0
TOTAL LIABILITIES AND EQUITY	137,614.5	200,956.3

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	18,633.4	18,286.5
Non-operating income (loss)	(17,051.7)	(24,542.4)
PROFIT (LOSS) BEFORE TAXES	1,581.7	(6,255.9)
Income tax benefit (expense)	(256.2)	421.4
PROFIT (LOSS) FOR THE YEAR	1,325.5	(5,834.5)
Profit (loss) attributable to owners of the parent	(256.2)	421.4
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	0.0	0.0

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	(5,187.2)	32,500.6
Net cash flows provided by (used in) investing activities	(18,116.5)	(881.1)
Net cash flows provided by (used in) financing activities	(469.8)	20,497.7
NET INCREASE (DECREASE) IN CASH	(23,773.6)	52,117.2
Effect of exchange rate changes on cash	0.0	0.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(23,773.6)	52,117.2

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	36,393.6	36,393.6
Share premium	0.0	0.0
Other reserves	(3,431.8)	(3,098.7)
Retained earnings (losses)	5,383.2	4,057.7
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	38,345.0	37,352.6
Non-controlling interests	0.0	0.0
TOTAL EQUITY	38,345.0	37,352.6



ADMINISTRADORA GENERAL DE FONDOS SECURITY S.A.

TYPE OF COMPANY

Corporation, subsidiary of Banco Security.

SECURITIES REGISTRY

Administradora General de Fondos Security S.A. is registered under number 0112 in the Securities Registry.

TAXPAYER ID NUMBER

96.639.280-0

CORPORATE PURPOSE

General fund administrator (asset management).

GENERAL BACKGROUND

The company was incorporated by public instrument on May 26, 1992, and licensed to operate on June 2, 1992, by the Securities and Insurance Supervisor in Exempt Ruling 0112. The Company is regulated by the Securities and Insurance Supervisor and the provisions of DL 1,328 and its regulations. In ruling 288 dated September 17, 2003, the Securities and Insurance Supervisor approved amendments to the bylaws of Sociedad Administradora de Fondos Mutuos Security S.A., agreed upon in an extraordinary shareholders' meeting held on July 4, 2003. These amendments to the bylaws included changing the type of company to a general fund administrator in accordance with Section XX VII of Law No. 18,045. The funds managed by the company are subject to the special legal regulations contained in Decree Law No. 1,328 and its corresponding regulations, which are monitored by the Securities and Insurance Supervisor.

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$3,354.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Administradora General de Fondos Security S.A. represent 6.11% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Administradora General de Fondos Security S.A. provides investment services for purchasing fund units to all subsidiaries and associates of Grupo Security S.A., as well as to the parent company. These services may possibly be offered to customers of the group's subsidiaries and associates in the future.

BOARD OF DIRECTORS

CHAIRMAN:

Francisco Silva. S.	Chilean National ID: 4.103.061-5
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DIRECTORS:

Renato Peñafiel M.	Chilean National ID: 6.350.390-8
Eduardo Olivares V.	Chilean National ID: 9.017.530-0
José Miguel Bulnes Z.	Chilean National ID: 10.202.654-3
Paulina Las Heras B.	Chilean National ID: 11.833.738-7

CHIEF EXECUTIVE OFFICER:

Juan Pablo Lira T.	Chilean National ID: 7.367.430-1
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SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	62,330.0	57,834.6
Non-current assets	12,029.4	12,603.4
TOTAL ASSETS	74,359.4	70,438.0
LIABILITIES		
Current liabilities	3,674.7	3,099.6
Non-current liabilities	815.7	1,074.3
Equity attributable to owners of the parent	69,869.0	66,264.1
Non-controlling interests	0.0	0.0
TOTAL LIABILITIES AND EQUITY	74,359.4	70,438.0

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	16,138.8	17,821.6
Non-operating income (loss)	(11,821.4)	(11,560.0)
PROFIT (LOSS) BEFORE TAXES	4,317.4	6,261.6
Income tax benefit (expense)	(479.9)	(1,051.7)
PROFIT (LOSS) FOR THE YEAR	3,837.5	5,209.9
Profit (loss) attributable to owners of the parent	3,837.5	5,209.9
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	0.0	0.0

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	(25,559.0)	(8,622.2)
Net cash flows provided by (used in) investing activities	(5,945.4)	59,198.2
Net cash flows provided by (used in) financing activities	(6,767.8)	(13,484.1)
NET INCREASE (DECREASE) IN CASH	(38,272.2)	37,091.9
Effect of exchange rate changes on cash	38.2	291.2
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(38,234.0)	37,383.1

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	3,353.6	3,353.6
Share premium	0.0	0.0
Other reserves	257.0	489.6
Retained earnings (losses)	66,258.4	62,420.9
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	69,869.0	66,264.1
Non-controlling interests	0.0	0.0
TOTAL EQUITY	69,869.0	66,264.1



FACTORING SECURITY S.A.

TYPE OF COMPANY

Privately held corporation.

TAXPAYER ID NUMBER

96.655.860-1

SECURITIES REGISTRY

Factoring Security S.A. is registered under number 1003 in the Securities Registry.

CORPORATE PURPOSE

The company's corporate purpose includes buying, selling and investing in all kinds of intangible property such as stock, promissory shares, bonds, promissory notes, savings plans, units or rights in all kinds of companies, whether civil, commercial or mining in nature, bodies corporate or associations, and in all kinds of securities; engaging in "factoring" operations, including acquiring, from any company or individual, accounts receivable backed by invoices, letters of exchange, promissory notes or other documents, with or without recourse and with or without advance on the documents; granting financing secured by the referenced documents and managing accounts receivable; providing management, market study, research, customer rating and general advisory services; managing investments and receiving profits or income; and all other supplementary activities.

GENERAL BACKGROUND

The company was formed on November 26, 1992, before notary public Enrique Morgan Torres. A summary of this public instrument was published in the Official Gazette on December

12, 1992, and registered in the Santiago Commerce Registry. Through public instrument dated October 20, 1997, its name was changed to Factoring Security S.A.

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$15,218.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Factoring Security S.A. represent 4.94% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

These services may possibly be offered to customers of the group's subsidiaries and associates in the future.

BOARD OF DIRECTORS

CHAIRMAN OF THE BOARD

Francisco Silva S.	Chilean National ID: 4.103.061-5
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DIRECTORS

Renato Peñafiel M.	Chilean National ID: 6.350.390-8
Ramón Eluchans O.	Chilean National ID: 6.464.460-2
Mario Weiffenbach O.	Chilean National ID: 4.868.153-0
Gonzalo Pavez A.	Chilean National ID: 9.417.024-9

CHIEF EXECUTIVE OFFICER

Ignacio Prado R.	Chilean National ID: 7.106.815-3
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SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	355,042.7	399,077.3
Non-current assets	4,904.2	4,827.5
TOTAL ASSETS	359,946.9	403,973.3
LIABILITIES		
Current liabilities	219,408.0	268,262.4
Non-current liabilities	84,063.0	83,045.1
Equity attributable to owners of the parent	56,476.0	52,597.2
Non-controlling interests	0.0	0.0
TOTAL LIABILITIES AND EQUITY	359,946.9	403,973.3

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	26,265.0	25,823.8
Non-operating income (loss)	(14,127.7)	(13,358.4)
PROFIT (LOSS) BEFORE TAXES	12,137.3	12,465.4
Income tax benefit (expense)	(2,665.9)	(3,294.5)
PROFIT (LOSS) FOR THE YEAR	9,471.4	9,170.9
Profit (loss) attributable to owners of the parent	9,471.4	9,170.9
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	0.0	0.0

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	45,416.3	(41,395.2)
Net cash flows provided by (used in) investing activities	420.1	(259.3)
Net cash flows provided by (used in) financing activities	(47,416.6)	39,676.7
NET INCREASE (DECREASE) IN CASH	(1,580.1)	(1,977.8)
Effect of exchange rate changes on cash	0.0	0.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,580.1)	(1,977.8)

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	15,217.7	15,217.7
Share premium	0.0	0.0
Other reserves	(2,841.4)	(2,751.3)
Retained earnings (losses)	44,099.7	40,130.8
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	56,476.0	52,597.2
Non-controlling interests	0.0	0.0
TOTAL EQUITY	56,476.0	52,597.2



SECURITIZADORA SECURITY S.A.

TYPE OF COMPANY

Privately held corporation.

TAXPAYER ID NUMBER

96.847.360-3

SECURITIES REGISTRY

Securitizadora Security S.A. is registered under number 640 in the Securities Registry.

CORPORATE PURPOSE

The company's exclusive corporate purpose is to acquire the loans referred to in article 135 of Law No. 18,045 of the year 1981 and other complementary regulations, and issue short- and long-term debt securities.

GENERAL BACKGROUND

The company was formed as a privately held corporation by public instrument dated October 21, 1997, signed before notary public Álvaro Bianchi Rosas. The company was licensed to operate by the Securities and Insurance Supervisor in exempt ruling 369 dated December 12, 1997, which also approved its bylaws. The certificate issued by this agency containing a summary of the corporate bylaws was recorded in the Commerce Registry of the Santiago Real Estate Registrar in 1997 on page 31,310, number 25,367 and published in the Official Gazette on December 23, 1997. In November 2005, Securitizadora Security S.A. was acquired by and became a direct subsidiary of Grupo Security S.A. At an extraordinary shareholders' meeting held on November 29, 2005, the shareholders agreed to change the company's name to Securitizadora Security GMAC-RFC S.A. In August 2008, Grupo Security S.A. acquired 2,065 shares of Securitizadora Security GMAC-RFC from GMAC-RFC Chile Inversiones Limitada. As a result, Grupo Security owns 99.98% of the company with the remaining 0.02% held by Asesorías Security S.A. At an extraordinary shareholders' meeting held on September 22, 2008, the shareholders agreed to change the company's name to "Securitizadora Security S.A." and processed the respective instrument on September 25, 2008, before the notary public Guillermo Le-Fort Campo. In an ordinary board meeting held on December 29, 2009, the board accepted the resignation of the director Ramón Eluchans Olivares, which was reported to the Securities and Insurance Supervisor in a essential event filing.

