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ANNUAL
REPORT

 **Tanner**®

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ANNUAL REPORT

COMPANY INFORMATION

Company name:

Tanner Servicios Financieros S.A.

Fantasy name: Tanner, Tanner S.A.

Legal address:

Huérfanos 863, 10th floor, Santiago, Chile

Taxpayer ID N°: 96.667.560-8

Type of entity: Public limited company

Website: www.tanner.cl

Independent auditors:

KPMG Auditores Consultores SpA

Domestic Credit Rating Agencies:

- Clasificadora de Riesgo Humphreys Limitada
- Feller Rate Clasificadora de Riesgo Limitada

International Credit Rating Agencies:

- Fitch Ratings
- Standard & Poor's Rating Services

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Tanner Servicios Financieros S.A., formerly called Factorline S.A., was incorporated by means of a public deed dated 6 April 1993, granted at the Santiago Notary of Mr José Musalem Saffie. An excerpt of such public deed of incorporation was registered on page 7.816, N°6.488, of the Santiago Trade Registry of 1993, and published in the Official Gazette on 24 April 1993.

It was registered in the Securities Registry of the Superintendency of Securities and Insurance, now the Financial Market Commission, under N°777 dated 27 August 2002.



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All figures in US\$ have been translated from the Chilean peso equivalent at the exchange rates prevailing at the reporting date (844.69)

We're bold, innovative, flexible, reliable
and empathetic.
And above all **we're a team.**

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01 >>

CHAIRMAN'S
STATEMENT

Our company had a very good result in 2021. Tanner not only achieved record figures in a year that was challenging due to the variables and restrictions caused by the pandemic and the uncertain economic scenario abroad, but also in a period of deep changes in Chile. Tanner consolidated its position as the largest non-banking financial company in Chile; whilst continuing to sow for the future.

Tanner's leading position in the market is reflected by the increase in our equity at the close of the year, in line with a healthy and conservative leverage policy established by the board of directors I chair. Our management team enabled Tanner to attain a net income of US\$42.8 million in 2021, increasing 31.4% on the previous year, with a ROAE of 10.9%. Our equity, which was around US\$411 million, with limited leverage of 4.17 times, were underpinned by the diversification of our financing sources, raising new liabilities of over US\$1 billion in the year. Thanks to the confidence of a host of creditors from Chilean and international financial entities, we carry on providing liquidity and financial solutions to over 92,000 customers.

Tanner's healthy loan portfolio reached unprecedented NPL levels for over 90 days of

only 1.9%, and net loans of US\$1,710 million; this would not have been possible without the management team's capacity and business knowledge by our CEO, Derek Sassoon. Our management team have positioned Tanner at the top of the financial industry in each of the sectors in which it participates: Corporate Lending, Auto Financing and Investment Services.

I would also like to recognise the work, capacity and talent of the over 1,000 employees who, with dedication and focus on the objectives set early in the year, managed to correctly interpret market signals and business opportunities that arose during the year. The successful result in 2021 would also not have been possible without the ever-present, committed and involved role of our board of directors, whose members actively participate on the various executive committees of our company, and whose experience and knowledge of the financial industry are an essential added value for Tanner.

I would also like to pay a special tribute to the professional, conscientious, and altruistic work in the last few years of our director Óscar Cerda Urrutia who passed away recently. He leaves us a legacy of an indelible hallmark and example

of how Tanner should continue to develop its financial business.

In the Tanner of the future that we are now building, sustainability is an essential element. We are therefore incorporating a revitalised environmental, social and corporate governance (ESG) criteria in our management model. In this context, the digital transformation process of the company enabled us to be competitive, agile and efficient during the pandemic and thereby better address a tough economic scenario for Chile and the world. On the other hand, we have defined inclusion as a strategic focus and this has allowed us to evolve towards a modern organisation, in which our values: how to be a team, being bold, innovative, flexible, reliable and empathetic, are greatly embedded in our employees and for our stakeholders. At Tanner we are proud of the organisation we have been creating, with sound corporate governance and the consolidation of internal processes audited with the highest standards in the industry.

We continue to focus on our core competencies of being flexible, whilst also maintaining a demanding credit policy for the right risk management and collateral criteria. Besides this, the company has maintained its

investment grade given by the leading credit rating agencies for onshore and offshore debt issues, highlighting the recent successful bond placement of CHF125 million in Switzerland, the fifth in six years and which positions us as one of the leading Chilean bond issuers in this important capital market.

Furthermore, it is important to highlight that the result in 2021 was once again underpinned by a diversified balance sheet with strategically diversified financing sources and liabilities, which is already a hallmark of the Tanner way, giving priority and focus to the company's three traditional business lines. The political, economic and social scenario in 2022 is once again challenging and Tanner has already really shown its capacity to adapt and be a protagonist, also assuming its commitment to society and the world, equal with our ESG model.

» **Ricardo Massu**
Chairman of Tanner Servicios
Financieros S.A.





Based on results and their sustainability over time, this year and certainly throughout the period of the pandemic, we have positioned in the same timeline the digital transformation of the company, the provision of a close and accessible service to our customers, and greater concern in all the areas of wellbeing of our employees, starting with health as a fundamental element in the company's daily activities.



02»

CEO'S
STATEMENT

Reaching the close of a second year running in the national and global context of the pandemic, I would like to highlight the performance in 2021, in which Tanner Servicios Financieros had record results.

Our shareholders, board of directors, Management Committee and all our employees working as a team have not only fulfilled the task set for the commercial and business objective but have also done their utmost using diverse skills to focus us on our strengths and thereby start to sow our vision of the Tanner of the future.

A Tanner of the future which, at corporate level through its divisions, has been incorporating new variables transversal to the objectives of the group's traditional business lines. Based on results and their sustainability over time, this year and certainly throughout the period of the pandemic, we have positioned in the same timeline the digital transformation of the company, the provision of a close and accessible

service to our customers, and greater concern in all the areas of wellbeing of our employees, starting with health as a fundamental element in the company's daily activities.

In line with this, we have managed to consolidate strengths positioning us in the upper tier of the non-banking financial industry in Chile. 2021 was sound and diversified regarding results, business lines and financing sources.

Tanner had net loans of US\$1,710 million in 2021, increasing 28.4% year-on-year (YoY), with the highlight being a diversified asset structure and signs of recovery and reactivation in the industries in which the group participates. Likewise, Tanner had profits of US\$42.8 million in the year, a 31% increase YoY.

The Corporate Division reported net loans of US\$974 million in the year, and this increase was in line with the greater economic activity and opening-up of Chile. This has enabled Tanner to

consolidate its leading position in the factoring industry, both in the small- and medium-sized enterprise (SME) and large company segments, along with its varied offering and flexible and agile customer service, the digitalisation of processes by means of the recent launch of its supplier network platform, an integral solution that enhances payment and invoice management and prevents fraud. Our factoring leadership led to Tanner receiving recognition by Factors Chain International, the international factoring organisation with the highest global presence, with third place in the Americas category of the FCI 2021 Import & Export Factor of the Year Awards.

Tanner's Auto Financing Division posted net loans of US\$710 million, increasing 29% YoY. The partnership with Credinissan has bolstered Tanner's presence and performance in the auto financing area, despite the lower stock of new vehicles available in the market during the pandemic. This has consolidated our position

as the third largest player in the market, growing in the year at higher rates than those of the industry.

This result reflects the abilities of our company and our flexible and bold human team and the favourable impact of the digital transformation process, which we have already started to implement. We have a healthy loan portfolio, customers who trust our solutions for their businesses, consolidating Tanner as the largest non-banking financial institution in Chile.

The above-mentioned growth was not attained at the cost of the portfolio quality. Tanner had lower delinquency levels throughout the year, achieving record low ratios, particularly for non-performing loans (NPLs) of over 90 days in the factoring and auto financing areas, due to a conservative risk policy that was maintained throughout the sanitary crisis.

Regarding our Treasury & Investments Division, another great strength of our business model stands out, i.e., the diversification of financing sources, which is something that characterises us and that we have worked on in the last few years. This is complemented by our stockbroker and its business model, which is mainly focused on the fixed-income business in Chile and overseas.

All the above in a complex scenario for financing by means of domestic and international debt

endorses the confidence that investors have in our firm and in our ability to manage the business in Chile, with favourable subscription of each of the issues we have made. This enabled us to achieve the profitability levels of before the pandemic, closing the year with a ROAE of 10.9% and ROAA of 2.2%. Moreover, our conservative balance sheet management, the right diversification of our businesses and financing sources led to international credit rating agencies maintaining our investment grade credit rating.

Another important milestone in the year was taking our first steps to incorporate sustainability to our business model. We sought advice for this and appraised the material social, environmental and governance issues, which enabled the company to make a diagnosis to comprehend how we are doing regarding the best practice and collaboration to build the company's sustainability strategy.

Our employees are at the heart of this roadmap, and that is why for the first time we assessed the working environment with the renowned international consultant Great Place to Work. With great pride I can say that the result of such assessment was 84% satisfaction, thereby endorsing that we are a great place to work. In this area I would also like to mention that the wellbeing and care of our employees has been a priority issue for Tanner, along with

the gradual and progressive return to work with the maximum number of people limits defined by the sanitary authority, facilitating and flexibilising how our employees work in person and remotely.

Likewise, the board of directors and the Management Committee have boosted the generation of opportunities in all areas within the company by means of different corporate policies aimed at meritocracy, internal mobility, inclusion, digitalisation, care of the environment and opportunities for all employees.

In this new financial year that is starting, we will enhance our commitment to sustainability, bolstering the digital transformation that is already underway, and seeking greater inclusion, diversity, service excellence and the ever-needed care of the health of our employees. The aim is to carry on being leaders of the growth of the business and the implementation of the best practice for the industry, society and the world.

» **Derek Sassoon**
CEO of Tanner Servicios
Financieros S.A.



Our customers are the basis of what we are

“The dynamism of an increasingly more digital world has enhanced our relationship with our customers, **who are present at all times in a seamless and close way.**”

03






TANNER AT
A GLANCE



TANNER IN FIGURES

CONSOLIDATED FIGURES

Income in the Year (USD million)		2021	2020	2019	2018	2017
	Consolidated revenue	USD224	USD234	USD229	USD213	USD174
	Gross profit	USD130	USD124	USD131	USD120	USD99
	Sales and administrative expenses	USD61	USD55	USD55	USD52	USD45
	Profit before tax	USD46	USD39	USD46	USD40	USD33
	Net profit	USD43	USD33	USD39	USD35	USD30
Activity and Balance Sheet		2021	2020	2019	2018	2017
	Consolidated net loans (USD million)	USD1,710	USD1,332	USD1,542	USD1,400	USD1,109
	Number of customers ⁽¹⁾	92,571	83,181	81,578	73,388	63,744
	Number of employees	1,051	908	1,007	945	971
	Assets (USD million)	USD2,123	USD1,735	USD1,907	USD1,690	USD1,371
	Equity (USD million)	USD411	USD376	USD364	USD335	USD319
Ratios		2021	2020	2019	2018	2017
	NPLs ⁽²⁾ > 90 days/loans	1.9%	2.3%	2.7%	2.3%	4.1%
	ROAE ⁽³⁾	10.9%	8.8%	11.0%	10.8%	9.7%
	ROAA ⁽⁴⁾	2.2%	1.8%	2.1%	2.3%	2.3%
	Leverage ratio ⁽⁵⁾	4.2	3.6	4.2	4.0	3.3
	Liquidity ratio ⁽⁶⁾	1.3	1.5	1.2	1.3	1.7

(1) Total customers consider single customers of Tanner Servicios Financieros, that might have more than one product (Factoring, Corporate Loans, Leasing, Auto Financing and Tanner Investments).

(2) Non-performing loans calculated based on the outstanding balance.

(3) ROAE: Net profit in the year/average equity.




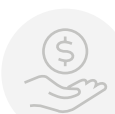


(4) ROAA: Net profit in the year/average assets.

(5) Leverage ratio: liabilities/equity.

(6) Liquidity ratio: Current assets/current liabilities

Note: the consolidated revenue and gross margin of 2017 and 2018 consider the restatement of the financial statements in 2020.

FIGURES AND RATIOS BY PRODUCT

CORPORATE DIVISION		2021	2020	2019	2018	2017
	Net loans (USD million)	USD974	USD753	USD925	USD915	USD709
	Revenue (USD million)	USD79	USD80	USD101	USD87	USD76
	Gross margin (USD million)	USD59	USD54	USD67	USD58	USD51
	NPLs* > 30 days	2.7%	5.7%	3.4%	2.4%	4.9%
	NPLs* > 90 days	1.8%	2.0%	2.0%	1.4%	3.6%
(I) Factoring		2021	2020	2019	2018	2017
	Net loans (USD million)	USD512	USD372	USD481	USD528	USD360
	Revenue (USD million)	USD41	USD46	USD62	USD52	USD42
	Gross margin (USD million)	USD32	USD33	USD43	USD37	USD31
	N° of customers	3,002	1,822	3,650	3,734	3,354
	NPLs* > 30 days	0.8%	0.9%	3.0%	2.1%	3.4%
	NPLs* > 90 days	0.4%	0.8%	1.5%	1.1%	2.9%
(II) Corporate Loans		2021	2020	2019	2018	2017
	Net loans (USD million)	USD384	USD296	USD347	USD291	USD226
	Revenue (USD million)	USD31	USD26	USD30	USD24	USD20
	Gross margin (USD million)	USD24	USD16	USD21	USD16	USD12
	N° of customers	582	567	771	578	837
	NPLs* > 30 days	5.5%	12.7%	3.3%	1.6%	2.8%
	NPLs* > 90 days	4.0%	3.8%	2.1%	1.5%	2.3%
(III) Leasing		2021	2020	2019	2018	2017
	Net loans (USD million)	USD78	USD84	USD98	USD96	USD123
	Revenue (USD million)	USD6	USD9	USD10	USD10	USD14
	Gross margin (USD million)	USD4	USD5	USD4	USD5	USD7
	N° of customers	148	217	348	560	857
	NPLs* > 30 days	0.9%	2.1%	5.8%	6.7%	13.0%
	NPLs* > 90 days	0.2%	1.1%	4.2%	3.2%	7.8%
AUTO FINANCING DIVISION		2021	2020	2019	2018	2017
	Net loans (USD million)	USD710	USD552	USD543	USD437	USD370
	Revenue (USD million)	USD115	USD108	USD105	USD96	USD82
	Gross margin (USD million)	USD61	USD51	USD47	USD47	USD41
	N° of customers	87,668	79,240	75,797	67,577	57,293
	NPLs* > 30 days	4.9%	6.0%	10.1%	10.4%	11.2%
	NPLs* > 90 days	2.0%	2.8%	4.4%	4.3%	5.3%
TREASURY & INVESTMENTS DIVISION		2021	2020	2019	2018	2017
	Net loans (USD million)	USD22	USD24	USD71	USD46	USD24
	Revenue (USD million)	USD32	USD49	USD23	USD30	USD16
	Gross margin (USD million)	USD10	USD19	USD16	USD15	USD7
	N° of customers	1,708	1,721	1,707	1,621	1,580
	NPLs* > 30 days	4.3%	0.3%	0.0%	0.9%	2.4%
	NPLs* > 90 days	4.3%	0.2%	0.0%	0.7%	2.4%

(*) Delinquency calculated as the unpaid delinquent balance/(loan portfolio + provisions).

Note: the income and gross margin figures of 2017 and 2018 consider the restatement of the financial statements in 2020.

HISTORY

1993

The main shareholders and controllers of former Banco BHIF - the Massu and Said groups - anticipating the large development that factoring would have in Chile, created Bifactoring S.A.

The company's corporate purpose is a) the provision of all kinds of financial services permitted by legislation, and especially factoring activities; b) the execution of lease operations and/or operating or financial leasing, with or without a purchase option, for which it may import, buy, acquire, assign, dispose of, exploit and lease all kinds of chattels, as well as acquire, dispose of, build itself or by others, lease with or without a purchase option and transfer all kinds of real estate; c) grant mutual loans, undertaking and intermediating all kinds of mortgages, auto financing, consumer or other loans, issue credit cards, and in general carry out all kinds of money credit operations; d) the investment, reinvestment, purchase, sale, acquisition, transfer in any way whatsoever of all kinds of corporeal and incorporeal chattels, securities, shares, loans, debentures, invoices, rights in companies, commercial papers in general, and any other security, manage, market such investments, receive their profits and income howsoever; e) acquire, build, invest, dispose of and carry out all kinds of operations on real estate, exploit and manage them, receiving their profits and income in any way howsoever; f) make collections of any nature and participate in the incorporation of companies of any kind; g) provide accounting, tax, financial, IT and commercial consultancy services.

1996

The company began to offer international factoring to complement its product offering, along with participating in the establishment of the Chilean Factoring Association (ACHEF, according to the Spanish acronym), of which it is a still a member to this day.

That same year, the company was accepted as a member of Factors Chain International (FCI), the largest chain of factoring companies in the world with 400 members in 90 countries.


1999

In December, the general shareholders' meeting approved changing the company name from Bifactoring S.A. to Factorline S.A.

2002

Factorline was registered in the Securities Registry of the former Superintendency of Securities and Insurance (SVS, according to the Spanish acronym), now the Financial Market Commission (CMF, according to the Spanish acronym), under the standards and procedures established for public limited companies, in accordance with the regulation of the time.

In October of that year, the company became the first company in Chile to register and place a line of commercial papers of US\$8.3 million.

2004

With the objective of achieving greater development, the company secured its first financing from an international organisation like the Inter-American Development Bank, through the Inter-American Investment Corporation (IIC). The Auto Financing Division was created with the aim of diversifying the business portfolio.

2007

The Leasing Division was established and a bond was issued for the first time in the domestic market. That same year, the Massu Group, through Inversiones Bancarias S.A., acquired the stake of the Said family, becoming the controller of the company. Additionally, an extraordinary general shareholders' meeting approved a capital increase, by means of which International Finance Corporation (IFC) was incorporated as a shareholder with an 18% shareholding.


2010

To carry on expanding its services, the company acquired ownership of Gestora Tanner SpA, owner of Tanner & Cía. Corredores de Bolsa, founded in 1924 and a member of the Santiago Stock Exchange, which as of that time also joined the Chilean Electronic Stock Exchange.

2011

Tanner Corredora de Seguros was created to serve the auto financing portfolio and offer insurance to all customers. Taking advantage of the track record and recognition of the Tanner trademark, one of the oldest stockbrokers in Chile, in December of that year Factorline changed its name to Tanner Servicios Financieros S.A.


2012

The organisation was rated as international investment grade by Standard & Poor's and Fitch Ratings (BBB-), two of the leading private international credit rating agencies.

The Massu family increased its interest in the ownership of Tanner Servicios Financieros S.A. from 55.66% to 70.61% by acquiring the shares of IFC.

2013

In March, the company placed an international 144A/Regs bond of US\$250 million. In October it subsequently made a capital increase of US\$200 million, by means of which The Capital Group, which currently has more than US\$2.7 trillion of managed assets, acquired a 27% stake of the company.

2015

The W bond series was placed with a 21-year term and 10-year grace period, becoming the longest-term instrument placed in the domestic market for this type of company.

2016

In May, a loan of US\$84 million was secured from IFC and in December of that year another of US\$40 million from Deutsche Investitions-und Entwicklungsgesellschaft (DEG), a German entity under Kreditanstalt für Wiederaufbau (KfW). In October of the same year, the company issued an international bond of CHF150 million with 3-year maturity, making Tanner the first Chilean non-banking and non-state company to place a bond in Switzerland.

2017

In January, the subsidiary Tanner Asset Management AGF started up, with the purpose of distributing third-party funds. In October of that year, the company made a further bond placement in Switzerland of CHF100 million with 3-year maturity, in addition to the first issuance of commercial papers in US dollars in the domestic market.



2018

Humphreys and Standard & Poor's both upgraded the credit rating of Tanner Servicios Financieros S.A. from A+ to AA- and both with a stable outlook, whilst Fitch Ratings endorsed its previous A+ rating. Moreover, Tanner made two successful bond placements in the domestic market amounting to UF4,000,000.

2019

In March, Feller Rate ratified Tanner's domestic credit rating of AA-.

In April, the third Swiss bond of CHF125 million placed by the company was disbursed. Furthermore, UF4,000,000 were successfully placed in the domestic market.

In December, Tanner and Credinissan entered into a commercial partnership, agreeing on the inventory financing of Credinissan distributors and dealers, and the working capital credit lines granted by Tanner and Credinissan to final customers of the distributors of vehicles of the brand. This milestone makes us very proud and vouches for the hard work done in the Auto Financing Division, which has enabled us to gain the confidence of this important brand.



2020

In February 2020, there was the disbursement of the fourth bond of CHF200 million issued in the Swiss market with maturity of two years and nine months. The company also secured further financing from Deutsche Investitions und Entwicklungsgesellschaft (DEG) and BID Invest, a member of the BID Group, of US\$23 million and US\$106.8 million, respectively.

In July, the company sold the subsidiary Tanner Corredora de Bolsa de Productos S.A., and in December it sold the subsidiary Chita SpA.

2021

From January to June, the company placed the AG series bond of UF2,000,000 in the domestic market with maturity of 3 years and 7 months and an average rate of 0.06%.

Work started in April to formally incorporate sustainability to Tanner's business model. The company thereby structured its sustainability strategy, defined based on five pillars, which are the basis of the main programmes and initiatives to contribute to stakeholder wellbeing. This led to the identification of the main economic, social and environmental issues that must be managed by the company.

For the first time at Tanner, the company assessed the working environment with a Great Place to Work, securing certification as a great place to work.

During the year, Tanner also made the first private bond placements under its euro medium-term note (EMTN) international debt programme. The first one was in July of EUR15 million with one-year maturity, and the second in August of CHF12 million with two-year maturity.

In September, Factors Chain International announced the 2021 Business Awards, ranking Tanner in third place of the Americas category of the FCI 2021 Import & Export Factor of the Year Awards.

In October, the company made the fifth bond placement of CHF125 million in the Swiss market, at a coupon rate of 1.15% and maturity of two years and six months, thereby making Tanner one of the largest Chilean issuers in such market.

In December, the entire direct and indirect interest of the subsidiary Tanner Asset Management Administradora General de Fondos S.A. was transferred.



BUSINESS PROFILE

Tanner has a successful track record of 30 years in the market, based on the sound diversification of its business lines and financing sources. This, along with an excellent management and executive team, committed employees and high service quality standards, have enabled it to position itself as the leading non-banking financial institution in size and market share in Chile.

The company's strengths lie in a highly diversified portfolio and a solid financial position, due to proactive and efficient risk management alongside maintaining diversified financing sources. Tanner also relies on its experienced management team and committed shareholders, which seek to align to the highest standards of corporate governance. All these qualities have enabled Tanner to attain an

international credit rating of BBB- as of 2012, and a domestic credit rating of AA- as of 2018; positioning itself in a select group of non-banking financial entities investment grade rated in Latin America.

Tanner's number of active customers at the close of 2021 was 92,571, including Factoring, Corporate Loans, Auto Financing, Leasing, and Treasury & Investments. At 31 December, there was no large concentration of customers, since the percentage of operations of the five main customers regarding the total loan portfolio did not exceed 10.2%. Likewise, the revenue of these customers represented under 3.5% of the company's total revenue.

Tanner Servicios Financieros S. A . has approximately 660 suppliers registered in

its records, highlighting those related to automotive, computer and communication services. Tanner's main businesses are factoring (national and international) and auto financing. Corporate loans and leasing complete the comprehensive offering of financial products. In turn, the company provides complementary fixed income intermediation and insurance services.

According to the definitions of segments under International Financial Reporting Standard (IFRS) 8, the only line of business of Tanner Servicios Financieros is to provide financial services. The company operates in the market through five segments: factoring, corporate loans, leasing, auto financing, and treasury and investments, which are organised into three divisions:

1

Corporate Division:

At Tanner we aim to be the main ally of our customers, giving them different financing options to help their businesses grow, designing and offering a host of financial tools with factoring the most used. Our main customers are small- and medium-sized enterprises (SMEs), but at the same time we also provide structured financing with the focus on loans with collateral to larger companies and corporations by means of our specialist team comprising the large company and structured product management.

Factoring

We offer national and international factoring, mainly targeted at SMEs that can transform their accounts receivable into liquid resources, obtaining an additional financing alternative for working capital.

To complement the factoring service, there are three digital tools that improve the experience of our users: the Tanner Empresas app, the private factoring website and supplier network, which enable customers to assign online invoices from their mobile phones, and the company can review operations, gain access to all the information quickly, securely and transparently and rapidly capture customers, offer factoring services and make specific offers of some products, among other functions.

Corporate Loans

This mainly allows the company to grant working capital loans to factoring customers, helping them to grow. At the same time, this segment has preferential capital operations and mortgage-backed loans.

Leasing

This is principally targeted at financing acquisitions of capital goods, with the focus

on granting real estate leasing, which allows our customers to grow and renew their assets.

2

Auto Financing Division:

This area provides auto financing to individuals and companies that wish to purchase or renew their vehicles by means of financing that meets their needs, with diverse products and terms. Moreover, this Division includes the insurance brokerage subsidiary that advises our customers on protection issues with a competitive value proposition.

This segment also includes the consignment inventory financing business for customers of the auto financing sector or floor plan.

3

Treasury & Investments Division

The Treasury Management is part of this Division and administers the company's financial position, managing the liquidity and market risks and maintaining an optimal funding structure, along with placing surpluses at the best market return.

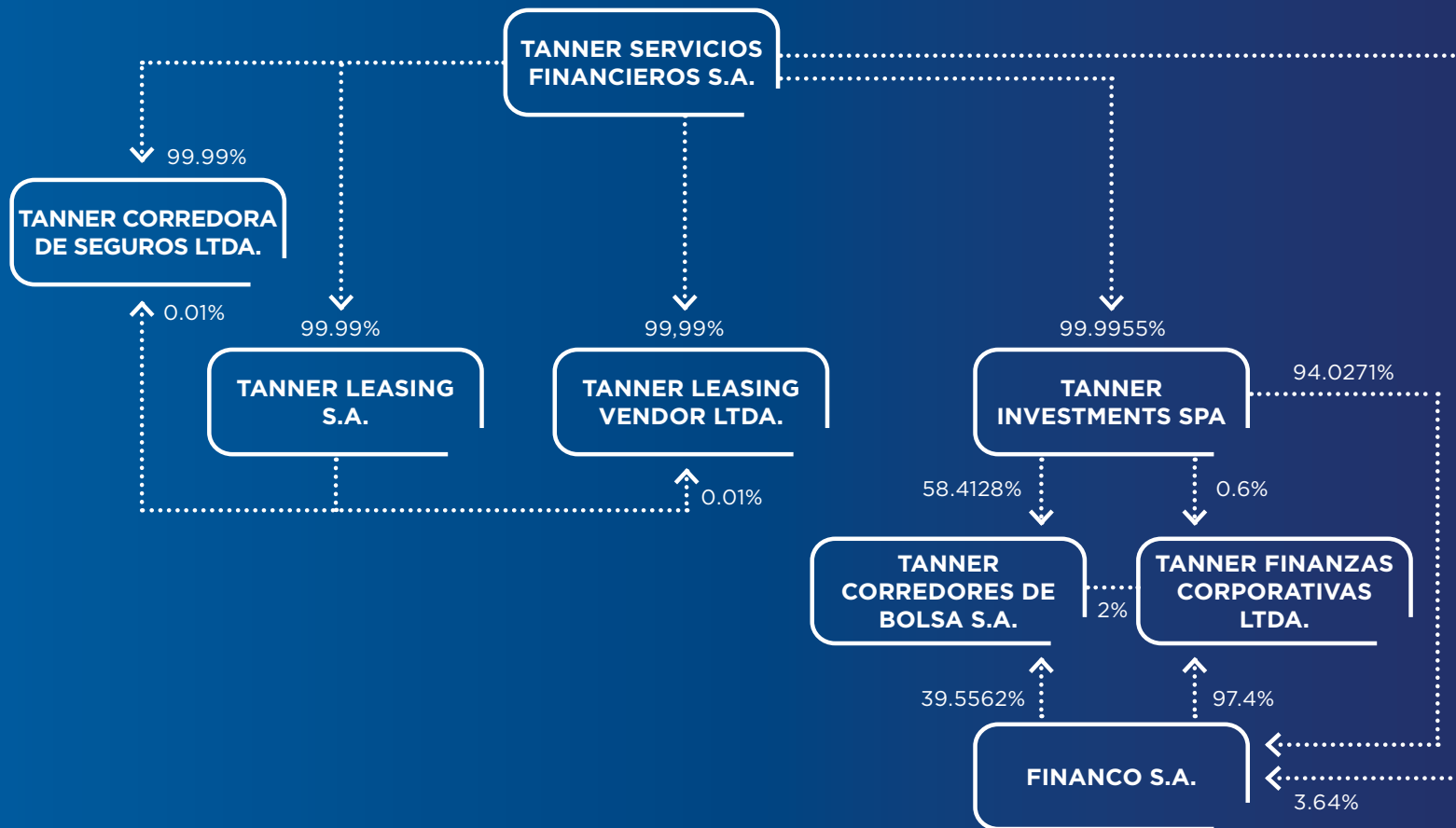
This segment also includes the subsidiary Tanner Corredores de Bolsa S.A., which provides customers comprehensive advice, offering investment alternatives tailored to their needs with brokerage of financial products focused on domestic and international fixed income. For this, it has a consolidated team with market experience and know-how which, through a robust platform, supports institutional customers, companies and family offices.



OFFICES AND BRANCHES

Division	Location	Category	m²	Type of property
Santiago Centre/Head Office				
Head Office	Huérfanos 863 - 2nd, 9th, 10th floors	Offices	2,054	Rental
Commercial Factoring and Leasing	Huérfanos 863 - 3rd floor	Offices	1,740	Rental
Commercial Auto Financing	Huérfanos 863 - 10th floor	Offices	1,690	Rental
Customer Service	Estado 337 - Mezzanine	Offices	1,661	Rental
Santiago				
Tanner Corredores de Bolsa	El Golf 40, office 902, 9th floor, Las Condes	Office	628.45	Rental
Tanner Corredores de Bolsa	Nueva York 40, Santiago Centre	Office	253.39	Rental
NORTHERN ZONE				
Arica	Arturo Prat 391, office 101, 10th floor	Branch	98.25	Rental
Iquique	San Martín 255, office 51-52, 5th floor	Office	226	Owned by TSF
Iquique	Iquique Bolívar 202, office 509, 5th floor	Branch	60	Rental
Calama	Av. Balmaceda 1750, office 1302	Branch	42.74	Rental
Antofagasta	Uribe 636, office 1003, 10th floor	Branch	82	Rental
Copiapó	O'Higgins 760, office 708	Branch	70	Rental
La Serena	Los Carrera 380, office 412-413	Branch	61	Rental
CENTRAL ZONE				
Viña del Mar	Libertad 1405, office 1207, 12th floor	Branch	77	Rental
Rancagua	Bello Horizonte 89, office 401, 4th floor	Branch	105.70	Rental
Curicó	Carmen 752, office 502	Branch	70	Rental
Talca	30 Oriente 1546, office 901, Edificio Centro Las Rastras II	Branch	50	Rental
SOUTHERN ZONE				
Chillán	18 de Septiembre 671, office 504, Edificio Los Presidentes	Branch	70	Rental
Concepción	Lincoyán 282, 5th floor	Branch	178.46	Rental
Los Angeles	Almagro 250, office 505, 5th floor	Branch	98.62	Rental
Temuco	Arturo Prat 847, office 401, 4th floor	Branch	90	Rental
Valdivia	Independencia 491, office 401, 4th floor	Branch	91.62	Rental
Osorno	Bilbao 1129, office 704, 7th floor	Branch	87.64	Rental
Puerto Montt	Antonio Varas 216, office 701-702, 7th floor	Branch	90	Rental
Punta Arenas	Roca N°817, office 63, 6th floor	Branch	35.0	Rental

CORPORATE STRUCTURE



We Are Digital

We are transforming the financial industry, and are available digitally 24/7 so you can contact us anywhere, **meeting your needs quickly, flexibly and efficiently.**

04



CORPORATE

GOVERNANCE



The long-term collaboration between company stakeholders has a direct and indirect effect on the achievement of the company's objectives. A suitable corporate governance system therefore prevents and solves conflicts of interest, ensuring that the business objectives are achieved transparently.

Tanner's corporate governance is underpinned by a set of institutional relationships, standards, processes and practices in the exercise of authority and control, which contribute to the sustainable creation of value, thereby defining a framework of transparency, ethics and corporate responsibility, aligning interests and promoting

respect for the rights of all shareholders and stakeholders that participate directly or indirectly in the company.

In the last decade, different processes guaranteeing this objective were optimised, in line with the best market practices.

Tanner's related groups and the focus of action to be developed regarding each of them are as follows:

1

SHAREHOLDERS:

Create value and a return on their investment



2

BOARD OF DIRECTORS:

The body in charge of the management of the company, and of drawing up, approving and monitoring the main guidelines of the company; it is also in charge of taking care of and managing the assets and resources of the organisation, and ensuring compliance with applicable legislation.



3

EMPLOYEES AND THEIR FAMILIES:

Promote a pleasant working environment, respecting their needs and rights.



4

CUSTOMERS:

Provide the most appropriate solutions and forge long-term relations.



5

CREDITORS & SUPPLIERS:

Build long-lasting relations of trust, with high standards of compliance and transparency.



6

INTERMEDIARIES:

Establish a long-term collaborative relationship to reach customers in the best way.



7

GOVERNMENT:

Permanently respect, apply and collaborate, adhering to current legislation.



8

COMPETITORS:

Promote free competition, engaging respectfully with all the players in the industries in which we operate.





Corporate Governance and Risk Management Bodies

Shareholders' Meeting

This is the highest corporate governance body and its main functions are to elect the board of directors, approve the Annual Report, appoint the independent auditors and credit rating agencies; approve the annual financial statements and distribution of profits, capital increases and remuneration of the board of directors and committees.

Board of Directors

Tanner's board of directors comprises seven members (there are no deputies), whose term in office is three years and they may be re-elected. All the members have a long track record in the financial industry, and some with over 40 years' experience. There are no independent directors and no director has a management position at Tanner.

The main activities of the board of directors are to manage the company and safeguard its general interest. This body is responsible for approving the policies and establishing the structure for the right management of the businesses and the various risks faced by the organisation. Its members are on various committees and are permanently briefed on the evolution of the different risk areas and their main measurement metrics.

Risk management policies are established to identify and analyse the risks faced by the company, set the limits and controls, and monitor compliance with them. Based on the information gathered and its analysis, policies are reviewed regularly and limits are maintained or redefined in order to reflect changes in market conditions and in the company's activities.

Through its management standards and procedures, the board of directors aims to develop a disciplined and constructive control

environment in which all employees understand their targets, functions and obligations.

It should be highlighted that board meeting attendance in 2021 was 100%.

Audit Committee

The Audit Committee comprises three directors, the corporate counsel, members with a right to speak and vote, the CEO and controller of the company, and members with a right to speak, and it reports directly to the parent company's board of directors about the effectiveness and reliability of the internal control systems and procedures. It receives and analyses the results of audits and reviews performed by the internal and independent auditors. It analyses and approves the quarterly and annual consolidated financial statements which include those audited by the independent auditor. It is briefed about abidance of institutional policies on due adherence to laws, internal regulations and standards that the company must comply



with. It approves and verifies compliance with the annual internal audit programme.

Credit Committee

Tanner has a defined structure for credit decision-making, so that any proposal must be approved by a committee with sufficient powers. The top body is the Credit Committee that six company directors are on, which reviews and approves the main exposure per customer and activity.

Assets and Liabilities Committee (ALCO)

This Committee is made up of all the directors, besides the CEO, CFO, Treasury manager, Investor Relations manager, and the Financial Control and Administration manager, who are responsible for establishing and overseeing compliance with the financial risk policies on market and liquidity risk, in accordance with the guidelines established by the board of directors and the regulatory requirements of the Financial Market Commission (CMF, according to the Spanish acronym).

Compliance Committee

The Compliance Committee defines and coordinates the policies and procedures on matters relating to the prevention of money laundering and financing of terrorism, and also those concerning the offence prevention model. It also acknowledges, analyses and then adopts the corresponding action on the cases reported by the compliance officer. The Committee is made up of the CEO, compliance officer, corporate counsel, controller, and two company directors.

The policies and procedures established for the prevention of money laundering, financing of terrorism and offence prevention model are defined in the internal documents governing

these issues in the company and they fulfil two objectives:

- » To comply with the laws and regulations governing these matters.
- » To provide employees at all levels of the organisation with policies, procedures and information to undertake commercial and operational management of mitigating the risk of illegal activities, either through Tanner Servicios Financieros or any of its subsidiaries.

Operational Risk and Information Security Committee

The Operational Risk and Information Security Committee comprises the CEO, the first-line managers and the operational risk assistant manager.

The Committee convenes quarterly and its aim is to prioritise and facilitate the resources needed to mitigate the major operational risks, assure the implementation of the management model, establish and propose tolerance levels to the board of directors, and ensure compliance with the programmes, policies and procedures related to information security, business continuity and operational risk.

Moreover, it must perform high-level supervision of those risks that might affect the information resources, developing control approaches and mechanisms to ensure their confidentiality, integrity and availability. It also seeks to promote a risk culture by means of awareness building programmes and training for the entire organisation, and maintain the policies of these areas current.

Ownership

For the year ended 31 December 2021, the company's subscribed and paid-up capital was

\$231 million, divided into 1,212,129 fully subscribed and paid-up no-par-value shares of the same series distributed among 18 shareholders. A list of the shareholders at the close of the 2021 financial year is shown below:

Shareholder	Taxpayer ID N°	Related to	N° of shares	Shareholding %
Inversiones Bancarias S.A.	99.546.550-7	Massu Group	699,544	57.7120%
Administradora Tanner SpA	76.917.587-3	Massu Group	12,979	1.0708%
Inversiones Los Corrales SpA	76.618.804-4	Massu Group	8,736	0.7207%
Anita SpA	74.472.406-2	Massu Group	3,947	0.3256%
Inversiones Gables S.L.U.	59.196.270-1	Capital Group	310,911	25.6500%
Inversiones Similan S.L.U.	59.196.260-4	Capital Group	16,364	1.3500%
Asesorías Financieras Belén 2020 SpA	77.719.080-6	Jorge Sabag S.	78,182	6.4500%
Inversora Quillota Dos S.A.	76.010.029-3	Suc. Ernesto Bertelsen R.	22,681	1.8712%
E. Bertelsen Asesorías S.A.	96.501.470-5	Suc. Ernesto Bertelsen R.	688	0.0568%
Inversiones Río Abril SpA	77.569.400-9	Mauricio González S.	22,783	1.8796%
Jameson SpA	77.218.598-7	Derek Sassoon	12,121	1.0000%
Inversiones Maita SpA	77.266.528-8	Gustavo Inostroza A.	6,060	0.4999%
Asesorías e Inversiones Cau Cau Limitada	76.475.300-3	Sergio Contardo P.	3,194	0.2635%
Inversiones y Asesorías JRS SpA	77.397.998-7	Julián Rodríguez S.	3,030	0.2500%
Asesorías e Inversiones Gómez Perfetti Limitada	76.477.320-9	Javier Gómez M.	3,000	0.2475%
Inversiones y Asesorías Rochri Limitada	76.477.270-9	Rodrigo Lozano B.	3,000	0.2475%
Xaga Asesorías e Inversiones Limitada	76.477.310-1	Julio Nielsen S.	3,000	0.2475%
Inversiones Anita e Hijos Limitada	76.066.686-6	Ana María Lizárraga C.	1,909	0.1575%
Total			1,212,129	100.0000%

The controlling body corporate of the company at the close of the year, as defined in Title XV of Securities Market Law N°18.045, is Inversiones Bancarias SpA with 699,544 shares directly and 25,662 shares indirectly, which in turn account for 59.8291% of the company's ownership.

There are currently no natural persons who are direct controllers of Tanner Servicios Financieros S.A. The ownership of Inversiones

Bancarias SpA is fully and jointly exercised by Ricardo Massu Massu, taxpayer ID N°6.420.113-1, Eduardo Massu Massu, taxpayer ID N°4.465.911-5, and the succession of Julio Massu Massu, taxpayer ID N°3.454.690-8, through bodies corporate intended for investments.

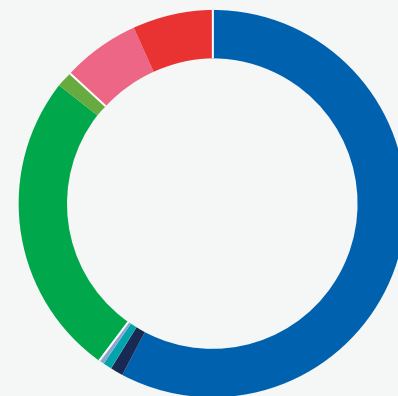
The controller, Inversiones Bancarias SpA, does not have and has not formalised any joint action agreement with another shareholder for the management of the company.