In an extraordinary board meeting held on December 30, 2009, the board unanimously approved a General Transitory Policy for Ordinary Customary Transactions with Related Parties, which are within its line of business and are intended to contribute to the corporate interest and comply with arm's length principles regarding price, terms and conditions, in accordance with letter b), paragraph 2 of article 147 of the Corporations Law (modified by No. 20,382 of October 2009), reported in a essential event filing to the Securities and Insurance Supervisor on January 4, 2010. At an annual general meeting held on April 30, 2010, the shareholders agreed to appoint new external auditors, Deloitte Auditores y Consultores Limitada, for the year 2010, and also appointed a new director, Andrés Tagle Domínguez. The company's legal address and main office (headquarters) are located in the city of Santiago at Av. Apoquindo N°3.150 Piso 7, and its webpage is www.securitizadorasecurity.cl.

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$3,468.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Securitizadora Security S.A. represent 0.61% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

The company's services may possibly be offered to customers of the group's subsidiaries and associates in the future.

BOARD OF DIRECTORS

CHAIRMAN OF THE BOARD

Francisco Silva S.	Chilean National ID: 4.103.061-5
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DIRECTORS

Christian Sinclair M.	Chilean National ID: 6.379.747-2
Renato Peñafiel M.	Chilean National ID: 6.350.390-8
Alberto Apel O.	Chilean National ID: 9.580.963-4
Andrés Tagle D.	Chilean National ID: 5.895.255-9

CHIEF EXECUTIVE OFFICER

Jorge Meyer.	Chilean National ID: 11.862.170-0
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SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	27,070.4	34,538.8
Non-current assets	126.5	157.3
TOTAL ASSETS	27,196.9	34,696.1
LIABILITIES		
Current liabilities	19,410.0	28,718.9
Non-current liabilities	803.3	392.1
Equity attributable to owners of the parent	6,983.7	5,585.1
Non-controlling interests	0.0	0.0
TOTAL LIABILITIES AND EQUITY	27,196.9	34,696.1

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	2,700.1	3,164.7
Non-operating income (loss)	(1,445.5)	(1,539.1)
PROFIT (LOSS) BEFORE TAXES	1,254.7	1,625.6
Income tax benefit (expense)	(285.4)	(393.3)
PROFIT (LOSS) FOR THE YEAR	969.2	1,232.3
Profit (loss) attributable to owners of the parent	969.2	1,232.3
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	0.0	0.0

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	21,887.0	19,999.0
Net cash flows provided by (used in) investing activities	(17,507.1)	(20,128.4)
Net cash flows provided by (used in) financing activities	(7,367.7)	3,829.9
NET INCREASE (DECREASE) IN CASH	(2,987.7)	3,700.5
Effect of exchange rate changes on cash	0.0	0.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,987.7)	3,700.5

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	3,468.2	3,468.2
Share premium	25.6	25.6
Other reserves	394.9	44.4
Retained earnings (losses)	3,095.0	2,046.9
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	6,983.7	5,585.1
Non-controlling interests	0.0	0.0
TOTAL EQUITY	6,983.7	5,585.1



INVERSIONES PREVISIÓN SECURITY LTDA. AND SUBSIDIARIES

TYPE OF COMPANY

Limited liability company.

TAXPAYER ID NUMBER

78.769.870-0

SECURITIES REGISTRY

Inversiones Previsión Security Ltda. is not registered in the Securities Registry.

CORPORATE PURPOSE

The company's corporate purpose includes managing all kinds of businesses on its own or on behalf of third parties, providing corporate management services, acquiring and maintaining all kinds of tangible or intangible assets, real estate or personal property, securities, commercial paper or loan instruments; temporarily assigning the use or enjoyment of any of these assets under any title: disposing of these assets or their natural or civil profits under any title, whether accrued, pending or received at the time of disposal, and making use of the civil and natural profits of the assets acquired by the company.

GENERAL BACKGROUND

The company was formed by public instrument on November 28, 1995, signed before notary public Raúl Undurraga Laso. It was registered in the Santiago Commerce Registry on page

29,562, number 23,698 and a summary was published in the Official Gazette on December 5, 1995. Its name was changed to Inversiones Seguros Security and its capital was increased as recorded in public instrument dated December 29, 1998, a summary of which was published in the Official Gazette on January 4, 1999. On November 10, 2017, the company's name was changed to "Inversiones Previsión Security Ltda".

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$192,957.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Inversiones Previsión Security Limitada and subsidiaries represent 18.34% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

This is a holding company and, therefore, all business relationships are carried out through its subsidiaries.

AGENTS:

Renato Peñafiel M.

Chilean National ID: 6.350.390-8

Francisco Silva S.

Chilean National ID: 4.103.061-5

SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	2,592,649.6	2,541,924.3
Non-current assets	274,905.4	326,308.1
TOTAL ASSETS	2,867,555.0	2,868,232.3
LIABILITIES		
Current liabilities	2,573,079.2	2,599,240.5
Non-current liabilities	79,123.5	62,925.3
Equity attributable to owners of the parent	209,599.4	200,483.2
Non-controlling interests	5,752.8	5,583.3
TOTAL LIABILITIES AND EQUITY	2,867,555.0	2,868,232.3

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	71,398.0	71,782.6
Non-operating income (loss)	(51,282.1)	(50,129.8)
PROFIT (LOSS) BEFORE TAXES	20,116.0	21,652.8
Income tax benefit (expense)	(1,105.0)	(3,431.3)
PROFIT (LOSS) FOR THE YEAR	19,010.9	18,221.5
Profit (loss) attributable to owners of the parent	18,573.0	17,471.5
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	437.9	750.0

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	(18,286.3)	9,995.2
Net cash flows provided by (used in) investing activities	(2,763.7)	(4,667.0)
Net cash flows provided by (used in) financing activities	16,122.9	11,104.8
NET INCREASE (DECREASE) IN CASH	(4,927.2)	16,433.0
Effect of exchange rate changes on cash	(1,377.7)	0.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(6,304.9)	16,433.0

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	192,956.8	192,956.8
Share premium	0.0	0.0
Other reserves	(76,250.4)	(67,837.7)
Retained earnings (losses)	92,892.9	75,364.0
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	209,599.4	200,483.2
Non-controlling interests	5,752.8	5,583.3
TOTAL EQUITY	215,352.2	206,066.5



SEGUROS VIDA SECURITY PREVISIÓN S.A.

TYPE OF COMPANY

Publicly listed corporation

TAXPAYER ID NUMBER

99.301.000-6

SECURITIES REGISTRY

Seguros Vida Security Previsión S.A. is registered under number 22 in the Securities Registry.

CORPORATE PURPOSE

Life insurance.

GENERAL BACKGROUND

The company was incorporated by public instrument on August 24, 1981, signed before notary public Eduardo Avello Arellano, and licensed to operate on September 29, 1981, in ruling 561-S. It was registered in the Santiago Commerce Registry on page 18,847, number 10,385 on October 31, 1981, and published in the Official Gazette on October 10, 1981. On January 16, 1998, amendments to the bylaws were registered to change the company's name to "Seguros Previsión Vida S.A.", and a summary of the instrument was published in the Official Gazette on January 20, 1998. It is registered in the Securities Registry under number 022 and is subject to the oversight of the Securities and Insurance Supervisor. On March 11, 2002, at an extraordinary general shareholders' meeting, the shareholders agreed to change the company's name to Seguros Vida Security Previsión S.A. as of May 2002.

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$172,411.

PERCENTAGE OF TOTAL GROUP ASSETS GROUP ASSETS

The total assets of Seguros Vida Security Previsión S.A. represent 17.53% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Vida Security provides life insurance policies for the employees of Banco Security, Factoring Security, Asesorías Security, Inmobiliaria Security, Administradora de Fondos Mutuos, Grupo Security, Valores Security, Securitizadora Security GMAC-RFC, Global Security and Capital S.A. (formerly Inversiones Invest Security Ltda.). Vida Security also sells travel assistance insurance to corporate and individual customers of Travel Security. These services may possibly be offered to customers of the group's subsidiaries and associates in the future.

BOARD OF DIRECTORS

CHAIRMAN OF THE BOARD

Francisco Silva S. Chilean National ID: 4.103.061-5

VICE CHAIRMAN OF THE BOARD

Renato Peñafiel M. Chilean National ID: 6.350.390-8

DIRECTORS

Juan Cristóbal Pavez R.	Chilean National ID: 9.901.478-4
Ramón Juanicotena Sanzberro	Chilean National ID: 5.201.352-6
Andrés Tagle D.	Chilean National ID: 5.895.255-9
Álvaro Vial G.	Chilean National ID: 5.759.348-2
Gonzalo Andrés Pavez A.	Chilean National ID: 9.417.024-9

CHIEF EXECUTIVE OFFICER

Alejandro Alzérreca L. Chilean National ID: 7.050.344-1

SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	2,572,487.1	2,530,814.9
Non-current assets	19,083.7	258,527.1
TOTAL ASSETS	2,591,570.8	2,789,342.1
LIABILITIES		
Current liabilities	2,571,642.3	2,574,622.9
Non-current liabilities	2,280.1	9,274.5
Equity attributable to owners of the parent	202,116.1	201,593.7
Non-controlling interests	4,016.0	3,850.9
TOTAL LIABILITIES AND EQUITY	2,591,570.8	2,789,342.1

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	65,117.8	65,731.7
Non-operating income (loss)	(40,947.1)	(41,491.4)
PROFIT (LOSS) BEFORE TAXES	24,170.7	24,240.4
Income tax benefit (expense)	(405.9)	(3,517.3)
PROFIT (LOSS) FOR THE YEAR	23,764.7	20,723.1
Profit (loss) attributable to owners of the parent	23,529.0	20,146.1
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	235.8	576.9

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	(20,325.2)	1,896.5
Net cash flows provided by (used in) investing activities	(2,602.1)	(4,626.7)
Net cash flows provided by (used in) financing activities	9,156.6	16,008.6
NET INCREASE (DECREASE) IN CASH	(13,770.7)	13,278.4
Effect of exchange rate changes on cash	0.0	0.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(13,770.7)	13,278.4

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	172,410.7	172,410.7
Share premium	0.0	0.0
Other reserves	(47,207.9)	(38,720.8)
Retained earnings (losses)	76,913.4	67,903.8
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	202,116.1	201,593.7
Non-controlling interests	4,016.0	3,850.9
TOTAL EQUITY	206,132.1	205,444.6



HIPOTECARIA SECURITY PRINCIPAL S.A.

TYPE OF COMPANY

Privately held corporation.

TAXPAYER ID NUMBER

96.538.310-2

CORPORATE PURPOSE

Mortgage loan managing agent

GENERAL BACKGROUND

The company was formed by public instrument dated August 9, 1988, granted before the Santiago notary public Jaime Morandé Orrego. A summary of the articles of incorporation were registered on page 18,818, number 10,020 of the Commerce Registry of the Santiago Real Estate Registrar for the year 1988 and was published in the Official Gazette on August 17, 1988.

PAID-IN CAPITAL AND EQUITY

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$4,935.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Hipotecaria Cruz del Sur Principal S.A. represent 0.36% of the total consolidated assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Hipotecaria Cruz del Sur Principal S.A. provides services as a

mortgage loan managing agent to Cruz del Sur Vida. These services may possibly be offered to customers of the group's subsidiaries and associates in the future.

BOARD OF DIRECTORS

CHAIRMAN:

Alejandro Alzérreca Luna Chilean National ID: 7.050.377-1

DIRECTORS:

Rodrigo Guzmán Leyton Chilean National ID: 9.423.413-1
 M. Loreto Herrera Martínez Chilean National ID: 9.979.883-1
 Ignacio Rodríguez Edwards Chilean National ID: 10.116.083-1
 M. Eugenia Norambuena Bucher
 Chilean National ID: 12.585.293-9

ALTERNATE DIRECTORS:

M. Macarena Lagos Jimenez Chilean National ID: 15.565.151-2
 Pablo Cruzat Arteaga Chilean National ID: 13.067.212-4
 Horacio Morandé Contardo Chilean National ID: 13.241.237-5
 Andrés Valenzuela Ugarte Chilean National ID: 9.601.417-1

LAWYER:

Renato De La Cerda Chilean National ID: 5.492.890-4

CHIEF EXECUTIVE OFFICER:

Ricardo Hederra González Chilean National ID: 10.695.464-K

SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	10,036.9	11,253.0
Non-current assets	51,655.5	75,013.6
TOTAL ASSETS	61,692.4	86,266.6
LIABILITIES		
Current liabilities	53,019.3	77,846.5
Non-current liabilities	477.3	561.0
Equity attributable to owners of the parent	8,195.9	7,859.1
Non-controlling interests	0.0	0.0
TOTAL LIABILITIES AND EQUITY	61,692.4	86,266.6

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	2,522.0	1,416.0
Non-operating income (loss)	(1,931.7)	241.2
PROFIT (LOSS) BEFORE TAXES	590.3	1,657.2
Income tax benefit (expense)	(109.2)	(479.8)
PROFIT (LOSS) FOR THE YEAR	481.2	1,177.4
Profit (loss) attributable to owners of the parent	481.2	1,177.4
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	0.0	0.0

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	(3,279.1)	357.3
Net cash flows provided by (used in) investing activities	(34.5)	(43.6)
Net cash flows provided by (used in) financing activities	1,608.4	(81.2)
NET INCREASE (DECREASE) IN CASH	(1,705.2)	232.5
Effect of exchange rate changes on cash	0.0	0.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,705.2)	232.5

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	4,935.4	4,935.4
Share premium		0.0
Other reserves	6.9	6.9
Retained earnings (losses)	3,253.6	2,916.8
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	8,195.9	7,859.1
Non-controlling interests	0.0	0.0
TOTAL EQUITY	8,195.9	7,859.1



CORREDORES DE SEGUROS SECURITY LTDA.

TYPE OF COMPANY

Limited liability company.

TAXPAYER ID NUMBER

77.371.990-K

SECURITIES REGISTRY

Corredores de Seguros Security Ltda. is not registered in the Securities Registry.

CORPORATE PURPOSE

Insurance Broker.

GENERAL BACKGROUND

Corredores de Seguros Security Limitada was formed as recorded in public instrument dated December 3, 1999, signed before notary public Enrique Morgan Torres, by which management, judicial and out-of-court representation and the use of its corporate name was granted to its partner Inversiones Previsión Security Ltda.

PAID-IN CAPITAL AND EQUITY

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$1,257.

PERCENTAGE OF TOTAL GROUP ASSETS GROUP ASSETS

The total assets of Corredores de Seguros Security Limitada represent 0.13% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Corredora de Seguros Security provides insurance brokerage services to Grupo Security, Banco Security, Administradora General de Fondos, Valores Security, Factoring Security, Inmobiliaria Security, Asesorías Security, Securitizadora Security GMAC-RFC, Inversiones Previsión Security, Capital S.A. (formerly Inversiones Invest Security Ltda.), Travel and Global Security. It also brokers life and health insurance policies with Vida Security. The company has also brokered insurance policies to customers of Banco Security. These services may possibly be offered to customers of the group's subsidiaries and associates in the future.

AGENTS:

Francisco Silva S.	Chilean National ID: 4.103.061-5
Renato Peñafiel M.	Chilean National ID: 6.350.390-8

LEGAL REPRESENTATIVE:

Alejandro Mandiola P.	Chilean National ID: 8.684.673-K
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SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	3,713.6	5,793.6
Property, plant and equipment	343.2	371.5
Other assets	1,314.2	404.7
TOTAL ASSETS	5,371.0	6,569.8
LIABILITIES		
Current liabilities	2,995.4	4,083.8
Long-term liabilities	863.4	0.0
Total equity	1,512.2	2,486.0
TOTAL LIABILITIES AND EQUITY	5,371.0	6,569.8

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Net operating income (loss)	5,305.4	1,013.7
Non-operating income (loss)	(4,738.4)	(205.1)
PROFIT (LOSS) BEFORE TAX	567.0	808.6
Income taxes	(140.8)	(192.1)
PROFIT (LOSS) FOR THE YEAR	426.2	616.5

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	1,065.9	1,062.5
Net cash flows provided by (used in) investing activities	(6.4)	(6.4)
Net cash flows provided by (used in) financing activities	0.0	0.0
NET INCREASE (DECREASE) IN CASH	1,059.5	1,056.1
Price-level restatement	(0.0)	0.0
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,059.5	1,056.1

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	1,256.9	1,256.9
Share premium	0.0	0.0
Other reserves	(1,082.8)	(1,083.7)
Retained earnings (losses)	1,338.0	2,312.8
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	1,512.2	2,486.0
Non-controlling interests	0.0	0.0
TOTAL EQUITY	1,512.2	2,486.0



EUROP ASSISTANCE CHILE S.A.

TYPE OF COMPANY

Privately held corporation.

TAXPAYER ID NUMBER

99.573.400-1

SECURITIES REGISTRY

Europ Assistance S.A. is not registered in the Securities Registry.

CORPORATE PURPOSE

Providing assistance services.

GENERAL BACKGROUND

Europ Assistance S.A. was formed as a privately held corporation on August 13, 2004, as recorded in a public instrument signed before the second notary public of Santiago. The company's corporate purpose includes providing for itself or on behalf of third parties, directly or indirectly, all kinds of medical, dental, plumbing and repair assistance services, etc., to all kinds of individuals or legal entities, whether travel, vehicle or residential assistance, etc., or any other related service.

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$728.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Europ Assistance S.A. represent 0.11% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Europ Assistance S.A. provides services to Seguros Vida Security Previsión S.A., Banco Security, Corredores de Seguros Security, Travel Security and Capital S.A. (formerly Inversiones Invest Security Ltda.). These services may possibly be offered to customers of the group's subsidiaries and associates in the future.