Share transactions

The following share transactions were undertaken in 2021:

Sales	Relationship	Compras	Relationship	N° of shares	Unit price (Ch\$/share)	Amount (US\$)
Inversora Quillota Dos S.A.	Shareholder	Inversiones y Asesorías JRS SpA	Shareholder	2,161	271,830	695,432
Asesorías e Inversiones Cau Cau Limitada	Shareholder	Inversiones y Asesorías JRS SpA	Shareholder	869	271,830	279,653
Asesorías e Inversiones Cau Cau Limitada	Shareholder	Administradora Tanner SpA	Shareholder	1,331	271,830	428,330

OWNERSHIP STRUCTURE



- 57.71% INVERSIONES BANCARIAS SpA
- 1.07% ADMINISTRADORA TANNER SpA
- 0.72% INVERSIONES LOS CORRALES SpA
- 0.33% ANITA SpA
- 25.65% INVERSIONES GABLES S.L.U.
- 1.35% INVERSIONES SIMILAN S.L.U.
- 6.45% ASESORÍAS FINANCIERAS BELÉN 2020 SpA
- 6.72% OTHERS

■ 59.8% MASSU GROUP ■ 27.0% CIPEF

Shareholder comments and proposals

There were no comments or proposals raised in the shareholders’ meeting.

Credit rating

Tanner has a domestic credit rating from Humphreys and Feller Rate and an international rating from Standard & Poor’s and Fitch Ratings.

In Chile, Feller Rate gave Tanner an AA- rating for long-term debt instruments and Level 1+ for short-term instruments, with a ‘stable’ outlook. Such rating is based on strong generation capacity, suitable business profile, equity backing, funding and liquidity and moderate risk profile.

The credit rating agency Humphreys gave Tanner an AA- rating for long-term instruments and Level 1+ for short-term instruments, both with a ‘stable’ outlook. Such rating is based on achievement of the business objectives set, the characteristics of the business segments, the leadership of Tanner and the diversity of financing sources.

Regarding the international credit rating, Tanner maintained the BBB- investment grade, which gives it a distinctive position among non-banking financial institutions in Latin America and in turn enhances access to different financial markets and diversification of the company’s financing. This rating of the company is based on sound capitalisation levels, diversification of funding sources and excellent management of liquidity and market risks. In 2021, Fitch Ratings upgraded its rating outlook from ‘negative’ to ‘stable,’ bearing out the soundness of the company during the global sanitary crisis.

Domestic Rating

Feller Rate

Ratings	Rating
Solvency	AA-
Bond line	AA-
Commercial papers	N1+
Outlook	Stable

Humphreys

Ratings	Rating
Solvency	AA-
Bond line	AA-
Commercial papers	N1+/AA-
Outlook	Stable

International Rating

Fitch Ratings

Ratings	Rating
Long-term foreign currency	BBB-
Short-term foreign currency	F3
Long-term national currency	BBB-
Short-term national currency	F3
Outlook	Stable

Standard & Poor’s

Ratings	Rating
Solvency	BBB-/Negative
Outlook	Negative

Dividend policy

The company’s dividend policy is to distribute at least 30% of the net profits of each year. From 2013 to 2021, the following dividends were paid at historical value charged to the profits of the financial year indicated:

Financial year	Type of dividend	N° of shares	Dividend per share (US\$)	Payment date
2020	Final	1,212,129	8.0	March 2021
2019	Final	1,212,129	9.4	March 2020
2018	Final	1,212,129	8.6	March 2019
2017	Final	1,212,129	7.2	March 2018
2016	Final	1,212,129	6.4	March 2017
2015	Final	1,212,129	5.9	March 2016
2014	Final	1,212,129	7.6	March 2015
2013	Final	1,212,129	3.2	March 2014

Distribution of profits

For the year ended 31 December 2021, the company’s capital comprises 1,212,129 subscribed and paid-up shares. The distributable profit for 2021 amounted to US\$42.8 million.

Remuneration

Board remuneration

An extraordinary shareholders’ meeting held on 2 April 2013 modified the company’s articles of association to include remuneration for directors. Such modification established the remuneration amount, which is set annually by the ordinary shareholders’ meeting. Accordingly, the ordinary shareholders’ meetings held from 2014 to 2021 established the board remuneration.

The ordinary shareholders’ meeting in 2021 established directors’ fees as UF100 a month, and UF200 a month for the chairman and vice-chairman, in addition to fees for being on the different committees. The amounts paid to directors in 2020 and 2021 for fees and other remuneration were as follows:

- Ricardo Massu M., US\$106,548 (US\$101,812 in 2020) for Board and Credit Committee fees.
- Jorge Sabag S., US\$142,064 (US\$125,490 in 2020) for Board and Credit Committee fees.

- Óscar Cerda U., US\$95,893 (US\$106,548 in 2020) for Board, Credit Committee and Audit Committee fees.
- Eduardo Massu M., US\$92,342 (US\$81,687 in 2020) for Board and Credit Committee fees.
- Fernando Zavala C., US\$92,342 (US\$81,687 in 2020) for Board, Audit Committee and Credit Committee fees.
- Fernando Tafra S., US\$113,651 million (US\$93,525 in 2020) for Board, Audit Committee and Credit Committee fees.

In 2021, the company did not pay any compensation whatsoever to Mr Martín Díaz Plata for his work as a director because he expressly and irrevocably waived his fee.

In 2021, Felipe Massu H. received US\$102,996 (US\$65,133 in 2020) for board advisory services.

Compensation of the Group's senior managers and executives

Senior executives who are part of the company's senior management received US\$6.8 million as compensation in 2021. The compensation for company executives is based upon its profitability, besides objective measurable parameters that reflect the responsibilities of each position. This compensation is calculated and received once a year. In the year, the company made severance payments of US\$794,374.

Transacciones con partes relacionadas

- 1) In 2020 and 2021, all the related loan transactions, as indicated below, were related to the shareholding programme, in which current executives of the company and its subsidiaries participated:
- In July 2021, a loan was granted to a minority shareholder of Tanner Servicios Financieros S.A., Inversiones y Asesorías

JRS SpA related to Julián Rodríguez S., to finance the purchase of company shares. At 31 December 2021 there was an outstanding balance of ThUS\$1,004.

- In January 2021, a loan was granted to a minority shareholder of the subsidiary Tanner Corredores de Bolsa S.A., Sebastián Zarzar I. At 31 December 2021 there was an outstanding balance of ThUSD347.
- In September and November 2020 loans were granted to minority shareholders of Tanner Servicios Financieros S.A., Jameson SpA and Inversiones Maita SpA related to Derek Sassoon and Gustavo Inostroza A.,

respectively, to finance the purchase of company shares. These loans were renewed in March 2021.

- 2) Fees, professional fees and advisory services: the amounts for board fees, Credit Committee professional fees and advisory services are interest-free amounts paid monthly.

At the close of both years, there were no provisions for doubtful debts regarding outstanding balances. All the outstanding balances at the close of the years reported were up-to-date.

The following were the significant transactions with related parties:

Taxpayer ID N°	Company	Country	Relationship	Currency	Transaction Description	31.12.2021	31.12.2020
						USD'000	USD'000
6.735.614-4	Jorge Sabag Sabag	Chile	Director	UF	Board fee	143	125
6.941.260-2	Oscar Alberto Cerda Urrutia	Chile	Director	UF	Board fee	96	106
6.420.113-1	Ricardo Massu Massu	Chile	Director	UF	Board fee	106	102
4.465.911-5	Eduardo Massu Massu	Chile	Director	UF	Board fee	93	82
6.066.143-K	Jorge Bunster Betteley	Chile	Director	UF	Board fee	-	10
7.054.226-9	Fernando Alberto Zavala Cavada	Chile	Director	UF	Board fee	93	82
4.778.406-9	Fernando Tafra Sturiza	Chile	Director	UF	Board fee	114	93
9.389.707-2	Luis Patricio Flores Cuevas	Chile	Subsidiary shareholder	CLP	Payment of loans	-	(713)
17.406.903-4	Luis Felipe Massu Heiremanss	Chile	Related to the controller	CLP	Board advisor	103	65
13.668.525-2	Antonio Turner Fabres	Chile	Parent shareholder	CLP	Loans	-	3,664
					Payment of loans	-	(3,664)
15.639.639-7	Sebastián Zarzar Ives	Chile	Subsidiary shareholder	CLP	Loans	333	-
77.218.598-7	Jameson SPA	Chile	Parent shareholder	CLP	Payment of loans	(3,760)	-
					Loans	3,700	3,670
77.266.528-8	Inversiones Maita SPA	Chile	Parent shareholder	CLP	Payment of loans	(1,978)	-
					Loans	1,886	1,886
77.397.998-7	Inversiones y Asesorías JRS SpA	Chile	Parent shareholder	CLP	Loans	981	-
76.010.029-3	Inversora Quillota Dos S.A.	Chile	Parent shareholder	CLP	Loans	(268)	248

Note: considers participation in Audit Committees and/or other Committees.

Regulatory framework

Tanner Servicios Financieros S.A. is subject to the rules of Law N°18.046 and is registered under N°777 of the Registry of the Financial Market Commission, so it is subject to the latter's control. The associates of Tanner,

corresponding to entities of the securities market (Tanner Corredores de Bolsa S.A.) and the insurance market (Tanner Corredora de Seguros Ltda.), are regulated by the Financial Market Commission, former Superintendency of Securities and Insurance, which ensures the operation, stability and development of the

financial market, and compliance by regulated entities with laws, rules, regulations, statutes, among others.

Risk factor analysis

Tanner's risk management is underpinned by the expertise, business know-how and experience of its teams. For this, expert professionals monitor each one of the different kinds of risks.

The company's policy is to maintain a comprehensive vision of risk management and return and this analysis includes the company and its subsidiaries. The policies and processes for granting loans at Tanner include the singularities that exist in the different markets and segments, and each of them are given special treatment.

This approach considers the desired risk level for each line of business, aligning the commercial areas; it also has models, processes and tools to assess, measure and control risk. The company informs the board of directors of their evolution, proposing action plans for material variances of risk ratios and ensuring compliance with the various standards and regulations.

The following are the main risks to which the company is exposed:

1. Credit risk

This is the possibility or likelihood of economic and/or financial loss for the company as a risk inherent to its business, if a customer or counterparty to a financial instrument breaches its contractual obligations.

This risk is managed by business lines or products, by means of specific credit policies and based on prior analysis of expected customer income, the financial information available and customer payment history,

along with other commercial data, if any. The expectations of the macroeconomic environment and those of the sector in which the customer (as a general case) operates, and the debtor in the case of factoring, are also taken into account.

Tanner also undertakes a process to monitor credit quality and the number of guarantees required, which aims to provide an early indication of possible changes in the payment capacity of counterparties and recover overdue or delinquent loans. This enables the company to assess the potential loss from these risks and take remedial action.

Credit analysis and approval operate under a differentiated approach according to each market segment and type of business, for which a robust customer selection process has been developed with a significant capacity to assess risk profiles, which minimises risk exposure.

Permanent control and monitoring of credit risk is the basis of proactive portfolio management. This involves a set of reviews and processes and the following are the most important:

- » Structured scheme for quick portfolio review, according to the impact of macroeconomic fluctuations in specific sectors of activity, to define case-by-case action plans.
- » Permanent monitoring system for early detection of customers that have potential risks, agreeing on specific action plans for them with the commercial areas.
- » Management of delinquency, enhanced with the data of predictive risk level indicators, with follow-up and action plans in the case of more important customers, along with management of differentiated approaches for early collection.

- » Follow-up on the conditions, restrictions and covenants imposed by the Credit Committee on all operations that warrant them due to their relevance or complexity. Risk segmentation strategies in the collection processes and policies to make progress with better integration of the granting and follow-up processes, aligned with the same vision of the economic activity sectors of customers.

Another important aspect that complements credit risk assessment is the quality and number of guarantees required. One of the company's policies is to have sound guarantees that constitute a second payment source of its customer obligations for possible non-compliance. Hence, various conditions are defined for each of the types of business developed by the company:

- » **Factoring:** for each customer a framework contract is entered into by means of a public deed, which supports any subsequent operations and most of the lines are the assignor's responsibility if the assigned debtor becomes insolvent. Those operations without any liability are generally covered by credit insurance and/or specific guarantees.
- » **Corporate loans:** depending on the case, the company requires mortgages and/or pledging of shares. Nevertheless, there is the possibility of defining a guarantor for such loan, which is generally provided by one of the partners of the debtor company.
- » **Leasing:** operations are guaranteed with the leased assets, for which insurance policies are required to cover any possible damage that makes them lose value.
- » **Auto Financing:** these kinds of loans are guaranteed with the assets related to the financing and there are two types of guarantees: real (vehicle pledges) and

personal (sureties and joint and several guarantees). Moreover, most of the operations have debtor life insurance, which pays the outstanding balance of the debt if the debtor dies.

Tanner determines the credit quality of financial assets using internal classification. The classification process, which is related to the approval and monitoring processes, is undertaken in accordance with the risk categories established by the current regulation (auto financing and leasing) and permanent updating according to the evolution of customers and their environment, considering commercial and payment performance aspects, as well as financial information.

The company also undertakes reviews focused on companies that operate in specific economic sectors, which are (potentially) affected by either macroeconomic or sector-specific variables. It will thereby be feasible to timely establish the level of necessary and sufficient provisions to cover losses due to eventually not recovering the loans granted.

Credit risk at the Tanner Investments Division, and particularly for Tanner Corredores de Bolsa S.A., entails a customer breaching its obligations over the guarantees provided or the commitments and obligations under customer term contracts. To control this risk, beyond complying with the current regulation, customer knowledge and the requirement and daily control of effective guarantees, credit lines associated with the equivalent risk of the product and of the customer are assigned and controlled.

2. Financial risk

A) Liquidity risk

This is defined as the company being unable to meet its payment obligations, without

incurring large losses or being prevented from continuing its normal loan operations with its customers. It arises from a cash flow mismatch, which occurs when cash flows from paying liabilities are higher than cash flows received from investments or loans. When customers do not meet their loan commitments on the dates they fall due, this could also potentially generate a liquidity risk.

Tanner manages liquidity risk at a consolidated level, and the main liquidity source is cash flows from operating activities (collection), along with a series of diversified financing sources, like domestic and international bonds, which have a defined payment schedule; unsecured bank credit facilities, which are mainly short-term and renewed regularly; and commercial papers. The company also has a daily cash flow management system that simulates all the maturities of assets and liabilities to anticipate cash needs.

There is also a higher body, the Assets and Liabilities Committee (ALCO), which each month reviews the forecasts and market conditions to define action plans based on these.

The indirect subsidiary Tanner Corredores de Bolsa S.A. is subject to regulatory liquidity indicators called: the general liquidity index and brokerage liquidity index. In accordance with the requirements of the Financial Market Commission (CMF, according to the Spanish acronym), this subsidiary has enhanced the daily controls needed to assure compliance with such indicators.

B) Market risk

Market risk is construed to be exposure to financial losses caused by adverse changes in market factors, like prices, interest rates, exchange rates, indexation, among others, that can affect the value of the company's financial operations.



» Price risk

Price risk is the exposure to financial losses caused by adverse changes in the valuation of financial instruments held by the company, which are mainly bonds. It arises from the possibility of receiving a smaller amount than invested when selling a debt instrument, because the profitability generated by the instrument is lower than that required by the market at the time of the transaction. The company has investments in corporate and sovereign bonds whose Value at Risk (VaR) are immaterial in regard to Tanner's equity.

» Interest rate risk

This is defined as the risk exposure due to financial operations whose valuation is affected by changes in the intertemporal structure of interest rates, among other factors. The company has a portfolio of trading and hedging derivatives used to mitigate interest rate and exchange rate risks of financial liabilities. Since the portfolio of trading derivatives has a very short-term maturity structure, it has an interest rate risk with a low impact on income. On the other hand, hedging derivatives hedge most of the liabilities structured in foreign currency and with variable rates, maintaining quite limited risk exposure with a low impact on the income of these kinds of operations.

» Currency risk

This is defined as the exposure to potential losses caused by changes in the value of assets and liabilities subject to exchange rate revaluation. Due to Tanner's business activities and its diversified financing needs, it has a currency mismatch in US dollars, which

it manages daily and mitigates by means of trading and hedging derivatives. The company also has operations in Swiss francs, whose currency risk is fully hedged.

» Indexation risk

This is the exposure of assets and liabilities in *Unidades de Fomento* (UF) that could cause losses arising from changes in their value. Due to Tanner's business activities and diversified financing needs, it has assets and liabilities in UF whose mismatch is managed daily and also mitigated by means of hedging derivatives.

3. Operational risk

The Basel Committee on Banking Supervision defines operational risk as the "risk of losses due to inadequacy or failure of processes, personnel and internal systems or due to external events." This definition includes the legal risk but excludes the strategic and reputational risk.

Due to this, the company has a risk management process that aims to identify, measure and control Tanner's risks in the pursuit of its objectives. This process is implemented by Tanner's operational risk assistant management, bearing in mind the responsibilities of the general management, the owners of the processes, and generally all the company's employees who must know and actively participate in operational risk management.

Insurance

Tanner has insurance with important Chilean and international insurance companies. The aim of these insurance policies is to cover the risks of fires and additional coverage of

facilities, civil liability, robbery, vehicles, loans, life insurance, the life and health of employees, among other risks.

Trademarks

The main trademarks registered by both the parent company and its subsidiaries and associates, which are used in their operation, are as follows:

» Tanner

» Tanner Corredores de Bolsa

Material or Essential Facts

From 26 January 2021 to 30 June 2021, Tanner Servicios Financieros placed bonds of the AG series in the domestic market amounting to UF2,000,000 at an average rate of 0.06% per annum for a term of 3 years and 7 months.

On 26 October 2021, Tanner Servicios Financieros S.A. placed bonds in the international market (Switzerland) amounting to 125,000,000 Swiss francs, at an annual rate of 1.15% for a term of 2 years and 6 months.

The director Mr Óscar Cerda Urrutia sadly passed away on 9 November 2021. The board of directors agreed in an ordinary board meeting held on 24 November 2021 to leave the position vacant until the next ordinary shareholders' meeting.

Subsequent Events

The consolidated financial statements of Tanner Servicios Financieros S.A. and its subsidiaries for the year ended 31 December 2021 were approved by the board of directors in an extraordinary board meeting held on 16 February 2022.



COMPLIANCE AND CONTROLLER'S OFFICE

Compliance assistant management

This is the corporate area in charge of protecting the company from eventual reputational issues by monitoring, detecting and reporting unusual or suspicious operations that might be linked to possible cases of money laundering, financing of terrorism, bribery, and receipt of stolen goods, among others. This is based on a mainly preventive approach.

This area is also responsible for ensuring compliance with the Foreign Account Tax

Compliance Act (FATCA) and Common Reporting Standard (CRS) at holding level, and for the application of the compliance programme.

The compliance assistant manager also acts as the offence prevention officer, a function of the offence prevention model and which is part of the requirements of Law 20.393 on the Criminal Liability of Bodies Corporate. The responsibilities of the compliance assistant management are to permanently enhance the procedures, technological and control tools to monitor transactions, products and services offered by Tanner and its subsidiaries.

The unit is part of the legal management and reports directly to the Compliance Committee and to the top administrative authority of the company and its subsidiaries.

Environmental and social policy

During the year, Tanner carried out a series of activities to improve its commitment to cultural development concerning environmental and social responsibility. This is in line with our sustainability strategy developed this year and which identifies a series of pillars with action plans, through which Tanner seeks to



address the challenges and requirements of its environment and its key stakeholders. For further information, please refer to page 44.

In this context, our policy establishes a commitment to the cultural development of environmental and social responsibility, defining a reference framework, principles, structures, and guidelines for the planning, organisation, execution, follow-up, control, and continuous improvement of the environmental and social procedure of Tanner Servicios Financieros S.A. and its subsidiaries.

Training

In 2021, the compliance assistant management carried out its annual training plan that considered the following activities:

1. **Induction:** this is the training on compliance and the environmental and social policy given to new employees in the first month they enter the company.
2. **E-learning courses:** all employees are trained once a year by means of e-learning on the prevention of money laundering and the criminal liability of bodies corporate.

The members of the compliance team were trained on compliance issues by means of courses and academic degrees given by the Desarrollo and Andrés Bello Universities, respectively.

Controller's Office Management

The controller's office management is led by the controller, who reports functionally to the Audit Committee.

In December 2020, this Committee approved Tanner's annual audit plan. This plan envisaged addressing the most significant risks of the different businesses and companies of the company, and implementing a continuous audit project to monitor monthly the performance of defined indicators on certain material risks with the aim of establishing action plans when the situation so warrants. To draw up and execute it, the company used the international standards of the Global Institute of Internal Auditors (IIA) as a reference.

Nevertheless, the COVID-19 pandemic made it necessary to update this plan to adjust it to the new reality and its requirements, and such update was timely approved by the Committee. The updated annual plan was carried out satisfactorily as planned.

In the monthly meetings of the Audit Committee, the controller and his direct reports briefed it on the execution progress of the annual plan, giving details of the remarks with the greatest risk included in the audit reports issued. It also reported on the compliance status of the action plans related to the audits of the annual plan, the continuous audit, the independent audit, revisions of regulators and other matters of interest, and there is continuous follow-up of the degree of implementation. Regarding the most important risk cases, the executives in charge of the areas audited were asked to brief the Audit Committee to find out their opinions and focus work on the remedial plans.



BOARD OF DIRECTORS



1

Ricardo Massu M.
Chairman



Taxpayer ID N°: 6.420.113-1
Finance Engineer/MBA
Joined the company:
March 2007

2

Jorge Sabag S.
Vice-Chairman



Taxpayer ID N°: 6.735.614-4
Business Engineer
Joined the company:
January 2002

3

Eduardo Massu M.
Director



Taxpayer ID N°: 4.465.911-5
Business Engineer / MBA
Joined the company:
May 1994

4

Martín Díaz Plata
Director



UK Passport N° 72011843
Finance and Relations Professional
Joined the company:
October 2013

Note: The members of the board of directors were appointed in an ordinary shareholders' meeting held on 6 March 2020.



5

Fernando Zavala C.
Director



Taxpayer ID N°: 7.054.226-9
Business Engineer
Joined the company:
June 2019

6

Fernando Tafra S.
Director



Taxpayer ID N°: 4.778.406-9
Business Engineer
Joined the company:
March 2020

7

Felipe Massu H.
Board Advisor



Taxpayer ID N°: 17.406.903-4
Business Engineer

8

Mario Espinoza F.
Corporate Counsel and
Secretary to the Board



Taxpayer ID N°: 9.092.010-3
Lawyer
Joined the company:
January 2010

SENIOR MANAGEMENT



Derek Sassoon
Chief Executive
Officer



Taxpayer ID N°: 14.568.029-8
Economist, MBA
Joined the company:
1 September 2020
Appointed: 1 September 2020



Enrique Espinoza V.
Corporate Division
Manager



Taxpayer ID N°: 9.632.508-8
Business Engineer, MBA
Joined the company:
28 July 2021
Appointed: 28 July 2021



Jorge Tagle A.
Auto Financing Division
Manager



Taxpayer ID N°: 10.434.482-8
Business Engineer
Joined the company:
1 September 2020
Appointed: 1 September 2020



Gustavo Inostroza A.
Treasury & Investments
Division Manager



Taxpayer ID N°: 15.385.538-2
Business Engineer, MSc in Finance, MBA
Joined the company:
9 February 2015
Appointed: 2 January 2020



Roberto Baraona U.
Large Companies & Structured
Product Manager



Taxpayer ID N°: 9.784.767-3
Business Engineer
Joined the company:
1 March 2018
Appointed: 1 March 2018



Cecilia Arevalo S.
Human Resources
Manager



Taxpayer ID N°: 10.389.742-4
Business Engineer
Joined the company:
28 October 2020
Appointed: 28 October 2020



Marcos Puelma N.
Financial Control and
Administration Manager



Taxpayer ID N°: 16.366.493-3
Civil Engineer
Joined the company:
2 July 2018
Appointed: 28 July 2021

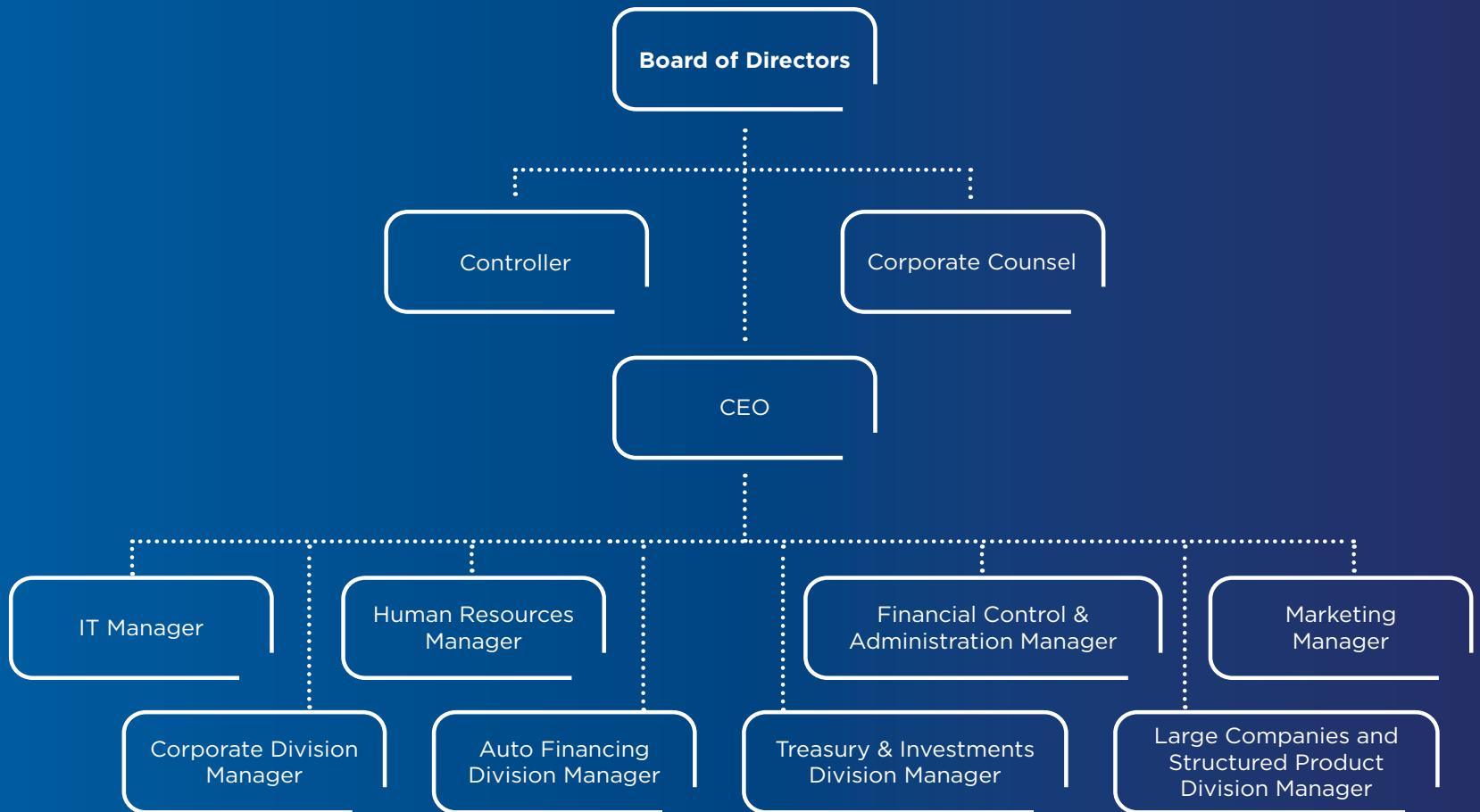


Rafael Espinoza F.
Controller



Taxpayer ID N°: 10.122.245-4
Accounting Auditor, Business Engineer,
MBA
Joined the company:
28 July 2021
Appointed: 28 July 2021

ORGANISATION CHART



The Tanner Way

We're bold, innovative, flexible, reliable and empathetic, and above all **we're a team.**

05»

STRATEGIC
PILLARS





Tanner®



» We are here to revolutionise the financial industry by providing the best advice and service to our customers in a fast, innovative and close way, and **we are always the best partner.**

The corporate purpose is the ultimate aim of our organisation. It is a model that recognises the social role of the company and the impact of its activity on the life of our employees, customers and for the development of Chile.

The Tanner Way reflects the hallmark of the corporate culture, entailing six corporate principles that are the guidelines of the conduct expected of the entire organisation.



WE ARE BOLD

We challenge the status quo and fully assume our role to improve the service and go further.



WE ARE INNOVATIVE

There are always things to be done! We seek opportunities for improvement and greater efficiency to provide a unique service experience.



WE ARE FLEXIBLE

We are constantly evolving and are part of the change.



WE ARE RELIABLE

We walk the talk. Being transparent is essential for us!



WE ARE EMPATHETIC

We put ourselves in other people's shoes, empathising with their situation and needs.



WE ARE A TEAM

We address the challenges together. We are part of the final result!



TOWARDS A SUSTAINABLE BUSINESS MODEL

Tanner S.A. is facing a changing context. On the one hand, the COVID-19 pandemic has rocked the global and Chilean outlook, changing the way of working and highlighting the importance of health and personal care. On the other hand, the effects of climate change have intensified, with an exponential increase in greenhouse gases.

Chile is also going through a special situation. As of the outbreak of social unrest in 2019, there have been a series of citizen demands reflecting the greater demands of stakeholders. The constitutional debate in this context and the new government that will take office in March 2022 might mean large changes to the regulatory framework for companies and entities of various sectors, including the financial area.

In this scenario, Tanner S.A. is aware of the importance of having a sustainable business

model that can make a contribution to the development of stakeholders with whom it engages.

Material issues

As a first step to be able to draw up a sustainability strategy, Tanner appraised those more important environmental, social and governance aspects.

To identify the material issues, the company made a thorough review of various international standards and organisations that are deemed to be benchmarks for the financial industry regarding sustainability. Based on this, it held interviews with the main managers and executives and the representatives of the board of directors to jointly appraise the issues presented.


18 material issues emerged from this process, which were grouped according to their level of priority:


- » **Top priority issues:** these are those issues that have the greatest impact for the business and stakeholders. It is essential to manage them in the short and medium term to thereby make a contribution to a sustainable business model from the company's reality.
- » **Lower priority issues:** those issues that have less importance compared to the former. Nevertheless, managing them correctly is important, also considering that they can arise more prominently for the company in the long term.


» Using this classification, the following material issues were defined:


1

Top priority issues


**ECONOMIC ISSUES**

**ENVIRONMENTAL ISSUES**


**SOCIAL ISSUES**

CORPORATE GOVERNANCE


Have a clear and functional structure, a diversity of standpoints and the right independence, which is capable of exercising suitable control and supervising the progress of the business regarding the long-term objectives, aligning management to shareholder interests.

CYBERSECURITY AND INFORMATION SECURITY


Timely management of defence and prevention systems for events like cyberattacks or information theft, assuring the due protection and continuity of operations.

CUSTOMER SATISFACTION AND LOYALTY


Assure high customer satisfaction (NPS) with the right treatment (particularly regarding collection), providing a fast and timely service and clear information on the services offered, their conditions and timelines.

COMPREHENSIVE AND DIGITAL SERVICE OFFERING


Offer a comprehensive portfolio of services in each segment, developing new channels, solutions and areas and identifying key trends to penetrate markets, particularly leveraging new technologies.

PROFESSIONAL INTEGRITY AND INCENTIVES


Measures to assure that commercial executives act considering the best interest of the customer, managing the right incentives to assure the due transparency of transactions, and monitoring their compliance.

SUSTAINABLE FINANCE


Incorporate social, environmental and governance criteria to the investment portfolio and asset placement decisions, providing a long-term view and helping to generate positive effects, and/or reduce the negative effects or externalities.

OPERATIONAL ECO-EFFICIENCY


The right management of the consumption of energy, water, paper and other supplies, and their suitable disposal leads to cost efficiency, time savings and better processes.

EMPLOYEE DIVERSITY AND INCLUSION


Approaches to consolidate a workforce made up of a broad diversity of groups in terms of gender, age, ethnicity and nationality, which suitably reflects the diversity of society and helps to better understand their needs and consider their points of view.

HUMAN CAPITAL DEVELOPMENT

Make sure that the workforce remains current and productive by means of employee training programmes for those key skills for the business, also managing leadership and professional development.

ORGANISATIONAL CULTURE AND LABOUR RELATIONS

Define and model an organisational culture based on the key principles and values, which permeates the daily activities of the company and gives its employees a hallmark, reflecting decision-making, behaviour and the way of engaging.

TALENT ATTRACTION AND RETENTION

Implement strategies to have the best talent, especially generating compensation and incentive policies focused on the long term, which reduce involuntary employee turnover and reward the permanence of the best talent.

2

Lower priority issues

CAPITAL/RISK STRUCTURE AND MANAGEMENT



Management of factors that might lead to a risk in the company and/or financial system, such as liquidity, leverage and interconnection of assets.

CUSTOMER PRIVACY



Guarantee the privacy and good usage of the customer data stored, making sure they give consent to the due entry, modification and elimination of such information, and adherence to the most stringent regulations and guidelines, such as the General Data Protection Regulation (GDPR).

COMPLIANCE AND CODES OF CONDUCT



Codes, guidelines, processes and systems that are in place and aim to assure compliance with the regulations and prevention of offences, such as bribery, money laundering, etc.

CLIMATE APPROACH



To mitigate the risks of climate change and take advantage of the opportunities it affords, the right approach is needed, based on a systematic process to identify, assess and manage the risks of climate change with the correct incentives.

WELLBEING AND QUALITY OF LIFE



Comprehensively manage the physical and mental health and safety of the human talent, with the focus on the wellbeing and quality of life of employees.

FINANCIAL INCLUSION



Extend or enhance the offering of services to reach less fortunate customers, which not only address a growing social need but also enhance Chile's sustainable development and increase the customer base of companies.

COMMUNITY INVESTMENT



Investment in social development projects, corporate volunteers, public-private partnerships and other projects that foster healthy and productive communities.



SUSTAINABILITY STRATEGY

The identification of the material issues has enabled the company to review the key aspects where it can make progress in the environmental, social and governance areas. As a second step, Tanner S.A. proposes to group

the multiple policies and practices regarding these material issues in a structure that commits the entire organisation, giving rise to diverse action plans and targets that help to transform the business model sustainably.

The company has thereby designed its sustainability strategy, and which is based on a collaborative process among its different areas and business units, as illustrated below:



This strategy entails five pillars, which embody Tanner's programmes and practices, along with the key objectives and initiatives in the short and medium term.

These pillars are:

1

Our employees live the Tanner Way every day:

This is the "heart" of the strategy, since it positions the human team as the basis of the culture and the Tanner Way.

On the one hand, this pillar has all the initiatives to promote the human capital and retain talent in the company. In this area, Tanner has developed programmes related to the employee incentive and performance evaluation model. The company has also focused on boosting young talent, seeking to be an attractive company for this segment of the workforce in the financial world.

On the other hand, this pillar includes the consolidation of ethical standards and governance guidelines within the organisational culture. To such effect, there are workforce training and awareness building programmes concerning such standards, considering current initiatives and those that could be put in place in the next few years.

2

We are digital:

By means of this pillar, Tanner aims to position itself as a digital pioneer, since it perceives digitalisation as a way of fulfilling the purpose in an efficient and close way.

This pillar embodies the initiatives to improve the digital infrastructure and optimise and automate processes internally and for the customer. On the other hand, it includes protocols and policies on information security, cybersecurity and protection of the privacy of the data stored.

Tanner also aims to reduce its environmental footprint by increasing the digital processes. To such end, current and future eco-efficiency initiatives are also related to this pillar regarding the promotion of digital means that entail an energy or water consumption saving for the organisation.

3

We are diverse:

Tanner is aware of its diverse environment regarding gender, race, culture, socioeconomic status, among other areas.

It therefore has diversity and inclusion programmes aimed at having a workforce that accepts and reflects current society. This includes initiatives that, for example, foster greater inclusion of disabled people and indicators of foreign workers in the team.

All the programmes aimed at greater gender equality are an important part of this pillar, so one of Tanner's targets is to increase women's participation in the workforce and reduce the salary gaps.

4

We are building an aware and sustainable future:

Tanner is aware of the impact it creates and that it wants to create for a more sustainable future.

In this pillar, Tanner wants to boost a series of initiatives to enable people and SMEs to be more sustainable. To such effect, it includes future projects to generate a sustainable financing framework with loan products and services that meet social, environmental and governance criteria. Based on this, the company is seeking to facilitate sustainable solutions for people and SMEs.

On the other hand, the social investment programmes are an essential element of this pillar, which aim to have a positive social impact for communities.

5

Revolutionise the financial industry by giving the best advice and service to our customers in a fast, innovative and close way, always being the best partner:

For Tanner the customer is the ultimate purpose of its daily activities. It therefore makes sure it not only meets their expectations and requirements but also offers them everything they need, bearing in mind their best interests. To such effect, all the global customer satisfaction measurements are managed by means of assessments made by the different business units.

The company also aims to increase the number of users who have access to the services. For this reason, this pillar includes metrics related to the diversity of the customer portfolio, whether they are individuals or companies.

Efficiency, speed and empathy are the drivers of our management

The trust in our management is the motivation **to do our utmost as best as possible.**

06»

FINANCIAL

PERFORMANCE 2021



Tanner®

In the financial area, profit after tax for the year ended 2021 surged 31.4% YoY to USD42.8 million, in line with an operating income increase of 16.1% YoY.

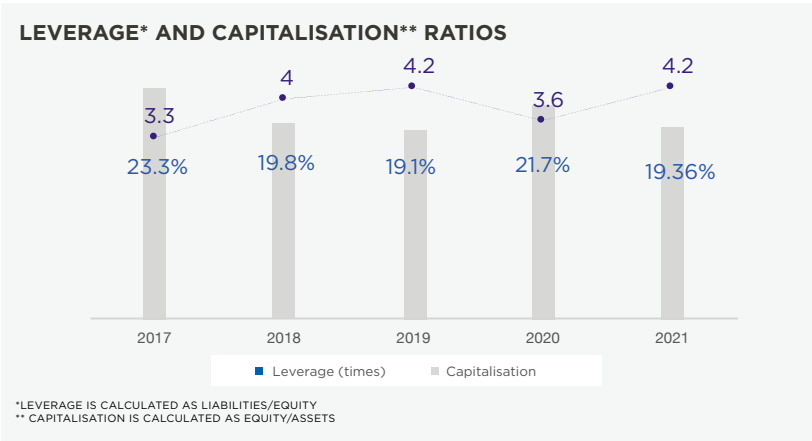
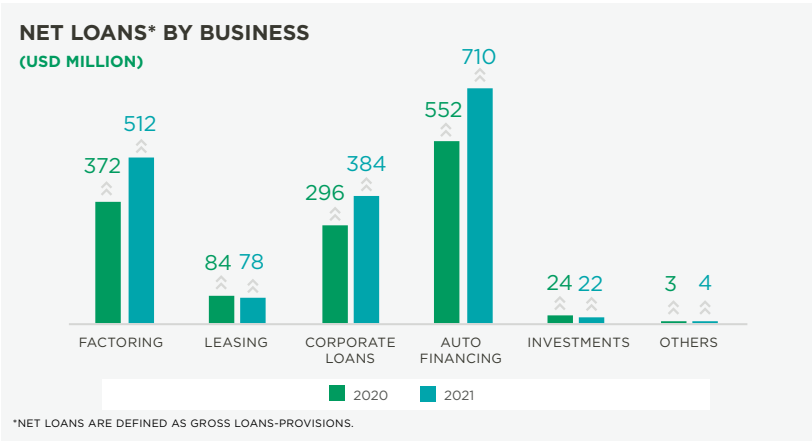
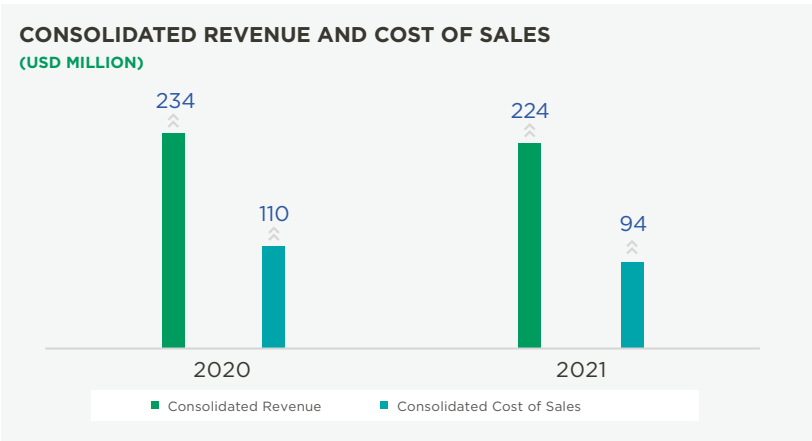
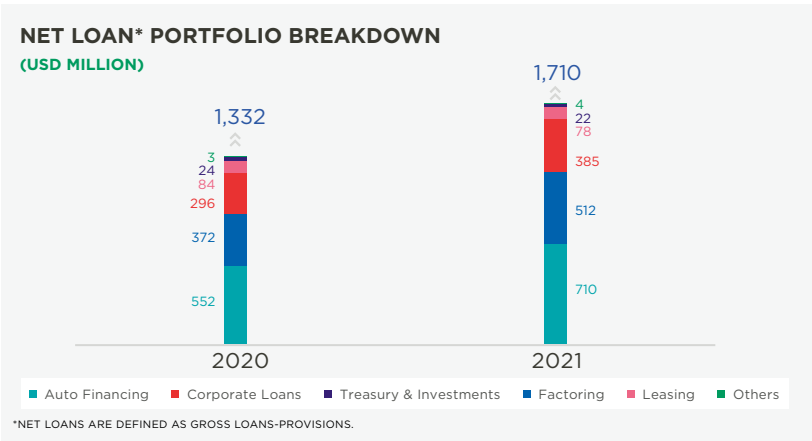
Gross loans at December 2021 were USD1,740 million (+28.0% YoY) against the USD1,359 million at December 2020, and the provision portfolio increased 9.5% YoY to USD30 million, thereby giving a total net loan portfolio of USD1,710 million, increasing 28.4% YoY on the USD1,332 million at December 2020. That was driven by the increase of the Corporate Division with net loans of USD974 million, 29.3% up YoY, due to higher factoring and corporate loans of 37.4% YoY

and 29.7% YoY, respectively, and the net loans of the Auto Financing Division increasing 28.6% to USD710 million. The portfolio is still focused on the strategic businesses of factoring and auto financing, which at the close of 2021 accounted for 30% and 42% of the total, respectively.