BOARD OF DIRECTORS

CHAIRMAN OF THE BOARD

Francisco Silva S.	Chilean National ID: 4.103.061-5
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DIRECTORS

Renato Peñafiel M.	Chilean National ID: 6.350.390-8
Juan Carlos G.	Foreign
Alejandro Caballero	Foreign
Ricardo Bahamondes L.	Chilean National ID: 9.910.788-K

CHIEF EXECUTIVE OFFICER

Ricardo Bahamondes L.	Chilean National ID: 9.910.788-K
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SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	4,574.7	5,302.3
Non-current assets	899.5	795.1
TOTAL ASSETS	5,474.2	6,097.4
LIABILITIES		
Current liabilities	2,868.9	3,834.3
Non-current liabilities	0.0	113.1
Equity attributable to owners of the parent	2,605.3	2,150.0
Non-controlling interests	0.0	0.0
TOTAL LIABILITIES AND EQUITY	5,474.2	6,097.4

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	608.3	813.2
Non-operating income (loss)	(118.8)	(17.6)
PROFIT (LOSS) BEFORE TAXES	489.5	795.6
Income tax benefit (expense)	(156.0)	(263.1)
PROFIT (LOSS) FOR THE YEAR	333.5	532.5
Profit (loss) attributable to owners of the parent	170.1	271.6
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	163.4	260.9

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	(78.6)	1,152.6
Net cash flows provided by (used in) investing activities	269.5	(1,003.8)
Net cash flows provided by (used in) financing activities	0.0	0.0
NET INCREASE (DECREASE) IN CASH	190.9	148.8
Effect of exchange rate changes on cash	(1.1)	(1.1)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	189.8	147.8

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	728.2	728.2
Share premium	0.0	0.0
Other reserves	19.1	15.4
Retained earnings (losses)	1,858.0	1,406.4
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	2,605.3	2,150.0
Non-controlling interests	0.0	0.0
TOTAL EQUITY	2,605.3	2,150.0



ADMINISTRADORA DE SERVICIOS Y BENEFICIOS SECURITY LIMITADA

TYPE OF COMPANY

Limited liability company.

TAXPAYER ID NUMBER

77.431.040-1

SECURITIES REGISTRY

Not registered.

CORPORATE PURPOSE

Providing services.

GENERAL BACKGROUND

The company was formed on March 29, 2000, signed before notary public Antonieta Mendoza Escala. It was registered in the Santiago Commerce Registry on May 3, 2000, on page 10,755, No. 8,644. On May 15, 2008, amendments to the bylaws were registered to change the company's name to "Administradora de Servicios y Beneficios Security Limitada".

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$5.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Administradoras de Servicios y Beneficios Ltda. represent 0.06% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Administradora de Servicios y Beneficios Security Limitada provides administrative services to Vida Security.

BOARD OF DIRECTORS

Not registered.

SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	3,535.7	2,132.5
Non-current assets	59.6	67.4
TOTAL ASSETS	3,595.3	2,200.0
LIABILITIES		
Current liabilities	2,955.0	1,595.2
Non-current liabilities	0.0	0.0
Equity attributable to owners of the parent	640.4	604.7
Non-controlling interests	0.0	0.0
TOTAL LIABILITIES AND EQUITY	3,595.3	2,200.0

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	1,239.8	527.2
Non-operating income (loss)	(1,198.7)	(584.9)
PROFIT (LOSS) BEFORE TAXES	41.1	(57.7)
Income tax benefit (expense)	(5.4)	24.0
PROFIT (LOSS) FOR THE YEAR	35.6	(33.7)
Profit (loss) attributable to owners of the parent	35.6	(33.7)
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	0.0	0.0

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	620.3	(721.1)
Net cash flows provided by (used in) investing activities	0.0	(3.6)
Net cash flows provided by (used in) financing activities	0.0	0.0
NET INCREASE (DECREASE) IN CASH	620.3	(724.7)
Effect of exchange rate changes on cash	0.0	0.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	620.3	(724.7)

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	5.0	5.0
Share premium	0.0	0.0
Other reserves	0.0	0.0
Retained earnings (losses)	635.4	599.7
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	640.4	604.7
Non-controlling interests	0.0	0.0
TOTAL EQUITY	640.4	604.7



INMOBILIARIA SECURITY S.A. AND SUBSIDIARIES

TYPE OF COMPANY

Privately held corporation.

TAXPAYER ID NUMBER

96.786.270-3

SECURITIES REGISTRY

Inmobiliaria Security is not registered in the Securities Registry.

CORPORATE PURPOSE

Real estate advisory and investment services, property brokerage and management of private investment funds.

GENERAL BACKGROUND

The company was formed as a privately held corporation originally named Inversiones y Rentas SH S.A., in order to make capital and other investments in all kinds of real estate or personal property, in accordance with the public instrument dated December 14, 1995, granted before notary public Enrique Morgan Torres. The company's corporate purpose was broadened at the first extraordinary shareholders' meeting held on April 19, 1996, and summarized in public instrument dated July 4, 1996, to make all kinds of investments and provide real estate advisory and property brokerage services. The company's name was changed from Inversiones y Rentas SH S.A. to Inmobiliaria Security S.A. on October 14, 1997, as detailed in the public instrument signed before notary public Enrique Morgan Torres. The company's corporate purpose was modified to include management of private investment funds at the fourth extraordinary shareholders' meeting held on January 22, 2004, and summarized in a public instrument dated January 27, 2004, in accordance with Law No. 18,815. At an extraordinary shareholders' meeting on November 4, 2011, the shareholders approved a capital increase of ten billion Chilean pesos to be

paid within three years, of which eight billion, five hundred million Chilean pesos were subscribed and paid. This decision was summarized in a public instrument signed before notary public Andrés Rubio Flores on the same date.

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$11,012.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Inmobiliaria Security S.A. and subsidiaries represent 2.49% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Inmobiliaria Security has provided real estate advisory services to Banco Security and Seguros Vida Security Previsión S.A. These services may possibly be offered to customers of the group's subsidiaries and associates in the future.

BOARD OF DIRECTORS

CHAIRMAN OF THE BOARD

Francisco Silva S.	Chilean National ID: 4.103.061-5
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DIRECTORS

Gustavo Pavez R.	Chilean National ID: 4.609.215-5
Renato Peñafiel M.	Chilean National ID: 6.350.390-8
Alejandro Alzérreca L.	Chilean National ID: 7.050.344-1
Jaime Correa H.	Chilean National ID: 5.892.161-0

CHIEF EXECUTIVE OFFICER

Jaime Correa H.	Chilean National ID: 5.892.161-0
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SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	128,761.5	142,722.9
Non-current assets	1,663.2	5,793.9
TOTAL ASSETS	130,424.7	148,516.8
LIABILITIES		
Current liabilities	98,635.3	117,398.3
Non-current liabilities	3,504.1	6,762.2
Equity attributable to owners of the parent	28,429.5	24,391.8
Non-controlling interests	(144.2)	(35.5)
TOTAL LIABILITIES AND EQUITY	130,424.7	148,516.8

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	11,456.6	1,205.2
Non-operating income (loss)	(3,389.3)	(4,085.2)
PROFIT (LOSS) BEFORE TAXES	8,067.3	(2,879.9)
Income tax benefit (expense)	(2,093.3)	609.6
PROFIT (LOSS) FOR THE YEAR	5,974.0	(2,270.4)
Profit (loss) attributable to owners of the parent	6,037.7	(2,214.0)
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(63.7)	(56.4)

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	22,678.2	(29,934.5)
Net cash flows provided by (used in) investing activities	4.7	(13.4)
Net cash flows provided by (used in) financing activities	(24,115.4)	30,695.0
NET INCREASE (DECREASE) IN CASH	(1,432.6)	746.1
Effect of exchange rate changes on cash	0.0	0.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,432.6)	746.1

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	11,012.1	11,012.1
Share premium	0.0	0.0
Other reserves	0.0	0.0
Retained earnings (losses)	17,417.4	13379.7
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	28,429.5	24,391.8
Non-controlling interests	(144.2)	(35.5)
TOTAL EQUITY	28,285.2	24,356.3



CAPITAL S.A. AND SUBSIDIARIES

TYPE OF COMPANY

Privately held corporation.

TAXPAYER ID NUMBER

96.905.260-1

SECURITIES REGISTRY

Capital S.A. is not registered in the Securities Registry.

CORPORATE PURPOSE

The corporate purpose consists mainly of making all kinds of investments in tangible and intangible property, making use of, disposing of, receiving and investment profits from, acquiring and disposing of under any title, and making use of in any way real estate property; managing all kinds of real estate and tangible or intangible property on its own or on behalf of third parties; carrying out other business and ancillary financial intermediation activities; providing all kinds of advisory, consulting, financial, management, economic, marketing, accounting and administrative services. In this context, the company's economic purpose consists essentially of providing support services to companies within Grupo Security, as well as recording its share of profits from investments in other companies.

GENERAL BACKGROUND

The company was formed on December 26, 2014, as a privately

held corporation named Capital S.A. signed before Maria Loreto Zaldivar Grass, the acting notary for Patricio Zaldivar Mackenna.

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$33,867.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Capital S.A. and subsidiaries represent 2.14% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Capital S.A. provides advisory services in the areas of accounting, business risk and control, economics, marketing and corporate culture, data processing and telephone services for all group subsidiaries and the parent company.

BOARD OF DIRECTORS:

Renato Peñafiel M.	Chilean National ID: 6.350.390-8
Francisco Silva S.	Chilean National ID: 4.103.061-5
Ramón Eluchans O.	Chilean National ID: 6.464.460-2

SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	36,413.2	55,521.4
Non-current assets	18,920.8	18,688.3
TOTAL ASSETS	55,334.0	74,209.6
LIABILITIES		
Current liabilities	24,127.9	34,138.6
Non-current liabilities	5,737.1	6,851.5
Equity attributable to owners of the parent	24,445.0	30,947.8
Non-controlling interests	1,024.0	2,271.8
TOTAL LIABILITIES AND EQUITY	55,334.0	74,209.6

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	31,352.6	48,299.0
Non-operating income (loss)	(41,020.1)	(43,492.2)
PROFIT (LOSS) BEFORE TAXES	(9,667.5)	4,806.8
Income tax benefit (expense)	2,531.3	(270.8)
PROFIT (LOSS) FOR THE YEAR	(7,136.2)	4,536.0
Profit (loss) attributable to owners of the parent	(6,016.2)	3,850.2
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(1,120.0)	685.8

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	2,977.6	(594.0)
Net cash flows provided by (used in) investing activities	(4,899.0)	(2,953.7)
Net cash flows provided by (used in) financing activities	3,416.4	(4,739.2)
NET INCREASE (DECREASE) IN CASH	1,495.0	(8,286.9)
Effect of exchange rate changes on cash	(1.0)	0.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,494.0	(8,286.9)

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	33,866.8	33,866.7
Share premium	0.0	0.0
Other reserves	(2,015.4)	(2,448.9)
Retained earnings (losses)	(7,406.3)	(470.1)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	24,445.0	30,947.7
Non-controlling interests	1,024.0	2,271.8
TOTAL EQUITY	25,469.1	33,219.5



TRAVEL SECURITY S.A. AND SUBSIDIARIES

TYPE OF COMPANY

Privately held corporation.

TAXPAYER ID NUMBER

85.633.900-9

SECURITIES REGISTRY

Travel Security Ltda. is not registered in the Securities Registry.

CORPORATE PURPOSE

Travel agency. Providing all kinds of tourism services and other services agreed-upon by the company's shareholders, whether or not related to tourism, including investing of corporate funds.

GENERAL BACKGROUND

The company was formed as a limited liability company by public instrument dated July 3, 1987, signed before notary public Víctor Manuel Correa Valenzuela. In 1989, its corporate purpose was broadened to include the sale of passenger air transport services and it obtained accreditation as an IATA agent. On September 16, 1993, the company is transformed from a limited liability company to a corporation and its capital is increased. In early 1995 the air cargo division is sold. In April 1997, new shareholders acquire interests in the company and its management is professionalized. In September 1999, Grupo Security purchases an interest through Inversiones Seguros Security Ltda., to control 75% of the company's shares. Its name is changed to Travel Security S.A. In October 2000, Inversiones Seguros Security Ltda. sells its shares to Capital S.A. (formerly Inversiones Invest Security Ltda.). The merger of Travel Security and Turismo Tajamar S.A. is approved in December 2006 and completed on January 22, 2007. In January 2011, Capital S.A. acquires all of the shares held by SMYTSA, Servicios Marítimos y Transporte Limitada and controls 85% of the company's shares.

The company's capital totals MCH\$5,262 and as of that date it is distributed as follows:

- Capital S.A. (Formerly Inversiones Invest Security Ltda.) 83%
- Carmen Mackenna y Cía. Ltda.: 1 0%
- Inversiones y Asesorías Ana María Limitada: 7%

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$5,262.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Travel Security S.A. and subsidiaries represent 0.33% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Travel Security provides travel arrangement services to all subsidiaries and associates of Grupo Security S.A., as well as to the parent company. These services may possibly be offered to customers of the group's subsidiaries and associates in the future.

BOARD OF DIRECTORS

CHAIRMAN:

Guillermo Correa S. Chilean National ID: 7.741.851-2

DIRECTORS:

Adolfo Tocornal R. Chilean National ID: 6.879.186-3
 Naoshi Matsumoto C. Chilean National ID: 9.496.299-9
 Renato Peñafiel M. Chilean National ID: 6.350.390-8
 Francisco Silva S. Chilean National ID: 4.103.061-5

CHIEF EXECUTIVE OFFICER:

Eduardo Correa S. Chilean National ID: 8.628.777-3

SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	9,857.5	31,704.3
Non-current assets	11,087.8	10,464.3
TOTAL ASSETS	20,945.3	42,168.6
LIABILITIES		
Current liabilities	10,761.7	25,137.6
Non-current liabilities	5,347.1	6,524.5
Equity attributable to owners of the parent	4,592.0	9,921.7
Non-controlling interests	244.4	584.7
TOTAL LIABILITIES AND EQUITY	20,945.3	42,168.6

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	6,397.4	20,471.7
Non-operating income (loss)	(13,132.4)	(14,853.4)
PROFIT (LOSS) BEFORE TAXES	(6,734.9)	5,618.3
Income tax benefit (expense)	1,631.7	(1,596.3)
PROFIT (LOSS) FOR THE YEAR	(5,103.2)	4,022.0
Profit (loss) attributable to owners of the parent	(4,742.2)	4,019.7
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(361.0)	2.3

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	4,575.7	3,654.3
Net cash flows provided by (used in) investing activities	(4,189.7)	(1,296.9)
Net cash flows provided by (used in) financing activities	(230.4)	(2,201.7)
NET INCREASE (DECREASE) IN CASH	155.6	155.7
Effect of exchange rate changes on cash	0.0	0.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	155.6	155.7

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	5,262.0	5,262.0
Share premium	0.0	0.0
Other reserves	897.5	354.9
Retained earnings (losses)	(1,567.5)	4,304.8
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	4,592.0	9,921.7
Non-controlling interests	244.4	584.7
TOTAL EQUITY	4,836.4	10,506.5



VIAJES SECURITY S.A. AND SUBSIDIARIES

TYPE OF COMPANY

Corporation.

TAXPAYER ID NUMBER

20548601372

SECURITIES REGISTRY

Viajes Security S.A. is not registered in the Securities Registry.

CORPORATE PURPOSE

Its main activity is to make all types of investments in shares in Peru as well as providing services in general.

GENERAL BACKGROUND

The company is a subsidiary of Travel Security S.A., formed in Chile, which owns 99.99% of its issued capital. The company was formed on June 12, 2012, in Lima, Peru.

As of December 31, 2017, the company's capital totals MPEN 5,320 (around MUS\$ 1,637) and is distributed as follows:

- Travel Security S.A.: 99.99%
- Grupo Security: 0.01%

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$987.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Viajes Security S.A. and subsidiaries represent 0.10% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Viajes Security S.A., through its subsidiary Travex S.A., provides travel organization services to Representaciones Security (REPSE) and its parent company. These services may possibly be offered to customers of the group's subsidiaries and associates in the future.

BOARD OF DIRECTORS

CHAIRMAN:

Francisco Silva S.

Chilean National ID: 4.103.061-5

DIRECTORS:

Renato Peñafiel M.

Chilean National ID: 6.350.390-8

Guillermo Correa S.

Chilean National ID: 7.741.851-2

Eduardo Correa S.

Chilean National ID: 8.628.777-3

CHIEF EXECUTIVE OFFICER:

Alejandro Barra L.

Chilean National ID: 8.540.923-9

SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	903.8	5,425.2
Non-current assets	4,608.3	4,676.8
TOTAL ASSETS	5,512.1	10,101.9
LIABILITIES		
Current liabilities	2,136.8	5,896.3
Non-current liabilities	1,712.1	1,240.9
Equity attributable to owners of the parent	1,418.8	2,391.9
Non-controlling interests	244.4	572.9
TOTAL LIABILITIES AND EQUITY	5,512.1	10,101.9

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	721.5	2,974.5
Non-operating income (loss)	(2,594.1)	(2,822.6)
PROFIT (LOSS) BEFORE TAXES	(1,872.6)	151.9
Income tax benefit (expense)	380.6	(156.5)
PROFIT (LOSS) FOR THE YEAR	(1,492.0)	(4.7)
Profit (loss) attributable to owners of the parent	(1,131.0)	(5.3)
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(361.0)	0.6

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	48.0	(102.0)
Net cash flows provided by (used in) investing activities	0.0	0.0
Net cash flows provided by (used in) financing activities	0.0	0.0
NET INCREASE (DECREASE) IN CASH	48.0	(102.0)
Effect of exchange rate changes on cash	0.0	0.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	48.0	(102.0)

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	986.8	986.8
Share premium	0.0	0.0
Other reserves	108.7	(423.5)
Retained earnings (losses)	323.3	1,828.6
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	1,418.8	2,391.9
Non-controlling interests	244.4	572.9
TOTAL EQUITY	1,663.2	2,964.8



TRAVEX

TYPE OF COMPANY

Privately held corporation

CORPORATE PURPOSE

Travel agency providing individual and group ground and air tourism services, organizing tours and/or excursions, arranging lodging and in general any activity related to tourism.

GENERAL BACKGROUND

The company was formed as a corporation on September 23, 2002, in Lima, Peru. Its current legal address is Av. Santa Cruz 873 – 875 floors 6 - 7, Miraflores, Lima 18. On July 10, 2012, Grupo Security (Chile) acquires a 75% interest in the company through its subsidiary Viajes Security S.A.C. de Perú, which is consolidated by Travel Security S.A., the second largest travel agency in Chile.

As of December 31, 2014, the company's capital totals MCH\$2,085 and is distributed as follows:

- Viajes Security S.A.C. de Perú 75%
- Pedro Pazos Pastor 25%

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$463.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Travex Security and subsidiary represent 0.05% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Travex provides travel arrangement services mainly to corporate clients and companies. The company initially plans to offer its services to customers of Travel Security and later to customers of the group's subsidiaries and associates.