There was significant diversification by industry and type of customer in the year, along with a low concentration of customers, in which the percentage of operations of the five main customers did not exceed 10.2% of the gross portfolio. Likewise, revenue from those customers was less than 3.5% of the company's total revenue.

The asset quality reflects the improvements of the admission, control and collection policies that Tanner put in place in 2015 and constantly reviews, so as to reduce the delinquency levels. Non-performing loans (NPLs) over 90 days are now 1.9% and were below those of the previous year.

As of 31 December 2021, there was a healthy and robust position in terms of liquidity and solvency, reflecting Tanner's strength and its ability to meet its immediate and long-term commitments.

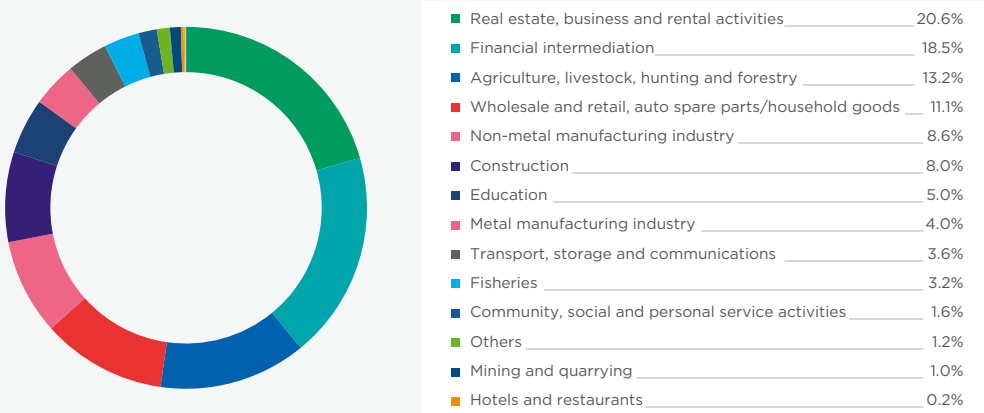




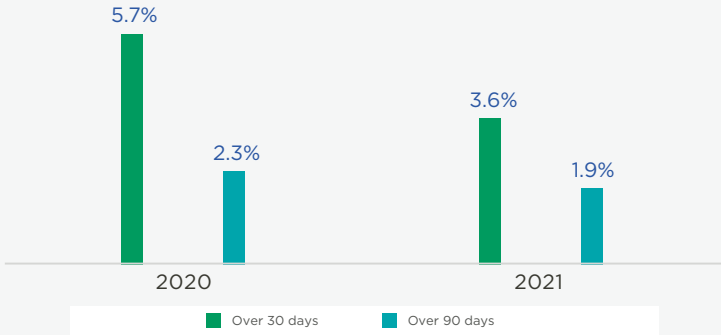
Total liabilities in general rose USD353 million (+26.0% YoY) compared to those YoY and amounted to USD1,712 million, in line with total assets increasing 22.3% YoY (USD388 million) to USD2,123 million. Hence, equity increased USD35 million (+9.3% YoY) amounting to USD411 million.

This good performance led to greater company profitability in 2021 compared to the previous year, in line with higher net income and the increase in the loan portfolio, with a ROAE of 10.9% and ROAA of 2.2%.

BREAKDOWN OF GROSS LOANS BY INDUSTRY

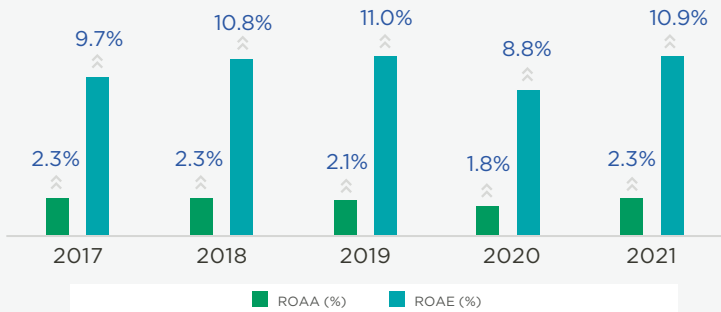


CONSOLIDATED NPLS*



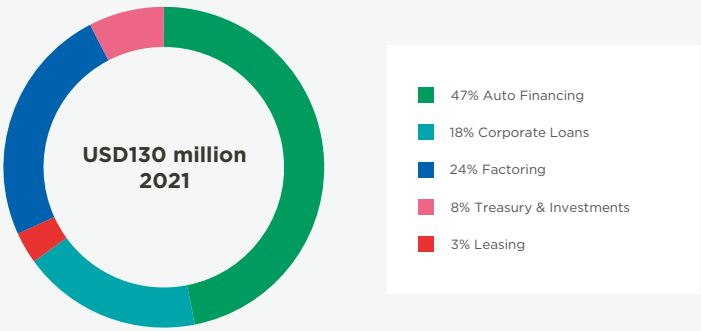
*NPLS ARE DEFINED AS THE OUTSTANDING BALANCE OF NPLS > 30/90 DAYS/GROSS LOANS

RETURN ON AVERAGE ASSETS* AND EQUITY**



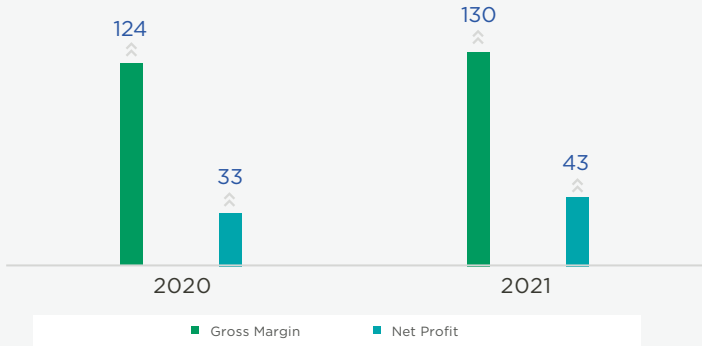
* RETURN ON AVERAGE ASSETS (ROAA), CALCULATED AS NET PROFIT/AVERAGE ASSETS
** RETURN ON AVERAGE EQUITY (ROAE), CALCULATED AS NET PROFIT/AVERAGE EQUITY

BREAKDOWN OF THE ACCRUED GROSS MARGIN BY PRODUCT



GROSS MARGIN AND NET PROFIT

(USD MILLION)



2021 MILESTONES



1

From January to June, the company placed the AG series bond of UF2,000,000 in the domestic market with maturity of 3 years and 7 months and an average rate of 0.06%.

2

This year we started to work on formally incorporating sustainability to Tanner's business model. The company thereby structured its sustainability strategy, established according to five pillars, which are the basis of the main programmes and initiatives to contribute to stakeholder wellbeing. This led to identification of the main economic, social and environmental issues that must be managed by the company.

3

For the first time at Tanner, the company assessed the working environment with a Great Place to Work, an important international consultant with a presence in over 60 countries. The survey had an 88% response rate and 84% satisfaction, with the company securing certification as a great place to work.

4

The company made the fifth bond placement of CHF125 million in the Swiss market, at a coupon rate of 1.15% and maturity of two years and six months. It also made the first two private bond placements under the euro medium-term note (EMTN) international debt programme of EUR15 million and CHF12 million each.

5

Total net loans once again reached a record high of USD1,710 million, surging 28.4% on those in 2020.



The passion of being together in this

The pride of being **one of the best companies to work for in Chile**, and one of the best companies for young professionals.

07



OUR
TEAM



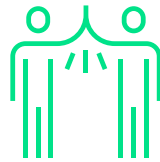
 **Tanner**®

» The Tanner Way is the core element of our corporate culture. There are six principles that jointly enable us to be aligned to act in an ethical and integral way focused on the customer experience. The aim is to be a valuable employer for people who are passionate about the financial world, where they can grow and deploy their talent with freedom and responsibility.

Employees are the heart of the sustainability strategy. Based on this, we aim to build and develop a diverse workforce with multiple skills, which accepts and reflects current society; and which wants to commit to our agile and innovative culture and join our purpose of revolutionising the financial industry, providing solutions to people and SMEs.

**1.051**

EMPLOYEES

**49.7%**OF OUR EMPLOYEES ARE
WOMEN**67%**OF OUR WORKFORCE IS UNDER
40 YEARS OLD**84%**SATISFACTION IN THE WORKING
ENVIRONMENT SURVEY BY
GREAT PLACE TO WORK**USD280,102**

INVESTED IN TRAINING IN 2021

Our purpose

1. Organisational development

Culture:

The organisational culture is a priority in the organisation, which is heavily leveraged by the employee experience. Due to this, we continue to generate opportunities of disseminating our culture, like the onboarding process in which we welcome each employee to drive closeness and bonding with the company. To monitor this process, the company defined two polls to assess satisfaction, i.e., first week and second month, which attained average satisfaction rates of 95% and 91%, respectively.

Another activity that portrays our corporate hallmark has been “Tanner à la Carte” with over 20 meetings. The focus in 2021 was on the knowledge of the company. Hence, each management participated in a discussion panel in which they presented their objectives and challenges. One of these meetings also launched the dissemination of the company’s vision and initiatives regarding sustainability as part of the diffusion of the strategy. A first meeting with young professionals was then held to listen to their concerns and proposals about the future of the company and how to continue the sustainability path. It will be bolstered with different initiatives in 2022.

Furthermore, the company selected some specific topics that seek to keep up the support of employees on issues of emotional management, particularly considering the importance of mental health in Chile during the pandemic that was addressed as a priority by the company, and the delivery of personal development tools. This activity had high internal support and those who participated evaluated the topics with a satisfaction rating of 97%.

Leadership:

Leaders are the main ambassadors of our culture, with a large impact on the experience of their teams. For this reason, we have carried out action to bolster leadership in the professional and personal areas.

Due to the contingency and the changing surroundings, the Leaders in Current Times programme arose, which includes all the positions of leadership (divisional, managers, assistant managers, heads, supervisors). This aims to give support and provide tools to address the new organisational reality and the additional challenges this entails, because if our leaders have the necessary competencies this will enable us to have sustainable and long-term success. This programme was developed in two stages in 2021:

- » **Stage 1:** evaluation of all our 200 leaders to get to know their preferred styles and thereby make a contribution to self-knowledge and define individual and transversal development plans.
- » **Stage 2:** individual feedback and development plan. Design of the transversal leader development plan 2022 with four focuses: adaptation to change and setback management, interpersonal relations, meeting customer expectations and remote working habits.

We have also established direct communication channels with our 200 leaders to communicate major issues for their function and bolster their team promotion role.

The Tanner New Leaders programme arose in 2021 for people who assume the role of leader for the first time in the company. It aims to provide a basic toolkit for leadership and self-leadership, the importance of empathy, team spirit, communication, among other tools.



Working environment:

This year we made the decision to measure the standing of our company and thereby have a benchmark to make progress with building a good working environment. We therefore measured the working environment with the important international consultant Great Place to Work (GPTW), which is present in over 60 countries and gives the most renowned certification on great places to work. This survey has a high degree of reliability and the particularity of providing an analysis of the information from the following two visions:

- » **Area vision:** what people think about their work area and direct heads.
- » **Corporate vision:** what people think about the whole organisation and those running it.

The 2021 survey had the following results: response rate of 88% and satisfaction of 84%, securing GPTW certification, which certifies us as a great place to work.

The highlight was the results obtained on the perception of diversity, inclusion and the treatment of people, where we obtained a high rate of satisfaction, without any major difference between the vision of women and men.

Area	Subarea	Statement	Area Vision	Corporate Vision	Percentage	Women's Vision	Men's Vision
Impartiality	Treatment	People are treated fairly irrespective of their age	93	91	92	91	94
		People are treated fairly irrespective of their gender	94	94	94	92	96
		People are treated fairly irrespective of their sexual orientation	96	96	96	96	96

We can also highlight the perception there is at Tanner of how we make a contribution to the community as a company, attaining a satisfaction rate of 81%.

Area	Subarea	Statement	Area Vision	Corporate Vision	Percentage	Women's Vision	Men's Vision
Pride	External image	I feel good about how we make a contribution to the community as a company	82	79	81	81	81

These results were communicated to the organisation and led to a focused work plan for the first four months of 2022, which is aimed at acting in those areas that might have a greater gap regarding the overall result.

After this first assessment, we have a large challenge and will carry on focusing on these issues to continue building the best place to work for everybody.

2. Training

The development of competencies and skills is a core focus in our organisation, thereby enabling all employees to achieve their peak potential and where training activities gain fundamental value.

In 2021, we continued to create opportunities for all our employees to enhance and gain skills in the current environment and context.

Investment:

The investment made in training in general in the organisation was mainly related to training activities with external entities for specific, regulatory and policy-setting courses. In terms of expenses, there were outstanding amounts related to the company and the National Training and Employment Department (SENCE, according to the Spanish acronym), with USD280,102 invested in the year.

Training programme compliance:

During the year we carried out 112 different activities, with the focus on specific topics per management raised in the detection of training needs in 2021. The aim of these activities was to support the enhancement of the essential functions of the main business, with the focus on the development of competencies and/or technical skills in line with the performance of the job position, and related to our organisational culture and the regulation governing us.

These activities are outlined below:

Specific/technical training: 70% of all the training given in the year was focused on

developing the skills and knowledge needed for the good performance of the functions of the job position, like for example sales techniques or balance sheet analysis.

Courses on regulations: There were compulsory activities for all Tanner's employees to comply with current regulations, attended by over 95% of the current workforce.

These were:

- » Code of Ethics
- » Operational risk management
- » Offence prevention

Courses on policies: focused on enhancing the knowledge of the securities market. Training with the focus on soft skills: training activities on enhancing the development of values, relationship skills and interpersonal competencies.

Methodology:

In terms of the methodology used, we conducted 99% of our courses as distance learning activities. It was thereby possible for all our employees, irrespective of where they were located, to be able to participate in the activities undertaken in the year.

Employees trained:

100% of the employees participated in some form of learning process in 2021, with 93% average satisfaction of our training activities.

3. Compensation, benefits and risk prevention

In 2021, the company focused on reviewing the fixed income and variable incentives of the entire organisation. It conducted two fixed income review processes to readjust employees who were below tier, with a special focus on talent. It changed the annual performance

bonus model and reviewed all the quarterly and monthly fee models.

We remain committed to maintaining Tanner's minimum wage policy, which entails a minimum wage of USD771 that is almost double the minimum wage in Chile.

The company worked on a salary adjustment plan aimed at young professionals and on reviewing the gender parity figures. All this is scheduled to be applied gradually in 2022. The aim of this is help enhance the employer trademark, based on the fact that virtually half the workforce is under 35 years old, average seniority of 3.7 years and gender parity (50% and 50%).

Workforce highlights:

Main Data	2020	2021
Total employees at 31 December	908	1,051
% of fixed-term contracts	39	73
Annual employee turnover rate	31%	21%
Average years of seniority	3.87	3.8
Unionisation %	62%	63%
Unionised employees (members and contributors)	565	660
New employees per year	205	351

Regarding labour relations, it is important to mention that the company closed a successful collective bargaining process with the trade union for three years.

Employee Turnover by Type 2020-2021

Type	2021	2020
Involuntary	10.6%	26.7%
Voluntary	10.7%	5.8%

It is important to bear in mind that 2020 and 2021 were special years due to the pandemic, which affected the employee turnover data obtained.

Benefits:

The benefits given by Tanner were maintained throughout 2021. The company successfully closed a new collective bargaining agreement with the trade union and carried out different virtual activities to carry on being connected despite the physical distance of remote working. We have complementary and life insurance complying with the industry standard, with the insurance coverage borne by the company. We included monetary aid and support for our employees with children, like the newborn baby and adoption benefit, education benefit, nursery allowance, child disability benefit, and disabled employee allowance.

4. Occupational health and safety

For the second year running, our risk prevention area focused on protecting the health of our employees in the pandemic, obtaining COVID-19 certification from the Safety Association in less than a week (since the company took action in advance of the reglementary measures before they were made compulsory by the pertinent authority) and closed the year with just one employee infected, also highlighting a successful safe return to work. This basically entailed defining those areas that were necessary in an in-person way and implementing work stations with measures and conditions for safe operation.

The Hygiene and Health Parity Committee worked on campaigns in the year to address the pandemic, like for example "managing mental health in times of COVID." The company implemented active work breaks for all employees who wanted to participate, ending the year with the implementation of the psychosocial monitoring protocol, which entails an evaluation questionnaire of these risks at work (ISTAS 21). This had positive results with a low level of psychosocial risk, reflecting the company's good practice regarding employees.

Regarding the accident rate, there were six accidents in the year, maintaining the accident rate unchanged on the previous year. Despite this figure, the company is currently working on a plan with the Safety Association to step up our work accident referral efforts in 2022.

Lastly, the absenteeism rate was 20% and very similar to the 21% of last year. We aim to lower this figure next year with measures like follow-up of employees who have not had any rest for a long time and free days for them, which can be used in weeks with public holidays.

5. Talent attraction

Our recruitment and selection policy is to prevent discriminatory factors, like gender, age, religion, beliefs, disability, sexual orientation and social status. This was evident in our talent attraction process, in which most of our applicants apply in an objective system with online evaluations, and those with a better performance (score) are preselected and advance to the next stages.

We also have an internal mobility policy, which fosters our employees having the possibility of being promoted. The only general requirement is having an indefinite contract, working for at least one year in the current position and having an expected or higher performance evaluation. This year we boosted mobility within the company with 87 positions. Many of our selection processes are published in-house, so our selection processes were 15% completed by internal personnel (55) which, along with various promotion campaigns that have arisen in some areas (32), amounted to 87 movements in total for different tiers of our organisation levels.

6. Empowering an ethical culture

At Tanner we are reliable and want to be the best partner for our customers, giving the best advice and service for their needs in a quick, innovative and close way.

For this, we make sure we transmit the Tanner Code of Ethics to our whole team by means of a regulatory course, which is compulsory for all company employees and indicates the essential aspects guiding behaviour when exercising the functions. This includes such basic issues like for example how to handle internal relations with co-workers, what to do on receiving a gift from a customer, and how the whistleblowing channel works. With our employees we stress management conduct, the relationship with customers and suppliers and the importance of the handling of confidential information, hoping to help so their professional development at

Tanner is rigorous and excellent, fulfilling the commitment with our customers every day.



We therefore have a whistleblowing channel available for stakeholders where they can blow the whistle anonymously or confidentially using the following link: <https://tanner.cl/canal-de-denuncias/>

There were no whistleblowing reports in 2021, but there were five unethical issues that were dealt with pertinently by the company's internal channels.

COMMERCIAL TRAINEE PROGRAMME

We also include professionals who have just graduated but lack experience by means of the commercial trainee programme for critical positions in our Auto Financing Division, with the aim of taking on young professionals who have the opportunity of development and learning for two months, also enabling us to take advantage of their potential, motivation to make a contribution and develop. With a similar purpose, we offer a large number of students in practice to complete their education process by doing their practice in the different areas of the company. This year we had over 70 students.

INCLUSIVE TRAINEE PROGRAMME

Regarding inclusion of disabled people, in 2021 we launched the 3rd version of the inclusive trainee programme, which disabled people participated in for almost two months. By means of internship in critical areas of the company, they were trained on our processes, work flows and dynamics, systems and platforms. They were also given technical training to assure us that at the end of the programme they were ready to undertake a formal role in our workforce. We also gave talks to the tutors of this programme and invited part of our employees to an awareness building talk that enabled us to refresh and continue internalising our inclusive culture.

7. Diversity and inclusion

The diversity of the organisation, managements (general management and other managements that report to the CEO or board of directors) and the board of directors by gender, nationality, age and seniority at 31 December 2021 was as follows:

Gender	Male	Female
Board of directors	6	0
Managements	8	1
Organisation	529	522

Nationality	Chilean	Foreigner
Board of directors	5	1
Managements	8	1
Organisation	952	99

Age	Less than 30 years	30 to 40 years	41 to 50 years	51 to 60 years	61 to 70 years	Over 70 years
Board of directors	0	0	0	0	5	1
Managements	0	2	0	7	0	0
Organisation	244	456	245	85	21	0

Seniority	Less than 3 years	3 to 6 years	6 to 9 years	9 to 12 years	Over 12 years
Board of directors	2	0	1	0	3
Managements	5	2	1	1	0
Organisation	606	239	103	50	53

Nationality	Chilean	Venezuelan	Cuban	Colombian	Argentinian	British	Others
Board of directors	5	0	0	0	0	1	0
Managements	8	0	0	0	0	1	0
Organisation	952	70	12	7	5	1	4

Salary gap and gender equality

Salary Gap 2021	Average base gross salary of women/ average base gross salary of men (%)
Administrative	99.8%
Executives	81.0%
Heads	87.7%
Professionals	98.7%
Supervisors	111.5%
Technicians	93.0%

We are Diverse is one of the strategic pillars of Tanner, so we maintain our commitment to work on gender equality. We are aware that there are still difficulties and we are willing to carry on making progress to overcome them. We want our women employees to develop in the different tiers of the organisation levels with no obstacles, and we strive to balance up the salary gap, for which we periodically assess the differences to find opportunities for improvement.

Personnel for the year ended 31 December 2021

Senior Executives
and Managers

Professionals

Technicians

Total

53

61

456

508

468

482

977

1.051

Tanner

Consolidated

Tanner

Consolidated

Tanner

Consolidated

Tanner

Consolidated

The way the customer sees things is our way of seeing the world

We support our customers to find solutions to their needs and
**empathise with their challenges, goals and dreams in an agile,
fast and empathetic way.**

08



QUALITY
SERVICE



CORPORATE DIVISION

NET LOANS

USD974

MILLION



REVENUE

USD79

MILLION



NPLS OVER 90 DAYS

1.8%



Nº OF CUSTOMERS

FACTORING: 3,002
CORPORATE LOANS: 582
LEASING: 148



GROSS MARGIN

USD59

MILLION



2021 was a very challenging year for the factoring industry. The year started out with a large recovery of economic activity in Chile, which continued at a growing and positive rate as the sanitary scenario improved and mobility restrictions were eased.

In this context of recovery of economic activity, the factoring industry was able to deal with a challenging year. In the year, the financial institutions that are members of the Chilean Factoring Association (ACHEF, according to the Spanish acronym) and including the 11 largest players in the sector jointly attained gross loans of USD1,949 million, increasing 33.2% YoY. Moreover, in annual terms the number of customers in the sector rose 36.5% to 9,809 compared to those at the end of the previous year.

Strategy

One of the pillars of our sustainability strategy, presented on page 44, is to build a sustainable and aware future. In that context, our divisions have rolled out a series of products and services to meet the needs of SMEs. In the case of the Corporate Division, this has been focused on increasing its portfolio of SME customers, always giving priority to products with a double payment source, like factoring that is the core product of the Division. For this, the company carried out intensive commercial, marketing and intelligence work, putting the customer at the heart and seeking sustainable growth, without neglecting profitability and risk diversification. It thereby undertook various customer capture and retention initiatives, due to which it attained large

customer growth, above all for the factoring product that soared 64.8%. The large progress made with SME¹ customers, who increased 58.2% YoY, should be highlighted.

Due to the progress made with vaccination in Chile and the notable drop in active cases of COVID, the company took advantage of the lifting of quarantines and greater economic activity, and it bolstered the customer capture, maintenance and retention channels, increasing the commercial base by 29%.

Service quality continued to be essential to driving growth. In 2021, Tanner kept up the optimisation, automation and robotisation of processes, enabling it to finance operations in an average of two hours. This, along with the continuous improvement of the transparency of information given to the customer and in the collection areas, enabled the division to attain a Net Promoter Score (NPS) of over 80% in all the measurements made in 2021, beating our target of 70%.

As a result of this new approach, the division managed to increase its loan portfolio to a record high, even exceeding the pre-pandemic levels. The highlight regarding this was the SME segment, where the division managed to increase financing by over 27% YoY, with loans soaring 99% YoY.

Follow-up on the profitability of operations continued to be the core part of daily work, and this process was facilitated by the digital pricing system put in place in 2020, which assigns prices in a granular way according to

(1) SMEs are those companies that, according to the Chilean Inland Revenue, have annual sales of UF0.01 to UF100,000.



different variables related to the operation, customer and debtor. This follow-up also makes it possible to speed up the process of approving the commercial conditions in the loan process, optimising the monitoring of gaps and making price changes more efficient for customers. All this helped the division to suitably manage the profitability of different segments of operations due to increases of inflation and the consequential interest rate hikes by the Chilean Central Bank.

To improve productivity, the division undertook disciplined commercial work, identifying and promoting best practice, along with methodical work to reduce the gaps and adjust the performance differences of executives and offices. The task was complemented with the implementation of new automated commercial follow-up and a new centralised customer system.

Delinquency was controlled due to the liquidity scenario and excellent risk and collection work, and all this along with giving priority to short-term businesses like factoring rather than the traditional longer-term businesses. This plan helped Tanner to have record delinquency and risk expense levels, well below the average of the industry according to information published by ACHEF.

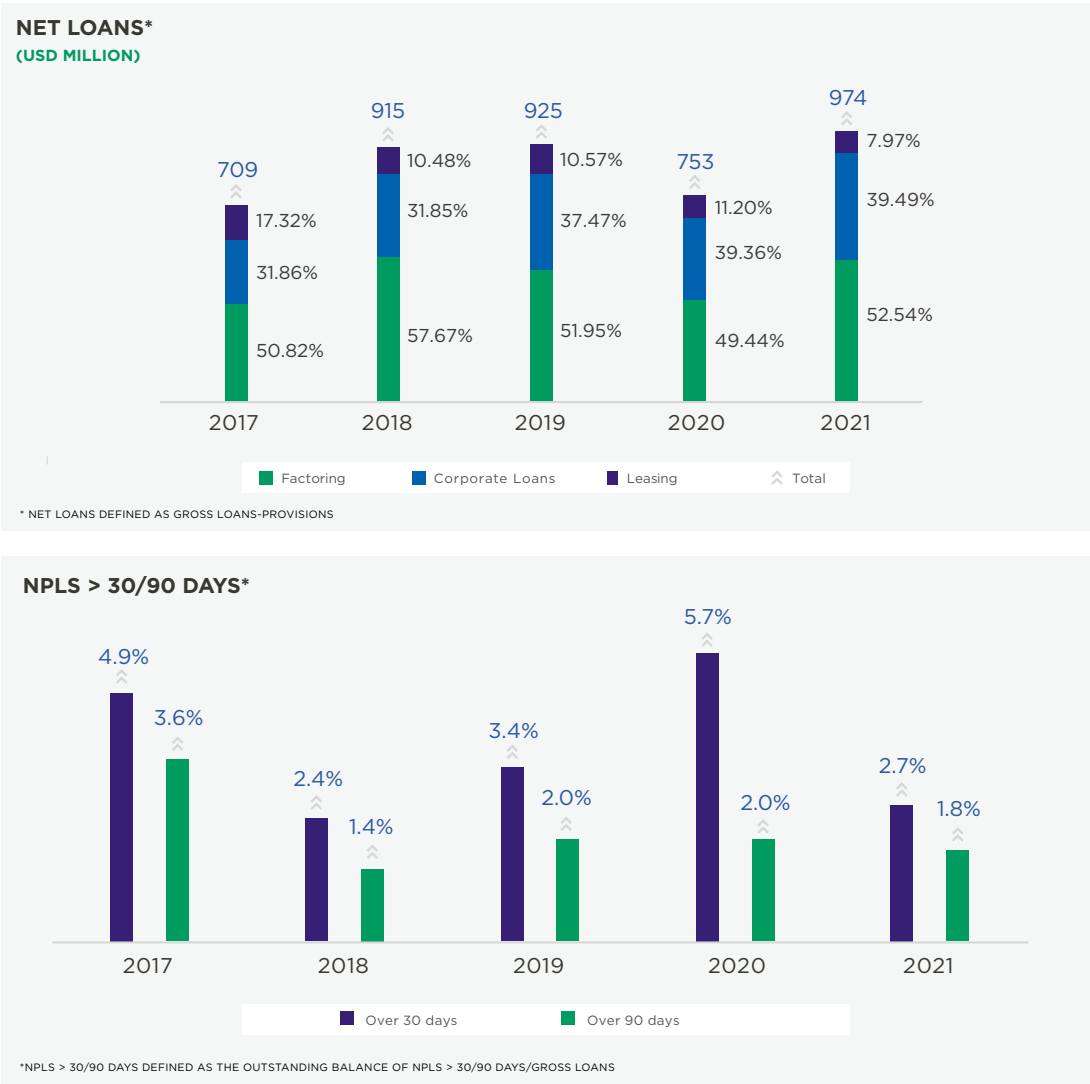
To maintain a stable, healthy and profitable leasing portfolio, the division continued to give priority to the real estate segment where there is vast in-house experience with the assessment and subscription of these kinds of financing operations. In turn, since 2018 the leasing of movable goods of machinery and vehicles has not been part of the product range, reflected by a 8.0% drop in the net portfolio.

Regarding corporate loans, the secured lending approach was maintained, since because of the

sanitary contingency the decision was made to maintain a low risk profile and focus on those businesses with sound collateral.

As we have suggested before and related to the corporate decision, in the year all the risk

policies were bolstered and were a transversal and substantial factor in all the decisions. That work, along with an intensive commercial policy, led to a drop in delinquency for the total portfolio of the division, with NPLs of more than 90 days of 2.0% in 2020 dipping to 1.8% in 2021.





FACTORING

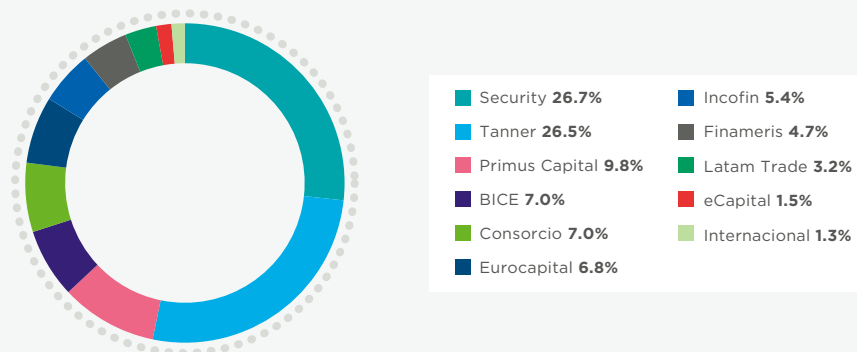
Factoring is a financing system in which companies or customers transfer their accounts receivable to a factoring company, and the latter becomes the new creditor of the document transferred.

On acquiring the document, the factoring company pays the customer a percentage of its value, minus a price difference. On the day when the document expires, the factoring company receives payment from the debtor of the account receivable and pays the remaining percentage to the customer.

Factoring is therefore a working capital financing alternative in addition to bank accounts, mainly for small- and medium-sized enterprises, which can transform their accounts receivable into immediate liquid resources that are managed quickly and do not harm customers' leverage ratios.

Moreover, for firms that make exports and/or imports, Tanner offers an international factoring service to advance sales in the case of exports, or finance purchases for imports.

GROSS LOAN PORTFOLIO MARKET SHARE (ACHEF)



SOURCE: ACHEF, DECEMBER 2021

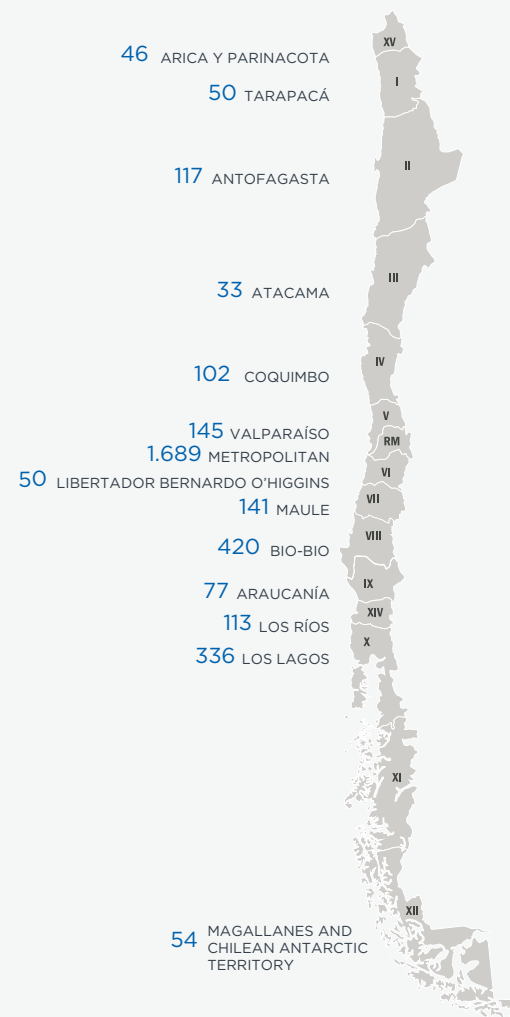
The factoring industry is highly competitive and dominated by banks. The Chilean Factoring Association, which includes the 11 largest players in the industry, informed in its monthly report of December 2021 a loan portfolio of USD1,949 million as of that month, a 33.2% increase YoY.

Income mainly comes from interest and fees deducted from the total amount of the documents. Interest for default is added and accrued according to the number of days

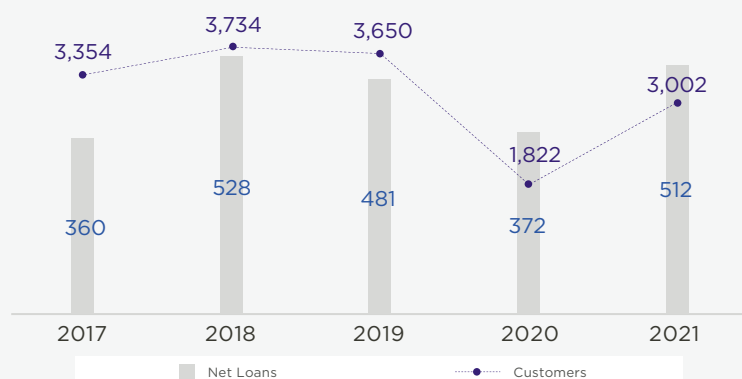
between the expiry of the document and final payment.

In this context, revenue from this business line amounted to USD41 million, dropping 9.9% on the previous year, and the gross margin was USD32 million, 4.6% down on that in 2020. In this scenario, Tanner's net factoring loans increased 37.4% YoY to USD512 million, with an improvement in the portfolio quality, and a drop of 37 basis points in delinquency from 0.8% in 2020 to 0.4% in 2021.

Nº OF CUSTOMERS BY REGION

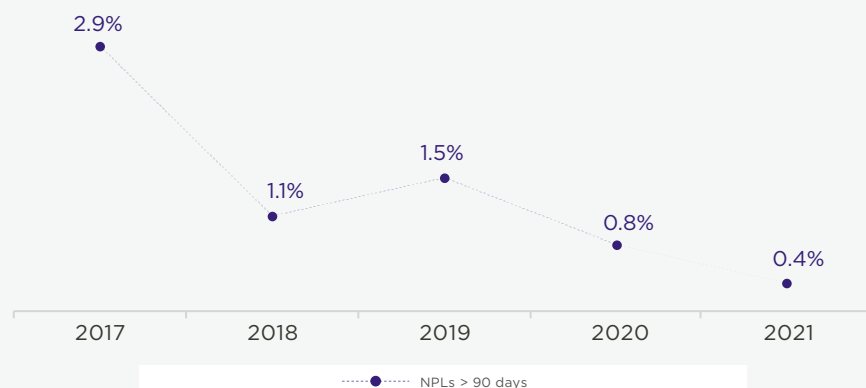


Nº OF CUSTOMERS AND NET LOAN PORTFOLIO* (USD MILLION)



* NET LOANS DEFINED AS GROSS LOANS - PROVISIONS

NPLS > 90 DAYS*

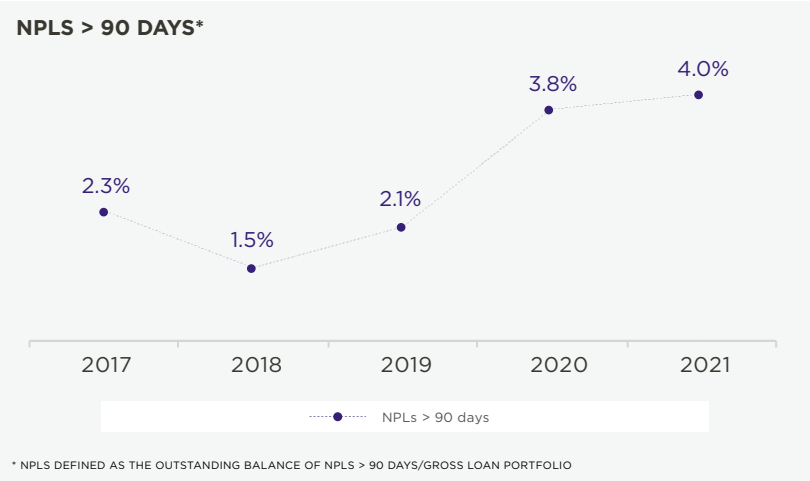


* NPLS DEFINED AS THE OUTSTANDING BALANCE OF NPLS > 90 DAYS/GROSS LOAN PORTFOLIO



CORPORATE LOANS

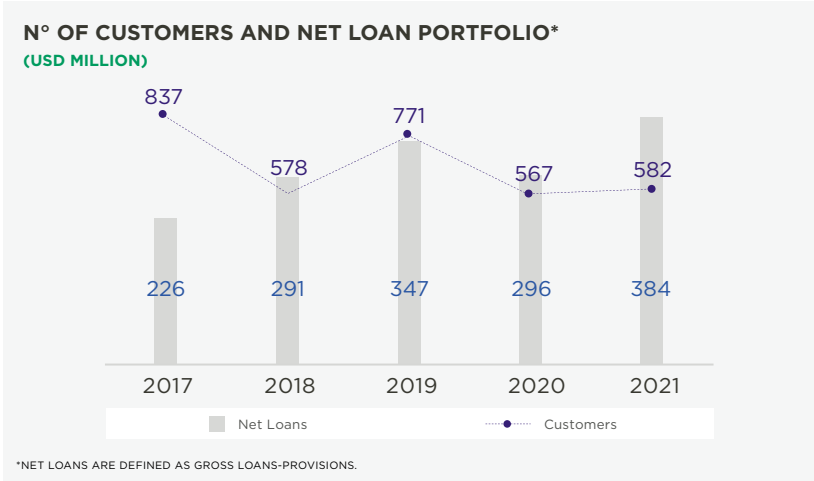
This product is aimed at financing the working capital needs of our customers and increasing their financing alternatives, by offering options that meet their needs and giving them greater flexibility with traditional loans and those specifically structured and with secured lending.



This category includes loan products, preference capital and confirming and the aim is to complement the provision of different financing options, mainly factoring, to our customers. In the last two years and due to the social, sanitary and economic contingency, the division has sought to provide this product with collateral

to be able to carry on growing without forfeiting the future quality of this portfolio.

The loans of this segment increased 29.7% to USD384 million by year-end. Delinquency rose 18 basis points in the year to 4.0% of NPLs of over 90 days.

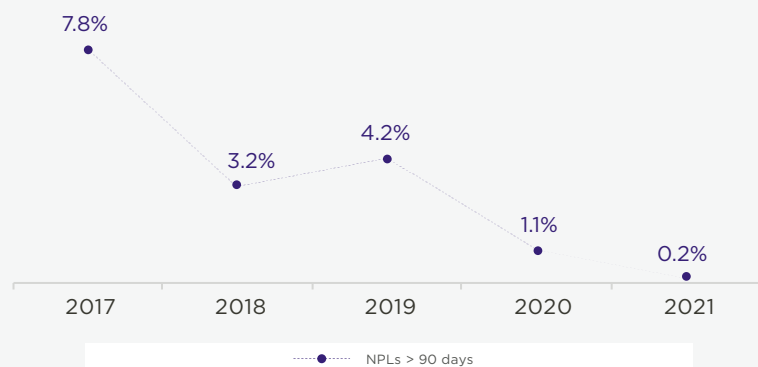


The revenue of this segment increased 21.3% to USD31 million, which is explained by higher fees. Costs were USD8 million, 24.2% less than the previous year due to lower interest expenditure. The gross margin thereby surged 51.1% YoY and amounted to USD24 million.