BOARD OF DIRECTORS

CHAIRMAN:

Francisco Silva

Chilean National ID: 4.103.061-5

DIRECTORS:

Renato Peñafiel

Chilean National ID: 6.350.390-8

Guillermo Correa

Chilean National ID: 7.741.851-2

Eduardo Correa

Chilean National ID: 8.628.777-3

Pedro Pazos

Foreign

CHIEF EXECUTIVE OFFICER:

Rafael Gastañeta Díez

Foreigner

SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	1,320.2	5,919.7
Non-current assets	3,426.9	3,495.3
TOTAL ASSETS	4,747.1	9,415.0
LIABILITIES		
Current liabilities	2,057.4	5,882.6
Non-current liabilities	1,712.1	1,240.9
Equity attributable to owners of the parent	977.5	2,291.5
Non-controlling interests	0.0	0.0
TOTAL LIABILITIES AND EQUITY	4,747.1	9,415.0

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	721.5	2,974.5
Non-operating income (loss)	(2,546.1)	(2,815.5)
PROFIT (LOSS) BEFORE TAXES	(1,824.7)	158.9
Income tax benefit (expense)	380.6	(156.5)
PROFIT (LOSS) FOR THE YEAR	(1,444.1)	2.4
Profit (loss) attributable to owners of the parent	(1,083.1)	1.8
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(361.0)	0.6

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	(117.0)	(101.4)
Net cash flows provided by (used in) investing activities	0.0	0.0
Net cash flows provided by (used in) financing activities	0.0	0.0
NET INCREASE (DECREASE) IN CASH	(117.0)	(101.4)
Effect of exchange rate changes on cash	0.0	0.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(117.0)	(101.4)

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	463.1	463.1
Share premium	0.0	0.0
Other reserves	1,395.3	782.9
Retained earnings (losses)	(880.9)	1,045.5
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	977.5	2,291.5
Non-controlling interests	0.0	0.0
TOTAL EQUITY	977.5	2,291.5



INMOBILIARIA CASANUESTRA S.A. (FORMERLY INMOBILIARIA SUCASA S.A.)

TYPE OF COMPANY

Privately held corporation.

TAXPAYER ID NUMBER

76.459.878-4

REPORTING ENTITIES REGISTRY

REPORTING ENTITY

Inmobiliaria Casanuestra S.A. (formerly Inmobiliaria Sucasa S.A.) is a privately held corporation formed by public instrument on April 2, 2015. This company was registered in the CMF Special Reporting Entities Registry under No. 939 on July 9, 2015.

CORPORATE PURPOSE

The company's corporate purpose is to acquire and build houses in order to lease them with purchase options and engage in all transactions permitted for real estate companies under Law No. 19,281 and its amendments.

GENERAL BACKGROUND

This recently formed company is designed to help thousands of families throughout Chile be able to purchase their own home. As mentioned, the company was formed on April 2, 2015, and to date has carried out start-up activities and its capital has been invested in the assets necessary to carry out its corporate purpose.

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$4,651.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Securitizadora Security S.A. represent 0.35% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

The company's services may possibly be offered to customers of the group's subsidiaries and associates in the future.

BOARD OF DIRECTORS

CHAIRMAN OF THE BOARD

Francisco Silva S. Chilean National ID: 4.103.061-5

DIRECTORS

Christian Sinclair M.	Chilean National ID: 6.379.747-2
Renato Peñafiel M.	Chilean National ID: 6.350.390-8
Alberto Apel O.	Chilean National ID: 9.580.963-4
Andrés Tagle D.	Chilean National ID: 5.895.255-9

CHIEF EXECUTIVE OFFICER

Jorge Meyer. Chilean National ID: 11.862.170-0

SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	9,609.9	4,545.6
Non-current assets	498.5	483.2
TOTAL ASSETS	10,108.4	5,028.8
LIABILITIES		
Current liabilities	6,053.0	858.9
Non-current liabilities	21.9	70.9
Total equity	4,033.5	4,099.0
TOTAL LIABILITIES AND EQUITY	10,108.4	5,028.8

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	934.8	1,478.9
Non-operating income (loss)	(1,088.7)	(1,682.4)
PROFIT (LOSS) BEFORE TAXES	(153.9)	(203.5)
Income tax benefit (expense)	88.4	67.5
PROFIT (LOSS) FOR THE YEAR	(65.5)	(136.0)
Profit (loss) attributable to owners of the parent	(65.5)	(136.0)
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	0.0	0.0

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	(3,646.7)	16.6
Net cash flows provided by (used in) investing activities	(2.0)	(118.2)
Net cash flows provided by (used in) financing activities	4,123.4	258.5
NET INCREASE (DECREASE) IN CASH	474.7	156.9
Effect of exchange rate changes on cash	0.0	0.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	474.7	156.9

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	4,651.3	4,651.2
Share premium	0.0	0.0
Other reserves	0.0	0.0
Retained earnings (losses)	(617.8)	(552.2)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	4,033.5	4,099.0
Non-controlling interests	0.0	0.0
TOTAL EQUITY	4,033.5	4,099.0



MANDATOS SECURITY LTDA.

TYPE OF COMPANY

Limited liability company.

TAXPAYER ID NUMBER

77.512.350-8

SECURITIES REGISTRY

Mandatos Security Ltda. is not registered in the Securities Registry.

CORPORATE PURPOSE

Carrying out civil mandates related to obtaining background information on third parties.

GENERAL BACKGROUND

Mandatos Security Limitada was formed as recorded in public instrument dated October 5, 2000, signed before notary public Enrique Morgan Torres, by which management and the use of its corporate name was granted to its partner Inversiones Invest Security Ltda. On September 1, 2004, before notary public Linda Scarlett Boschi Jiménez, under notary archive number 4711/2004, the company Global Security Mandatos Limitada was modified and split into Mandatos Security Ltda. and Gestión

y Servicios Security Ltda., respectively.

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$617.

PERCENTAGE OF TOTAL

GROUP ASSETS

The total assets of Mandatos Security Limitada represent 0.00% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Mandatos Security provides processing services to perform background checks for financial products for Banco Security and Factoring Security.

BOARD AND MANAGEMENT

AGENTS:

Renato Peñafiel M.	Chilean National ID: 6.350.390-8
Ramón Eluchans O.	Chilean National ID: 6.464.460-2
Francisco Silva S.	Chilean National ID: 4,103,061-5

SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	693.5	972.3
Non-current assets	451.6	157.2
TOTAL ASSETS	1,145.2	1,129.5
LIABILITIES		
Current liabilities	1,448.9	355.5
Non-current liabilities	0.0	366.9
Total equity	(303.7)	407.1
TOTAL LIABILITIES AND EQUITY	1,145.2	1,129.5

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	2,311.3	3,426.8
Non-operating income (loss)	(3,243.0)	(3,185.6)
PROFIT (LOSS) BEFORE TAXES	(931.7)	241.2
Income tax benefit (expense)	270.0	(93.0)
PROFIT (LOSS) FOR THE YEAR	(661.7)	148.2
Profit (loss) attributable to owners of the parent	(661.7)	148.2
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	0.0	0.0

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	(210.7)	331.4
Net cash flows provided by (used in) investing activities	(30.5)	0.0
Net cash flows provided by (used in) financing activities	(37.2)	(37.3)
NET INCREASE (DECREASE) IN CASH	(278.4)	294.1
Effect of exchange rate changes on cash	0.0	0.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(278.4)	294.1

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	617.2	617.2
Share premium	0.0	0.0
Other reserves	6.9	6.9
Retained earnings (losses)	(927.9)	(217.0)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	(303.7)	407.1
Non-controlling interests	0.0	0.0
TOTAL EQUITY	(303.7)	407.1



GLOBAL SECURITY GESTIÓN Y SERVICIOS LTDA.

TYPE OF COMPANY

Limited liability company.

TAXPAYER ID NUMBER

76.181.170-3

SECURITIES REGISTRY

Global Security Gestión y Servicios Ltda. is not registered in the Securities Registry.

CORPORATE PURPOSE

Carrying out civil mandates related to obtaining third-party background information and administratively processing requests for preevaluations of background information, which enables principals to enter into acts and contracts directly with third parties without subsequent involvement from the company; and in general enter into all acts and businesses that are directly or indirectly related to the corporate purpose or as agreed by the partners.

GENERAL BACKGROUND

Global Security Mandatos Limitada was formed as recorded in public instrument dated October 5, 2000, signed before notary public Enrique Morgan Torres, by which management and the use of its corporate name was granted to its partner Capital S.A. (formerly Inversiones Invest Security Ltda.). On September 1, 2004, before notary public Linda Scarlett Boschi Jiménez, under notary archive number 4711/2004, the company Global

Security Mandatos Limitada was modified and split into Mandatos Security Ltda. and Gestión y Servicios Security Ltda., respectively.

PAID-IN CAPITAL AND EQUITY

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$83.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Global Security Gestión y Servicios Limitada and subsidiary represent 0% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Gestión y Servicios Security provides advisory, marketing and sales services for financial products to Valores Security, Administradora General de Fondos Security and Vida Security. These services may possibly be offered to customers of the group's subsidiaries and associates in the future.