LEASING

This is a financial service to finance capital goods targeted at companies, enabling them to invest, grow, expand and renew, with access to large financial and tax benefits. A lease contract with an agreed term is entered into, in which the lessee pays periodic amounts that fully amortise the value of the goods. At the end of the contract, the customer has the alternative of acquiring the good by paying the purchase option amount, which in most cases is one more amount of the contract.

NPLS > 90 DAYS*



* NPLS DEFINED AS THE OUTSTANDING BALANCE OF NPLS > 90 DAYS/GROSS LOAN PORTFOLIO

N° OF CUSTOMERS AND NET LOAN PORTFOLIO*

(USD MILLION)



*NET LOANS ARE DEFINED AS GROSS LOANS-PROVISIONS.

The main advantages of leasing for customers are:

1. Unlike other services, it can finance 100% of the operation.
2. It transfers 100% of the instalment to expenses, which decreases the tax base.
3. Goods are insured throughout the term of the contract, allowing access to

better insurance premium and coverage conditions.

4. Payment tables are generated according to customer needs, with flexibility of currencies and terms.

In accordance with the redefinition of the product strategy of focusing on real estate collateral, Tanner's leasing loans amounted to USD78 million in 2021, 8.0% down on the

previous year. Nevertheless, there was an increase in the portfolio quality, reflected by NPLs of over 90 days dropping from 1.1% in 2020 to 0.2% in 2021.

Business revenue in the year was USD6 million, dropping 27.5% YoY. Costs decreased 39.6% compared to the previous year amounting to USD2 million, which led to the gross margin decreasing 19.8% to USD4 million.

AUTO FINANCING DIVISION

NET LOANS:

USD710

MILLION



REVENUE:

USD115

MILLION



NPLS OVER 90 DAYS:

2.0%

N° OF CUSTOMERS:

87,668

GROSS MARGIN:

USD61

MILLION



Automotive market

2021 was very positive for the automotive industry, despite the challenges caused by the prolonged reduced stock of vehicles and price increases in the new and used car segments. After the reactivation of the market, there has been steady recovery of the sector to levels similar to those in 2018 (a record year of new car sales when 417,000 units were sold).

The new car market closed the year with 415,581 units sold, considerably higher than the

forecast in early 2021, which left most of the brands (including Tanner's partners like Nissan and Opel) in a favourable position regarding the previous year. The motorcycle market was the same story with record sales figures. The sales of our main partner in this sector, Yamaha, soared 88.3% YoY.

In the used car market the surge in demand from the stock shortage of new cars enabled it to greatly beat the figures of the previous year. This was due to higher sales and a price increase in this segment. Total used car sales

were 1,429,335 units, surging 42.2% on 2020. In 2021, the sports utility vehicle (SUV) segment continued its consolidation in top position above the passenger segment, with growth of 79.1% YoY. On the other hand, the second segment with the highest growth was commercial vehicles, which continues to increase with growth of 75.9% YoY.

Tanner's Auto Financing Division

The commercial growth strategy in channels like Amicar, top dealers and the consolidation of partnerships with our brands, particularly with Nissan, modified the composition of the portfolio in terms of new vehicle financing (87%) compared to used vehicles (13%), therefore improving the customer credit profile, which in the future will have a positive effect on the performance of delinquency.

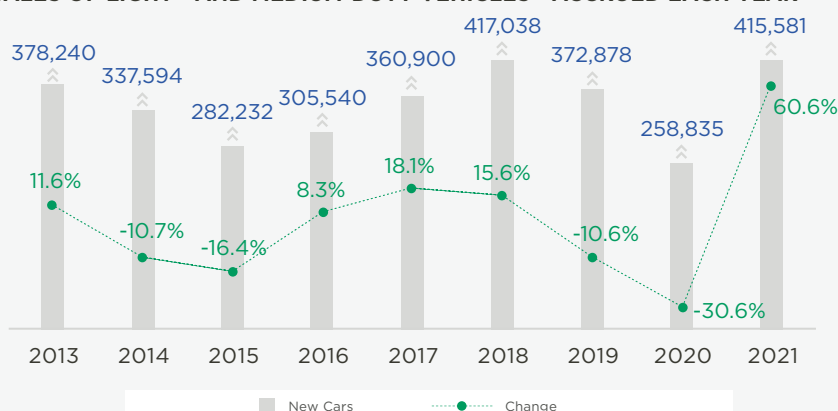
The auto financing portfolio was positive in 2021 in terms of delinquency, with NPLs over 90 days of 2.0% at the close of December against 2.8% at the close of the previous year.

During the year, the division carried out diverse action to mitigate risk which, along with the greater liquidity in the market related to Chile's internal policies, enabled it to reduce risk ratios to record lows and below those of the last few years. The measures implemented included the following: (i) consolidation of a new admission score model, (ii) review and continuous follow-up of the credit and commercial rules, (iii) growth in business segments with a lower risk, and as a complement (iv) new collection strategies.

In terms of results, the division attained a gross margin of USD61 million, USD10 million higher than that in 2020, with a 7.0% increase in revenue amounting to USD115 million, and costs dropping 5.1% to USD54 million.

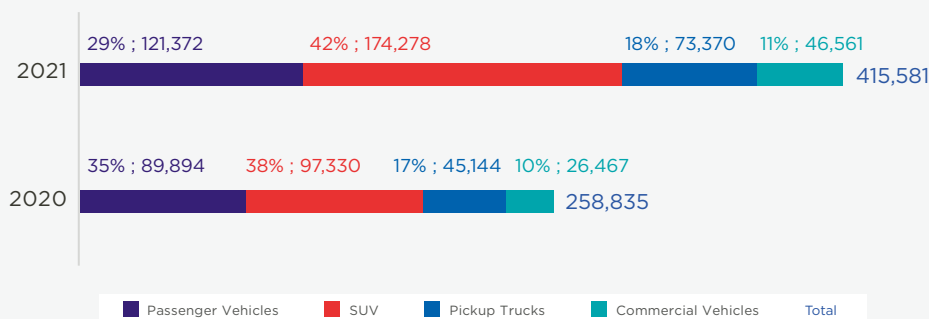
In terms of sales, the total net loans of the Auto Financing Division amounted to USD710 million, increasing 28.6% YoY.

RETAIL SALES OF LIGHT - AND MEDIUM-DUTY VEHICLES - ACCRUED EACH YEAR

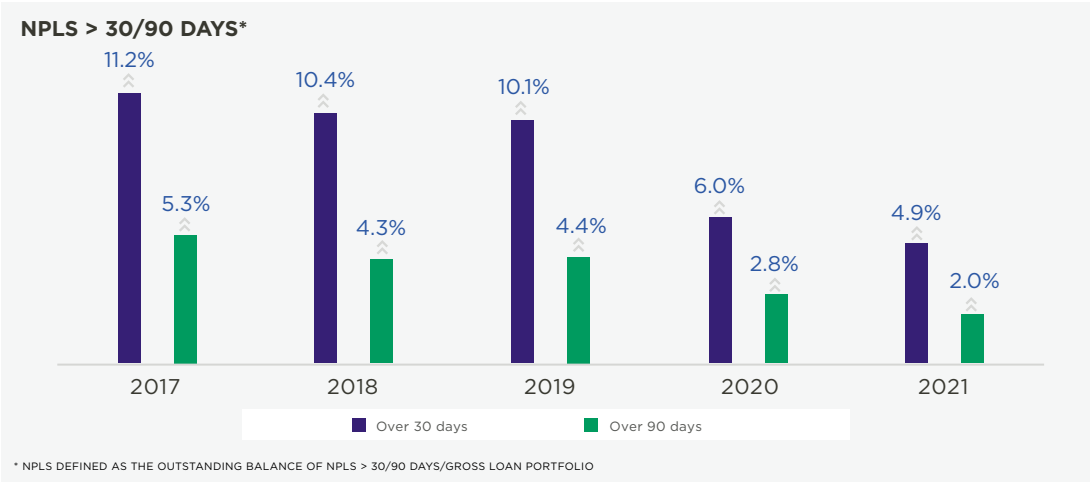


SOURCE: ANAC

ACCRUED SALES OF LIGHT- AND MEDIUM-DUTY VEHICLES TO THE PUBLIC BY MARKET SEGMENT 2020-2021



SOURCE: ANAC



of 60% for the year and much higher than the 55% in 2020.

Moreover, the results of the first NPS measurement in the year concerning the final customer of 67% made us very optimistic about the work done in 2021.

Another important example is the information provided in the year by the National Consumer Agency (SERNAC, according to the Spanish acronym) about the complaints it received, with Tanner positioned as the auto financing company with the lowest rate of complaints regarding the stocks of those companies that publish their financial statements.

The current scenario of the industry indicates that 2022 should be as challenging as last year, considering that there is still no clarity about the evolution of the main factors that have affected its performance, such as: the regularisation of new vehicle stocks, control of the pandemic, and performance of the exchange rate, among other factors. The forecasts of the Chilean Automobile Association (ANAC, according to the Spanish acronym) are that 384,000 new units will be added this year, a 7.4% decrease YoY.

To counteract the uncertainty stated about the future scenario and achieve the targets for 2022, the Auto Financing Division established its core objectives for 2022 as follows:

- » Consolidation and development of new partnerships with important brands and dealers; enhancement of the direct sales channels.
- » Efficiency to boost profitability per sales and vehicle dealer channel.
- » Enhancement of the service model for brands, dealers and the final customer.

Service quality has an effect on customer satisfaction and loyalty. The focus in 2021 therefore led to the division bolstering and fulfilling its task, assuring a long and rewarding relationship with our main customers. This was evident in the positive evolution of the service quality measurement indicator (Net Promoter Score - NPS), and which was largely based on the consolidation and development of new partnerships in 2021.

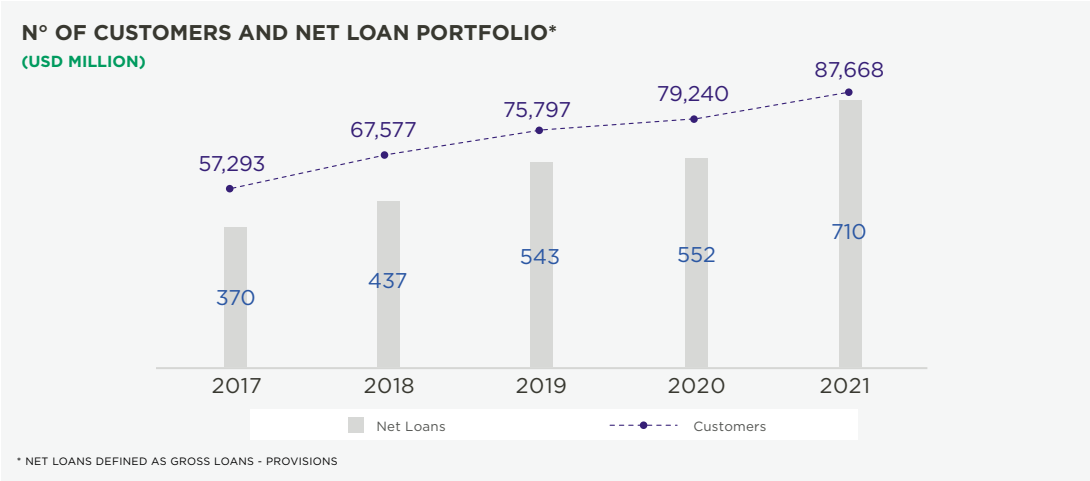
The last NPS measurement made in 2021 for dealers was a NPS of 68%, beating our target

Partnerships and products

Tanner’s Auto Financing Division has more than 490 employees (including those belonging to the Nissan workforce), who work in different areas such as: risk, technology and operations, insurance, business intelligence and the commercial area.

The focus of the commercial approach is mainly on four channels:

AMICAR: an electronic auction portal created by the Derco and AG importer groups to market







and finance cars in their own network or those of dealer companies of the brands they represent (Mazda, Suzuki, Renault, Hyundai, Mini, Mahindra, among others), in which ten auto financing companies participate. This channel accounts for 38% of the division's sales.

BRANDS: this segment is mainly focused on the development of partnerships with industry brands, including Opel, Tattersall with their FAW, Lifan, ZX, KYC and JETOUR brands; Yamaha in the motorcycle segment, and the partnership with Nissan, the SUV market leader and one of the leading brands in Chile, considering the retail service and floorplan financing. This channel accounts for 6.4% of the division's sales.

NEARLY NEW AND USED CARS: this channel has almost all the car dealerships in Chile that as a complement to their new car sales have nearly new vehicles or those that are fully focused on selling used vehicles. In this segment, one-to-one relationships are established with each dealership, and a financing and insurance (F&I) team is deployed on their premises to promote the sale of auto financing. This is the most important channel for the division and accounts for about 12% of its total sales.

DIRECT: this is a channel where customers mostly arrive directly with a loan request, in which the majority have a long-standing relationship with the company. However, for a couple of years Tanner has been boosting this channel in the web or electronic segment, helping customers throughout their purchase process, which has had very good results, accounting for over 6% of the total sales (excluding Nissan).

HEAVY-DUTY: the development of new partnerships within the heavy-duty segment

was established as one of the objectives to achieve the targets of 2021. This was carried out by consolidating two important partnerships, with Maco and Dercomaq, to carry on working together and boosting this segment.

The main products we offer are:

- » **Conventional loan:** this is a loan with the same monthly payments in all the period and 20% as a down payment, with a term of 12 to 60 months.
- » **Tanner Smart Option:** financing to renew, keep or return the car at the end of the period.
- » **Heavy-duty vehicle plan targeted at SME customers (renew-capitalise-full-flexible):** Four products focused on enhancing and helping SMEs in their growth stage.

- » **Floor plan and working capital lines:** to support the inventory financing of our main partners.

Lastly, we have an insurance broker with over 10 years in the market, which has consolidated in the industry and offers a wide range of products. In 2021, the broker also faced a challenging situation, leading to restructuring and diversification of its offering of products. Nevertheless, it managed to have net income of USD6 million before tax, a 35.5% increase YoY.

Considering that one of Tanner's major issues in the pursuit of a sustainable business model is financial inclusion, it is important to mention the diversity attained by the portfolio of the Auto Financing Division regarding age groups, gender, regions in the country and income brackets.

HEAVY-DUTY VEHICLE PLAN TARGETED AT SME CUSTOMERS

PRODUCTS:

- » **CAPITALISE:** this aims to support SMEs at the outset of their business, generating greater flexibility for payment of the first six instalments.
- » **RENEW:** this aims to support SMEs to maintain the operative continuity of their businesses by means of renewal, with 36 low instalments and a final large instalment 37.
- » **FULL:** this aims to support SMEs at the outset of their businesses and their operative continuity by means of renewal with the first six instalments that are low and a final large instalment 37.
- » **FLEXIBLE:** this aims to support SMEs, providing flexibility for customers with variable cash flows with four large instalments a year, which provide greater flexibility in other periods of lower cash flow.



TREASURY & INVESTMENTS DIVISION

GROSS MARGIN:

USD10

MILLION



NET PROFIT:

USD1.3

MILLION



Nº OF CUSTOMERS:

1,708



Treasury & Investments Division

The Treasury & Investments Division is the area related to the capital market of Tanner Servicios Financieros. Its main mission is to provide liquidity and financing to the group for its operations, along with managing own and third-party investments through Tanner Corredores de Bolsa, focusing on the fixed-income business and strong relations with the institutional market.

With a team of over 60 people, it develops its operations quickly and efficiently, making Tanner a unique non-banking financial entity, which mainly stands out for the diversification of its financing, the conservative management of its leverage and its fast capacity to react to Chilean and international market variations.

Macroeconomic scenario in 2021

The fallout of the pandemic experienced in 2020 continued to cause havoc in Chile and abroad in 2021.

Although there was a somewhat better sanitary situation in Chile than the previous year, in early 2021 mobility restrictions were still in force. However, as the process to vaccinate the people consolidated, the infection rates in Chile started to improve.

There was a similar situation worldwide. By late 2020, the economies of China and the United States started to show signs of recovery, which was already evident in the first few months of 2021.

The pandemic hit Chile's economic growth in 2020 (-5.80%), with transversal repercussions among sectors. There were large job losses and the unemployment rate reached 13.1% in the most negative period.

To address the adverse scenario in that period, measures arose to alleviate the situation, like pension fund withdrawals (first and second withdrawal in 2020, third withdrawal the following year) and fiscal fund transfers. This was an initial solution to the economic emergency, but then macroeconomic imbalances started to emerge, with an unusual increase in domestic demand (underpinned by price increases of durable goods) above supply. This imbalance, among other factors, has meant that Chile now has annualised inflation of 7.7% as of January 2022 and ended 2021 with inflation of 7.2%. In contrast, economic growth was 12% in 2021.

The higher fiscal expenditure has also had a major impact, like the structural deficit in 2021 of 11.50% and the debt-to-GDP ratio of around 34.90%. Nonetheless, for 2022 there has been a budget commitment to cut fiscal spending by 22.5% and a structural deficit target of 3.90%.

The challenges in 2022 will be focused on containing inflation, with the Chilean Central Bank stepping up the pace of interest rate hikes, and it is forecasted that interest rates will be around 6.00%-6.25% by the end of 2022. The growth forecasts for 2022 are about 2.0%, revealing more restrictive financial conditions and a macroeconomic scenario of rectifying the imbalances.



Treasury management

The Treasury area is a key component for the organisation in its role of guarantor of funds for the different business units. Being an active and innovative participant in seeking and managing financial resources provides access to competitive funding costs in the industry. This greatly helps value deployment and generation that the company offers its partners.

In 2021 and still in the pandemic, the Treasury team maintained its operational excellence, efficiently managing the balance sheet, facilitating the liquidity levels required and consolidating a diversified debt structure.

Financing

Regarding financing needs, the company played an active role in the Chilean and international capital market in the year. In Chile, Tanner participated by placing two new bonds amounting to UF3,080,000. The first one was BTANN-AG of UF2,000,000 and maturity in September 2024, and the second was BTANN-AH of UF1,080,000 and maturity in May 2024. The issuance of commercial papers in Chile reached record levels of just over USD710 million.

The international bond issues were the highlights throughout the year, with the company placing a new bond of CHF125 million in Switzerland (the fifth) in October, enabling it to refinance the same line of liabilities. This successful operation is underpinned by Tanner's constancy as a recurring issuer in the Swiss market, which has endorsed the loyalty and increase of its base of investors that year after year continue to place trust in the company. Likewise, and reflecting the positive market outlook and rating of the company, it made the first private placements of bonds under the euro medium-term note (EMTN) international debt

programme, which provided funding in July and August 2021, the first of EUR15 million with one-year maturity, and the second of CHF12 million with two-year maturity.

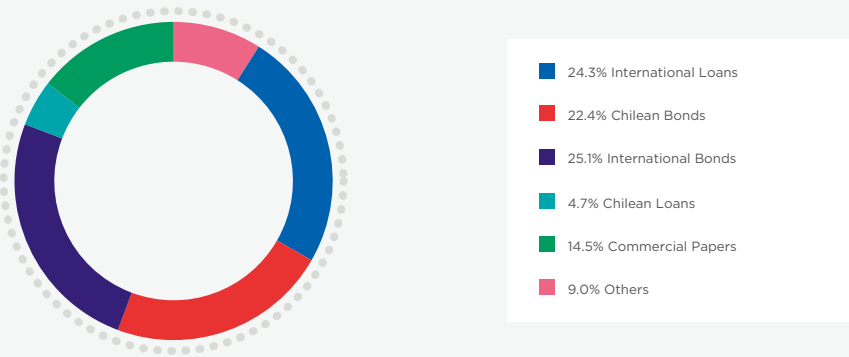
Lastly, another major financing source is direct international funding, along with new counterparties in the year. The BlueOrchard fund was in addition to the syndication made by BID Invest granting an additional US\$15 million to Tanner with two-year maturity. In late 2021, Tanner also signed two new loan agreements: one with DEG Invest (an entity with which Tanner has had relations for a long time) and

another with the OPEC Fund, each one of them of USD20 million.

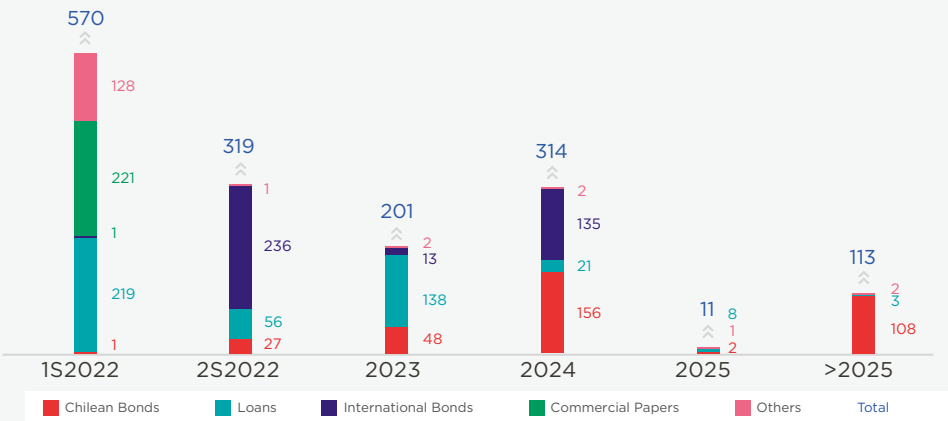
The year ended with seven current bonds in the Chilean market and four in the international market, i.e., two bond placements in Switzerland and two private placements, different lines agreed on with Chilean and foreign banks, and long-term loans with internationally renowned institutions.

As of December 2021, the breakdown of the company's financial liabilities was as follows: 14.5% in commercial papers, 29.0% in loans and bank lines, 47.5% in Chilean and international

BREAKDOWN OF FINANCING SOURCES AT 2021 YEAR-END



MATURITY PROFILE (USD MILLION)



bonds, and 9.0% in other liabilities, reflecting healthy funding diversification.

Risk and hedging policies

The large volume of financing observed and its diversification by currency, terms and rates leads to constant monitoring of the related risks and execution of hedging. The company thereby aims to cushion the effects of price changes to which it is exposed, in line with the risk and investment policies established.

Due to the international bond issues, the aim is to minimise the foreign exchange risk by means of financial derivatives, mainly swaps.

Regarding the portfolio of products offered by Tanner, comprising instruments in dollars, the Chilean peso and UF, there is an active short-term hedging strategy so the balance sheet has minimum exposure to foreign currencies and maintains a long-term structural position in UF.

At the close of 2021, foreign currency exposure accounted for 1.4% of the company's total equity, and UF exposure for 12.6% of the total equity.

The risks regarding liquidity management are safeguarded by means of monitoring of the

liquidity coverage ratio (LCR) and control of the average duration spread between assets and liabilities.

The former, by policy, is that liquid assets must cover the net cash expenditure of 30 days by at least 1.5 times. The latter policy means that financial liabilities have an average duration of greater than the average duration of our loans. At the close of the year, the company complied with both policies with a LCR of 1.5 and average duration of assets of 0.9 years and 1.9 years for liabilities.

Investment policy

The Treasury's investments are characterised by being subject to the assets and liabilities management concept, i.e., they are anchored to the obligations of the company and its risk policies on currencies, rates, terms, liquidity and credit.

The cash surplus generated is invested, seeking a return of above its opportunity cost, protecting what is established by policies. They are generally highly liquid assets of short duration, be these time deposits or mutual funds, among others.

Balance Sheet Breakdown by Currency and Net Exposure (USD million)

Item	CLP	US\$	EUR	CHF	UF	Others	Total
Assets	1,528	339	1	-	255	-	2,123
Liabilities + equity	939	449	19	367	349	-	2,123
Currency difference	590	(111)	(17)	(367)	(95)	-	-
Hedging	(648)	116	17	368	147	-	-
Net exposure	(58)	6	-	-	-	52	-





Tanner Corredores de Bolsa (TCB)

Tanner Corredores de Bolsa is essentially focused on the fixed-income business in Chile and abroad through a broad relationship with institutional customers (pension fund administration companies (AFPs, according to the Spanish acronym), mutual funds, banks, brokers and family offices). We add value by means of a deep service commitment to our customers, taking advantage of the opportunities provided by the capital market. Due to this, TCB enables the Tanner group to have direct access to the bond and commercial papers market, and is one of the largest issuers in the market, even generating recurrence when its liquidity contracts.

2021 was undoubtedly a challenging year for our business model. The market fluctuations and the sharp increase in interest rates really hit those companies with operations in the fixed-income market. Interest rates spiked, mainly in the second half of the year, which led to an increase of 103 basis points in the 10-year benchmark rates. Despite this, and since TCB also has a deep relationship with institutional investors besides managing the investments of the group, we managed to have a good year, efficiently taking advantage of the opportunities of a volatile market we experienced in 2021.

In 2021, the company therefore managed to position itself as the top non-banking stockbroker in the fixed-income and financial intermediation instrument market, according to the amounts traded on the Santiago Stock Exchange.

Altogether, in 2021 TCB attained a ROA and ROE of 1.2% and 5.7%, respectively, positioning

it as a major player among non-banking brokers. Tanner Corredores de Bolsa thereby had a -16.7% drop in intermediation income to USD3 million, and a -59.3% decrease in its bottom line, amounting to profit of USD2.3 million.

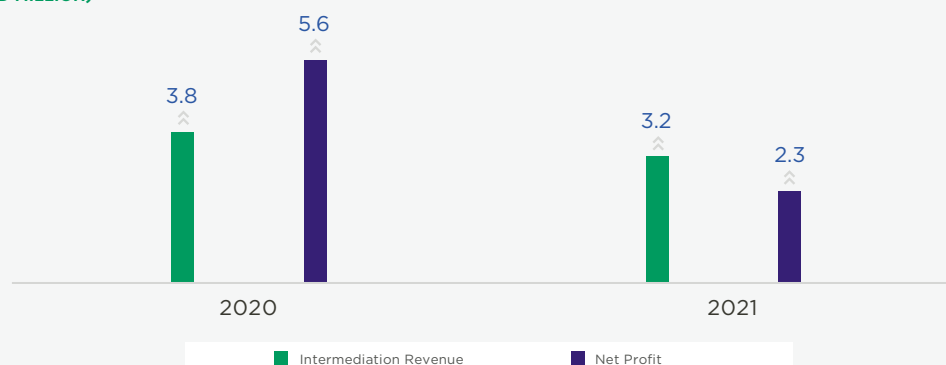
The focus in 2022 will continue to be on the fixed-income instrument and FX business,

aligning the strategy of this division to the experience of Tanner Servicios Financieros.

Results

The division achieved net profit of USD1.3 million, 87.7% down YoY, with a gross margin decrease of 48.8% at the close of December 2021 amounting to USD10 million.

INTERMEDIATION REVENUE AND NET PROFIT (TCB)
(USD MILLION)



REVENUE BREAKDOWN (TCB)





MARKETING AND CUSTOMER EXPERIENCE

Marketing Management

The marketing management of Tanner Servicios Financieros started to operate in January 2021 with the aim of leading the company's positioning strategy internally and externally. As of that date, it has managed projects, promotion and communication plans and activities for the group, its employees and business divisions, i.e., Corporate Division, Auto Financing Division and Treasury & Investments Division.

In a year in which the effects of the pandemic restricted freedom of movement, the use of digital platforms and technological tools enabled the management to be sustainable, provide continuity and effectiveness to Tanner's positioning strategy by means of marketing and

customer experience, digital means and social networks, and the corporate communication.

The marketing area, part of the marketing management, was established from July to October 2021 with the challenge of designing a trademark development and positioning strategy for Tanner and the experience of our customers in their relationship with our trademark.

During the year and in line with our business pillars and the sustainability strategy, based on which we aim to always meet customer interests, we worked on understanding customer needs and how we can provide a more integral experience in each phase of their relationship with Tanner.

With this focus, we conducted various inductive and deductive studies with real customers as a core methodological practice, in collaboration with companies like GFK Adimark, measuring quantitative, qualitative and sociological aspects to assess and analyse our identity and trademark development in the different segments in which Tanner operates with its products and services, yielding information that has enabled us to look at the company in its role as a leading trademark in the non-banking financial industry.

The diagnosis helped us to draw up action plans in agile marketing cells, along with the commercial and business intelligence areas of the divisions.

The trademark development process led us to make changes and homogenise the advertising identity for our potential customers, with the aim of better connecting to their needs and meeting them with specific products and information of value for them.

The practice of embedding the vision of the customer in everything we do was consolidated in the subsequent studies conducted with real customers to detect findings on different issues and projects underway, including 10 focus groups with diverse segments and different digital surveys with significant response rates.

Advertising was aimed at the digital area, gradually shifting from mass campaigns to the practice of segmentation needed for the exercise of behavioural, reactive, content and attraction marketing. This has enabled us to strongly develop the digital channels in the Corporate and Auto Financing Divisions and optimise investment in digital advertising.

The behavioural marketing work in digital environments led us to design efficient processes targeted at different segments, favouring customer capture, retention and loyalty initiatives. The latter with the design of specific plans per customer for renewal in the case of the Auto Financing Division, and re loans in the case of factoring.

With customer experience as the core focus, the area implemented an integral system to measure satisfaction and experience, identifying the customer trips of each division, the main indicators and the definition of continuous improvement plans with defined follow-up.

This model was focused on transversality like that at Tanner, establishing a unique model with attributes in common for the trademark and also specific per division. This enabled us to have an initial assessment in 2021 regarding measurements like NPS and satisfaction, and the incorporation of other divisions and product lines. The challenge in 2022 is to consolidate the methodology and boost the results.

In 2021, we once again developed sports activities that are already traditional for our organisation, like for example the Tanner Triathlon of Zapallar, and adding new initiatives like the Tanner Grand Prix of Lago Ranco, with a total of around 2,000 athletes in both events. These initiatives had been suspended due to the coronavirus pandemic. Nevertheless, under stringent sanitary and protection measures and due to the importance of sports in the quality of life of Chileans, they were held with great success, even boosting our deployment as a trademark in both areas.

The transversal attributes will also help to incorporate new measurement criteria focused on undertaking sustainable management based on our sustainability strategy pillars, and understand the way our customers think, continuously considering their diversity and quantity and seek opportunities of improvement as a habit of operational management.

2021 was a year of findings, diagnoses and definitions needed to draw up a marketing plan to incorporate the best practice on this issue for a company like Tanner, and in turn include trends regarding positioning, advertising, and digital, behavioural, relationship, content and experiential marketing, always focused on putting the customer at the heart of any decision and the impact of our management on the results of each division.

Website and social networks

During the year we wanted to change the focus of our website, putting the customer as the core. We redesigned it graphically and structurally to allow for better, more intuitive and easier browsing for the user.

Besides this, throughout the year we attained over 1.5 million sessions, improved the organic search by 10% compared to 2020 and reduced the bounce rate from 52% to 30%.

In October 2021, we reopened our social networks of Instagram and Facebook, a very important communication channel for the





company, where we can highlight the Tanner branding, show information on a portfolio of products and services much more transversally, emphasising the business world and people.

In just three months with our social networks fully active, we increased our followers (16,000 followers as of December 2021) by 5,000 and improved the user referral from social networks to the website by 6%.

Corporate communication

Management of the Tanner corporate communication strategy and plan was a priority in the year. The objective was to position the company as the largest non-banking financial institution in the country, provide visibility to its business divisions, values and safeguard its reputation in Chile and overseas.

The focus of external communications was on developing a communication strategy enabling Tanner to be a major player in the markets and industries in which it operates. The corporate communications area therefore implemented a plan for the presence of spokespeople and issues of interest in the main national, business and financial media, and establish a channel of engagement with them.

In the year Tanner therefore had a very high presence in the most important and specialised communication media by sending press releases and holding interviews, articles, news features, conversation panels and opinion columns with the participation of its senior managers, and on issues like issuing bonds in Chile and abroad, strategic business partnerships, corporate seminars and webinars, the economy, investment in fixed income and alternative assets, factoring, auto financing, reporting

of results and sponsorship activities, among others.

In 2021, the board of directors of Tanner Servicios Financieros approved the corporate communications policy, which establishes the procedures governing the company's activities in this area.

At the close of the year, Tanner had a total of 323 publications in the Chilean communication media, including newspapers, digital media, radio and television, and 165 leading publications.

The challenge in 2022 will be to carry on boosting Tanner Servicios Financieros as a major player in the industries in which it operates, its presence in the communication media and in activities that generate trademark recognition and reputation.

The objective of internal communications in the year was to provide greater visibility to the company's different divisions, foster team spirit and support the diverse areas, proposing, designing and executing internal communication campaigns.

With activities like Tanner à la Carte, Connected Leaders and Happy Tanner, along with an increase in and focus on the content of the publications in our internal channels like Instagram and Intranet Trending Tanner, we attained a 85% satisfaction rating of our internal communications and the quality of the information provided.

The focus in 2022 will be on the restructuring of the internal communication channels, adopting new tools for a better flow of easily accessible information to keep all employees informed and thereby carry on bolstering team spirit and unity among our divisions.



Digitalisation brings us closer every day

We are on the way towards **our best version yet: digital**, eliminating any obstacle to connect to an increasingly more diverse, changing and dynamic world.

09



DIGITALISATION OF
PROCESSES



Just as all the leading companies in the sector, Tanner is immersed in a digital transformation process with the objective of providing a better customer service, and modernising/digitalising its operative processes to reduce the environmental footprint they cause by using the traditional procedures used for decades throughout the industry, in which manual intervention and the use of office materials is the common denominator of such processes.

One of the pillars of Tanner's sustainability strategy is called "We're Digital," which is a programme that manages its innovation and transformations to be able to be a pioneer in the industry. Based on this, the company undertakes its automation processes internally and regarding the customer, at the same time safeguarding the security of the information stored in the systems.

1. Initiatives for our customers

As part of this strategy, the technology management established three main pillars as a catalyser and framework to attain the digital ecosystem we propose to build in the company. These pillars are:

- » **Development of digital products:** new services that arise to meet the company's needs with the intention of innovating in the market, assessing how they are received by our customers. For example: supplier network, which fulfils the objective of capturing customers, offering factoring services and making specific offers of some products, besides providing other functionalities like detection of invoice fraud.
- » **Technological innovation projects:** try new technologies and undertake tests in the future to increase our efficiency and be a support for the digital projects we will develop.

» **Modernisation of legacy systems:** maintain these or replace them with more state-of-the-art digital products that help the company to make progress with its systems.

One of the most significant projects for the area, which it has been working on since 2020 and in 2021 had its first digital product exploitation, is access control, roles and permits for all the components and computer systems of the company. All this was designed and integrated to the technological platform of security and access management services provided by our Auth0 (a leading global company in the access management and cybersecurity area).

This first step is the facilitator of future products that will enable Tanner to work totally digitally and in self-service mode for all the issues involving the creation, login and access to systems built for our customers, and provide an integral experience on interacting with the diverse applications or systems that are part of the company's digital ecosystem.

Another proposal in terms of technological innovation is the integration of the Dynatrace platform (a leading global technological partner in the area of monitoring and observability of digital ecosystems, giving early alerts by means of artificial intelligence and machine learning algorithms).

Jointly with a system called internal Trace & Log, it stores the information of our systems to be able to understand how they perform and the users that use them and also be able to react early to possible fault points detected, due to the data gathered and the constant monitoring of our systems and interactions. The main objective of this project is to give the company the tools and necessary data for better decision-making and a more personalised customer service.

To build digital products we focused on a design based on microservices and decentralisation

of the different common processes identified in the entire company, like for example the gathering of information and assessment of our customers for the different business lines of Tanner. This enables us to prevent repeating efforts to bring the same information from different systems and in various ways.

Another important example is the integration made with Acepta to implement electronic signatures (simple and advanced) in all the divisions, and this projects opens up infinite possibilities with our customers and improves our service channels. In turn, it greatly reduces office material, document storage and maintenance expenditure. This enables us to improve our operational eco-efficiency regarding paper usage.

To complement these innovations, a product is being built in the Corporate Division which will enable authorised users to configure and measure the risk of our operations/customers as part of the company's business.

Development also continued to enhance the digital channels, aimed at greater digitalisation of the business and customer self-service. In 2021, 26.7% of our electronic invoicing operations was undertaken digitally, taking an average of two hours. The company also successfully implemented tax password registration, reaching portfolio registration of around 70%. This step benefitted our customers by offering more competitive commercial conditions and faster assessment and processing of operations; it enables us to improve monitoring of the risk and health of our portfolio.

Lastly, the company launched the new supplier network platform in the market in September 2021, which is conceived and designed for medium- and large-sized companies, which will take the management of companies with their suppliers to a higher level. The digital platform will facilitate the work of accounts payable



to customers, and accounts receivable from suppliers, allowing for access to confirming financing and swift digital payment. At the close of 2021, this already has over 51 registered customers, financing more than USD40 million of the confirming product to over 200 suppliers.

Digital Network is the first digital product built 100% by Tanner and focused on the needs of our customers of the Corporate Division, in which the first customer and user was the company itself.

Based on functionalities like those designed in the fraud prevention module, consolidated with invoicing and reception, supplier registry and services, this has very simply and quickly enabled us to minimise the risks and mistakes made by our internal teams and suppliers regarding invoicing and reception of services, also obtaining very important feedback to improve and optimise the product. Customers have a robust platform conceived to facilitate the management of their invoices and those of their suppliers.

Summing up, the technological strategy of Tanner is focused on building products to resolve specific problem areas and which in turn are in line with the company's digital ecosystem. This allows each product to be reused by another easily and quickly, with the company thereby managing to adapt to the constant changes in the different businesses in which it is involved. Some examples are given below:

- » **Tanner 2.0:** this is a project of the marketing management that entails the graphic and structural redesign of the website, putting the customer at the heart and aimed at more intuitive and easier browsing.
- » **Publication of the delinquent portfolio (Commercial Information Directory (DICOM, according to the Spanish acronym)):** this is a transversal product of the company which publishes and unpublishes the delinquent portfolio in DICOM.
- » **Wholesale (Nissan):** Nissan imports around 5,000 vehicles that must be distributed to

each one of the dealers. This is undertaken by Wholesale Nissan, a system that finances and controls all the Nissan vehicles sold in Chile. All these vehicles are distributed to each of the partner dealers of Nissan, who are then in charge of selling them to the final customer.

- » **Dealer integration:** this is a system that enables each one of the dealers that directly uses any of our services to quote a car or assess the risk of a customer.
- » **Enterprise Resource Planning (ERP) integration:** this provides the option of quoting factoring with different entities, with Tanner as one of the alternatives.
- » **Tanner transversal microservices:** services that can be identified or used for small applications that are autonomous and resolve a specific issue. They are easy to set up and do not fully commit the availability of the systems but the specific part that uses that service. For example: customer

search and assessment, digital signature, definition of public holidays automatically, update of the financial indicators of the Financial Market Commission (CMF, according to the Spanish acronym), etc.

- » **Electronic signature:** this avoids in-person proceedings and makes a contribution to operational eco-efficiency, and has the same legality as a physical signature.
- » **Amicar risk portal:** this is a product conceived to facilitate the work of the risk operator in a centralised and intuitive place.

2. Digitalisation of internal processes

All our products are also built with technology that allows for fast implementation and deployment with any cloud provider or local datacentre. We implement an infrastructure technique in them as code, where we have the capacity of setting up and removing all the infrastructure of a certain area at a specific time.

Our development and quality assurance areas are currently turned on at 8 a.m. and turned off at 8 p.m., with a load of over 350 applications running in each, which minimises the direct costs of the use of servers where this infrastructure is deployed. That also helps to reduce the carbon footprint of our operations.

Data warehouse at Tanner

Due to Tanner's digital transformation in the last few years, the need of reliable, clear

and timely information is increasingly more necessary when making strategic and operative decisions.

Based on this need, Tanner decided to build the corporate data warehouse with cutting-edge technology. This was no easy task, considering the diversity of products and systems that Tanner uses to implement its business. The data warehouse must be able to absorb all of them and manage the company's information efficiently.

The solutions offered by the Microsoft Azure cloud computing service were used for this, with the highest quality and information security standards, using infrastructures based on big data, and at the final point user-friendly viewing tools like PowerBI. All this was to build a unique information repository with all the data normalised and the indicators reconciled daily, so that the decisions made are as thorough as possible.

With this technology it is also possible to develop predictive models, bots with artificial intelligence, data science, among other potential applications that the correct handling of the company's data affords us, and with this add value to the business based on the data.

Tanner has a hybrid infrastructure, on-premise and cloud (Azure) technology.

At the DevOps area, we migrated part of the on-premise infrastructure and services to the cloud, taking advantage of its scalability, availability and efficiency. We use cutting-

edge technology like infrastructure creation as code, which enables us to cut costs by only keeping the whole infrastructure of low code environments (development, quality and UAT) operative in working hours, besides standardising the resources by using containers to eliminate conflicts in the different environments.

With Kubernetes we managed to have high availability, container deployment and maintain a microservices architecture. We also have the Azure DevOps platform that allows us to participate throughout the software lifecycle.

With all this, along with pipeline automation, we guarantee integration and continuous deployment, improvement of the time from when an idea emerges and its execution starts to fast recovery from an incident. We use world-class monitoring systems like Dynatrace, which alerts us to any fault that might occur, giving us time to act before the service has a problem.

Adapting to remote working

The outbreak of social unrest in 2019 and then the COVID-19 pandemic posed a large challenge of how to address remote working without affecting the service quality or the customer response times. Digital transformation has been integrated daily to all processes and to the way of working, which has had a positive impact on the company and our employees.

That was evident when Tanner attained full remote working at the outset of the pandemic.

All our employees were able to use support tools with the complete implementation of the suite of Microsoft products.

The company has a technological renovation plan to maintain all the infrastructure up to the validity of the periods supported by the respective brands. The commitment is therefore to acquire efficient and sustainable equipment with low power consumption. It should be highlighted that the brands selected are at the same time committed to reducing the carbon footprint, as is the case of our main partners Dell and Cisco.

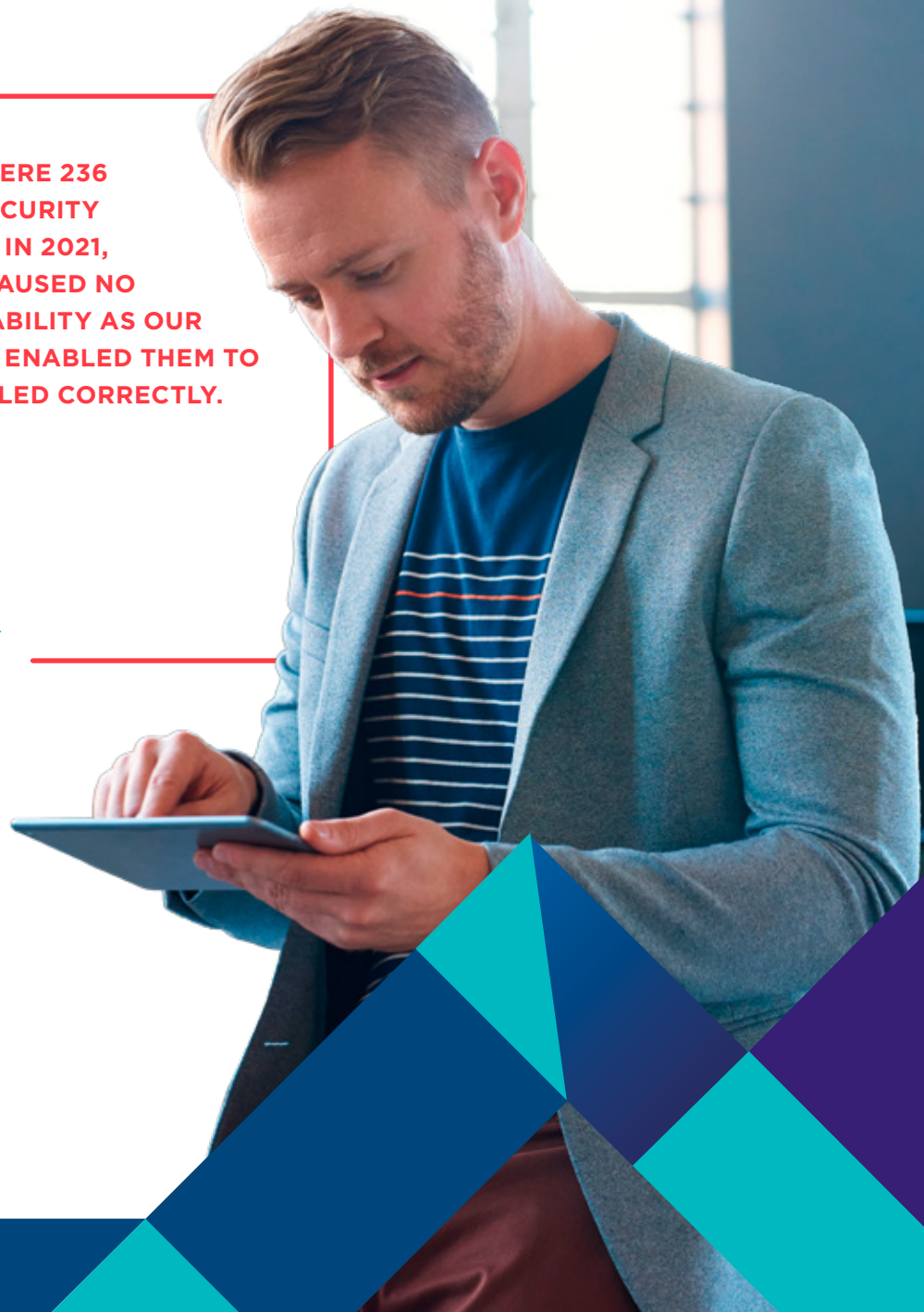
3. Information security

The cybersecurity area is working on applying the best practice recommended by our technology partners, monitoring the company's technological assets in real time and taking the necessary action when there is an incident.

Our area is constantly generating a culture of awareness about actions that could potentially be attacked, like password management, access to unknown links, and mainly the use of the whole Microsoft suite for work and communications.

There are also automated processes that notify users and the Cybersecurity Incident Response Team (CSIRT), taking action regarding the type of alert or weakness detected. If any suspicious activity is detected, measures are taken according to the alert identified, isolating the network equipment. Detection tools like Sentinel are used for this, with active monitoring that uses 24-hour artificial intelligence algorithms, alerting the employee and IT team.

**THERE WERE 236
CYBERSECURITY
ATTACKS IN 2021,
WHICH CAUSED NO
VULNERABILITY AS OUR
SYSTEMS ENABLED THEM TO
BE HANDLED CORRECTLY.**



SUBSIDIARIES AND **ASSOCIATES**

TANNER CORREDORA DE SEGUROS Ltda.

Company Name

Tanner Corredora de Seguros Ltda.

Taxpayer ID N°

76.133.889-7

Legal Address

Huérfanos 863, 10th floor, Santiago

Type of Entity

Limited liability company

Subscribed and Paid-in Capital

USD130,225

Equity Attributable to Owners of the Parent

USD4,474,531

Equity Interest held by the Parent Company (directly and indirectly)

100.00%

Percentage of the Parent Company Investment in Assets

0.16%

Corporate Purpose

The main purpose of the company is insurance brokerage.

General Information

It was incorporated by a public deed dated 27 January 2011, whose excerpt was registered on page 6.948, number 5.251, of the Santiago Trade Registry of 2011, and published in the Official Gazette on 5 February 2011.

Commercial Relationship with the Subsidiary

To take out insurance for the customer portfolio and own assets for the parent company.

Acts and Contracts Entered into with the Subsidiary

There is a rental contract between Tanner Servicios Financieros S.A. and Tanner Corredora de Seguros Ltda.

Personnel for the year ended 31 December 2021

Senior managers and executives	4
Professionals	10
Technicians	4
Total	18

TANNER LEASING S.A.

Company Name

Tanner Leasing S.A.

Taxpayer ID N°

96.912.590-0

Legal Address

Huérfanos 863, 3rd floor, Santiago

Type of Entity

Privately held company

Subscribed and Paid-in Capital

USD16,046

Equity Attributable to Owners of the Parent

USD101,092,750

Equity Interest Held by the Parent Company (directly and indirectly)

99.99%

Percentage of the Parent Company Investment in Assets

3.55%

Corporate Purpose

The main purpose of the company is the extrajudicial and/or judicial collection service of all kinds of loans or obligations on its own behalf or for third parties, and data processing, storage and transmission services. The leasing activity was added in 2007.

General Information

It was incorporated by a public deed dated 6 August 1999, whose excerpt was registered on page 20.362, number 16.198, of the Santiago Trade Registry of 1999, and published in the Official Gazette on 27 August 1999.

Management

Chairman	Ricardo Massu M. (Chairman of Tanner Servicios Financieros S.A.)
Vice-Chairman	Jorge Sabag S. (Vice-Chairman of Tanner Servicios Financieros S.A.)
Director	Eduardo Massu M. (Director of Tanner Servicios Financieros S.A.)
Director	Fernando Taфра S. (Director of Tanner Servicios Financieros S.A.)
Director	Martín Díaz Plata (Director of Tanner Servicios Financieros S.A.)
Director	Fernando Zavala C. (Director of Tanner Servicios Financieros S.A.)
CEO	Derek Sassoon (CEO of Tanner Servicios Financieros S.A.)

Commercial Relationship with the Subsidiary

Leasing operations are undertaken through Tanner Leasing S.A. It is also the company in charge of carrying out the normal extrajudicial and judicial collection services of the documents acquired by Tanner Servicios Financieros S.A.

The factoring contracts that Tanner Servicios Financieros S.A. enters into with its customers establish that customers shall grant a mandate to the company to undertake collection directly or through a third party. Based on the foregoing, Tanner Servicios Financieros S.A. empowers Tanner Leasing S.A to perform such collection.

Acts and Contracts Entered into with the Subsidiary

There is a contract between Tanner Servicios Financieros S.A. and Tanner Leasing S.A. signed in June 2000, under which Tanner Leasing S.A. is entrusted with both the collection of the entire portfolio of Tanner Servicios Financieros S.A. and to provide additional services.

Personnel for the year ended 31 December 2021

Senior managers and executives	1
Professionals	8
Technicians	3
Total	12

TANNER LEASING VENDOR Ltda.

Company Name

Tanner Leasing Vendor Ltda.

Taxpayer ID N°

77.164.280-2

Legal Address

Huérfanos 863, 3rd floor, Santiago

Type of Entity

Limited liability company

Subscribed and Paid-in Capital

USD5,342,559

Equity Attributable to Owners of the Parent

USD10,883,238

Equity Interest Held by the Parent Company (directly and indirectly)

100.00%

Percentage of the Parent Company Investment in Assets

0.38%

Corporate Purpose

The undertaking of all types of leasing businesses; the purchase, sale, import and export of all kinds of chattels and real estate; the entering into of rental contracts on such assets, either as the lessor or lessee, and the provision of any service that is complementary to those mentioned above.

General Information

It was incorporated by a public deed dated 12 May 1998, granted at the Santiago Notary of Mrs María Gloria Acharán Toledo. An excerpt of the deed was registered on page 10.683, number 8.663, of the Santiago Trade Registry of 1998, and published in the Official Gazette on 16 May 1998.

Management

Chairman	Jorge Sabag S. (Vice-Chairman of Tanner Servicios Financieros S.A.)
Vice-Chairman	Derek Sassoon (CEO of Tanner Servicios Financieros S.A.)

TANNER INVESTMENTS SpA

Company Name

Tanner Investments SpA

Taxpayer ID N°

76.047.709-5

Legal Address

El Golf 40, office 902, Las Condes

Type of Entity

Joint-stock company

Subscribed and Paid-in Capital

USD23,266,980

Equity Attributable to Owners of the Parent

USD39,765,309

Equity Interest Held by the Parent Company (directly and indirectly)

99.9983%

Percentage of the Parent Company Investment in Assets

1.34%

Corporate Purpose

The purpose of the company is to: a) Make investments in all kinds of corporeal or incorporeal chattels or real estate, shares, bonds, debentures, quotas or options and any kind of securities with the power to manage such investments, b) Participate as a partner or shareholder in all types of companies in Chile and abroad, and c) Provide any kind

of economic, financial or investment consultancy services, and it may act on its own account or on behalf of third parties.

General Information

It was incorporated by a public deed issued on 31 December 2008, whose excerpt was registered on page 3672, number 2426, of the Santiago Trade Registry of 2009, and published in the Official Gazette on 27 January 2009.

Management

Chairman	Ricardo Massu M. (Chairman of Tanner Servicios Financieros S.A.)
Vice-Chairman	Jorge Sabag S. (Vice-Chairman of Tanner Servicios Financieros S.A.)
Director	Eduardo Massu M. (Director of Tanner Servicios Financieros S.A.)

Commercial Relationship with the Subsidiary

Tanner Servicios Financieros S.A. is a customer of Tanner Investments SpA.

Acts and Contracts Entered into with the Subsidiary

There is a service contract between Tanner Servicios Financieros S.A. and the subsidiary.

Personnel for the year ended 31 December 2021

Senior managers and executives	-
Professionals and technicians	13
Employees (and salespeople)	4
Total	17

TANNER CORREDORA DE BOLSA S.A.

Company Name

Tanner Corredores de Bolsa S.A.

Taxpayer ID N°

80.962.600-8

Legal Address

Avenida El Golf 40, office 902, Las Condes

Type of Entity

Privately held company

Subscribed and Paid-in Capital

USD21,776,183

Equity Attributable to Owners of the Parent

USD40,547,869

Equity Interest held by the Parent Company (directly and indirectly)

97.0447%

Percentage of the Parent Company Investment in Assets

1.42%

Corporate Purpose

The intermediation and brokerage of securities and securities trading on its own behalf with the aim of transferring rights thereto, as well as complementary activities authorised by the Financial Market Commission.

General Information

It was incorporated as Tanner y Compañía by a public deed dated 26 December 1939 granted by the Santiago Notary Public of Javier Echeverría Vial. An excerpt of such deed was registered on page 23, number 21, of the Santiago Trade Registry of 1940.

Management

Chairman	Derek Sassoon (CEO of Tanner Servicios Financieros S.A.)
Director	Gustavo Inostroza Aldunate (Treasury & Investments Division manager of Tanner Servicios Financieros S.A.)
Director	Sebastián Zarzar Ives
CEO	Andrés Barías Jara

Commercial Relationship with the Subsidiary

Tanner Servicios Financieros S.A. is a customer of the subsidiary.

Acts and Contracts Entered into with the Subsidiary

There is an office rental contract, provision of administrative services and terminal rental between Tanner Servicios Financieros S.A. and the subsidiary.

Personnel for the year ended 31 December 2021

Senior managers and executives	4
Professionals	19
Technicians	2
General total	25

TANNER FINANZAS CORPORATIVAS Ltda.

Company Name

Tanner Finanzas Corporativas Limitada

Taxpayer ID N°

76.029.825-5

Legal Address

Avenida El Golf 40, office 902, Las Condes

Type of Entity

Limited liability company

Subscribed and Paid-in Capital

USD29,597

Equity Attributable to Owners of the Parent

USD1,220,355

Equity Interest held by the Parent Company (directly and indirectly)

97.74%

Percentage of the Parent Company Investment in Assets

0.04%

Corporate Purpose

The provision of any kinds of financial advisory and consultancy services, research, reports, gathering of information, studies and assessments, either on economic or financial issues, in projects, investments, businesses, companies, firms, corporations or partnerships. To advise on the restructuring of liabilities, acquisitions, reorganisations, splits, mergers, disposals, administration and management of companies and on other matters directly or indirectly related to the foregoing.

General Information

The company was incorporated by a public deed granted on 7 July 2008 at the Santiago Notary of Mr Patricio Raby Benavente. An excerpt of such deed was registered on page 31.790, number 21.809, of the Santiago Trade Registry of 2008, and published in the Official Gazette.

Commercial Relationship with the Subsidiary

There is no commercial relationship with the subsidiary.

Acts and Contracts Entered into with the Subsidiary

There are no acts and contracts entered into with the subsidiary.

FINANCO S.A.

Company Name

Financo S.A.

Taxpayer ID N°

91.711.000-K

Legal Address

Avenida El Golf 40, office 902, Las Condes

Type of Entity

Privately held company

Subscribed and Paid-in Capital

USD3,937,568

Equity Attributable to Owners of the Parent

USD12,131,704

Equity Interest held by the Parent Company (directly and indirectly)

97.67%

Percentage of the Parent Company Investment in Assets

0.43%

Corporate Purpose

a) The investment, reinvestment, purchase, sale, acquisition and disposal for any reason whatsoever of any kinds of corporeal and incorporeal chattels, securities, shares, loans, bonds, debentures, options, commercial papers in general, and any other security; manage and market such investments and receive their benefits and income. b) Acquire, build,

invest, dispose of and carry out all kinds of operations on real estate, exploit and manage them, receiving their benefits and income for any reason whatsoever. c) Project, conduct studies, plan, execute, design, supervise and advise on the undertaking of tangible or intangible works, such as studies, technical consultancy or others. d) Participate in companies, establish them, modify them, manage them, dissolve them and liquidate them, carry out mandates, commissions and representation of any kind, undertake brokerage and intermediation operations permitted by law for any person, and any kind of investment businesses with tangible and intangible assets.

General Information

The company was incorporated by a public deed granted on 19 January 1957 at the Santiago Notary of Pedro Ávalos. An excerpt of such deed was registered on the back of page 115, N°67, of the Santiago Trade Registry of 1958.

Management

Chairman	Eduardo Massu M. (Director of Tanner Servicios Financieros S.A.)
Director	Ricardo Massu M. (Chairman of Tanner Servicios Financieros S.A.)
CEO	Jorge Sabag S. (Vice-Chairman of Tanner Servicios Financieros S.A.)

Commercial Relationship with the Subsidiary

There is no commercial relationship with the subsidiary.

Acts and Contracts Entered into with the Subsidiary

There are no acts and contracts entered into with the subsidiary.

TANNER SERVICIOS FINANCIEROS S.A. AND SUBSIDIARIES

at 31 December 2021 and 2020

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Ch\$/CLP	=	Chilean pesos
Ch\$'000/ThCh\$	=	Thousands of Chilean pesos
Ch\$ million	=	Millions of Chilean pesos
UF	=	Unidades de Fomento
CHF	=	Swiss franc
EUR	=	Euro
UF'000/ThUF	=	Thousands of Unidades de Fomento
UF million	=	Millions of Unidades de Fomento
US\$/USD	=	United States dollar
US\$'000/ThUS\$	=	Thousands of United States dollars
CHF'000	=	Thousands of Swiss francs
IAS	=	International Accounting Standards
IFRS	=	International Financial Reporting Standards
IFRIC	=	International Financial Reporting Interpretations Committee

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FINANCIAL STATEMENTS



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INDEPENDENT AUDITOR'S REPORT

To the shareholders and directors of Tanner Servicios Financieros S.A. and Subsidiaries:

We have audited the accompanying consolidated financial statements of Tanner Servicios Financieros S.A. and its Subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, and the related consolidated statements of income and other 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 accordance with International Financial Reporting Standards; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from 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 Auditing Standards Generally Accepted 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 auditor's judgement, including the assessment of the risk 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 express no such 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 Tanner Servicios Financieros S.A. and its Subsidiaries as of December 31, 2021 and 2020, and the results of their operations and their cash flows for the years then ended in accordance with International Financial Reporting Standards.

A handwritten signature in black ink, appearing to read 'Danissa Castillo G.', with a stylized flourish at the end.

Danissa Castillo G.
KPMG SpA

Santiago, February 16, 2022

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

At 31 December 2021 and 2020

(Expressed in Ch\$'000)

ASSETS	Note	31.12.2021	31.12.2020
		Ch\$'000	Ch\$'000
Current assets			
Cash and cash equivalents	7	57,913,123	120,079,967
Other current financial assets	8	129,552,970	79,934,350
Other current non-financial assets	9	2,010,047	3,057,983
Trade and other receivables, net, current	10	974,486,377	733,204,840
Receivables due from related parties, current	12	5,843,527	4,902,407
Current tax assets	16	12,218,434	6,644,839
Total current assets other than assets or asset groups for disposal classified as held-for-sale or held for distribution to the owners		1,182,024,478	947,824,386
Non-current assets or asset groups for disposal classified as held-for-sale	13	9,841,754	4,798,124
Total current assets		1,191,866,232	952,622,510
Non-current assets			
Other non-current financial assets	8	73,767,916	55,033,256
Other non-current non-financial assets	9	7,301,206	5,181,408
Trade and other receivables, non-current	10	470,056,060	391,804,793
Trade receivables due from related parties, non-current	12	201,613	33,719
Intangible assets other than goodwill	17	5,213,428	6,637,324
Goodwill	18	1,639,828	1,639,828
Property, plant and equipment	14	8,913,120	10,307,650
Investment property	15	-	11,317,684
Deferred tax assets	16	34,348,005	31,218,162
Total non-current assets		601,441,176	513,173,824
TOTAL ASSETS		1,793,307,408	1,465,796,334

Notes 1 to 37 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

At 31 December 2021 and 2020

(Expressed in Ch\$'000)

LIABILITIES AND EQUITY	Note	31.12.2021	31.12.2020
		Ch\$'000	Ch\$'000
Current liabilities			
Other current financial liabilities	19	750,921,174	516,388,958
Trade and other payables, current	21	145,377,924	116,448,669
Other short-term provisions	22	-	508,424
Current tax liabilities	16	4,983,943	3,261,504
Current provisions for employee benefits	23	3,889,469	950,497
Total current liabilities		905,172,510	637,558,052
Non-current liabilities			
Other non-current financial liabilities	20	540,704,637	510,195,435
Non-current provisions for employee benefits	23	273,753	299,760
Total non-current liabilities		540,978,390	510,495,195
TOTAL LIABILITIES		1,446,150,900	1,148,053,247
EQUITY			
Share capital	24	195,223,800	195,223,800
Retained earnings	24	152,392,875	127,135,981
Other reserves	24	(1,424,504)	(5,541,937)
Total equity attributable to the owners of the Parent		346,192,171	316,817,844
Non-controlling interests	25	964,337	925,243
TOTAL EQUITY		347,156,508	317,743,087
TOTAL LIABILITIES AND EQUITY		1,793,307,408	1,465,796,334

Notes 1 to 37 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME BY FUNCTION

For the years ended at 31 December 2021 and 2020

(Expressed in Ch\$'000)

CONSOLIDATED STATEMENTS OF INCOME BY FUNCTION		01.01.2021 to 31.12.2021 Ch\$'000	01.01.2020 to 31.12.2020 Ch\$'000
Profit			
Revenue	29	189,362,562	197,655,247
Cost of sales	29	(79,316,381)	(93,048,462)
Gross profit		110,046,181	104,606,785
Other operating items			
Impairment losses	30	(19,814,290)	(24,114,843)
Administrative expenses	29	(51,434,310)	(46,101,811)
Other gains (losses)	31	(581,869)	(1,486,619)
Finance income	-	-	2,368
Finance costs	-	(388,131)	(448,540)
Foreign exchange differences	6	635,275	137,618
Gain from indexation units	-	191,332	280,259
Profit before tax		38,654,188	32,875,217
Income tax	16	(2,512,265)	(5,364,277)
Profit (loss) from continuing operations		36,141,923	27,510,940
Profit for the year		36,141,923	27,510,940
Profit (loss) attributable to:			
Owners of the Parent		36,082,344	27,326,973
Non-controlling interests	25	59,579	183,967
Profit for the year		36,141,923	27,510,940

Notes 1 to 37 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME

For the years ended at 31 December 2021 and 2020

(Expressed in Ch\$'000)

CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME	01.01.2021 to 31.12.2021 Ch\$'000	01.01.2020 to 31.12.2020 Ch\$'000
Profit for the year	36,853,528	27,510,940
Other comprehensive income that will be reclassified to profit for the year		
Hedging reserves	6,712,042	(8,707,418)
Reserve for financial assets at fair value through other comprehensive income	(1,123,152)	(1,116,523)
Reserve for actuarial gains or losses on defined benefit plans	68,308	(27,905)
Reclassification adjustments, available-for-sale financial assets, before tax	40,918	607,871
Income tax for components of other comprehensive income that will be reclassified to profit for the year		
Income tax related to hedging reserves	(1,812,251)	2,351,003
Income tax related to the reserve for financial assets at fair value through other comprehensive income	303,251	301,461
Income tax related to remeasurement of defined benefit plans in other comprehensive income	(18,443)	7,534
Income tax related to reclassification adjustments, available-for-sale financial assets	(11,048)	(164,125)
Total other comprehensive income from hedging reserves	4,899,791	(6,356,415)
Total other comprehensive income from the fair value reserve	(790,031)	(371,316)
Total other comprehensive income from the reserve for actuarial gains or losses	49,865	(20,371)
Total comprehensive income for the year	40,301,548	20,762,838
Comprehensive income and expenses attributable to:		
Owners of the Parent	40,257,289	20,580,284
Non-controlling interests	44,259	182,554
Total comprehensive income for the year	40,301,548	20,762,838

Notes 1 to 37 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended at 31 December 2021 and 2020

(Expressed in Ch\$'000)

2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Notes	Share capital	Reserves					Retained earnings	Equity attributable to owners of the Parent	Non-controlling interests	Total equity
			Hedging reserves	Fair value reserve	Actuarial gain and loss reserve	Others	Total other reserves				
		Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance, current year at 01.01.2021	24	195,223,800	(5,568,945)	(581,121)	(21,390)	629,519	(5,541,937)	127,135,981	316,817,844	925,243	317,743,087
Increase (decrease) due to restatement		-	-	-	-	(57,512)	(57,512)	-	(57,512)	-	(57,512)
Restated balance at 01.01.2021		195,223,800	(5,568,945)	(581,121)	(21,390)	572,007	(5,599,449)	127,135,981	316,760,332	925,243	317,685,575
Changes in equity											
Comprehensive income											
Income in the year		-	-	-	-	-	-	36,082,344	36,082,344	59,579	36,141,923
Other comprehensive income		-	4,899,791	(774,711)	49,865	-	4,174,945	-	4,174,945	(15,320)	4,159,625
Total comprehensive income in the period		-	4,899,791	(774,711)	49,865	-	4,174,945	36,082,344	40,257,289	44,259	40,301,548
Transactions with owners of the Parent (contributions and distribution)											
Dividends	24	-	-	-	-	-	-	(10,825,450)	(10,825,450)	(5,165)	(10,830,615)
Increase (decrease) due to other owners' contributions	24	-	-	-	-	-	-	-	-	-	-
Decrease (increase) due to other distributions to the owners	24	-	-	-	-	-	-	-	-	-	-
Increase (decrease) from transfers and other changes	24	-	-	-	-	-	-	-	-	-	-
Increase (decrease) from changes in the interest in subsidiaries that do not entail loss of control	24	-	-	-	-	-	-	-	-	-	-
Total contributions and distribution		-	-	-	-	-	-	(10,825,450)	(10,825,450)	(5,165)	(10,830,615)
Total transactions with the owners of the company		-	4,899,791	(774,711)	49,865	-	4,174,945	25,256,894	29,431,839	39,094	29,470,933
Balance at 31.12.2021		195,223,800	(669,154)	(1,355,832)	28,475	572,007	(1,424,504)	152,392,875	346,192,171	964,337	347,156,508

Notes 1 to 37 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended at 31 December 2021 and 2020

(Expressed in Ch\$'000)

2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Notes	Share capital	Reserves					Retained earnings	Equity attributable to owners of the Parent	Non-controlling interests	Total equity
			Hedging reserves	Fair value reserve	Actuarial gain and loss reserve	Others	Total other reserves				
		Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance, prior year at 01.01.2020	24	195,223,800	787,470	(211,218)	(1,019)	629,519	1,204,752	107,978,073	304,406,625	2,644,927	307,051,552
Increase (decrease) due to restatement		-	-	-	-	-	-	-	-	-	-
Restated initial balance at 1 January 2020		195,223,800	787,470	(211,218)	(1,019)	629,519	1,204,752	107,978,073	304,406,625	2,644,927	307,051,552
Changes in equity											
Comprehensive income											
Income in the year		-	-	-	-	-	-	27,326,973	27,326,973	183,967	27,510,940
Other comprehensive income		-	(6,356,415)	(369,903)	(20,371)	-	(6,746,689)	-	(6,746,689)	(1,413)	(6,748,102)
Total comprehensive income in the period		-	(6,356,415)	(369,903)	(20,371)	-	(6,746,689)	27,326,973	20,580,284	182,554	20,762,838
Transactions with owners of the Parent (contributions and distribution)											
Dividends	-	-	-	-	-	-	-	(8,199,126)	(8,199,126)	(1,902,238)	(10,101,364)
Increase (decrease) due to other owners' contributions	-	-	-	-	-	-	-	-	-	-	-
Decrease (increase) due to other distributions to the owners	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) from transfers and other changes	-	-	-	-	-	-	-	30,061	30,061	-	30,061
Increase (decrease) due to transactions with own stock holdings		-	-	-	-	-	-	-	-	-	-
Total contributions and distribution		-	-	-	-	-	-	(8,169,065)	(8,169,065)	(1,902,238)	(10,071,303)
Total transactions with the owners of the company		-	(6,356,415)	(369,903)	(20,371)	-	(6,746,689)	19,157,908	12,411,219	(1,719,684)	10,691,535
Balance at 31.12.2020		195,223,800	(5,568,945)	(581,121)	(21,390)	629,519	(5,541,937)	127,135,981	316,817,844	925,243	317,743,087

Notes 1 to 37 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS - DIRECT METHOD

For the years ended 31 December 2021 and 2020

(Expressed in Ch\$'000)

CONSOLIDATED STATEMENTS OF CASH FLOWS	Note	01.01.2021	01.01.2020
		31.12.2021	31.12.2020
		Ch\$'000	Ch\$'000
Cash flows from operating activities			
Cash receipts from the sale of goods and rendering of services		2,932,882,619	2,361,227,169
Cash payments to suppliers for goods and services		(3,085,683,264)	(2,156,208,282)
Cash payments to and on behalf of employees		(28,659,058)	(24,566,538)
Dividends paid		(5,832)	(21,024)
Dividends received		220,255	173,098
Income tax paid (reimbursed)		(19,881,192)	(4,823,431)
Other cash receipts (payments)		(1,024,805)	(2,629,903)
Cash flows from (used in) operating activities		(202,151,277)	173,151,089
Other receipts from the sale of equity or debt securities of other entities		2,380,480,214	1,760,297,554
Other payments to acquire equity or debt securities of other entities		(2,376,529,866)	(1,705,634,943)
Cash receipts from the sale of property, plant and equipment		550	-
Purchases of property, plant and equipment	14.b	(587,780)	(614,631)
Purchases of intangible assets	17	(1,069,247)	(1,669,373)
Cash payments for futures, forwards, share options and swap contracts		(755,946,877)	(950,191,181)
Cash receipts for futures, forwards, share options and swap contracts		773,747,805	993,755,040
Interest received		4,512,500	25,343,889
Cash flows from the sale of non-controlling interests		-	1,369,156
Other cash receipts (payments)		-	-
Cash flows from (used in) investing activities		24,607,299	122,655,511
Proceeds from borrowings		1,505,895,149	943,751,457
Repayment of borrowings		(1,351,320,682)	(1,111,423,421)
Payments of finance lease liabilities	19.d	(1,089,199)	(1,079,909)
Dividends paid		(8,198,841)	(9,615,819)
Interest paid		(31,289,981)	(50,073,702)
Cash flows from (used in) financing activities		113,996,446	(228,441,394)
Net increase (decrease) in cash and cash equivalents before the effect of changes in exchange rates		(63,547,532)	67,365,206
Effect of changes in exchange rates on cash and cash equivalents		1,380,688	(945,556)
Net increase (decrease) in cash and cash equivalents		(62,166,844)	66,419,650
Cash and cash equivalents at 1 January		120,079,967	53,660,317
Cash and cash equivalents at 31 December		57,913,123	120,079,967

Notes 1 to 37 are an integral part of these consolidated financial statements.

Note 1. Company information

Tanner Servicios Financieros S.A., hereinafter referred to as the Company or Firm, was incorporated in Chile in 1993 as a closely-held corporation with the name of Bifactoring S.A. In 1999, the Company changed its name to Factorline S.A., and in 2011 to Tanner Servicios Financieros S.A.

It is governed by the legal regulations laid down in Law N°18.046 and registered under N°777 in the Securities Registry of Chile's Financial Market Commission (CMF, according to the Spanish acronym). For tax effects, the Company's taxpayer ID number is 96.667.560-8.

The Company's registered address is Huérfanos 863, floor 10, Santiago, Chile and its website is www.tanner.cl.

The Company's main purpose is the purchase or financing of accounts receivable with or without liability of any company or natural person (factoring), to provide various kinds of loans such as financing for the purchase of vehicles and for general purposes, as well as services provided by its subsidiaries, including Tanner Leasing S.A., Tanner Corredora de Seguros Ltda., Tanner Leasing Vendor Ltda. and Tanner Investments SpA., together with the subsidiaries Financo S.A., Tanner Finanzas Corporativas Ltda., and Tanner Corredores de Bolsa S.A.

Note 2. Significant accounting policies

The significant accounting policies adopted to prepare these consolidated financial statements are outlined below.

Bases of presentation and period:

These consolidated financial statements are stated in thousands of Chilean pesos, which is the Company's functional and presentation currency.

a) Period covered

These consolidated financial statements cover the following periods:

- i. Consolidated statement of financial position at 31 December 2021 and 2020.
- ii. Consolidated statement of income by function for the years ended 31 December 2021 and 2020, respectively.
- iii. Consolidated statement of comprehensive income for the years ended 31 December 2021 and 2020, respectively.
- iv. Consolidated statement of changes in equity for the periods from 1 January to 31 December 2021 and 2020.
- v. Consolidated statement of cash flows – direct method, for the periods from 1 January to 31 December 2021 and 2020.
- vi. Notes to the consolidated financial statements.

b) Preparation bases

I. Application

These consolidated financial statements of Tanner Servicios Financieros S.A. and its subsidiaries for the years ended 31 December 2021 and 2020 have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

These consolidated financial statements were approved by the board of directors in an extraordinary board meeting held on 16 February 2022.

These consolidated financial statements have been prepared using the historical cost convention, except for the revaluation of certain financial assets and liabilities (including derivative instruments) at fair value.

II. New requirements currently effective

As of the issuance date of these consolidated financial statements, new accounting amendments, standards, improvements and interpretations have been published.

These standards, interpretations and amendments are mandatory as of the date indicated below:

a) Standards, interpretations and amendments that are mandatory for the first time for annual periods beginning on 1 January 2021.

Standards and interpretations	Mandatory for annual periods beginning on
Amendments to IFRS	
Interest Rate Benchmark Reform Amendments to IFRS 9, IAS 39, IFRS 4, IFRS 7 and IFRS 16)	01.01.2021
COVID-19-related Rent Concessions beyond 31 December 2021 (Amendments to IFRS 16)	01.07.2021

The adoption of the aforementioned standards, amendments and interpretations had no major impact on the Company’s consolidated financial statements.

b) Standards, interpretations and amendments that are not mandatory yet, and which have not been adopted early.

Standards and interpretations	Mandatory for annual periods beginning on
Amendments to IFRS	
Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)	01.01.2022
Annual Improvements to IFRS 2018-2020 Cycle	01.01.2022
Property, Plant and Equipment - Proceeds before Intended Use (Amendments to IAS 16)	01.01.2023
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	01.01.2022
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Effective date postponed indefinitely
Reference to the Conceptual Framework (Amendments to IFRS 3)	01.01.2022
Disclosure of Accounting Policies (Amendments to IAS 1 and Practice Statement 2 Making Materiality Judgements)	01.01.2023
Definition of Accounting Estimates (Amendments to IAS 8)	01.01.2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	01.01.2023
Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Amendments to IFRS 17)	The amendment is applicable as of applying IFRS 17 – Insurance Contracts

Management is assessing the impact of adopting the standards, interpretations and amendments indicated above on the Company’s consolidated financial statements in the period when they are first applied.

c) Basis of consolidation

These consolidated financial statements include the financial statements of Tanner Servicios Financieros S.A. and the controlled companies (subsidiaries). As indicated in IFRS 10, to obtain control of a company the following conditions must be met:

- i. Have control of the investee.
- ii. Be exposed or entitled to variable returns from the investment.
- iii. Have the ability to influence those returns through control of the investee.

Subsidiaries are consolidated from the date when control is transferred to the Company to the date when such control ceases.

The acquisition method is used to account for the acquisition of a subsidiary by the Company. In general, the acquisition cost is the fair value of the assets and equity amounts delivered and liabilities incurred or assumed on the exchange date, plus the costs directly attributable to the acquisition. The identifiable assets acquired and identifiable liabilities and contingencies assumed in a business combination are initially measured at their fair value as of the acquisition date, regardless of the scope of minority interests. The excess of the acquisition cost over the fair value of the Company's share of the net identifiable assets acquired, if any, is recognised as goodwill. If the acquisition cost is lower than the fair value of the net assets of the subsidiary acquired, if any, the difference is recognised directly in the statement of income.

c.1) Business combinations

The Company accounts for business combinations using the acquisition method when control is transferred to the Company. The consideration transferred in the acquisition is generally measured at fair value just as the net identifiable assets acquired. Any resulting goodwill is tested annually for impairment. Any bargain purchase gain is immediately recognised in profit and loss. Transaction costs are expensed when incurred, except if they are related to issuing debt or equity securities.

The consideration transferred does not include amounts related to the winding-up of pre-existing relationships. Such amounts are generally recognised in profit and loss.

Any contingent consideration is measured at fair value as of the acquisition date. If an obligation to pay the contingent consideration meeting the definition of financial instruments is classified as equity, it shall not be remeasured and its subsequent settlement shall be accounted for in equity. If this is not the case, the contingent consideration is measured again at fair value on each reporting date and the subsequent changes in the fair value of the contingent consideration are recognized in profit and loss.

i. Subsidiaries

Subsidiaries are entities controlled by the Company. The Company "controls" an entity when it is exposed or entitled to variable returns from its involvement with the investee and has the ability to influence those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date when control commences until the date when such control ceases.

ii. Non-controlling interests

Non-controlling interests are initially measured at the proportional share of the acquiree's net identifiable assets as of the acquisition date.

Changes in the Group's interest in a subsidiary that do not lead to a loss of control are accounted for as equity transactions.

iii. Loss of control

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, any related non-controlling interests and other components of equity. Any gain or loss that arises is recognised in profit and loss or the amounts recognised in other comprehensive income regarding the subsidiary will be transferred directly to retained earnings if required by other IFRS. If the Group retains an interest, the significant inter-company transactions and balances arising from transactions performed by Tanner Servicios Financieros S.A. and its subsidiaries and among them were eliminated in the consolidation process, also indicating the non-controlling interests corresponding to the percentage of third-party interests in the subsidiaries, which the Company does not directly or indirectly own, and this is shown separately in the consolidated statement of changes in equity of Tanner Servicios Financieros S.A.

The table below show the entities in which the Company has a direct or indirect interest and are part of the consolidation of these consolidated financial statements:

Taxpayer ID No.	Company	Country	Currency	Interest Percentage					
				31.12.2021			31.12.2020		
				Direct	Indirect	Total	Direct	Indirect	Total
96.912.590-0	Tanner Leasing S.A.	Chile	CLP	99.9900%	-	99.9900%	99.9900%	-	99.9900%
77.164.280-2	Tanner Leasing Vendor Limitada	Chile	CLP	99.9900%	0.0100%	100.0000%	99.9900%	0.0100%	100.0000%
76.133.889-7	Tanner Corredora de Seguros Limitada	Chile	CLP	99.9900%	0.0100%	100.0000%	99.9900%	0.0100%	100.0000%
93.966.000-3	Tanner Investments SpA	Chile	CLP	99.9983%	-	99.9983%	99.9983%	-	99.9983%
91.711.000-K	Financo S.A.	Chile	CLP	3.6405%	94.0251%	97.6656%	3.6405%	94.0251%	97.6656%
76.029.825-5	Tanner Finanzas Corporativas Limitada	Chile	CLP	-	97.7432%	97.7432%	-	97.7432%	97.7432%
80.962.600-8	Tanner Corredores de Bolsa S.A.	Chile	CLP	-	97.0447%	97.0447%	-	97.0447%	97.0447%
76.620.928-9	Tanner Asset Management Administradora General de Fondos S.A. (*)	Chile	CLP	0.0000%	0.0000%	0.0000%	99.9918%	0.0082%	100.0000%

(*) On 30 December 2021, the Company transferred all the shares of Tanner Asset Management AGF S.A. to Taurus SpA., and Tanner Leasing S.A. transferred all its shares to Mr Pedro Avendaño Canales. Such transaction was performed at carrying amount without resulting a gain or loss from the sales.

Tanner Finanzas Corporativas Ltda. and Tanner Corredores de Bolsa S.A. are subsidiaries of Financo S.A., which in turn is a subsidiary of Tanner Investments SpA.

d) Investments in companies

The interests in related companies on which the Company has significant influence are recorded using the equity method. The significant influence is generally presumed in those cases in which the Company has an interest of over 20% of the voting power of the investee.

This method entails recording the interest that an investor company holds in another company. The investment is valued by adjusting the carrying amount of the asset to the interest held by the investor company in the equity of the investee. If the investment value becomes negative, the interest therein is recorded as nil.

After the investor has reduced the value of its investment to nil, additional losses will only be recognised as liabilities to the extent that it has incurred legal obligations or made payments on behalf of the associate. If the associate subsequently obtains profits, the investor company shall continue to recognise its share of such profits when its share thereof is the same as its share of the unrecognised losses.

The dividends received from these companies are stated by reducing the interest value and profit and loss obtained by these companies, which correspond to the Company as per its interest, and are recorded in the item "Share of the profit (loss) of associates accounted for using the equity method."