BOARD AND MANAGEMENT

MANAGEMENT REPRESENTATIVES:

Francisco Silva S.	Chilean National ID: 4.103.061-5
Renato Peñafiel M.	Chilean National ID: 6.350.390-8
Ramón Eluchans O.	Chilean National ID: 6.464.460-2

SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	781.9	596.0
Non-current assets	776.4	1,143.0
TOTAL ASSETS	1,558.3	1,739.0
LIABILITIES		
Current liabilities	1,358.2	1,325.4
Non-current liabilities	354.9	701.0
Total equity	(154.8)	(287.4)
TOTAL LIABILITIES AND EQUITY	1,558.3	1,739.0

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	5,085.8	5,273.6
Non-operating income (loss)	(4,906.8)	(5,487.4)
PROFIT (LOSS) BEFORE TAXES	179.0	(213.7)
Income tax benefit (expense)	(46.4)	30.8
PROFIT (LOSS) FOR THE YEAR	132.6	(182.9)
Profit (loss) attributable to owners of the parent	132.6	(182.9)
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	0.0	0.0

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	(41.1)	(5,377.6)
Net cash flows provided by (used in) investing activities	(14.1)	(76.1)
Net cash flows provided by (used in) financing activities	(135.9)	5,389.8
NET INCREASE (DECREASE) IN CASH	(191.1)	(63.9)
Effect of exchange rate changes on cash	(1.0)	0.0
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(192.1)	(63.9)

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	83.0	83.0
Share premium	0.0	0.0
Other reserves	0.0	0.0
Retained earnings (losses)	(237.8)	(370.4)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	(154.8)	(287.4)
Non-controlling interests	0.0	0.0
TOTAL EQUITY	(154.8)	(287.4)



SECURITY INTERNACIONAL SpA

TYPE OF COMPANY

Simplified corporation

TAXPAYER ID NUMBER

76.452.179-K

SECURITIES REGISTRY

Security International SpA is not registered in the Securities Registry.

CORPORATE PURPOSE

The company's corporate purpose includes mainly managing for rental purposes all types of assets, whether tangible or intangible, real estate or personal property, on its own or on behalf of third parties, both in Chile and abroad; making permanent or rental investments in all types of companies, whether by forming them or purchasing an interest in already formed companies, and even managing them, in both Chile and abroad; providing corporate management services; disposing of at any title the indicated assets or their natural proceeds or revenue from those assets, whether accrued, pending or having been received at the time of disposal, and exploiting the natural proceeds or revenue from assets acquired by the company.

GENERAL BACKGROUND

The company was incorporated on November 21, 2016, as a simplified corporation named Security Internacional SPA signed before notary public Patricio Zaldívar Mackenna.

SUBSCRIBED BUT UNPAID CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$27,603.

PERCENTAGE OF TOTAL GROUP ASSETS GROUP ASSETS

The total assets of Security Internacional SPA represent 2.54% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Security Internacional SPA does not have any business relationships with subsidiaries, associates or the parent company Grupo Security S.A.

AGENTS:

Renato Peñafiel M. Chilean National ID: 6.350.390-8

Francisco Silva S. Chilean National ID: 4.103.061-5

SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	267,515.5	244,039.6
Non-current assets	128,884.0	115,424.1
TOTAL ASSETS	396,399.4	359,463.7
LIABILITIES		
Current liabilities	346,540.5	316,489.5
Non-current liabilities	711.1	490.3
Equity attributable to owners of the parent	29,029.1	36,014.9
Non-controlling interests	20,118.7	6,469.0
TOTAL LIABILITIES AND EQUITY	396,399.4	359,463.7

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	16,127.6	15,772.4
Non-operating income (loss)	(17,022.4)	(15,167.1)
PROFIT (LOSS) BEFORE TAXES	(894.7)	605.3
Income tax benefit (expense)		(20.0)
PROFIT (LOSS) FOR THE YEAR	(894.7)	585.3
Profit (loss) attributable to owners of the parent	(769.1)	87.8
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(125.6)	497.5

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	11,704.6	21,012.0
Net cash flows provided by (used in) investing activities	0.0	(11,125.1)
Net cash flows provided by (used in) financing activities	8,393.3	3,885.6
NET INCREASE (DECREASE) IN CASH	20,097.9	13,772.5
Effect of exchange rate changes on cash	(1,797.8)	170.7
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	18,300.0	13,943.2

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	27,603.1	27,603.1
Share premium	0.0	0.0
Other reserves	(8,324.5)	(2,103.8)
Retained earnings (losses)	9,750.4	10,515.6
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	29,029.1	36,014.9
Non-controlling interests	20,118.7	6,469.0
TOTAL EQUITY	49,147.8	42,483.9



INVERSIONES SECURITY PERÚ S.A.C.

TYPE OF COMPANY

Privately held corporation.

CORPORATE PURPOSE

The company's corporate purpose is to make capital investments in other companies that have been formed or will be formed in the future, either in Peru or abroad, receiving in exchange for those investments a share of the capital, in the form of shares or interests, as appropriate. It also acquires shares or interests issued by existing companies, incorporated in Peru or abroad, either directly or through a stock exchange.

GENERAL BACKGROUND

The company was formed as a corporation on May 11, 2015, in Lima, Peru. Its current legal address is Av. Santa Cruz 875, Miraflores, Lima.

The company's capital totals MCH\$17,589 and as of that date it is distributed as follows:

- Seguros Vida Security Previsión S.A. 99.999%
- Inversiones Previsión Security Ltda. 00.001%

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$23,098.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Inversiones Security Perú represent 2.21% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

As of December 31, 2020, Inversiones Security Perú does not have any business relationships with subsidiaries, associates or the parent company.

AGENTS:

Francisco Silva S.	Chilean National ID: 4.103.061-5
Renato Peñafiel	Chilean National ID: 6.350.390-8
Carlos Andrés Tagle Domínguez	Chilean National ID: 5.895.255-9
Alejandro Alzérreca Luna	Chilean National ID: 7.050.344-1
Alfredo Jochamowitz Stafford	Foreign

CHIEF EXECUTIVE OFFICER:

Pedro Pazos	Foreign
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SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	267,734.3	243,922.3
Non-current assets	128,884.0	115,424.0
TOTAL ASSETS	396,618.3	359,346.3
LIABILITIES		
Current liabilities	350,476.7	320,347.1
Non-current liabilities	711.1	490.3
Equity attributable to owners of the parent	25,311.8	29,583.9
Non-controlling interests	20,118.7	8,925.0
TOTAL LIABILITIES AND EQUITY	396,618.3	359,346.3

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	16,223.7	15,634.8
Non-operating income (loss)	(17,063.1)	(14,935.4)
PROFIT (LOSS) BEFORE TAXES	(839.4)	699.4
Income tax benefit (expense)	0.0	0.0
PROFIT (LOSS) FOR THE YEAR	(839.4)	699.4
Profit (loss) attributable to owners of the parent	(713.7)	264.9
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(125.7)	434.5

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	13,183.0	21,365.0
Net cash flows provided by (used in) investing activities	(1,422.2)	(11,125.0)
Net cash flows provided by (used in) financing activities	8,393.3	3,885.5
NET INCREASE (DECREASE) IN CASH	20,154.1	14,125.5
Effect of exchange rate changes on cash	(1,797.8)	159.3
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	18,356.3	14,284.8

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	23,098.0	23,098.0
Share premium	0.0	0.0
Other reserves	2,004.4	5,474.6
Retained earnings (losses)	209.4	1,011.3
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	25,311.8	29,583.9
Non-controlling interests	20,118.7	8,925.1
TOTAL EQUITY	45,430.5	38,509.0



PROTECTA

TYPE OF COMPANY

Corporation

CORPORATE PURPOSE

The company is engaged in contracting and managing life and personal accident insurance and annuities, as well as making financial and real estate investments and other related activities within the scope of Law No. 26,702 – The General Law on the Financial System, the Insurance System and the SBS in accordance with provisions issued by the SBS. The company operates in the city of Lima and other provinces in Peru.

In June 2012, according to Resolution No. 3915-2012 issued by the SBS, the company was licensed to function as an insurance company that operates with insurance contracts for life and general risks as well as to engage in reinsurance transactions. As of the date of the financial statements, the company has only engaged in life insurance transactions.

GENERAL BACKGROUND

Protecta S.A. Compañía de Seguros, is a Peruvian corporation that is a subsidiary of Inversiones Security Perú S.A.C., which holds a 61% interest in its share capital. The company was formed on September 14, 2007, and began operating on December 12, 2007.

The company's legal domicile is Avenida Domingo Orué N°165, Floor 8, Surquillo, Lima, Peru.

SUBSCRIBED AND PAID-IN CAPITAL

As of December 31, 2020, subscribed and paid-in capital totaled MCH\$30,787.

PERCENTAGE OF TOTAL GROUP ASSETS

The total assets of Protecta represent 1.95% of the total individual assets of Grupo Security.

BUSINESS RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND THE PARENT

Protecta sells life and accident insurance through distribution channels and insurance brokers and annuities through its own sales force.