The Company currently has no investments of this kind.

e) Goodwill

Goodwill represents the excess acquisition cost of the fair value of the Company's share of the net identifiable assets of the subsidiary/related company acquired on the acquisition date. Goodwill recognised separately is tested annually for impairment and measured at cost less accrued impairment losses.

Gains and losses from the sale of an entity include the carrying amount of goodwill related to the entity disposed.

The goodwill acquired is allocated to cash-generating units to undertake impairment tests. The distribution is performed between those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination generating the goodwill.

Negative goodwill from the acquisition of an investment or business combination is credited directly to the consolidated statement of comprehensive income.

The breakdown of goodwill at 31 December 2021 and 2020 is shown in Note 18 to these consolidated financial statements.

f) Use of estimates and judgements

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the amounts of the assets, liabilities, revenue and expenses stated. The actual results may differ from these estimates. These estimates made based on the best information available basically relate to the following:

- i. Impairment losses of certain assets (Note 4)
- ii. The fair value of financial assets and liabilities (Notes 8, 19 and 20)
- iii. The fair value of investment property (Note 15)
- iv. Estimation of credit risk (Note 10)
- v. The useful life of property, plant and equipment, investment property and intangible assets other than goodwill (Notes 14, 15 and 17)
- vi. Income tax and deferred taxes, the latter based on estimates (Note 16)
- vii. The valuation of goodwill (Note 18)
- viii. Provision for employee benefits (Note 23)
- ix. Contingencies and restrictions (Note 27)

For the year ended 31 December 2021, there were no material changes in the estimates made at the closing of 2020, other than those indicated in these consolidated financial statements.

g) Foreign currency and basis of translation

Assets and liabilities expressed in US dollars, euros, Swiss francs and UF have been translated into Chilean pesos at the exchange rates prevailing as of the closing date of the consolidated financial statements, as follows:

Currency	31.12.2021 Ch\$	31.12.2020 Ch\$
U.S. dollar observed rate	844.69	710.95
Euro	955.64	873.30
Swiss franc	923.66	804.97
Unidad de Fomento	30,991.74	29,070.33

Transactions in currencies other than the functional currency are considered as transactions in foreign currencies and are initially recorded at the exchange rate of the functional currency as of the date of the transaction, in accordance with IAS 21.

h) Functional and presentation currency and hyperinflationary conditions

The amounts included in the consolidated financial statements of Tanner Servicios Financieros S.A. and subsidiaries are valued using the currency of the primary economic environment in which the entity operates (functional currency).

The functional currency of the Company and all its subsidiaries, according to the analysis of International Accounting Standard (IAS) 21 - Effects of Changes in Foreign Exchange Rates, is the Chilean peso, which is not a hyperinflationary currency during the reporting period, in accordance with IAS 29 - Financial Reporting in Hyperinflationary Economies.

i) Property, plant and equipment

The property, plant and equipment acquired is used in the Company's line of business and is initially recognised at cost. Such assets are subsequently measured in accordance with IAS 16 using the cost method less the corresponding accrued depreciation and the accumulated impairment losses, if any. The rest of the items of property, plant and equipment, at both their initial recognition and subsequent measurement, are measured at the historical cost less the corresponding depreciation and impairment losses. Depreciation is applied using the straight-line method, considering the years of useful life for each type of asset.

Management reviews the estimated useful lives of property, plant and equipment at the end of each financial year. During the year, management determined that there were no material changes in the estimated useful lives of property, plant and equipment.

The useful life of property, plant and equipment items is as follows:

Items	Useful life or depreciation rate (in years)	
	Minimum	Maximum
Constructions	38	38
Refurbishments (*)	4	12
Technological equipment	1	7
Other fixed assets	1	7
Right-of-use (*)	5	12

(*) The useful life extends for the term of the lease contract (IFRS 16).

I. Valuation and revaluation

Items of property, plant and equipment are recognised at initial cost less depreciation and accumulated impairment losses, if any. The initial cost of property, plant and equipment includes expenses directly attributable to their acquisition.

Subsequent costs are included in the value of the initial asset or recognised as a separate asset, only when it is likely that the future economic benefits associated with the item of property, plant and equipment will flow to the Company and the cost of the item can be calculated reliably. The value of the replaced component is derecognised.

The repairs and maintenance of items of property, plant and equipment are charged to profit and loss in the year in which they are incurred.

II. Impairment losses of non-financial assets

Non-financial assets subject to amortisation are tested for impairment losses whenever any event or internal or external change in the Company's standing indicates that the carrying amount may be unrecoverable.

An impairment loss is recognised for the amount by which an asset's carrying amount exceeds its recoverable amount.

An impairment loss related to goodwill is not reversed. Impairment losses recognised in prior financial years are assessed on each reporting date for any indication that the loss has declined or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is only reversed when the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

The recoverable amount is the fair value of an asset less the sale costs or the value-in-use, whichever is higher.

To appraise impairment losses, non-financial assets are grouped into the smallest group of assets for which there are separate identifiable cash flows (cash-generating units).

j) Depreciation method

Depreciation of assets comprising property, plant and equipment is calculated using the straight-line method. The residual value and remaining useful lives of assets are reviewed and adjusted if necessary on each closing of the balance sheet. When the value of an asset is greater than its estimated recoverable amount, its value is reduced immediately to its recoverable amount and charged to profit and loss for the year (unless it can be offset with a previous positive revaluation, charged to equity).

Profits and losses of the sale of property, plant and equipment are calculated by comparing the proceeds obtained from the sale with the carrying amount and are included in the statement of income.

k) Investment property

Investment property is initially measured at cost and subsequently at fair value through profit and loss. Investment property is land and buildings held by the Company to generate goodwill and/or income but not to be used in the normal course of its business, and is recorded at fair value less any impairment loss. Such fair value was determined by independent external appraisers with renowned professional skills in the location, who applied the market approach to calculate such value.

Any profit and loss arising from the disposal of investment property (calculated as the difference between the net profit from disposal and the carrying amount of the item) is recognised in profit and loss, specifically in the item impairment loss.

The income from investment property leases is recognised as income on a straight-line basis over the lease term. The lease incentives granted are recognised as an integral part of the lease income during the term of the lease.

l) Non-current assets classified as held-for-sale

The Company holds assets received in payment related to the auto financing and leasing operating segments, which are classified within this item, considering that management is committed to liquidating such assets in the short term and that they are available in their current condition for immediate sale. Those investments classified as continuing operations are in turn stated.

These assets, or asset groups held for disposal, are measured at the lower of their carrying amount and fair value less the sale costs.

The breakdown of assets classified within this item is shown in Note 13 to these consolidated financial statements. The profit and loss arising from the measurement at the lower of their carrying amount and fair value less the sale costs are recognised in profit and loss, specifically in the item impairment loss.

m) Intangible assets

The costs directly related to the purchase of unique and identifiable computer programmes controlled by the Company, which are likely to generate higher economic benefits than their cost for more than one year, are recognised as intangible assets. It is estimated that the costs of purchasing computer programmes recognised as intangible assets will be amortised over a period of 3 to 5 years.

Expenses for the internal development or maintenance of computer programmes are recognised as expenses when they are incurred.

n) Financial assets and liabilities

Financial assets

The Company classifies its financial assets pursuant to IFRS 9 into categories based on its business model to manage them according to the characteristics of contractual cash flows, and this is determined on their initial recognition.

On initial recognition, the Company will classify its financial assets as subsequently measured at amortised cost, at fair value through other comprehensive income or at fair value through profit and loss.

I. Investment instruments at amortised cost

A financial asset will be measured at amortised cost if the following two conditions are met:

- a) The financial asset is held within a business model whose aim is to hold the financial assets to attain the contractual cash flows, and
- b) The contractual conditions of the financial asset generate, on specific dates, cash flows that are only payments of the principal owed and interest on the outstanding amount of the principal owed.

Investments classified at amortised cost are recorded at their cost plus accrued interest and adjustments, less the provisions established for expected losses under IFRS 9 when the amount stated is higher than the present value of estimated future cash flows.

II. Investment instruments at fair value through other comprehensive income

A financial asset will be measured at fair value through other comprehensive income if the following conditions are met:

- a) The financial asset is held within a business model whose aim is attained by obtaining contractual cash flows and disposing of financial assets, and
- b) The contractual conditions of the financial asset generate, on specific dates, cash flows that are only payments of the principal owed and interest on the outstanding amount of the principal owed.

Investment instruments classified in this category are recognised at their fair value based on market prices or valuations obtained using internal models, as applicable. Unrealised profits and losses arising from changes in the fair value are recognised with a charge or credit to “financial assets at fair value through equity” in other comprehensive income within equity. When these investments are sold or impaired, the amount of the adjustment to fair value accumulated in other comprehensive income is transferred to the consolidated statement of income.

III. Investment instruments at fair value through profit and loss

A financial asset shall be measured at fair value through profit and loss unless it is measured at amortised cost or fair value through other comprehensive income.

Investment instruments classified in this category are acquired to gain benefits in the short term from price fluctuations. This group includes the trading instrument portfolio and financial derivative contracts that are not deemed to be hedge accounting.

Impairment of financial assets

The Company recognises allowances for expected credit losses for:

- Financial assets measured at amortised cost.
- Debt investments measured at fair value through other comprehensive income, and
- Contract assets.

On each reporting date, the Company assesses whether the financial assets recorded at amortised cost and debt securities at fair value through other comprehensive income have undergone credit impairment. A financial asset has “credit impairment” if one or more events have occurred that have a detrimental impact on the estimated future cash flows of the financial asset.

Credit losses expected over life are credit losses arising from all the possible events of non-compliance over the expected life of a financial instrument.

Allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

In the case of debt securities at fair value through other comprehensive income, the allowance is charged to profit and loss and recognised in other comprehensive income.

Financial liabilities

The Company classifies all financial liabilities as subsequently measured at amortised cost, except in the case of:

- a) Financial liabilities at fair value through profit and loss. These liabilities, including derivatives, will subsequently be measured at fair value.
- b) Financial liabilities arising from a transfer of financial assets which do not meet the requirements for their derecognition or which are accounted for using the continuing involvement approach.
- c) Financial guarantee contracts.
- d) Commitments to grant a loan at a lower interest rate than the market rate.
- e) Contingent consideration recognised by an acquirer in a business combination for which IFRS 3 is applicable.

For reporting purposes, the Company classifies its financial liabilities into the following categories:

- i. **Other current financial liabilities:** this item includes the short-term portion of the Company’s financial liabilities, including domestic and foreign borrowings, corporate bond issues, commercial papers and lease obligations. They are all stated at amortised cost and the effective interest rate is applied.
- ii. **Other non-current financial liabilities:** this item includes the long-term portion of the Company’s financial liabilities, including domestic and foreign borrowings, corporate bond issues, commercial papers and lease obligations. They are all stated at amortised cost and the effective interest rate is applied.

iii. Trade and other payables, current: this item includes the payables related to the factoring business, such as sundry payables, surpluses to be refunded, customer advances, among others. These obligations are initially recognised at their fair value and are subsequently stated at amortised cost using the effective interest rate method.

o) Derivative contracts

The contracts entered into by the Company are initially recognised at their fair value on the date the derivative contract was entered into and are subsequently remeasured at fair value. The method used to recognise the resulting profit and loss depends on whether the derivative has been designated as a hedging instrument and, if so, the nature of the item it is hedging.

The Company documents at the beginning of the transaction the relationship between hedging instruments and hedged items, as well as the risk management objectives and the management approach for several hedge transactions. The Company also documents its assessment, both at the beginning and on a continuing basis, to verify whether the derivatives used in the hedge transactions are highly effective to offset changes in the fair value or in the cash flows of the hedged items.

The total fair value of hedge derivatives is classified as a non-current asset or liability if the remaining maturity of the hedged item is higher than 12 months and as a current asset or liability if the remaining maturity of the hedged item is lower than 12 months. Unrealised profit and loss is recognised in the period in which contracts are performed or no longer meet the objective for which they were entered into.

The Company applies the valuation and record established in IFRS 9 for these kinds of financial instruments.

Derivative contracts are subject to offsetting, i.e., they are stated in the consolidated statement of financial position at their net value, only when dependent subsidiaries have both the legally enforceable right to offset the amounts recognised in the mentioned instruments and the intention of settling the net amount, or realising the asset and paying the liability simultaneously.

The Company designates certain derivatives as:

- i. Fair value hedges.
- ii. Cash flow hedges.

I. Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of income, along with any change in the fair value of the hedged asset or liability attributable to the hedged risk. As of the closing of these consolidated financial statements, the Company does not have these kinds of hedge instruments.

II. Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity through the statement of other comprehensive income. The profit and loss regarding the ineffective portion is immediately recognised in the item “other gains (losses)” of the statement of income. The amounts accrued in net equity are reclassified in the statement of income in the periods when the hedged item affects income (for example, when the forecasted sale being hedged occurs or the cash flow hedge is realised). Nevertheless, when the forecasted hedge transaction gives rise to recognition of a non-financial asset, the gain and loss previously recognised in equity is included as part of the asset’s initial cost.

When a hedge instrument expires or is sold, or no longer meets the criteria to be recognised using hedge accounting treatment, any gain or loss accrued in equity as of that date remains in equity and is recognised when the forecasted transaction affects the statement of income.

When the forecasted transaction is no longer expected to occur, the gain or loss accrued in equity is immediately transferred to the item “cost of sales” in the statement of income.

This amount is recorded in the item “other current financial assets” (Note 8a).

p) Income tax

- i. Current tax: the income tax expense in the period or financial year comprises current income tax and deferred tax. Tax is recognised in the consolidated statement of income by function, except when it entails items that are recognised directly in equity, in the consolidated statement of comprehensive income, or which arise from a business combination. The current income tax expense is calculated based on tax laws in force as of the date of the consolidated financial statements.

The Company will only offset its tax assets and liabilities if:

- (a) It has a legally enforceable right to offset the amounts recognised, and
- (b) It intends to liquidate them for the net amount or realise the asset and settle the liability simultaneously.

Current tax includes the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable related to previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received and reflects the uncertainty regarding income taxes, if any. It is measured using tax rates that have been approved or whose approval process is virtually complete as of the reporting date. Current tax also includes any tax arising from dividends.

- ii. De ferred taxes: these are calculated using the statement of financial position method for differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Nonetheless, if deferred taxes arise from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction does not affect either the accounting income or the tax profit and loss, they are not accounted for. Deferred tax is calculated using the regulation and tax rates enacted or substantially enacted at the closing date of the consolidated financial statements, and which are expected to be applied when the corresponding deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised when it is likely that future taxable profits will be available and against which they can be used. Future taxable profits are determined based on the business plans for individual subsidiaries of the Group, and the reversal of temporary differences.

The Company will only offset deferred tax assets with deferred tax liabilities if:

- (a) It has a legally enforceable right with the tax authority to offset the amounts recognised in those items, and
- (b) Deferred tax assets and liabilities arise from the income tax corresponding to the same tax authority.

The Company recognises deferred tax assets for unused tax losses, tax credits and deductible temporary differences, when it is likely that future taxable profits will be available against which they can be used. Future taxable profits are calculated based on the business plans for individual subsidiaries of the Group and the reversal of temporary differences. If the amount of temporary taxable differences is insufficient to fully recognise a deferred tax asset, future taxable profits, adjusted for reversals of existing temporary differences, are considered based on the business plans for the individual subsidiaries of the Group. Deferred tax assets are reviewed on each reporting date and are deducted when it is unlikely that the related tax benefits will be realised, and such reduction will be reversed when it is probable that sufficient taxable profit will be available.

Deferred tax must be measured using the tax rates that are expected to be applicable to temporary differences in the period in which they reverse, using tax rates that have been approved or virtually approved as of the reporting date, reflecting the uncertainty related to income taxes, if any.

q) Provisions

Provisions are recognised when the Company has (a) a present legal or constructive obligation as a result of past events, (b) it is likely that an outflow of resources will be necessary to settle the obligation, and (c) the amount has been estimated reliably. The provision for administrative expenses is recognised on an accrual basis, the provision for bonuses payable to employees is determined at 31 December of each year on an accrual basis using variable patterns determined by management, like for example: budget compliance, performance evaluation, etc., regarding which the applicability is analysed periodically.

r) Employee benefits

1. Employee bonuses

The Company recognises a liability and expense for bonuses when it is a contractual obligation or when due to the result on a certain date it is estimated they will be paid or accrued at year-end.

2. Severance indemnity payment

The Company records a liability for severance indemnity payment at all events for defined benefit plans, arising from the collective bargaining agreement entered into in 2018 and renewed on 15 June 2021 with the Workers' Union. This obligation is calculated by means of the actuarial value of the accrued cost of the benefit, a method that considers several factors for the calculation, such as estimates of future permanence, mortality rates, future wage increases and discount rates. This value calculated as such is stated at present value using the accrued benefit cost method for years of employment. Discount rates are calculated using market interest rate curves. Gains and losses are recognised directly in profit and loss for the year.

In accordance with the amendment to IAS 19, actuarial gains or losses are recorded directly in other comprehensive income in equity.

For further details about the application of this policy, see Note 23 to the consolidated financial statements.

s) Dividends

The distribution of dividends to shareholders is recognised as a liability at the end of each financial year in the consolidated financial statements, with 30% of the profits in the accumulated period being provisioned quarterly. The dividend policy is to distribute at least 30% of the profits as a minimum dividend as set forth in the Company's articles of association and article 79 of Law N°18.045, with the ordinary shareholders' meeting agreeing on the final dividend being distributed each year.

t) Revenue recognition

The Company's revenue is recognised in accordance with IFRS 15 "Revenue from Contracts with Customers," which defines a single revenue recognition model that applies to contracts with customers, and there are two approaches for revenue recognition: at a point in time or over time.

The Company uses a five-step analysis to determine revenue recognition: (i) identify the contract with the customer, (ii) identify contract performance obligations, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations, and (v) recognise revenue when (or provided that) the entity fulfils the performance obligation.

Under IFRS 15, revenue is recognised when or as the performance obligation committed with the customer is fulfilled.

t.1) Interest income and adjustments:

Interest income and adjustments are recognised in the statement of income using the effective interest rate method. The effective interest rate is the discount rate that exactly matches the estimated cash flows receivable or payable over the expected life of the financial instrument (or, when appropriate, in a shorter period) and the net carrying amount of the financial assets or liabilities. To calculate the effective interest rate, the Company determines the cash flows bearing in mind all the contractual conditions of the financial instrument without considering future credit losses.

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

For loan transactions, revenue comprises interest at the effective rate, which is recognised on an accrual basis in accordance with the development table of each operation, the adjustments and fees that are recognised at the time they are accrued.

Revenue for commitment fees are also recognised within this product, which are assessed according to the five-step analysis established in IFRS 15, and its recognition occurs when the Company has fully fulfilled the performance obligations arising from the contract.

For auto financing, the effective interest rate method is used and revenue corresponds to the interest accrued by such transactions according to the development table of each operation. This income is recognised in profit and loss on an accrual basis.

In the case of leasing operations, income comprises adjustments and the effective interest rate on leasing operations, which is recognised on an accrual basis over the term of each contract.

t.2) Fee revenue

Fee revenue is recognised in the consolidated statement of income using the principles established in IFRS 15 - Revenue from Contracts with Customers. Under IFRS 15, revenue is recognised considering the terms of the contract with customers. Revenue is recognised when or as the performance obligation is fulfilled by transferring the goods or services promised to the customer.

Under IFRS 15, revenue is recognised using different principles based on their nature.

The fees recorded by the Company are mainly:

Factoring operations are valued at amounts disbursed by the Company in exchange for invoices or other credit instruments that the assignor transfers to the Company. Revenue is recognised on an accrual basis. It comprises price differences between the amounts paid and the actual amount of borrowings which are amortised on a straight-line basis for the period from the document transfer date by the assignor to the maturity date, price differences for a longer maturity term, adjustments and collection fees.

Subsidiaries

In the case of the subsidiaries Tanner Leasing S.A. and Tanner Leasing Vendor Ltda., revenue comprises adjustments and the effective interest rate for leasing operations, and this revenue is recognised on an accrual basis over the term of each contract.

For the subsidiary Tanner Corredora de Seguros Ltda., operating revenue comprises brokerage and portfolio management fees, which are collected directly from insurance companies. Fees are recognised on an accrual basis, except for brokerage fees, a part of which is deferred on a straight-line basis over the term of policies according to an own model approved by the Financial Market Commission (CMF, according to the Spanish acronym).

At the indirect subsidiary Tanner Corredores de Bolsa S.A., revenue is determined at the fair value of the consideration collected or collectible for the services provided in the ordinary course of its operations and is recorded when the amount of revenue can be valued reliably and it is likely that future economic benefits will flow to the broker.

The broker's management recognises brokerage and financial consultancy fees and other operating revenue as revenue in the financial year on an accrual basis.

For the Treasury and Investments division and particularly revenue from the Treasury, revenue comprises investment instruments, mainly fixed-income, which is classified into three categories: i) instruments at fair value through profit and loss, whose market value fluctuations of each instrument have a direct impact on profit and loss, ii) instruments at fair value through equity, which are accrued at a purchase rate in profit and loss, along with conducting the valuation of the instruments, and their differences are reflected in equity, and, (iii) instruments at amortised cost, which are accrued at a purchase rate with a direct impact on profit and loss, and no market valuation of these is undertaken. Lastly, this division recognises the results due to adjustments and exchange rate differences of all products as revenue, considering that from a business standpoint it is responsible for managing and matching the balance sheet structure by currency and indexation units.

Revenue from collection expenses, interest and adjustments for delinquency is recognised on an accrual basis.

u) Cost recognition

The main costs for ordinary activities arise from the interest rates related to the presence of a series of diversified financing sources, like bonds - both domestic and international - that have a defined payment schedule, unsecured bank lines of credit, mainly short-term and that are renewed regularly, bank loans and commercial papers. These costs are recognised on an accrual basis at their effective rate.

v) Leases

Leases are classified as finance leases when the terms of the lease substantially transfer all the risks and benefits inherent to ownership to lessees. All other leases are classified as operating leases.

I. The Company as a lessor

The amounts owed by lessees under finance leases are recognised as a receivable for the value of the net investment made by the Company in assets under lease arrangements. Revenue from finance leases is distributed in the accounting periods to reflect a constant periodic rate of return of the investment.

Revenue from operating leases is recognised by applying the straight-line method during the term of the lease. The initial direct costs incurred when negotiating and agreeing on an operating lease are added to the carrying amount of the leased asset and recognised by means of the straight-line depreciation method over the term of the lease.

Details of lease contracts are shown in Note 10 (e), and Note 29 (a) shows the revenue recognised for this.

II. The Company as a lessee

Leased assets, for which the material risks and benefits characteristic of the leased asset are transferred to the Company, are considered as finance leases, and the asset and related debt are recorded at the start of the lease term for the amount of the fair value of the leased asset or the current value of the minimum instalments agreed on, if lower. At 30 December 2021, the Company has operating lease contracts as a lessee.

The Company states its right-of-use assets under property, plant and equipment since, if this corresponded to ownership of the underlying assets, they would be included within this item. The lease liability is stated as part of financial liabilities, as the lease liability has an amount, rate and term, thereby meeting the financial liability conditions. If the right-of-use assets meet the definition of investment property, the Company shall apply the accounting treatment and information disclosure requirements defined in IAS 40, and they would be stated in the investment property item.

The Company recognises a right-of-use asset and a lease liability on the starting date of the lease. The right-of-use asset is initially measured regarding the determination of the obligations of the lease undertaken, and subsequently less any accrued depreciation and impairment losses, and is adjusted for certain remeasurements of the lease liability. Depreciation is calculated based on the requirements of IAS 16 - Property, Plant and Equipment, and amortisation is recorded in the administrative expenses item of the statement of comprehensive income. Impairment losses are determined as per the requirements of IAS 36 - Impairment of Assets, adjusting the value determined against profit and loss for the year in the item Other expenses.

If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use asset from its starting date to the end of the useful life of the underlying asset. Otherwise, the lessee shall depreciate the right-of-use asset from the starting date to the end of the useful life of the right-of-use asset or to the end of the lease term, whichever occurs first.

The lease liability is initially measured at the present value of the lease payments that are not paid on the starting date, and such payments shall be discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. In general, the Company uses its 3% incremental borrowing rate as a discount rate.

The lease liability is subsequently increased by the interest expense on the lease liability and reduced by the lease payments made. It is remeasured when there is a variation of future lease payments that arise from a change in an index or rate, a change in the estimate of the amount expected to be paid under a residual value guarantee, or accordingly, changes in the evaluation of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised; and a lease liability can be modified by a change in the initial estimate of the contract terms.

Finance costs for interest are charged to the statement of income throughout the life of the contract. The depreciation of these assets is included in the total depreciation of the item property, plant and equipment.

The Company has decided not to recognise right-of-use assets and lease liabilities for those contracts whose term is 12 months or less, and for those contracts whose assets are of low value. The Company classifies low-value assets as those whose rental fee is less than Ch\$1,000,000. The Company recognises the lease payments associated with these operations as an expense on a straight-line basis over the term of the contract.

If incentives are received for operating leases, such incentives will be recognised as liabilities. The aggregate benefit of incentives is recognised as a reduction of the lease expense on a straight-line basis, except when another systematic basis is more representative of the temporary pattern in which the economic benefits of the leased asset are used. A breakdown of future minimum payments and revenue is shown in Note 10 (e).

w) Environment

Environment-related disbursements, if they arise, are recognised in profit and loss as they are incurred.

x) Segment information

Operating segments are defined as the components of a company in which the information of the financial statements is available and permanently assessed by the board of directors, which makes decisions about the allocation of resources and performance evaluation. The Company operates

in five segments: factoring, loans, auto financing, leasing, and treasury and investments, which are organised in three divisions: the Corporate Division, Auto Financing Division and Treasury and Investments Division.

y) Cash and cash equivalents

Cash and cash equivalents are cash on hand and balances in bank current accounts. Moreover, this item includes those very short-term investments (generally with a maturity term of less than 90 days) used in the normal management of cash surpluses that are highly liquid, easily convertible into certain amounts of cash and without any risk of loss of value.

z) Statement of cash flows

The statement of cash flows shows changes in cash during the year, determined using the direct method. The following terms are used in this cash flow statement:

Cash flows: inflows and outflows of cash and cash equivalents, with these being construed as highly liquid investments with maturity of less than three months and a low risk of changes in value.

Operating activities: these activities are the Company's main source of revenue, as well as other activities that cannot be classified as investing or financing.

Investing activities: these are the acquisition, transfer or disposal of long-term assets and other investments not included in cash and cash equivalents. The main instruments that generate these cash flows are the placement and redemption of bonds, promissory notes, repos, mutual funds, which are stated as other receipts and other payments for the sale or acquisition of equity or debt securities of other entities. In turn, the cash flows from derivative instruments, except for hedge accounting contracts, are stated in the receipts and payments arising from futures, forwards, share options and swap contracts.

Financing activities: activities that lead to changes in the size and composition of net equity and financial liabilities.

aa) Sureties obtained from third parties

The Company discloses in notes the sureties obtained from third parties, which are related to mortgages, pledges and insurance policies associated with the different business lines. This information reflects the guarantees the Company requires from its customers.

See Note 28 for details of the sureties held by the Company.

bb) Fair value measurement

The Company classifies its financial instruments according to the following levels:

Level 1: there are observable prices in active markets for the same instrument or specific transaction to be measured.

Level 2: there are no market prices for the specific instrument, or the observable prices are sporadic. For instruments classified at this level, the measurement is made based on inference from the use of observable factors, i.e., quoted prices for similar instruments in active markets.

Level 3: financial instruments whose fair value is determined using unobservable input data. An adjustment to the input that is significant for the complete measurement may give rise to a fair value measurement classified within Level 3 of the fair value hierarchy, if the adjustment uses significant unobservable input data.

See the classification of the fair value levels of financial assets in Note 4.IV.

Note 3. Changes in accounting policies and restatement

For the year ended 31 December 2021, there were no changes in the accounting policies compared to the prior year that affect the presentation of the consolidated financial statements.

For proper comparison purposes, certain amounts in the consolidated financial statements at 31 December 2020 were restated to the item in which they are presented at 31 December 2021.

Note 4. Risk management

The Company's risk management is underpinned by the expertise, business know-how and experience of its teams. For this, professionals measure and control each one of the various kinds of risk. The policy is to maintain a risk management vision based on measuring the risk-return relationship of all products. This vision includes the Company and its subsidiaries.

a) Risk management structure

The Company's risk management operates at different organisational levels, with a structure that recognises the importance and the various areas of risk there are. The current levels are:

I. Board of Directors

The board of directors is responsible for approving policies and establishing the structure for the right management of the various risks the organisation faces. Its members are on various committees and they are constantly briefed on the developments of the different risk areas and their main measurement metrics.

Risk management policies are established with the aim of identifying and analysing the risks faced by the Company, setting the limits and controls, and monitoring compliance. Based on the information gathered and its analysis, policies are reviewed regularly and limits are maintained or redefined.

II. Audit Committee

The Audit Committee comprises three directors, the corporate counsel, members with a right to speak and vote, the CEO, the controller, and members with only a right to speak, and it reports directly to the Parent Company's board of directors about the effectiveness and reliability of the internal control systems and procedures. It acknowledges and analyses the results of audits and reviews performed by the internal and independent auditors. It examines and approves the quarterly and annual consolidated financial statements which include those audited by the independent auditor. It informs about abidance of institutional policies on due adherence to laws, internal regulations and standards that the Company must comply with. It approves and verifies compliance with the annual internal audit programme.

III. Assets and Liabilities Committee (ALCO)

This Committee is made up of all directors, besides the CEO, CFO, Treasury manager, Investor Relations manager, and the Financial Control and Administration manager, who are responsible for establishing and overseeing compliance with the financial risk policies on market and liquidity risk, in accordance with the guidelines established by the board of directors and the regulatory requirements of the Financial Market Commission (CMF, according to the Spanish acronym).

IV. Credit Committee

The Company has a defined structure for credit decision-making, so that any proposal must be approved by a committee with sufficient powers. The top body is the Credit Committee, in which the Company's directors participate, which reviews and approves the main exposure per customer and activity. The Committee comprises six directors, the CEO and corporate counsel.

V. Compliance Committee

The Compliance Committee defines and coordinates the policies and procedures on matters relating to the prevention of money laundering and financing of terrorism. It also acknowledges and analyses and then adopts the corresponding action on the cases reported by the compliance officer. The Committee is made up of the CEO, compliance officer, corporate counsel, controller, and two Company directors.

The policies and procedures established for the prevention of money laundering and financing of terrorism are defined in the Company's prevention of money laundering and financing of terrorism manual and it fulfils two objectives:

1. To comply with the laws and regulations governing these matters, and
2. To provide employees at all levels of the organisation with policies, procedures and information to undertake commercial and operational management of mitigating the risk of funds from illegal activities being transformed into legal funds, using Tanner Servicios Financieros S.A. or any of its subsidiaries.

VI. Operational Risk and Information Security Committee

The Operational Risk and Information Security Committee comprises the CEO, the first-line managers and the operational risk assistant manager.

The Committee meets on a quarterly and its aim is to prioritise and facilitate the resources needed to mitigate the major operational risks, assure the implementation of the management model, establish and propose tolerance levels to the board of directors, and ensure compliance with the programmes, policies and procedures related to information security, business continuity and operational risk.

Moreover, it performs high-level supervision of those risks that might affect the information resources, developing control approaches and mechanisms to ensure their confidentiality, integrity and availability. It also seeks to promote a risk culture by means of awareness programmes and training for the entire organisation, and maintain the policies of these areas current.

a) Main risks to which the Company is exposed

I. Credit risk

This is the possibility or likelihood of economic and/or financial loss for the Company as a risk inherent to its business if a customer or counterparty to a financial instrument breaches its contractual obligations.

This risk is managed by business lines or products, by means of specific credit policies and based on prior analysis of expected customer income, the financial information available and customer payment history, along with other commercial data, if any. The expectations of the macroeconomic environment and those of the sector in which the customer (as a general case) and the debtor in the case of factoring operate are also considered.

Another important aspect that complements the credit risk assessment is the quality and number of guarantees required. One of the Company's policies is to have guarantees that constitute a second payment source of its customer obligations for possible non-compliance.

The quantitative breakdown of these guarantees is shown in Note 28 "Sureties obtained from third parties."

In the case of factoring, most of the lines are the assignor's responsibility if the assigned debtor becomes insolvent. For each customer a framework contract is entered into by means of a public deed, which supports any subsequent operations. Those operations without any liability are generally covered by credit insurance and/or specific guarantees.

Loans, depending on the circumstances, require mortgages and/or pledging of shares. Nevertheless, there is the possibility of defining a guarantee for such loan, which is generally provided by one of the partners of the debtor company.

Leasing operations are guaranteed with the leased asset. Insurance policies are also taken out for these assets to cover the claim rate that makes them lose value.

Auto financing is guaranteed by the assets related to the financing, complemented by a credit analysis of the customer's profile. There are two types of guarantees in this case: real (vehicle pledges) and personal (sureties and joint and several guarantees). Moreover, most of the operations have debtor life insurance, which pays the outstanding balance of the debt if the debtor dies.

The Company undertakes a credit quality monitoring process, which aims to provide an early indication of possible changes in the payment capacity of counterparties and recover overdue or delinquent loans. This enables the Company to assess the potential loss from these risks and take remedial action.

Furthermore, the receivables of the Treasury and Investments segment mainly correspond to the subsidiary Tanner Corredores de Bolsa S.A. and are classified on its individual statement of financial position as brokerage receivables. The provisions associated with these kinds of receivables are determined in accordance with an expected loss model pursuant to IFRS 9.

The level of provisions and the portfolio cost are basic measures to determine the credit quality of the portfolio.

i. Loan portfolio, provisions and risk ratio

The loan portfolios, provision amounts and risk ratios at 31 December 2021 and 2020 were as follows:

Item	31.12.2021			
	Gross Portfolio Ch\$'000	Provisions Ch\$'000	Net Portfolio Ch\$'000	Risk Ratio
Receivables from Factoring operations	436,390,248	(4,257,558)	432,132,690	0.98%
Loan operations	330,087,011	(5,322,887)	324,764,124	1.61%
Auto Financing operations	614,668,234	(14,674,048)	599,994,186	2.39%
Lease contracts	65,797,220	(221,232)	65,575,988	0.34%
Treasury and Investments	19,050,225	(504,759)	18,545,466	2.65%
Sundry receivables	3,529,983	-	3,529,983	0.00%
Total	1,469,522,921	(24,980,484)	1,444,542,437	1.70%

Item	31.12.2020			
	Gross Portfolio Ch\$'000	Provisions Ch\$'000	Net Portfolio Ch\$'000	Risk Ratio
Receivables from Factoring operations	316,661,808	(2,242,396)	314,419,412	0.71%
Loan operations	256,069,838	(5,747,641)	250,322,197	2.24%
Auto Financing operations	480,440,764	(13,919,908)	466,520,856	2.90%
Lease contracts	72,129,351	(871,207)	71,258,144	1.21%
Treasury and Investments	20,226,665	(25,685)	20,200,980	0.13%
Sundry receivables	2,288,044	-	2,288,044	0.00%
Total	1,147,816,470	(22,806,837)	1,125,009,633	1.99%

Credit risk at the indirect subsidiary Tanner Corredores de Bolsa S.A. (Treasury and Investments) entails a contract counterparty breaching its contractual obligations, causing a financial loss. To mitigate this risk there are collection procedures that control the credit terms and amounts of each customer. To reduce the credit risk effects, the broker applies a series of internal risk policies that vary according to the type of customer and product.

ii. Risk concentration by economic sector

The table below shows product portfolios broken down by economic sector and type of receivable in the case of auto financing, showing the credit risk concentrations at 31 December 2021 and 2020:

FACTORING	31.12.2021	31.12.2020
Wholesale and retail, auto spare parts/ household goods	14.85%	14.40%
Non-metal manufacturing industry	14.34%	18.64%
Construction	13.71%	12.87%
Real estate, business and rental activities	9.75%	17.00%
Financial intermediation	9.10%	4.77%
Education	8.18%	8.99%
Agriculture, livestock, hunting and forestry	7.08%	8.57%
Fisheries	5.96%	1.66%
Transport, storage and communications	5.60%	4.46%
Metal manufacturing industry	5.46%	5.00%
Others	2.17%	2.38%
Mining and quarrying	1.84%	0.29%
Community, social and personal service activities	1.23%	0.54%
Hotels and restaurants	0.45%	0.26%
Social and health services	0.20%	0.13%
Electricity, gas and water	0.08%	0.04%
Total	100%	100%

CORPORATE LOANS	31.12.2021	31.12.2020
Financial intermediation	34.04%	23.88%
Real estate, business and rental activities	26.07%	24.92%
Agriculture, livestock, hunting and forestry	23.78%	14.12%
Wholesale and retail, auto spare parts/ household goods	6.89%	10.42%
Community, social and personal service activities	2.49%	2.33%
Non-metal manufacturing industry	2.34%	14.74%
Construction	1.95%	3.73%
Transport, storage and communications	1.41%	1.30%
Metal manufacturing industry	0.68%	1.01%
Education	0.20%	0.28%
Fisheries	0.07%	0.07%
Hotels and restaurants	0.03%	0.02%
Mining and quarrying	0.02%	2.77%
Electricity, gas and water	0.02%	0.00%
Social and health services	0.00%	0.41%
Others	0.00%	0.00%
Building and commonhold property management council	0.00%	0.00%
Total	100%	100%

LEASING	31.12.2021	31.12.2020
Real estate, business and rental activities	64.48%	61.48%
Metal manufacturing industry	10.98%	10.99%
Wholesale and retail, auto spare parts/ household goods	7.66%	7.84%
Education	7.50%	6.86%
Transport, storage and communications	1.68%	3.69%
Non-metal manufacturing industry	1.22%	1.61%
Financial intermediation	3.90%	4.21%
Agriculture, livestock, hunting and forestry	0.75%	1.31%
Construction	0.74%	0.87%
Community, social and personal service activities	0.19%	0.27%
Social and health services	0.13%	0.23%
Others	0.20%	0.22%
Hotels and restaurants	0.00%	0.00%
Mining and quarrying	0.00%	0.00%
Fisheries	0.00%	0.00%
Electricity, gas and water	0.57%	0.42%
Total	100%	100%

AUTO FINANCING	31.12.2021	31.12.2020
Natural persons	90.53%	90.63%
Legal entities	9.47%	9.37%
Total	100%	100%

Risk concentration by geographical area

The product portfolios distributed by geographical area and showing the credit risk concentrations at 31 December 2021 and 2020 are shown below:

FACTORING	31.12.2021	31.12.2020
Metropolitan region of Santiago	61.86%	65.13%
Biobío region	11.34%	10.30%
Libertador Gral. Bernardo O'Higgins region	5.27%	6.72%
Tarapacá region	4.29%	5.34%
Antofagasta region	2.88%	3.35%
Los Lagos region	4.40%	3.21%
Maule region	2.16%	1.08%
Valparaíso region	2.07%	1.49%
Magallanes region and Chilean Antarctic territory	1.12%	0.81%
Coquimbo region	1.56%	1.12%
Los Ríos region	1.24%	0.62%
La Araucanía region	0.91%	0.36%
Arica and Parinacota region	0.42%	0.29%
Atacama region	0.48%	0.18%
Gral. Carlos Ibáñez del Campo - Aysén region	0.00%	0.00%
Total	100%	100%

CORPORATE LOANS	31.12.2021	31.12.2020
Metropolitan region of Santiago	88.74%	82.45%
Libertador Gral. Bernardo O'Higgins region	6.32%	8.00%
Biobío region	1.87%	5.11%
Atacama region	0.43%	0.82%
Coquimbo region	0.26%	0.68%
Los Lagos region	0.63%	0.65%
Valparaíso region	0.22%	0.41%
Antofagasta region	0.12%	0.36%
Maule region	0.29%	0.47%
La Araucanía region	0.21%	0.43%
Arica and Parinacota region	0.52%	0.20%
Los Ríos region	0.21%	0.16%
Tarapacá region	0.14%	0.16%
Magallanes region and Chilean Antarctic territory	0.04%	0.10%
Gral. Carlos Ibáñez del Campo - Aysén region	0.00%	0.00%
Total	100%	100%

LEASING	31.12.2021	31.12.2020
Metropolitan region of Santiago	97.58%	95.90%
Biobío region	1.21%	2.48%
Atacama region	0.74%	0.84%
Coquimbo region	0.19%	0.18%
Tarapacá region	0.12%	0.13%
Valparaíso region	0.09%	0.10%
Arica and Parinacota region	0.05%	0.07%
Antofagasta region	0.00%	0.18%
Libertador Gral. Bernardo O'Higgins region	0.02%	0.04%
Los Ríos region	0.00%	0.02%
La Araucanía region	0.00%	0.04%
Los Lagos region	0.00%	0.02%
Gral. Carlos Ibáñez del Campo - Aysén region	0.00%	0.00%
Total	100%	100%

AUTO FINANCING	31.12.2021	31.12.2020
Metropolitan region of Santiago	52.22%	46.62%
Valparaíso region	8.28%	8.68%
Biobío region	6.18%	7.88%
Los Lagos region	5.22%	5.67%
Antofagasta region	5.00%	5.58%
La Araucanía region	4.39%	5.07%
Coquimbo region	4.27%	4.42%
Libertador Gral. Bernardo O'Higgins region	3.71%	4.40%
Maule region	3.90%	3.96%
Atacama region	2.08%	2.17%
Los Ríos region	1.75%	2.09%
Ñuble region	1.10%	0.88%
Tarapacá region	0.72%	0.90%
Magallanes region and Chilean Antarctic territory	0.55%	0.83%
Gral. Carlos Ibáñez del Campo - Aysén region	0.38%	0.45%
Arica and Parinacota region	0.26%	0.40%
Total	100%	100%

iii. Credit quality by asset class

The Company determines the credit quality of its financial assets, and hence the level of provisions and the corresponding write-offs, using the “expected loss” criterion for its products, in which one of the main factors is delinquency by customer. This default probability indicates the loss of each loan and therefore the value to be provisioned.

iv. Renegotiations

Delinquent loans that are renegotiated are those in which the corresponding financial commitments have been restructured and the Company has assessed the likelihood of recovering these loans as sufficiently high. For all the cases of a renegotiation, there is always the express consent of the debtor. If the customer becomes insolvent, it can also opt to return the asset when applicable.

Provisions for renegotiated loans are calculated based on the “expected loss” model for each product, in which delinquency and the new loan condition are the main variables to be considered. The renegotiated condition is considered with an additional weighting in the risk factor calculation model.

Renegotiations are less usual for factoring operations because, unlike leasing and auto financing operations that in essence are loan operations, they provide liquidity based on the customer’s receivables. If there are renegotiations, these are reviewed and approved by risk management. Based on the amount of the operations, there are attribution limits to approve each operation. This might include the actual payment of a percentage of the debt and eventually the constitution of real guarantees.

For loan and lease operations, a suitable renegotiation must seek to improve the creditor position of Tanner in terms of guarantees, commitment of prior partial payment and term, along with analysing and validating the payment capacity supporting the renegotiation and structuring payments in line with this. As a general rule, the customer must at least pay the unpaid interest to approve a new payment structure.

For auto financing there is a policy of renegotiating cases of customers that have overdue instalments. All renegotiation requests are reviewed and approved by the risk area and must generally meet the following conditions: (a) the customer must have paid at least 25% of the instalments, (b) it must pay an amount depending on the loan progress in the operation, and (c) it must accredit a source of income. Auto financing can only be renegotiated once.

To estimate impairment and calculate provisions for these types of loans, each risk profile of the renegotiated segment includes a probability of default for the entire life of the loan, and the latter is higher compared to the other segments associated with each product. The Company, adopting a conservative policy for the estimate of provisions, has decided not to include a loan cure process. In other words, the loan will remain in the renegotiated segment despite an improvement of the impairment estimate.

The table below shows the carrying amount of loans by business lines and the percentage of the total portfolio, whose terms have been renegotiated:

Item	31.12.2021				
	Total portfolio Ch\$'000	Renegotiated Ch\$'000	Allowance Ch\$'000	Renegotiated by product %	Renegotiated by total portfolio %
Factoring operations	436,390,248	5,066,038	(4,257,558)	1.16%	0.34%
Loan operations	330,087,011	4,924,802	(5,322,887)	1.49%	0.34%
Auto financing operations	614,668,234	12,111,058	(14,674,048)	1.97%	0.82%
Lease contracts (*)	65,797,220	5,924,535	(221,232)	9.00%	0.40%
Treasury and Investments	19,050,225	290,650	(504,759)	1.53%	0.02%
Sundry receivables	3,529,983	-	-	-	-
Total renegotiated/gross portfolio	1,469,522,921	28,317,083	(24,980,484)		1.92%

(*) These are mostly mortgage-secured operations.

Item	31.12.2020				
	Total portfolio Ch\$'000	Renegotiated Ch\$'000	Allowance Ch\$'000	Renegotiated by product %	Renegotiated by total portfolio %
Factoring operations	316,661,808	1,009,442	(2,242,396)	0.32%	0.09%
Loan operations	256,069,838	12,382,151	(5,747,641)	4.84%	1.08%
Auto financing operations	480,440,764	15,881,313	(13,919,908)	3.31%	1.38%
Lease contracts (*)	72,129,351	9,244,054	(871,207)	12.82%	0.81%
Treasury and Investments	20,226,665	830,650	(25,685)	4.11%	0.07%
Sundry receivables	2,288,044	-	-	-	-
Total renegotiated/gross portfolio	1,147,816,470	39,347,610	(22,806,837)		3.43%

(*) These are mostly mortgage-secured operations.

II. Financial risks

i. Liquidity risk

This is defined as the Company being unable to meet its payment obligations, without incurring large losses or being prevented from continuing its normal loan operations with its customers. It arises from a cash flow mismatch, which occurs when cash flows from paying liabilities are higher than cash flows received from investments or loans. When customers do not meet their loan commitments on the dates they fall due, this could also generate a liquidity risk.

The main financing sources of Tanner Servicios Financieros S.A. are bonds (domestic and foreign) with a defined repayment schedule, unsecured bank credit facilities, which are mainly short-term and renewed regularly, and commercial papers.

The Company has a daily cash flow management system that simulates all the maturities of assets and liabilities to anticipate cash needs. The Assets and Liabilities Committee (ALCO) reviews the forecasts and defines action plans based on Company forecasts and market conditions.

The Company manages liquidity risk at a consolidated level, and the main liquidity source is cash flows from operating activities (collection). The Company has consolidated available cash amounting to Ch\$57,913 million at 31 December 2021 (Ch\$120,080 million at 31 December 2020).

The indirect subsidiary Tanner Corredores de Bolsa S.A. is subject to regulatory liquidity indicators called the general liquidity index and brokerage liquidity index. This subsidiary has permanently complied with such indicators, in accordance with the requirements of the Financial Market Commission (CMF, according to the Spanish acronym).

At 31 December 2021 and 2020, the structure of maturities by term was as follows:

a. Maturities at carrying amount

Temporary tier	31.12.2021		31.12.2020	
	Ch\$ million	Principal %	Ch\$ million	Principal %
Tier 1: 1 to 7 days	159,732	46.01%	261,041	82.15%
Tier 2: 8 to 15 days	25,790	7.43%	(6,309)	(1.99%)
Tier 3: 16 to 30 days	43,654	12.57%	22,738	7.16%
Tier 4: 31 to 90 days	191,450	55.15%	90,032	28.33%
Tier 5: 91 to 365 days	(9,334)	-2.69%	49,328	15.52%
Total	411,292		416,830	

Determination of the tier at 31.12.2021	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Total
	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million
Assets	245,924	48,012	138,938	359,435	369,643	1,161,952
Funds available	57,913	-	-	-	-	57,913
Loans	87,318	46,980	128,117	346,194	365,877	974,486
Other current financial assets	100,693	1,032	10,821	13,241	3,766	129,553

Determination of the tier at 31.12.2021	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Total
	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million
Liabilities	86,192	22,222	95,284	167,985	378,977	750,660
Obligations with banks and financial institutions	-	1,746	28,559	63,818	138,671	232,794
Obligations with the public (commercial papers)	4,972	19,775	47,898	97,472	16,904	187,021
Obligations with the public (bonds payable)	-	-	-	2,061	221,060	223,121
Other financial liabilities	81,220	701	18,827	4,634	2,342	107,724

Tiers	159,732	25,790	43,654	191,450	(9,334)	411,292
% of the principal	46.01%	7.43%	12.57%	55.15%	-2.69%	118.47%

Determination of the tier at 31.12.2020	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Total
	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million
Assets	298,628	35,945	63,508	214,338	320,801	933,220
Funds available	120,080	-	-	-	-	120,080
Loans	109,115	35,851	61,129	213,324	313,786	733,205
Other current financial assets	69,433	94	2,379	1,014	7,015	79,935

Determination of the tier at 31.12.2020	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Total
	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million
Liabilities	37,587	42,254	40,770	124,306	271,473	516,390
Obligations with banks and financial institutions	-	2,155	18,432	14,493	98,249	133,329
Obligations with the public (commercial papers)	16,090	16,997	17,608	96,971	22,875	170,541
Obligations with the public (bonds payable)	-	-	-	1,327	149,520	150,847
Other financial liabilities	21,497	23,102	4,730	11,515	829	61,673

Tiers	261,041	(6,309)	22,738	90,032	49,328	416,830
% of the principal	82.15%	(1.99%)	7.16%	28.33%	15.52%	131.18%

b. Maturities at undiscounted amount

Temporary tier	31.12.2021		31.12.2020	
	Ch\$ million	Principal %	Ch\$ million	Principal %
Tier 1: 1 to 7 days	159,704	46.00%	260,630	82.03%
Tier 2: 8 to 15 days	25,648	7.39%	(7,263)	(2.29%)
Tier 3: 16 to 30 days	42,891	12.35%	22,302	7.02%
Tier 4: 31 to 90 days	189,728	54.65%	86,017	27.07%
Tier 5: 91 to 365 days	(59,018)	-17.00%	39,106	12.31%
Total	358,953		400,792	

Determination of the tier at 31.12.2021	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Total
	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million
Assets	245,924	48,012	138,938	359,435	369,643	1,161,952
Funds available	57,913	-	-	-	-	57,913
Loans	87,318	46,980	128,117	346,194	365,877	974,486
Other current financial assets	100,693	1,032	10,821	13,241	3,766	129,553
Determination of the tier at 31.12.2021	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Total
	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million
Liabilities	86,220	22,364	96,047	169,707	428,661	802,999
Obligations with banks and financial institutions	-	1,776	29,050	64,916	141,652	237,394
Obligations with the public (commercial papers)	5,000	19,888	48,171	98,027	17,000	188,086
Obligations with the public (bonds payable)	-	-	-	2,130	266,692	268,822
Other financial liabilities	81,220	700	18,826	4,634	3,317	108,697
Tiers	159,704	25,648	42,891	189,728	(59,018)	358,953
% of the principal	46.00%	7.39%	12.35%	54.65%	-17.00%	103.40%
Determination of the tier at 31.12.2020	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Total
	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million
Assets	298,628	35,945	63,508	214,338	320,801	933,220
Funds available	120,080	-	-	-	-	120,080
Loans	109,115	35,851	61,129	213,324	313,786	733,205
Other current financial assets	69,433	94	2,379	1,014	7,015	79,935
Determination of the tier at 31.12.2020	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Total
	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million	Ch\$ million
Liabilities	37,998	43,208	41,206	128,321	281,694	532,427
Obligations with banks and financial institutions	-	2,504	18,300	15,687	102,607	139,098
Obligations with the public (commercial papers)	16,502	17,746	18,158	98,174	23,000	173,580
Obligations with the public (bonds payable)	-	-	-	2,909	154,959	157,868
Other financial liabilities	21,496	22,958	4,748	11,551	1,128	61,881
Tiers	260,630	(7,263)	22,302	86,017	39,107	400,793
% of the principal	82.03%	(2.29%)	7.02%	27.07%	12.31%	126.14%

ii. Market risk

Market risk is construed to be exposure to changes in market factors, like prices, interest rates, exchange rates, indexing, among others, that affect the value of the Company's financial operations.

The Company records a mismatch in operations adjustable in UF, so that a 1% drop in inflation generated a gain of Ch\$370 million at 31 December 2021 (loss of Ch\$1,058 million at 31 December 2020).

In turn, the Company records a mismatch in currency operations, so that a 1% decrease in the USD-CLP parity generated a gain of Ch\$61 million at 31 December 2021 and a gain of Ch\$13 million at 31 December 2020.

In addition, the Company had a portfolio of debt instruments in the domestic and international markets amounting to Ch\$224,833 million (Ch\$73,455 million at 31 December 2020), with sensitivity measured by the value of U.S. dollar of one basis point (DV01) of Ch\$60 million (Ch\$20 million at 31 December 2020) which, according to the historical Value at Risk (VaR2) methodology of the risk-free rate at 1 day with a confidence level of 99%, generated interest rate risk exposure of Ch\$383 million at 31 December 2021 (Ch\$307 million at 31 December 2020).

The tables below show how the percentage value of the bond portfolio varies due to simultaneous changes in interest rates to which the portfolio is subject.

31.12.2021

Interest rate delta (basis points)	25	50	75	100	125	150	175	200
Net portfolio change due to a cut in interest rates	0.56%	1.13%	1.69%	2.25%	2.81%	3.38%	3.94%	4.50%
Net portfolio change due to a rise in interest rates	-0.56%	-1.13%	-1.69%	-2.25%	-2.81%	-3.38%	-3.94%	-4.50%

31.12.2020

Interest rate delta (basis points)	25	50	75	100	125	150	175	200
Net portfolio change due to a cut in interest rates	0.69%	1.37%	2.06%	2.75%	3.43%	4.12%	4.80%	5.49%
Net portfolio change due to a rise in interest rates	-0.69%	-1.37%	-2.06%	-2.75%	-3.43%	-4.12%	-4.80%	-5.49%

1 DV01 is the change in the portfolio value after a 0.01% increase in the discount rate.
2 VaR is the maximum expected loss considering a 1-year history timeline with a confidence level of 99%.

The Company has a portfolio of trading and hedging derivatives used to mitigate interest rate and exchange rate risks of financial liabilities. Since the portfolio of trading derivatives has a very short-term maturity structure, it has an interest rate risk with a low impact on the statement of income. On the other hand, hedging derivatives cover most of the liabilities structured in foreign currency and with variable rates (LIBOR), maintaining quite a limited risk exposure with a low impact on the statement of income of these kinds of operations.

The portfolio of trading and hedging derivatives at 31 December 2021 was as follows:

Exposure	31.12.2021								
	Trading Derivatives					Hedging Derivatives			
	UF Ch\$'000	Ch\$ Ch\$'000	US\$ Ch\$'000	EUR Ch\$'000	CHF Ch\$'000	UF Ch\$'000	Ch\$ Ch\$'000	US\$ Ch\$'000	CHF M\$
Less than 1 year	518,850	(386,816,791)	381,896,394	14,365,595	-	63,057,334	(86,290,047)	(151,501,061)	187,979,775
1 to 3 years	510,814	1,266,545	-	-	-	60,330,684	(51,714,863)	(128,072,969)	131,031,684
Over 3 years	-	-	-	-	-	-	-	640,575	-
Total	1,029,664	(385,550,246)	381,896,394	14,365,595	-	123,388,018	(138,004,910)	(278,933,455)	319,011,459

Note: the table shows the exposure at the present value of the portfolio of trading and hedging derivatives, according to the currencies adopted and terms. The amounts have been translated to Ch\$'000 and are absolute values.

Sens. +1bp	31.12.2021								
	Trading Derivatives					Hedging Derivatives			
	UF Ch\$'000	Ch\$ Ch\$'000	US\$ Ch\$'000	EUR Ch\$'000	CHF Ch\$'000	UF Ch\$'000	Ch\$ Ch\$'000	US\$ Ch\$'000	CHF M\$
Less than 1 year	(20)	4,677	(4,119)	(764)	-	(1,735)	3,142	13,622	(16,333)
1 to 3 years	(77)	(199)	-	-	-	(15,094)	12,099	28,750	(30,061)
Over 3 years	-	-	-	-	-	-	-	(274)	-
Total	(97)	4,478	(4,119)	(764)	-	(16,829)	15,241	42,098	(46,394)

Note: the table shows the potential loss or gain, expressed in Ch\$'000, to which the portfolios of trading and hedging derivatives are exposed, if valuation rates rise by 1 basis point, according to the currencies adopted and terms on the reference date.

The portfolio of trading and hedging derivatives at 31 December 2020 was as follows:

Exposure	31.12.2020							
	Trading Derivatives				Hedging Derivatives			
	UF Ch\$'000	Ch\$ Ch\$'000	US\$ Ch\$'000	CHF Ch\$'000	UF Ch\$'000	Ch\$ Ch\$'000	US\$ Ch\$'000	CHF Ch\$'000
Less than 1 year	-	(233,143,690)	216,267,419	(78,840)	49,228,251	(99,300,224)	(53,016,410)	103,457,018
1 to 3 years	-	-	-	-	124,793,092	(135,335,977)	(135,557,724)	164,665,974
Over 3 years	-	-	-	-	62,143,898	(54,821,710)	179,131	-
Total	-	(233,143,690)	216,267,419	(78,840)	236,165,241	(289,457,911)	(188,395,003)	268,122,992

Note: the table shows the exposure at the present value of the portfolio of trading and hedging derivatives, according to the currencies adopted and terms. The amounts have been translated to Ch\$'000 and are absolute values.

Sens. +1bp	31.12.2020							
	Trading Derivatives				Hedging Derivatives			
	UF Ch\$'000	Ch\$ Ch\$'000	US\$ Ch\$'000	CHF Ch\$'000	UF Ch\$'000	Ch\$ Ch\$'000	US\$ Ch\$'000	CHF Ch\$'000
Less than 1 year	-	1,665	(1,647)	-	(2,488)	4,666	(2,069)	(9,602)
1 to 3 years	-	-	-	-	(24,802)	25,849	3,198	(30,628)
Over 3 years	-	-	-	-	(21,851)	18,727	(30,713)	-
Total	-	1,665	(1,647)	-	(49,141)	49,242	(29,584)	(40,230)

Note: the table shows the potential loss or gain, expressed in Ch\$'000, to which the portfolios of trading and hedging derivatives are exposed, if valuation rates rise by 1 basis point, according to the currencies adopted and terms on the reference date.

III. Financial instruments by category

The Company has investments in financial instruments according to the following breakdown:

2021

Breakdown	31.12.2021			
	Fair value through profit and loss Ch\$'000	At amortised cost Ch\$'000	Fair value through other comprehensive income Ch\$'000	Total Ch\$'000
Financial assets				
Cash and cash equivalents	-	57,913,123	-	57,913,123
Other current financial assets	122,335,629	587,205	6,630,136	129,552,970
Trade and other receivables, current	-	974,486,377	-	974,486,377
Receivables due from related parties, current	-	5,843,527	-	5,843,527
Other non-current financial assets	5,257,748	30,900,010	37,610,158	73,767,916
Trade and other receivables, non-current	-	470,056,060	-	470,056,060
Receivables due from related parties, non-current	-	201,613	-	201,613
Total financial assets	127,593,377	1,539,987,915	44,240,294	1,711,821,586
Financial liabilities				
Other current financial liabilities	7,559,424	743,361,750	-	750,921,174
Trade and other payables, current	-	145,377,924	-	145,377,924
Other non-current financial liabilities	-	539,108,635	1,596,002	540,704,637
Total financial liabilities	7,559,424	1,427,848,309	1,596,002	1,437,003,735

2020

Breakdown	31.12.2020			
	Fair value through profit and loss Ch\$'000	At amortised cost Ch\$'000	Fair value through other comprehensive income Ch\$'000	Total Ch\$'000
Financial assets				
Cash and cash equivalents	-	120,079,967	-	120,079,967
Other current financial assets	71,903,627	-	8,030,723	79,934,350
Trade and other receivables, current	-	733,204,840	-	733,204,840
Receivables due from related parties, current	-	4,902,407	-	4,902,407
Other non-current financial assets	3,344,589	8,792	51,679,875	55,033,256
Trade and other receivables, non-current	-	391,804,793	-	391,804,793
Receivables due from related parties, non-current	-	33,719	-	33,719
Total financial assets	75,248,216	1,250,034,518	59,710,598	1,384,993,332
Financial liabilities				
Other current financial liabilities	20,824,331	495,564,627	-	516,388,958
Trade and other payables, current	-	116,448,669	-	116,448,669
Other non-current financial liabilities	-	503,794,641	6,400,794	510,195,435
Total financial liabilities	20,824,331	1,115,807,937	6,400,794	1,143,033,062

IV. Fair value of financial assets

Financial instruments measured at fair value through profit and loss and other comprehensive income are valued using the fair value calculation method (mark-to-market). For each financial instrument, the Company obtains the corresponding market prices to be used in the valuation from Bloomberg and Risk America. For derivative financial assets, operations are valued by building interest rate curves by currency and term, with which the future cash flows of each instrument are discounted.

As indicated in Note 2 bb), the classification of the fair value levels for financial assets is shown below:

Breakdown	Level 1		Level 2	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Assets measured at fair value				
Derivative contracts				
Forward rights	-	-	16,387,019	3,869,220
Swap contracts (net)	-	-	30,454,221	32,836,115
Investment instruments				
Debt instruments (CLP)	90,595,636	58,998,461	2,260,108	3,800,811
Debt instruments (USD)	18,187,745	21,766,748	-	-
Private fund investment	5,257,748	3,344,589	-	-
Investment in shares	3,523,036	-	1,623,750	2,074,590
Instruments issued by the financial system	989,196	7,077,401	-	-
Other Government instruments	2,555,211	1,190,881	-	-
Total assets measured at fair value	121,108,572	92,378,080	50,725,098	42,580,736
Liabilities measured at fair value				
Derivative contracts				
Liabilities for forwards	-	-	7,559,424	20,824,331
Liabilities for swap contracts	-	-	1,596,002	6,400,794
Total liabilities measured at fair value	-	-	9,155,426	27,225,125

V. Impairment of financial instruments measured at fair value through equity and amortised cost

The Company calculates the impairment of investments classified in these categories with an expected loss model for each instrument.

The expected loss is based on three variables:

- Probability of an event of default of the instrument.
- Amount of the exposure to the event of default.
- Expected loss due to the event of default.

There are three stages to calculate the probability of an event of default:

- Stage 1: instruments are classified in this stage when there is no evidence of impairment of the issuer regarding its position as of the date in which it was acquired.
- Stage 2: instruments are classified in this stage when there is evidence of impairment of the issuer regarding its position when the instrument is acquired.

- Stage 3: instruments are classified in this stage when there is evidence that the issuer has defaulted on the payments committed.

The definition of the stage where the instrument is classified affects the calculation of the probability of default, as follows:

- Stage 1: the probability of an event of default is calculated for a 1-year timeline, or for the term of the instrument if this is less than 1 year.
- Stage 2: the probability of an event of default is calculated for the term of the instrument.
- Stage 3: the probability of an event of default is defined as 1.

The breakdown of the reconciliation between the opening and closing balances of the allowance account for impairment, by each stage at 31 December 2021 and 2020, is shown in the following tables:

Breakdown	31.12.2021			
	Total	Stage 1	Stage 2	Stage 3
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance	817,696	96,200	35,784	685,712
Changes				
Write-offs	-	-	-	-
Release	(397,350)	(320,240)	(52,859)	(24,251)
Accrual	1,348,214	396,508	134,465	817,241
Closing balance	1,768,560	172,468	117,390	1,478,702

Breakdown	31.12.2020			
	Total	Stage 1	Stage 2	Stage 3
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance	209,824	209,824	-	-
Changes				
Write-offs	-	-	-	-
Release	(1,771,381)	(1,155,461)	(615,920)	-
Accrual	2,379,253	1,041,837	651,704	685,712
Closing balance	817,696	96,200	35,784	685,712

VI. Fallout of the COVID-19 pandemic

The global pandemic caused by COVID-19 has posed, and still poses, a number of global risks, as well for challenges for Chile. The risks and challenges are not only present in the health area but also in the financial aspects of all market agents.

From the outset, the Company has striven to safeguard the health of its employees, adopting different related internal guidelines and policies. Because of the measures implemented since late 2019, the Company has been able to adopt remote working for its employees. In line with the phases implemented by the Ministry of Health, the Company has flexibilised a semi in-person work system, thereby assuring employee health and the continuity of operations in accordance with the highest standards of effectiveness and efficiency, in addition to fully comply with legislation and the applicable regulation on labour and stock market issues.

Although it is true that the pandemic is still evolving, according to the internal forecasts of the Company and the performance of the market in the last few months it is estimated that this crisis could get worse and have a greater or lower impact on certain specific businesses, affecting the volume of their operations and the price of their assets. The Company has, however, managed to mitigate the undesired effects with a series of measures.

The Company is monitoring the evolution of the pandemic daily so it can make the best decisions, always safeguarding the wellbeing of its employees and fulfilment of its obligations.

Note 5. Responsibility for the information and estimates

The information contained in these consolidated financial statements is the responsibility of the Company's board of directors, which informs that the Company has applied all the IFRS principles and criteria.

To draw up the financial statements, judgements and estimates made by management have occasionally been used to quantify some of the assets, liabilities, revenue, expenses and commitments stated therein.

These estimates basically concern losses due to risk or an estimate of doubtful accounts that are stated as indicated in Note 2 f).

Note 6. Financial reporting by operating segments

According to the operating segment definitions under IFRS 8, the only commercial line of business of Tanner Servicios Financieros S.A. is to provide financial services. The Company operates in the market with five business lines: Factoring, Loans, Auto Financing, Leasing, and Treasury and Investments.

I. Business lines

- 1) **Factoring:** domestic and foreign factoring operations accounted for 29.7% of the loan portfolio at 31 December 2021 (27.6% of the loan portfolio at 31 December 2020). Foreign factoring is a subdivision of the factoring business line.
- 2) **Loans:** loans are mainly intended to finance businesses and accounted for 22.5% of the total loan portfolio at 31 December 2021 (22.3% at 31 December 2020).
- 3) **Auto Financing:** this is focused on financing vehicles for natural persons or bodies corporate, and on insurance brokerage and advice. At 31 December 2021, it accounted for 41.8% of the loan portfolio (41.9% of the loan portfolio at 31 December 2020). Moreover, this segment includes the consignment inventory financing business (floor plan).
- 4) **Leasing:** this is mainly related to finance real estate leaseback operations, leasing of earthmoving, transport and industrial equipment, among others. At 31 December 2021, it accounted for 4.5% of the loan portfolio (6.3% of the loan portfolio at 31 December 2020).
- 5) **Treasury and Investments:** its main function entails managing the financial position. It also has a secondary function, which is to maintain an optimal financing position, complying with the Company's internal policies for its normal operation and at the lowest cost possible, and investing cash surpluses where the market offers the best returns, according to the fund availability term. This segment also includes the financial intermediation business through the subsidiary Tanner Corredores de Bolsa S.A.

a) Results by business lines

2021

Items	31.12.2021					
	Factoring	Corporate Loans	Auto Financing	Leasing	Treasury & Investments	Total
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Net income from interest, indexation and exchange rate differences	19,388,477	10,369,607	63,923,822	3,459,319	10,612,492	107,753,717
Net income (expense) from changes in the fair value	-	-	-	-	(891,157)	(891,157)
Net income (expense) from fees	2,128,579	9,438,097	(25,575,266)	178,822	-	(13,829,768)
Other operating income (expense)	5,129,934	57,170	13,287,535	(84,232)	(1,377,018)	17,013,389
Total gross profit (a)	26,646,990	19,864,874	51,636,091	3,553,909	8,344,317	110,046,181
Impairment losses	(3,417,029)	(4,937,371)	(8,283,295)	(1,478,749)	(1,697,846)	(19,814,290)
Administrative expenses	(13,831,827)	(6,765,500)	(20,164,225)	(1,010,451)	(5,701,067)	(47,473,070)
Depreciation and amortisation	(1,243,633)	(607,966)	(1,766,228)	(90,802)	(252,611)	(3,961,240)
Other net operating income (expense)	(104,242)	-	(438,641)	(106,574)	(129,211)	(778,668)
Exchange rate differences	-	-	-	-	635,275	635,275
Profit before tax	8,050,259	7,554,037	20,983,702	867,333	1,198,857	38,654,188
Income tax	(523,213)	(490,962)	(1,363,799)	(56,371)	(77,920)	(2,512,265)
Income after tax	7,527,046	7,063,075	19,619,903	810,962	1,120,937	36,141,923
Assets (net of provision)	437,958,284	335,187,420	611,372,720	73,666,304	288,556,241	1,747,071,067
Current and deferred tax	9,698,092	9,100,295	25,278,927	1,044,870	1,444,255	46,566,439
Total assets	447,656,376	344,287,715	636,651,647	74,711,174	290,000,496	1,793,637,506
Liabilities	(361,342,077)	(276,549,896)	(504,419,475)	(60,779,157)	(238,076,352)	(1,441,166,957)
Current and deferred tax	(1,037,974)	(973,992)	(2,705,569)	(111,831)	(154,577)	(4,983,943)
Total liabilities	(362,380,051)	(277,523,888)	(507,125,044)	(60,890,988)	(238,230,929)	(1,446,150,900)

(a) The breakdown of the total gross profit is in Note 29 a) Revenue and 29 b) Cost of sales by each operative segment.

2020

Items	31.12.2020					
	Factoring	Corporate Loans	Auto Financing	Leasing	Treasury & Investments	Total
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Net income from interest, indexation and exchange rate differences	20,452,564	9,312,922	60,380,501	3,137,416	8,966,578	102,249,981
Net income (expense) from changes in the fair value	-	-	-	-	333,019	333,019
Net income (expense) from fees	2,213,191	3,658,466	(25,727,646)	1,416,116	-	(18,439,873)
Other operating income (expense)	5,280,020	173,609	8,128,890	(121,508)	7,002,647	20,463,658
Total gross profit (a)	27,945,775	13,144,997	42,781,745	4,432,024	16,302,244	104,606,785
Impairment losses	(1,920,916)	(4,745,543)	(13,383,618)	(3,285,996)	(778,770)	(24,114,843)
Administrative expenses	(12,500,202)	(4,842,022)	(18,034,324)	(1,899,994)	(5,142,546)	(42,419,088)
Depreciation and amortisation	(1,167,490)	(452,086)	(1,683,813)	(177,397)	(201,937)	(3,682,723)
Other net operating income (expense)	198,826	(960,440)	(253,924)	(1,212,173)	575,179	(1,652,532)
Exchange rate differences	-	-	-	-	137,618	137,618
Profit before tax	12,555,993	2,144,906	9,426,066	(2,143,536)	10,891,788	32,875,217
Income tax	(2,048,771)	(349,986)	(1,538,060)	349,763	(1,777,223)	(5,364,277)
Income after tax	10,507,222	1,794,920	7,888,006	(1,793,773)	9,114,565	27,510,940
Assets (net of provision)	320,315,839	263,019,712	479,414,437	82,966,545	282,216,800	1,427,933,333
Current and deferred tax	11,759,168	1,645,645	10,699,238	13,401,510	357,440	37,863,001
Total assets	332,075,007	264,665,357	490,113,675	96,368,055	282,574,240	1,465,796,334
Liabilities	(256,801,154)	(210,866,143)	(384,352,460)	(66,515,301)	(226,256,685)	(1,144,791,743)
Current and deferred tax	(1,012,930)	(141,755)	(921,628)	(1,154,401)	(30,790)	(3,261,504)
Total liabilities	(257,814,084)	(211,007,898)	(385,274,088)	(67,669,702)	(226,287,475)	(1,148,053,247)

(a) The breakdown of the total gross profit is in Note 29 a) Revenue and 29 b) Cost of sales by each operative segment.

Customers

There were 92,571 active customers at 31 December 2021 and 83,181 at 31 December 2020, including Factoring, Loans, Auto Financing, Leasing and Treasury and Investments.

At 31 December 2021, the Company had no major concentration of customers, and the percentage of operations of the five main customers did not exceed 10.2% of the total loan portfolio, and at 31 December 2020 it was 8.9%. Likewise, the revenue from these customers did not exceed 3.5% of the Company's total revenue (5.0% at 31 December 2020).

Suppliers

At 31 December 2021, Tanner Servicios Financieros S.A. had about 659 registered suppliers (687 at 31 December 2020). The main ones were business (automotive companies and general goods), general services, computer and communication service suppliers.

b) Operating margin

The operating margin by business lines was as follows:

Operating margin by business lines (a)	Accumulated	
	01.01.2021 to 31.12.2021 Ch\$'000	01.01.2020 to 31.12.2020 Ch\$'000
Operating margin for Factoring	26,646,990	27,945,775
Operating margin for Loans	19,864,874	13,144,997
Operating margin for Auto Financing	51,636,091	42,781,745
Operating margin for Leasing	3,553,909	4,432,024
Operating margin for Treasury and Investments	8,344,317	16,302,244
Total	110,046,181	104,606,785

(a) The breakdown of each operating margin is in Note 29 a) Revenue and 29 b) Cost of sales by each operating segment.

c) Consolidated cash flow statement by segments

Cash flows by business lines at 31 December 2021 and 2020 were as follows:

Cash flows by business lines	For the years ended 31 December	
	2021	2020
	Ch\$'000	Ch\$'000
Cash flows from operating activities¹	(202,151,277)	173,151,089
Factoring segment	(50,462,241)	39,227,243
Loan segment	(38,809,967)	31,264,299
Auto Financing segment	(71,766,805)	57,895,981
Leasing segment	(8,421,846)	11,383,733
Treasury and Investments segment	(32,690,418)	33,379,833
Cash flows from investing activities²	24,607,299	122,655,511
Factoring segment	-	-
Loan segment	-	-
Auto Financing segment	-	-
Leasing segment	-	-
Treasury and Investments segment	24,607,299	122,655,511
Cash flows used in financing activities²	113,996,446	(228,441,394)
Factoring segment	-	-
Loan segment	-	-
Auto Financing segment	-	-
Leasing segment	-	-
Treasury and Investments segment	113,996,446	(228,441,394)

(1) Operating activities mainly consider cash flows arising from collection and the disbursements made by each one of the segments.

(2) Investing and financing activities consider the cash flows generated from the administration of cash flow management (financing and investing activities).

Note 7. Cash and cash equivalents

This item comprises cash on hand, cash in banks and highly-liquid financial instruments.

(a) The breakdown of cash and cash equivalents at 31 December 2021 and 2020 was as follows:

Types of cash and cash equivalents	31.12.2021 Ch\$'000	31.12.2020 Ch\$'000
Balances in banks	52,917,817	40,713,014
Mutual funds	4,021,089	50,206,955
Cash on hand	680,887	139,854
Term deposits	293,330	29,020,144
Cash and cash equivalents	57,913,123	120,079,967

(b) The breakdown of cash and cash equivalents by currency at 31 December 2021 and 2020 was as follows:

Breakdown	Currency	31.12.2021 Ch\$'000	31.12.2020 Ch\$'000
Cash on hand	CLP	671,101	105,050
Cash on hand	USD	4,124	5,388
Cash on hand	EUR	5,662	437
Cash on hand	CHF	-	28,979
Balances in banks	CLP	32,223,610	14,558,014
Balances in banks	USD	19,092,407	25,638,050
Balances in banks	EUR	1,591,818	513,875
Balances in banks	YEN	2,693	376
Balances in banks	CHF	3,732	1,801
Balances in banks	GBP	1,040	813
Balances in banks	CAD	2,517	85
Term deposits	USD	293,330	29,020,144
Mutual funds	CLP	-	50,206,955
Mutual funds	USD	4,021,089	-
Cash and cash equivalents		57,913,123	120,079,967

(c) The breakdown of term deposits shown in letter (b) at 31 December 2021 and 2020 was as follows:

Term deposits					Debtor company country	Currency	31.12.2021	31.12.2020
Creditor taxpayer ID No.	Creditor	Detail	Debtor taxpayer ID No.	Debtor company name			Up to 90 days	Up to 90 days
							Ch\$'000	Ch\$'000
96.667.560-8	Tanner Servicios Financieros S.A.	Renewable	97.030.000-7	Banco Estado	Chile	USD	293,330	7,689,328
96.667.560-8	Tanner Servicios Financieros S.A.	Renewable	Foreign	Bladex	Panama	USD	-	21,330,816
Total					Total		293,330	29,020,144

(d) The breakdown of mutual funds at 31 December 2021 and 2020 was as follows:

Investments in mutual funds					Debtor company country	Currency	31.12.2021	31.12.2020
Creditor taxpayer ID No.	Creditor	Type of Fund	Debtor taxpayer ID No.	Debtor company name			Up to 90 days	Up to 90 days
							Ch\$'000	Ch\$'000
96.667.560-8	Tanner Servicios Financieros S.A.	Renewable	96.767.630-6	AGF BANCHILE	Chile	CLP	-	10,029,764
96.667.560-8	Tanner Servicios Financieros S.A.	Renewable	96.634.320-6	AGF SCOTIA	Chile	CLP	-	20,063,482
96.667.560-8	Tanner Servicios Financieros S.A.	Renewable	96.966.250-7	AGF BTG	Chile	CLP	-	10,045,573
96.667.560-8	Tanner Servicios Financieros S.A.	Renewable	99.549.940-1	Credicorp AGF	Chile	CLP	-	10,068,136
80.962.600-8	Tanner Corredores de Bolsa S A	Renewable	Foreign	MSIM Fund Management	Ireland	USD	4,021,089	-
					Total		4.021.089	50.206.955

Note 8. Other current and non-current financial assets

a) Other current financial assets

This item comprises investments in corporate bonds and fixed-income instruments that must be adjusted to their fair value and/or amortised cost, along with financial derivative contracts with positive fair values. It also includes investments in corporate bonds measured at fair value through other comprehensive income, which are initially recognised at cost, including the transaction costs, which are subsequently adjusted to their fair value charged or credited to the item “financial assets at fair value through equity” in “other comprehensive income” in equity. Moreover, after the implementation of IFRS 9, the expected loss impairment model is applied for instruments measured at fair value through other comprehensive income.

The breakdown of other current financial assets at 31 December 2021 and 2020 was as follows:

Breakdown	31.12.2021			
	Fair value through other comprehensive income Ch\$'000	At amortised cost Ch\$'000	Fair value through profit or loss Ch\$'000	Total Ch\$'000
Instruments issued by other national institutions				
Investment in debt instruments	6,630,136	587,205	98,881,167	106,098,508
Forward rights	-	-	16,387,019	16,387,019
Promissory notes of banks and financial institutions	-	-	989,196	989,196
Shares	-	-	3,523,036	3,523,036
Instruments issued by the Government				
Other instruments issued by the government	-	-	2,555,211	2,555,211
Total	6,630,136	587,205	122,335,629	129,552,970

Breakdown	31.12.2020			
	Fair value through other comprehensive income Ch\$'000	At amortised cost Ch\$'000	Fair value through profit and loss Ch\$'000	Total Ch\$'000
Instruments issued by other national institutions				
Investment in debt instruments	9,425,369	-	58,371,479	67,796,848
Forward rights	-	-	3,869,220	3,869,220
Promissory notes of deposits in Chilean banks	-	-	7,077,401	7,077,401
Instruments issued by the Government				
Other instruments issued by the Government	-	-	1,190,881	1,190,881
Total	9,425,369	-	70,508,981	79,934,350

b) Other non-current financial assets

This item comprises investments in debt instruments, shares of local stock exchanges and derivative instruments, which are stated at fair value through equity or profit or loss, accordingly.

The breakdown of other non-current financial assets at 31 December 2021 and 2020 was as follows:

Other non-current financial assets	31.12.2021			
	Fair value through other comprehensive income	At amortised cost	Fair value through profit and loss	Total
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Swap contracts ⁽¹⁾	30,454,221	-	-	30,454,221
Investment in debt instruments (US\$)	5,047,088	30,891,219	-	35,938,307
Private fund investment	-	-	5,257,748	5,257,748
Investment in shares ⁽²⁾	1,623,750	8,791	-	1,632,541
Investment in debt instruments (Ch\$)	485,099	-	-	485,099
Total	37,610,158	30,900,010	5,257,748	73,767,916
Other non-current financial assets	31.12.2020			
	Fair value through other comprehensive income	At amortised cost	Fair value through profit and loss	Total
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Swap contracts ⁽¹⁾	32,836,115	-	-	32,836,115
Investment in debt instruments (US\$)	16,155,508	-	-	16,155,508
Private fund investment	-	-	3,344,589	3,344,589
Investment in shares ⁽²⁾	2,074,590	8,791	-	2,083,381
Investment in debt instruments (Ch\$)	613,663	-	-	613,663
Total	51,679,876	8,791	3,344,589	55,033,256

(1) Hedging of liability risks from issuing bonds in foreign currency.

(2) This is the Company's position in shares, with the main one million shares on the Santiago Stock Exchange, 100,000 shares on Chile's Electronic Exchange held by the subsidiary Tanner Corredores de Bolsa S.A.

c) Reclassifications of financial assets

The financial assets reclassified from one category to another and the effects on the Company's financial statements pursuant to IFRS 7.12B are shown below.

Other current and non-current financial assets	Reclassification date	31.12.2021					
		Fair value through other comprehensive income	At amortised cost	Fair value through profit and loss	Total	Fair value at 31.12.2021	Profit or loss not recognised in other comprehensive income
		Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance at 01.01.2021		59,710,598	8,792	75,248,216	134,967,606	-	-
Increases		-	19,907,620	56,167,885	76,075,505	-	-
Decreases		(7,722,225)	-	-	(7,722,225)	-	-
Reclassifications		-	-	-	-	-	-
From fair value through other comprehensive income to amortised cost ¹	01.06.2021	(11,570,803)	11,570,803	-	-	10,082,860	(1,487,943)
Closing balance at 31.12.2021		40,417,570	31,487,215	131,416,101	203,320,886	10,082,860	(1,487,943)

- 1 The objective of the business model for these assets was initially to obtain contractual cash flows, but the Company also envisaged their possible sale as a possibility. After a review of the portfolio of financial assets and an update of the Company's investment policy, the decision was made to change the business model for these assets. From now on, the business model objective will be to maintain these financial assets with the sole aim of collecting the cash flows arising from the contract conditions, only receiving cash flows on the specific dates of payments of the principal and interest on such principal. Their sale before maturity is not envisaged.