BOARD OF DIRECTORS

CHAIRMAN:

Alfredo Jochamowitz S.	Foreign
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DIRECTORS:

Marino Costa B.	Foreign
Miguel Pinasco Limas	Foreign
José Luis Manuel Pantoja Estremadoyro	Foreign
José Miguel Saavedra Ovalle	Chilean National ID: 15.642.366-1
Alejandro Alzérreca L.	Chilean National ID: 7.050.344-1
Renato Peñafiel M.	Chilean National ID: 6.350.390-8
Carlos Tagle D.	Chilean National ID: 5.895.255-9
Francisco Silva S.	Chilean National ID: 4.103.061-5

CHIEF EXECUTIVE OFFICER:

Mario Ventura Verme.	Foreign
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SUMMARIZED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

CLASSIFIED STATEMENT OF FINANCIAL POSITION	2020 MCH\$	2019 MCH\$
ASSETS		
Current assets	272,827.6	243,317.4
Non-current assets	125,786.5	115,722.4
TOTAL ASSETS	398,614.1	359,039.8
LIABILITIES		
Current liabilities	361,622.2	316,228.6
Non-current liabilities	465.1	474.8
Equity attributable to owners of the parent	36,526.8	42,336.4
Non-controlling interests	0.0	0.0
TOTAL LIABILITIES AND EQUITY	398,614.1	359,039.8

STATEMENT OF INCOME	2020 MCH\$	2019 MCH\$
Gross profit	16,223.7	15,633.6
Non-operating income (loss)	(16,273.5)	(14,519.7)
PROFIT (LOSS) BEFORE TAXES	(49.7)	1,113.9
Income tax benefit (expense)		
PROFIT (LOSS) FOR THE YEAR	(49.7)	1,113.9
Profit (loss) attributable to owners of the parent	(49.7)	1,113.9
PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	0.0	0.0

CASH FLOWS	2020 MCH\$	2019 MCH\$
Net cash flows provided by (used in) operating activities	29,210.1	21,340.0
Net cash flows provided by (used in) investing activities	(17,510.1)	(11,100.1)
Net cash flows provided by (used in) financing activities	8,393.3	3,860.6
NET INCREASE (DECREASE) IN CASH	20,093.3	14,100.5
Effect of exchange rate changes on cash	(1,797.8)	159.3
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	18,295.5	14,259.8

STATEMENT OF CHANGES IN EQUITY	2020 MCH\$	2019 MCH\$
Issued capital	30,787.3	30,787.3
Share premium	0.0	0.0
Other reserves	10,246.3	16,453.2
Retained earnings (losses)	(4,506.9)	(4,904.1)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	36,526.8	42,336.4
Non-controlling interests	0.0	0.0
TOTAL EQUITY	36,526.8	42,336.4



Statement of Responsibility

ANNUAL REPORT 2020

The undersigned, in their roles as directors and Chief Executive Officer of Grupo Security, domiciled at Av. Apoquindo 3150, floor 15, Las Condes, Santiago, Chile, declare under oath that the information contained in this annual report is a faithful representation of the truth and, therefore, we assume the corresponding legal liability.

FRANCISCO SILVA SILVA
CHILEAN NATIONAL ID: 4.103.061-5
CHAIRMAN

HERNÁN DE LAS HERAS MARÍN
CHILEAN NATIONAL ID: 6.381.765-1
DIRECTOR

JUAN CRISTÓBAL PAVEZ RECARTE
CHILEAN NATIONAL ID: 9.901.478-4
DIRECTOR

BRUNO PHILIPPI IRARRÁZABAL
CHILEAN NATIONAL ID: 4.818.243-7
DIRECTOR



JORGE MARÍN CORREA
CHILEAN NATIONAL ID: 7.639.707-4
DIRECTOR

NAOSHI MATSUMOTO TAKAHASHI
CHILEAN NATIONAL ID: 3.805.153-9
DIRECTOR

HORACIO PÁVEZ GARCÍA
CHILEAN NATIONAL ID: 3.899.021-7
DIRECTOR

ANA SAÍENZ DE VICUÑA
CHILEAN NATIONAL ID: 48.128.454-6
DIRECTOR

MARIO WEIFFENBACH OYARZÚN
CHILEAN NATIONAL ID: 4.868.153-0
DIRECTOR

RENATO PEÑAFIEL MUÑOZ
CHILEAN NATIONAL ID: 6.350.390-8
CHIEF EXECUTIVE OFFICER



Addresses

BANCO SECURITY AND SUBSIDIARIES

MAIN TELEPHONE NUMBER:

(56-2) 2584 4000

SECURITY CUSTOMER SERVICE:

(56-2) 2584 4060

SECURITY PHONE:

(600) 2584 4040

Monday to Sunday, 24 hours a day

WEB: www.security.cl

EMAIL: banco@security.cl

BANKING EMERGENCIES:

800 200 717

TO CALL FROM CELLULAR PHONES:

(56-2) 2462 2117

Monday to Sunday, 24 hours a day

TO REPORT A LOST OR STOLEN MASTERCARD

IN CHILE:

Call Banking Emergencies line: 800 200 717

To call from cellular phones: (56-2) 2462 2117

Transbank Phone: (56-2) 2782 1386

FROM OUTSIDE CHILE:

US and Canada: 1 800 307 7309

Other countries: 1 636 722 7111

REPRESENTATION OFFICE IN HONG KONG

Suite 2407 - 9 Queen's Road, Central Hong Kong

Phone: (852) 9387 1027

BRANCHES IN CHILE

HEADQUARTERS (EL GOLF)

Apoquindo 3150 – Las Condes

Business hours: 9:00 a.m. – 14:00 p.m.

Phone: (56-2) 2584 3275

AGUSTINAS BRANCH

Agustinas 621 – Santiago

Business hours: 9:00 a.m. – 14:00 p.m.

Phone: (56-2) 2584 4321

CHICUREO BRANCH

Camino Chicureo Km 1.7 – Colina

Business hours: 8:00 a.m. – 14:00 p.m.

Phone: (56-2) 2581 5003

CIUDAD EMPRESARIAL BRANCH

Av. del Parque 4023 – Huechuraba

Business hours: 9:00 a.m. – 14:00 p.m.

Phone: (56-2) 2584 5354

EL CORTIJO BRANCH

Av. Américo Vespucio 2760 C – Conchalí

Business hours: 9:00 a.m. – 14:00 p.m.

Phone: (56-2) 2581 4831

LA DEHESA BRANCH

Av. La Dehesa 1744 – Lo Barnechea

Business hours: 8:00 a.m. – 14:00 p.m.

Phone: (56-2) 2584 4673

LA REINA BRANCH

Av. Carlos Ossandón 1231 – La Reina

Time: 8:00 a.m. – 14:00 p.m.

Phone: (56-2) 2584 3252



LOS COBRES BRANCH

Av. Vitacura 6577 – Vitacura

Business hours: 9:00 a.m. – 14:00 p.m.

Phone: (56-2) 2581 5516

LOS TRAPENSES BRANCH

José Alcalde Délano 10.398,

local 3 – Lo Barnechea

Time: 8:00 a.m. – 14:00 p.m.

Phone: (56-2) 2581 5568

PROVIDENCIA BRANCH

Av. Nueva Providencia 2289 – Providencia

Business hours: 9:00 a.m. – 14:00 p.m.

Phone: (56-2) 2584 4688

SANTA MARÍA DE MANQUEHUE BRANCH

Santa María 6904 local 15 – Vitacura

Business hours: 8:00 a.m. – 14:00 p.m.

Phone: (56-2) 2581 3234

PRESIDENTE RIESCO BRANCH

Presidente Riesco 5335,

Local 101 – Las Condes

Business hours: 8:00 a.m. – 14:00 p.m.

Phone: (56-2) 2584 5072

ANTOFAGASTA BRANCH

Av. San Martín 2511 – Antofagasta

Business hours: 9:00 a.m. – 14:00 p.m.

Phone: (55) 253 6500

COPIAPÓ BRANCH

Atacama 686 – Copiapó

Business hours: 8:00 a.m. – 14:00 p.m.

Phone: (52) 235 7210

VIÑA DEL MAR BRANCH

Av. Libertad 1097

Viña del Mar

Business hours: 8:00 a.m. – 14:00 p.m.

Phone: Retail Banking: (32) 251 5100

Phone: Commercial Banking: (32) 251 5128

LA SERENA BRANCH

Calle Huanhualí 85, unit 6

La Serena

Business hours: 8:00 a.m. – 14:00 p.m.

Phone: (51) 247 7400

RANCAGUA BRANCH

Carretera Eduardo Frei Montalva 340

local 6 – Rancagua

Business hours: 8:00 a.m. – 14:00 p.m.

Phone: (72) 274 6600

TALCA BRANCH

Av. Circunvalación Oriente 1055,

Local B-2 - Talca

Time: 8:00 a.m. – 14:00 p.m.

Phone: (71) 234 4600

CONCEPCIÓN BRANCH

Av. Bernardo O'Higgins 428 – Concepción

Business hours: 9:00 a.m. – 14:00 p.m.

Phone: Retail Banking: (41) 290 8003

Phone: Commercial Banking: (41) 290 8096

TEMUCO BRANCH

Manuel Bulnes 701 – Temuco

Business hours: 9:00 a.m. – 14:00 p.m.

Phone: Retail Banking: (45) 294 8423

Phone: Commercial Banking: (45) 294 8421



PUERTO MONTT BRANCH

Guillermo Gallardo 132 – Puerto Montt
 Business hours: 9:00 a.m. – 14:00 p.m.
 Phone: Retail Banking: (65) 256 8300
 Phone: Commercial Banking: (65) 256 8313

CONSOLIDATED SUBSIDIARIES

VALORES SECURITY S.A., CORREDORES DE BOLSA

Apoquindo 3150 floor 7 – Las Condes
 Phone: (56-2) 2584 4601
 Web: www.inversionessecurity.cl
 E-mail: sacinversiones@security.cl

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Grupo Security is a holding company
that offers a broad range of financial services in
Chile and abroad.