At 31 December 2020, the Company made no reclassifications from one category to another in the portfolio of financial instruments.

Note 9. Other current and non-current non-financial assets

(a) The breakdown of other current non-financial assets at 31 December 2021 and 2020 was as follows:

Other current non-financial assets	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Prepaid expenses (*)	1,669,889	2,999,929
Goods received in lieu of payment	285,974	-
Others	54,184	58,054
Total	2,010,047	3,057,983

(*) These are Human Resources expenses, expenses of issuing debt, standard licences and others.

The breakdown of other non-current non-financial assets at 31 December 2021 and 2020 was as follows:

Other non-current non-financial assets	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
CCLV guarantees ¹	5,752,811	4,611,798
Derivative and international market guarantees ²	744,816	236,639
Others ³	803,579	332,971
Total	7,301,206	5,181,408

1 Guarantees granted to CCLV for operations inherent to the business of the subsidiary Tanner Corredores de Bolsa S.A.

2 Guarantees granted for derivative and international market operations of the subsidiary Tanner Corredores de Bolsa S.A.

3 These are mainly real estate lease guarantees, performance bonds, etc.

Note 10. Trade and other receivables

These correspond to factoring loans, loans, auto financing, leasing and Treasury and Investments, which are initially recognised at fair value and subsequently at amortised cost, pursuant to the effective interest rate method. They are expressed in Chilean pesos, according to the indexed unit of the currency agreed on effective at the close of each accounting period, net of accrued interest. They include the costs of fees for dealers, which are part of the effective interest rate of the auto financing granted, less the estimate for impairment losses.

Receivables generated by intermediation transactions are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and arise from the direct cash financing of a third party.

Renegotiated trade receivables are accounted for in the original receivable accounts and the difference or check mark is shown in the application containing such accounts. Regarding the provision, there are no accounting amendments, and the amount of the provisions is stated in the normal portfolio provision accounts.

The breakdown of this item at 31 December 2021 and 2020 was as follows:

a) Trade and other receivables, current and non-current

The consolidated loan portfolio net of provisions of Tanner Servicios Financieros amounted to ThCh\$1,444,542,437 at 31 December 2021 and ThCh\$1,125,009,633 at 31 December 2020.

Trade and other receivables, net, current	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Corporate Division		
Receivables from factoring operations	417,320,913	291,693,917
Loan operations	255,427,469	181,277,322
Lease contracts	16,208,051	22,740,421
Total Corporate Division	688,956,433	495,711,660
Auto Financing Division		
Auto financing operations	246,195,563	206,723,186
Insurance operations	17,258,932	8,280,970
Total Auto Financing Division	263,454,495	215,004,156
Treasury and Investments Division		
Receivables from intermediation operations	18,545,466	20,165,877
Receivables from fund management (AGF)	-	35,103
Total Treasury and Investments Division	18,545,466	20,200,980
Sundry receivables	3,529,983	2,288,044
Total	974,486,377	733,204,840

Trade and other receivables, non-current			31.12.2021	31.12.2020
			Ch\$'000	Ch\$'000
Corporate Division				
Receivables from factoring operations			14,811,777	22,725,495
Loan operations			69,336,655	69,044,875
Lease contracts			49,367,937	48,517,723
Total Corporate Division			133,516,369	140,288,093
Auto Financing Division				
Auto financing operations			336,539,691	251,516,700
Insurance operations			-	-
Total Auto Financing Division			336,539,691	251,516,700
Treasury and Investments Division				
Receivables from intermediation operations			-	-
Receivables from fund management (AGF)			-	-
Total Treasury and Investments Division			-	-
Sundry receivables			-	-
Total			470,056,060	391,804,793
Total net assets			1,444,542,437	1,125,009,633

Breakdown	31.12.2021					
	Current			Non-Current		
	Gross portfolio Ch\$'000	Provisions Ch\$'000	Total net portfolio Ch\$'000	Gross portfolio Ch\$'000	Provisions Ch\$'000	Total net portfolio Ch\$'000
Corporate Division	695,800,270	(6,843,837)	688,956,433	136,474,209	(2,957,840)	133,516,369
Receivables from factoring operations	420,516,956	(3,196,043)	417,320,913	15,873,292	(1,061,515)	14,811,777
Loan operations	258,984,029	(3,556,560)	255,427,469	71,102,982	(1,766,327)	69,336,655
Lease contracts	16,299,285	(91,234)	16,208,051	49,497,935	(129,998)	49,367,937
Auto Financing Division	271,455,193	(8,000,698)	263,454,495	343,213,041	(6,673,350)	336,539,691
Auto financing operations	254,196,261	(8,000,698)	246,195,563	343,213,041	(6,673,350)	336,539,691
Insurance operations	17,258,932	-	17,258,932	-	-	-
Treasury and Investments Division	19,050,225	(504,759)	18,545,466	-	-	-
Receivables from intermediation operations	19,050,225	(504,759)	18,545,466	-	-	-
Receivables from fund management (AGF)	-	-	-	-	-	-
Sundry receivables	3,529,983	-	3,529,983	-	-	-
Total trade and other receivables, current and non-current	989,835,671	(15,349,294)	974,486,377	479,687,250	(9,631,190)	470,056,060

Breakdown	31.12.2020					
	Current			Non-Current		
	Gross portfolio Ch\$'000	Provisions Ch\$'000	Total net portfolio Ch\$'000	Gross portfolio Ch\$'000	Provisions Ch\$'000	Total net portfolio Ch\$'000
Corporate Division	503,234,977	(7,523,317)	495,711,660	141,626,020	(1,337,927)	140,288,093
Receivables from factoring operations	293,833,048	(2,139,131)	291,693,917	22,828,760	(103,265)	22,725,495
Loan operations	186,206,984	(4,929,662)	181,277,322	69,862,854	(817,979)	69,044,875
Lease contracts	23,194,945	(454,524)	22,740,421	48,934,406	(416,683)	48,517,723
Auto Financing Division	221,447,640	(6,443,484)	215,004,156	258,993,124	(7,476,424)	251,516,700
Auto financing operations	213,166,670	(6,443,484)	206,723,186	258,993,124	(7,476,424)	251,516,700
Insurance operations	8,280,970	-	8,280,970	-	-	-
Treasury and Investments Division	20,226,665	(25,685)	20,200,980	-	-	-
Receivables from intermediation operations	20,191,562	(25,685)	20,165,877	-	-	-
Receivables from fund management (AGF)	35,103	-	35,103	-	-	-
Sundry receivables	2,288,044	-	2,288,044	-	-	-
Total trade and other receivables, current and non-current	747,197,326	(13,992,486)	733,204,840	400,619,144	(8,814,351)	391,804,793

The breakdown of sundry receivables at 31 December 2021 and 2020 was as follows:

Sundry receivables	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Accounts receivable (net)	3,383,539	2,148,903
Employee advances and loans	74,163	101,169
Supplier advances	38,818	32,011
Other receivables	33,463	5,961
Total	3,529,983	2,288,044

b) Delinquent instalments

Delinquent instalments are unpaid and past due principal and interest that are part of the instalment. The amount of the delinquent instalment for factoring operations is the unpaid balance of the debt.

Delinquent instalments	Tranche in days 31.12.2021 Ch\$'000	Factoring	Loans	Auto Financing	Leasing	Treasury and Investments	Total
		31.12.2021	31.12.2021	31.12.2021	31.12.2021	31.12.2021	31.12.2021
		Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Delinquency	1-30 days	18,841,327	1,438,229	2,214,264	142,541	1,503,426	24,139,787
Delinquency	31-60 days	1,621,589	2,833,095	943,833	77,994	440	5,476,951
Delinquency	61-90 days	283,954	2,225,817	532,132	36,639	94	3,078,636
Delinquency	91-120 days	465,652	777,032	357,657	32,087	7	1,632,435
Delinquency	121-150 days	203,360	48,536	236,446	10,185	23	498,550
Delinquency	151-180 days	73,080	42,399	187,524	5,018	827,260	1,135,281
Delinquency	181-210 days	163,845	105,816	140,450	1,067	5	411,183
Delinquency	211-250 days	64,610	38,687	147,781	1,067	0	252,145
Delinquency	>250 days	806,776	9,357,635	228,137	5,335	14	10,397,897
Total		22,524,193	16,867,246	4,988,224	311,933	2,331,269	47,022,865

Delinquent instalments	Tranche in days 31.12.2020 Ch\$'000	Factoring	Loans	Auto Financing	Leasing	Treasury and Investments	Total
		31.12.2020	31.12.2020	31.12.2020	31.12.2020	31.12.2020	31.12.2020
		Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Delinquency	1-30 days	14,036,821	2,641,844	2,108,828	136,510	3,966,578	22,890,581
Delinquency	31-60 days	248,389	6,138,950	1,108,297	54,652	837,754	8,388,042
Delinquency	61-90 days	131,964	609,401	622,534	20,268	2,785	1,386,952
Delinquency	91-120 days	72,976	559,109	462,708	22,138	5,607	1,122,538
Delinquency	121-150 days	78,508	294,080	346,929	19,667	4,081	743,265
Delinquency	151-180 days	164,192	221,260	327,205	16,858	-	729,515
Delinquency	181-210 days	106,345	928,054	265,647	16,672	24	1,316,742
Delinquency	211-250 days	464,711	557,823	260,058	23,046	12	1,305,650
Delinquency	>250 days	1,586,824	3,900,791	512,783	283,815	40,338	6,324,551
Total		16,890,730	15,851,312	6,014,989	593,626	4,857,179	44,207,836

c) Portfolio stratification

The portfolio stratification for each type of loan for the years ended 31 December 2021 and 2020 is shown below. The values included in each delinquency tranche also consider interest and the delinquent principal, plus the unpaid balance of the operations.

c.1) Factoring portfolio

31 December 2021					31 December 2020				
Delinquency tranches	No. of customers in unrenegotiated portfolio	Gross unrenegotiated portfolio amount Ch\$'000	No. of customers in renegotiated portfolio	Gross renegotiated portfolio amount Ch\$'000	Delinquency tranches	No. of customers in unrenegotiated portfolio	Gross unrenegotiated portfolio amount Ch\$'000	No. of customers in renegotiated portfolio	Gross renegotiated portfolio amount Ch\$'000
Up-to-date	2,540	409,901,897	60	3,964,158	Up-to-date	1,479	298,761,634	39	1,009,442
1-30 days	909	18,581,898	17	259,429	1-30 days	401	14,036,821	-	-
31-60 days	263	1,245,232	11	376,357	31-60 days	85	248,389	-	-
61-90 days	59	189,918	7	94,037	61-90 days	33	131,964	-	-
91-120 days	40	422,644	3	43,008	91-120 days	22	72,976	-	-
121-150 days	30	201,710	2	1,650	121-150 days	38	78,508	-	-
151-180 days	27	14,834	4	58,246	151-180 days	32	164,192	-	-
181-210 days	27	87,976	2	75,869	181-210 days	51	106,345	-	-
211-250 days	31	58,538	3	6,072	211-250 days	79	464,711	-	-
>250 days	81	619,564	7	187,212	>250 days	185	1,586,826	-	-
Total	4,007	431,324,211	116	5,066,038	Total	2,405	315,652,366	39	1,009,442

Provisions, write-offs and write-off recovery 31 December 2021					Provisions, write-offs and write-off recovery 31 December 2020				
Unrenegotiated portfolio provision Ch\$'000	Renegotiated portfolio provision Ch\$'000	Total provision Ch\$'000	Write-offs in the year Ch\$'000	Recoveries in the year Ch\$'000	Unrenegotiated portfolio provision Ch\$'000	Provisión cartera renegociada M\$	Total provision Ch\$'000	Write-offs in the year Ch\$'000	Recoveries in the year Ch\$'000
2,732,266	1,525,292	4,257,558	2,677,077	1,996,490	2,141,892	100,504	2,242,396	5,786,961	1,764,289

Rejected notes and judicial collection at 31 December 2021			Rejected notes and judicial collection at 31 December 2020		
	No. of documents	Portfolio amount Ch\$'000		No. of documents	Portfolio amount Ch\$'000
Notes receivable disputed	389	1,174,917	Notes receivable disputed	1,156	2,441,940
Notes receivable under judicial collection ^(*)	241	4,444,479	Notes receivable under judicial collection ^(*)	113	3,244,258

(*) Only includes lawsuits of the current portfolio.

c.2) Loan portfolio

31 December 2021					31 December 2020				
Delinquency tranches	No. of customers in unrenegotiated portfolio	Gross unrenegotiated portfolio amount Ch\$'000	No. of customers in renegotiated portfolio	Gross renegotiated portfolio amount Ch\$'000	Delinquency tranches	No. of customers in unrenegotiated portfolio	Gross unrenegotiated portfolio amount Ch\$'000	No. of customers in renegotiated portfolio	Gross renegotiated portfolio amount Ch\$'000
Up-to-date	458	307,307,496	16	1,968,263	Up-to-date	274	207,850,618	69	4,178,369
1-30 days	70	2,465,592	2	81,819	1-30 days	28	10,819,440	40	786,328
31-60 days	2	2,754,329	-	-	31-60 days	13	16,247,068	13	728,111
61-90 days	3	2,189,716	2	76,150	61-90 days	5	4,800,161	14	850,726
91-120 days	3	713,246	4	509,322	91-120 days	4	42,475	8	503,267
121-150 days	1	5,485	-	-	121-150 days	1	21,202	2	266,797
151-180 days	2	5,096	1	11,123	151-180 days	1	31,521	3	98,884
181-210 days	-	-	1	579,020	181-210 days	2	906,473	3	220,364
211-250 days	-	-	1	72,544	211-250 days	5	313,828	8	367,146
>250 days	20	9,721,249	5	1,626,561	>250 days	52	2,654,901	50	4,382,159
Total	559	325,162,209	32	4,924,802	Total	385	243,687,687	210	12,382,151

Provisions, write-offs and write-off recovery 31 December 2021					Provisions, write-offs and write-off recovery 31 December 2020				
Unrenegotiated portfolio provision Ch\$'000	Renegotiated portfolio provision Ch\$'000	Total provision Ch\$'000	Write-offs in the year Ch\$'000	Recoveries in the year Ch\$'000	Unrenegotiated portfolio provision Ch\$'000	Renegotiated portfolio provision Ch\$'000	Total provision Ch\$'000	Write-offs in the year Ch\$'000	Recoveries in the year Ch\$'000
3,919,080	1,403,807	5,322,887	5,970,540	-	1,956,722	3,790,919	5,747,641	2,528,629	-

Rejected notes and judicial collection at 31 December 2021			Rejected notes and judicial collection at 31 December 2020		
	No. of documents	Portfolio amount Ch\$'000		No. of documents	Portfolio amount Ch\$'000
Notes receivable disputed	-	-	Notes receivable disputed	-	-
Notes receivable under judicial collection ^(*)	56	12,120,024	Notes receivable under judicial collection ^(*)	148	19,773,479

(*) Only includes lawsuits of the current portfolio.

c.3) Auto Financing portfolio

31 December 2021					31 December 2020				
Delinquency tranches	No. of customers in unrenegotiated portfolio	Gross unrenegotiated portfolio amount Ch\$'000	No. of customers in renegotiated portfolio	Gross renegotiated portfolio amount Ch\$'000	Delinquency tranches	No. of customers in unrenegotiated portfolio	Gross unrenegotiated portfolio amount Ch\$'000	No. of customers in renegotiated portfolio	Gross renegotiated portfolio amount Ch\$'000
Up-to-date	74,568	543,371,355	1,149	5,383,005	Up-to-date	65,402	413,129,341	1,524	6,661,485
1-30 days	6,000	33,035,476	558	2,619,559	1-30 days	5,756	28,137,886	726	3,767,734
31-60 days	1,984	10,549,151	337	1,712,387	31-60 days	1,885	8,553,583	350	2,681,372
61-90 days	948	5,020,837	177	932,746	61-90 days	758	3,176,948	166	943,990
91-120 days	584	2,981,665	90	435,429	91-120 days	480	2,046,556	80	390,138
121-150 days	339	1,742,294	54	246,991	121-150 days	296	1,251,863	46	235,909
151-180 days	227	1,276,770	30	144,182	151-180 days	216	981,690	46	215,224
181-210 days	194	1,020,132	25	89,584	181-210 days	209	1,101,066	28	118,862
211-250 days	175	1,039,136	26	119,251	211-250 days	263	1,202,849	35	155,609
>250 days	409	2,520,360	59	427,924	>250 days	1,032	4,977,668	150	710,990
Total	85,428	602,557,176	2,505	12,111,058	Total	76,297	464,559,450	3,151	15,881,313

Provisions, write-offs and write-off recovery 31 December 2021					Provisions, write-offs and write-off recovery 31 December 2020				
Unrenegotiated portfolio provision Ch\$'000	Renegotiated portfolio provision Ch\$'000	Total provision Ch\$'000	Write-offs in the year Ch\$'000	Recoveries in the year Ch\$'000	Unrenegotiated portfolio provision Ch\$'000	Provisión cartera renegociada M\$	Total provision Ch\$'000	Write-offs in the year Ch\$'000	Recoveries in the year Ch\$'000
12,775,558	1,898,490	14,674,048	12,574,380	5,964,772	11,656,340	2,263,568	13,919,908	20,541,763	3,860,261

Rejected notes and judicial collection at 31 December 2021			Rejected notes and judicial collection at 31 December 2020		
	No. of documents	Portfolio amount Ch\$'000		No. of documents	Portfolio amount Ch\$'000
Notes receivable disputed	484	1,542,336	Notes receivable disputed	238	761,341
Notes receivable under judicial collection ^(*)	2,523	13,153,556	Notes receivable under judicial collection ^(*)	3,791	20,747,835

(*) Only includes lawsuits of the current portfolio.

c.4) Leasing portfolio

31 December 2021					31 December 2020				
Delinquency tranches	No. of customers in unrenegotiated portfolio	Gross unrenegotiated portfolio amount Ch\$'000	No. of customers in renegotiated portfolio	Gross renegotiated portfolio amount Ch\$'000	Delinquency tranches	No. of customers in unrenegotiated portfolio	Gross unrenegotiated portfolio amount Ch\$'000	No. of customers in renegotiated portfolio	Gross renegotiated portfolio amount Ch\$'000
Up-to-date	98	58,505,189	9	5,414,564	Up-to-date	118	61,325,647	30	7,764,903
1-30 days	21	1,126,820	3	189,357	1-30 days	30	955,415	8	567,337
31-60 days	7	175,427	2	230,954	31-60 days	10	305,308	6	160,788
61-90 days	2	34,414	1	18,085	61-90 days	2	44,535	3	220,845
91-120 days	-	-	2	41,857	91-120 days	-	-	2	82,578
121-150 days	-	-	1	5,343	121-150 days	1	62,303	-	-
151-180 days	-	-	2	24,375	151-180 days	-	-	-	-
181-210 days	-	-	-	-	181-210 days	-	-	1	46,824
211-250 days	-	-	-	-	211-250 days	-	-	-	-
>250 days	1	30,835	-	-	>250 days	10	192,089	3	400,779
Total	129	59,872,685	20	5,924,535	Total	171	62,885,297	53	9,244,054

Provisions, write-offs and write-off recovery 31 December 2021					Provisions, write-offs and write-off recovery 31 December 2020				
Unrenegotiated portfolio provision Ch\$'000	Renegotiated portfolio provision Ch\$'000	Total provision Ch\$'000	Write-offs in the year Ch\$'000	Recoveries in the year Ch\$'000	Unrenegotiated portfolio provision Ch\$'000	Provisión cartera renegociada M\$	Total provision Ch\$'000	Write-offs in the year Ch\$'000	Recoveries in the year Ch\$'000
164,892	56,340	221,232	512,174	147,163	130,782	740,425	871,207	1,961,042	584,543

Rejected notes and judicial collection at 31 December 2021			Rejected notes and judicial collection at 31 December 2020		
	No. of documents	Portfolio amount Ch\$'000		No. of documents	Portfolio amount Ch\$'000
Notes receivable disputed	-	-	Notes receivable disputed	-	-
Notes receivable under judicial collection ^(*)	3	57,011	Notes receivable under judicial collection ^(*)	15	706,726

(*) Only includes lawsuits of the current portfolio.

c.5) Treasury and Investments portfolio

31 December 2021					31 December 2020				
Delinquency tranches	No. of customers in unrenegotiated portfolio	Gross unrenegotiated portfolio amount Ch\$'000	No. of customers in renegotiated portfolio	Gross renegotiated portfolio amount Ch\$'000	Delinquency tranches	No. of customers in unrenegotiated portfolio	Gross unrenegotiated portfolio amount Ch\$'000	No. of customers in renegotiated portfolio	Gross renegotiated portfolio amount Ch\$'000
Up-to-date	38	16,428,306	2	290,650	Up-to-date	65	15,369,486	-	-
1-30 days	37	1,503,426	-	-	1-30 days	48	3,966,579	2	830,650
31-60 days	7	440	-	-	31-60 days	6	7,104	-	-
61-90 days	2	94	-	-	61-90 days	4	2,785	-	-
91-120 days	2	7	-	-	91-120 days	8	5,607	-	-
121-150 days	3	23	-	-	121-150 days	6	4,081	-	-
151-180 days	1	827,260	-	-	151-180 days	-	-	-	-
181-210 days	1	5	-	-	181-210 days	1	24	-	-
211-250 days	1	0	-	-	211-250 days	1	12	-	-
>250 days	2	14	-	-	>250 days	12	40,337	-	-
Total	94	18,759,575	2	290,650	Total	151	19,396,015	2	830,650

Provisions, write-offs and write-off recovery 31 December 2021					Provisions, write-offs and write-off recovery 31 December 2020				
Unrenegotiated portfolio provision Ch\$'000	Renegotiated portfolio provision Ch\$'000	Total provision Ch\$'000	Write-offs in the year Ch\$'000	Recoveries in the year Ch\$'000	Unrenegotiated portfolio provision Ch\$'000	Provisión cartera renegociada M\$	Total provision Ch\$'000	Write-offs in the year Ch\$'000	Recoveries in the year Ch\$'000
504,759	-	504,759	40,375	-	25,685	-	25,685	948	-

Rejected notes and judicial collection at 31 December 2021			Rejected notes and judicial collection at 31 December 2020		
	No. of documents	Portfolio amount Ch\$'000		No. of documents	Portfolio amount Ch\$'000
Notes receivable disputed	-	-	Notes receivable disputed	-	-
Notes receivable under judicial collection ^(*)	-	-	Notes receivable under judicial collection ^(*)	-	-

(*) Only includes lawsuits of the current portfolio.

c.6) Total Portfolio

31 December 2021					31 December 2020				
Delinquency tranches	No. of customers in unrenegotiated portfolio	Gross unrenegotiated portfolio amount Ch\$'000	No. of customers in renegotiated portfolio	Gross renegotiated portfolio amount Ch\$'000	Delinquency tranches	No. of customers in unrenegotiated portfolio	Gross unrenegotiated portfolio amount Ch\$'000	No. of customers in renegotiated portfolio	Gross renegotiated portfolio amount Ch\$'000
Up-to-date	77,702	1,335,514,243	1,236	17,020,640	Up-to-date	67,338	996,436,727	1,662	19,614,199
1-30 days	7,037	56,713,212	580	3,150,164	1-30 days	6,263	57,916,141	776	5,952,049
31-60 days	2,263	14,724,579	350	2,319,698	31-60 days	1,999	25,361,453	369	3,570,271
61-90 days	1,014	7,434,979	187	1,121,018	61-90 days	802	8,156,393	183	2,015,561
91-120 days	629	4,117,562	99	1,029,616	91-120 days	514	2,167,613	90	975,983
121-150 days	373	1,949,512	57	253,984	121-150 days	342	1,417,957	48	502,706
151-180 days	257	2,123,960	37	237,926	151-180 days	249	1,177,403	49	314,108
181-210 days	222	1,108,113	28	744,473	181-210 days	263	2,113,908	32	386,050
211-250 days	207	1,097,674	30	197,867	211-250 days	348	1,981,400	43	522,755
>250 days	513	12,892,021	71	2,241,697	>250 days	1,291	9,451,820	203	5,493,928
Total	90,217	1,437,675,855	2,675	28,317,083	Total	79,409	1,106,180,815	3,455	39,347,610

Provisions, write-offs and write-off recovery 31 December 2021					Provisions, write-offs and write-off recovery 31 December 2020				
Unrenegotiated portfolio provision Ch\$'000	Renegotiated portfolio provision Ch\$'000	Total provision Ch\$'000	Write-offs in the year Ch\$'000	Recoveries in the year Ch\$'000	Unrenegotiated portfolio provision Ch\$'000	Provisión cartera renegociada M\$	Total provision Ch\$'000	Write-offs in the year Ch\$'000	Recoveries in the year Ch\$'000
20,096,555	4,883,929	24,980,484	21,774,546	8,108,424	15,911,421	6,895,416	22,806,837	30,819,343	6,209,092

Rejected notes and judicial collection at 31 December 2021			Rejected notes and judicial collection at 31 December 2020		
	No. of documents	Portfolio amount Ch\$'000		No. of documents	Portfolio amount Ch\$'000
Notes receivable disputed	873	2,717,253	Notes receivable disputed	1,394	3,203,281
Notes receivable under judicial collection ^(*)	2,823	29,775,070	Notes receivable under judicial collection ^(*)	4,067	44,472,297

(*) Only includes lawsuits of the current portfolio.

d) Impairment of trade receivables

The provisions for the years ended 31 December 2021 and 2020 are shown below:

Breakdown	31.12.2021					
	Factoring Ch\$'000	Loans Ch\$'000	Auto Financing Ch\$'000	Leasing Ch\$'000	Treasury and Investments Ch\$'000	Total Ch\$'000
Opening balance	2,242,396	5,747,641	13,919,908	871,207	25,685	22,806,837
Write-off	(2,677,077)	(5,970,540)	(12,574,380)	(512,174)	(40,375)	(21,774,546)
Release	(190,519)	(1,008,689)	(4,742,669)	(541,733)	(680)	(6,484,290)
Accrual	4,882,758	6,554,475	18,071,189	403,932	520,129	30,432,483
Closing balance	4,257,558	5,322,887	14,674,048	221,232	504,759	24,980,484

Breakdown	31.12.2020					
	Factoring Ch\$'000	Loans Ch\$'000	Auto Financing Ch\$'000	Leasing Ch\$'000	Treasury and Investments Ch\$'000	Total Ch\$'000
Opening balance	4,935,678	3,530,727	18,984,263	1,051,432	10,078	28,512,178
Write-off	(5,786,961)	(2,528,629)	(20,541,763)	(1,961,042)	(948)	(30,819,343)
Release	(561,681)	(681,458)	(6,172,841)	(341,222)	(9,106)	(7,766,308)
Accrual	3,655,360	5,427,001	21,650,249	2,122,039	25,661	32,880,310
Closing balance	2,242,396	5,747,641	13,919,908	871,207	25,685	22,806,837

To explain the changes in the value adjustments for losses and the reasons for such changes, the breakdown of the reconciliation of the opening balance and closing balance of the value adjustment for losses is shown below for each business segment, indicating the changes in the expected loan losses by stage for each segment.

Stage 1: reflects the value adjustments for losses measured by an amount equal to the expected loan losses in 12 months. Operations with less than 30 days of delinquency and not marked as renegotiated are classified in this stage.

Stage 2: reflects the value adjustments for losses measured by an amount equal to the expected loan losses during the useful life of the asset. Operations with up to 90 days of delinquency, and up to 60 days of delinquency in the case of renegotiated loans, are classified in this stage.

Stage 3: reflects whether the loan's credit risk has increased to the extent that it is deemed impaired. Operations with more than 90 days of delinquency, and more than 60 days of delinquency in the case of renegotiated loans, are classified in this stage.

d.1) Factoring

2021

Breakdown	31.12.2021			
	Factoring	Stage 1	Stage 2	Stage 3
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance	2,242,396	150,649	110,543	1,981,204
Changes				
Write-off	(2,677,077)	-	-	(2,677,077)
Release	(190,519)	(180,476)	(10,043)	-
Accrual	4,882,758	613,487	1,608,772	2,660,499
Closing balance	4,257,558	583,660	1,709,272	1,964,626

The provision amount of the factoring portfolio increased by to Ch\$2,015 million. Such increase was mainly because delinquency of more than 30 days increased by Ch\$830 million from Ch\$2,853 million in December 2020 to Ch\$3,683 million in December 2021, and an effect of Ch\$870 million due to the calibration of models.

2020

Breakdown	31.12.2020			
	Factoring	Stage 1	Stage 2	Stage 3
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance	4,935,678	402,418	24,780	4,508,480
Changes				
Write-off	(5,786,961)	-	-	(5,786,961)
Release	(561,681)	(537,016)	(24,665)	-
Accrual	3,655,360	285,247	110,428	3,259,685
Closing balance	2,242,396	150,649	110,543	1,981,204

d.2) Loans

2021

Breakdown	31.12.2021			
	Loans	Stage 1	Stage 2	Stage 3
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance	5,747,641	191,313	805,236	4,751,092
Changes				
Write-off	(5,970,540)	-	-	(5,970,540)
Release	(1,008,690)	(215,023)	(793,667)	-
Accrual	6,554,476	1,685,260	597,852	4,271,364
Closing balance	5,322,887	1,661,550	609,421	3,051,916

The provision amount of the loan portfolio fell by Ch\$425 million. That was mainly because delinquency of more than 30 days dropped by Ch\$14,171 million from Ch\$32,435 million in December 2020 to Ch\$18,264 million in December 2021, despite the fact additional provisions of Ch\$3,234 million were made for calibration of the model.

2020

Breakdown	31.12.2020			
	Loans	Stage 1	Stage 2	Stage 3
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance	3,530,727	550,148	131,800	2,848,779
Changes				
Write-off	(2,528,629)	-	-	(2,528,629)
Release	(681,458)	(540,934)	(129,930)	(10,594)
Accrual	5,427,001	182,099	803,367	4,441,535
Closing balance	5,747,641	191,313	805,237	4,751,091

d.3) Auto Financing

2021

Breakdown	31.12.2021			
	Auto Financing	Stage 1	Stage 2	Stage 3
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance	13,919,908	3,471,661	2,306,208	8,142,039
Changes				
Write-off	(12,574,380)	-	-	(12,574,380)
Release	(4,742,668)	(2,919,241)	(1,823,427)	-
Accrual	18,071,188	2,702,491	2,182,272	13,186,425
Closing balance	14,674,048	3,254,911	2,665,053	8,754,084

The provision amount of the auto financing portfolio increased by Ch\$754 million. Such increase was mainly because delinquency of more than 30 days increased by Ch\$1,515 million from Ch\$28,744 million in December 2020 to Ch\$30,259 million in December 2021, and an effect of Ch\$205 million due to the calibration of models.

2020

Breakdown	31.12.2020			
	Auto Financing	Stage 1	Stage 2	Stage 3
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance	18,984,263	4,686,978	2,771,261	11,526,024
Changes				
Write-off	(20,541,763)	-	-	(20,541,763)
Release	(6,172,841)	(4,062,154)	(2,110,687)	-
Accrual	21,650,249	2,846,835	1,645,634	17,157,780
Closing balance	13,919,908	3,471,659	2,306,208	8,142,041

d.4) Leasing

2021

Breakdown	31.12.2021			
	Leasing	Stage 1	Stage 2	Stage 3
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance	871,207	33,607	531,748	305,852
Changes				
Write-off	(512,174)	-	-	(512,174)
Release	(541,733)	(34,081)	(507,652)	-
Accrual	403,932	136,057	24,493	243,382
Closing balance	221,232	135,583	48,589	37,060

The provision amount of the leasing portfolio fell by Ch\$650 million. That was mainly because delinquency of more than 90 days dropped by Ch\$683 million from Ch\$785 million in December 2020 to Ch\$102 million in December 2021, and an effect of Ch\$124 million due to the calibration of models.

2020

Breakdown	31.12.2020			
	Leasing	Stage 1	Stage 2	Stage 3
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance	1,051,432	358,979	36,143	656,310
Changes				
Write-off	(1,961,042)	-	-	(1,961,042)
Release	(341,222)	(341,222)	-	-
Accrual	2,122,039	15,849	495,605	1,610,585
Closing balance	871,207	33,606	531,748	305,853

d.5) Treasury and Investments

2021

Breakdown	31.12.2021			
	Treasury and Investments	Stage 1	Stage 2	Stage 3
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance	25,685	725	2	24,958
Changes				
Write-off	(40,375)	-	-	(40,375)
Release	(680)	(678)	(2)	-
Accrual	520,129	802	3,095	516,232
Closing balance	504,759	849	3,095	500,815

The provision amount of the Treasury and Investments portfolio rose by Ch\$479 million, mainly because of a specific case that is in judicial collection.

2020

Breakdown	31.12.2020			
	Treasury and Investments	Stage 1	Stage 2	Stage 3
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance	10,078	-	8,019	2,059
Changes				
Write-off	(948)	-	-	(948)
Release	(9,106)	-	(8,019)	(1,087)
Accrual	25,661	725	2	24,934
Closing balance	25,685	725	2	24,958

At 31 December 2021, the Company had no significant changes in the gross carrying amount of financial instruments that have contributed to changes in the value adjustments for losses. The nature of the businesses and the low concentration in terms of debtors in each of the business lines indicate that there were no high loans which greatly contributed to the provision as it has been defined individually.

e) Trade receivable impairment provision policy

IFRS 9 establishes the guidelines for the recognition of credit losses arising from the financial assets of an entity. This standard stipulates that expected credit losses must be recognised considering the following 3 aspects:

- An unbiased amount of weighted probability, which is determined by assessing a range of possible results.
- The temporary value of money.
- Reasonable and substantiated information that is available without undue cost or effort on the reporting date of past events, current circumstances and forecasts of future economic conditions.

The approach of IFRS 9 is a model that recognises three stages, according to the following definition:

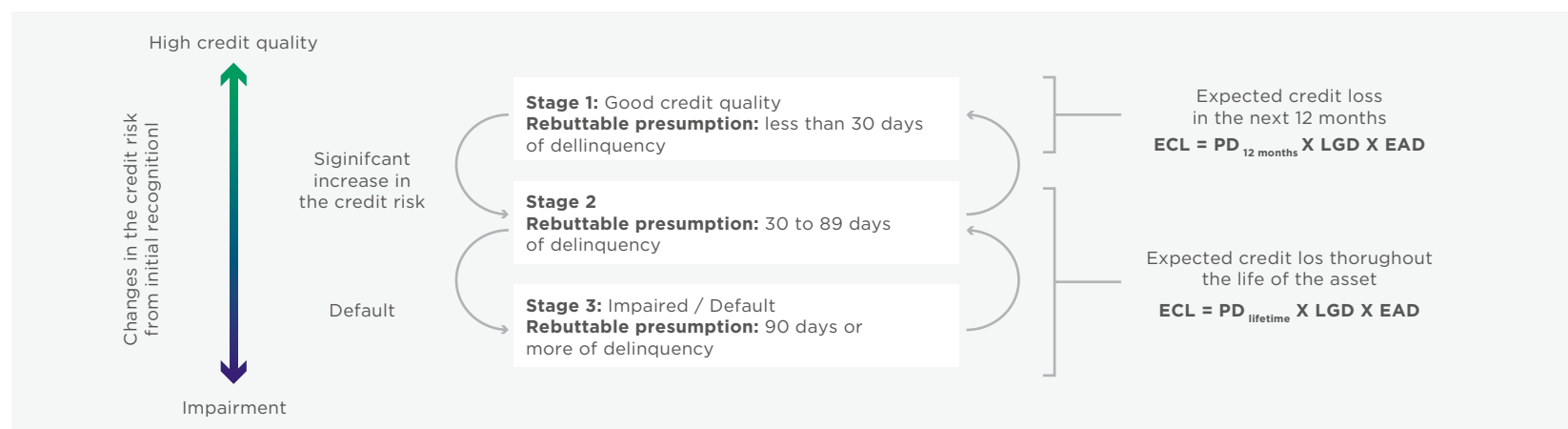
- **Stage 1:** assets with a low risk of impairment or default.
- **Stage 2:** assets with a much higher risk of default.
- **Stage 3:** defaulted assets.

For assets classified in the stage 1, it is necessary to estimate the expected credit losses due to default occurring in the next 12 months (weighted by the probability of such default occurring), whereas for stage 2 and 3 it is necessary to estimate the expected credit losses for the entire remaining life of the asset. For defaulted assets (classified in stage 3), the default probability parameter is defined as 1, so the recovery rate (or its complement, the expected loss due to default) is the important variable to estimate credit losses.

Although the standard allows entities to determine the criteria to move from one stage to another, there are rebuttable presumptions established, which are the basis of the model accepted described herein:

- **Stage 1 to Stage 2:** assets with more than 30 days of delinquency.
- **Stage 2 to Stage 3:** assets with 90 days or more of delinquency.

Image 1: Changes of Stage



PD = Probability of default
 LGD = Loss given default
 EAD = Exposure at default
 ECL = Expected credit losses

Source: "TANNER: Group Provision Methodology for Credit Risk - IFRS 9"

The regulatory requirements that were incorporated into the impairment models are:

- a) Risk profile for each product.
- b) Probability of default in 12 months and for the entire life of the asset.
- c) Loss due to default over the entire life of the asset.
- d) Total prepayment rates.
- e) Credit exposure at the time of default.
- f) Adjustment of the default probability to the economic cycle (forward-looking).

The profiles were modelled by means of business segmentation associated with different risk factors, except in the case of the auto financing product, for which logistic regression was used to build a scorecard. 90 days of delinquency was defined as the default indicator.

Structural curves of the probability of default in 12 months and for the entire life of the asset were built using empirical curves. For those cases in which extrapolation was necessary, this was undertaken by means of variations of historical curves.

The component of loss due to default was calculated using empirical rates of future recovery, assuming the uniformity of cash flows and discounted using the effective rate of each operation. For greater accuracy, this was segmented by portfolio and customer delinquency.

To model the forward-looking adjustment, models were developed whose response variable is the industry probability of default ratio, using different macroeconomic regressor variables.

Auto Financing: the macroeconomic variables that best explained the probability of default were the percentage change in the copper price expected in 2022, interest rates and the percentage change in the monthly economic activity index (IMACEC, according to the Spanish acronym) expected for the same period.

Leasing: the macroeconomic variables that best explained the probability of default were the percentage change in the copper price expected in 2022, the change in the monetary base in the last three months and the change in the retail sales index of the CNC¹ in the last six months.

Loans: the macroeconomic variables that best explained the probability of default were the average CPI in the last six months, the variation of the US dollar and performance expected in 2022, the price of gold and average IMACEC for the last 12 months.

Factoring: no significant associations were identified between the probability of default and the macroeconomic variables analysed, so their estimate in base, optimistic and pessimistic scenarios are based on 50%, 25% and 75% of their historical series noted.

To apply the forward-looking (FwL) adjustment to the probability of default (PD) curves of each segment and subsegment, the following methodology is used:

- Global FwL factor: the historical average of the 12-month PD is compared with the 12-month PD adjusted by the FwL concept of the global portfolio.
- Profile FwL factor: the estimated 12-month PD for each subsegment of the portfolio is compared with the historical 12-month PD of the global portfolio.
- Lastly, the FwL PD curve of each profile or subsegment corresponds to the result of each value of the estimated PD curve for the profile and the weight: $(1 + \text{global FwL factor} \times \text{profile FwL factor})$.

¹ National Chamber of Commerce, Services and Tourism.

In the second half of 2021, Tanner Servicios Financieros S.A. updated the parameters of the credit risk provision models with the aim of incorporating the most recent information on the performance of customers, maintaining the statistical follow-up standards, giving a higher provision with an effect of Ch\$4,186 million on profit and loss.

Segmentation of risk profiles by product

The profiles of each product are outlined below:

i) Factoring and non-sufficient fund (NSF) cheques

The calculation of provisions for the factoring business considers three profiles segmented by subproduct and risk profiles. Note that any renegotiated operation like a loan falls into the recognition subsegment. The most significant variables by subsegment are:

- **Invoice subsegment:**
 - Type or group
 - Current delinquency days
- **Debt recognition subsegment:**
 - If it performs like a loan or not
 - Type or group
 - Current delinquency days
- **Cheque subsegment:**
 - Type of document
 - Type or group
 - Current delinquency days
- **Others subsegment:**
 - Type or group
 - Current delinquency days

ii) Loan portfolio

The calculation of provisions for the loan business considers eight risk profiles with internal performance variables. The most significant are:

- Days of current delinquency
- Renegotiation which determines whether it is a “normal” loan or “recognition” of the variable type.

iii) Leasing portfolio

The calculation of provisions for the leasing business considers five profiles segmented by subproduct and risk profiles. The most significant are:

- Current delinquency days
- Subproduct (real estate or product vendor and machinery or vehicle)
- Renegotiation

Vi) Auto Financing portfolio

The calculation of provisions for the auto financing business considers segmentation by sales channel and a performance score. The segmentation by sales channel is as follows:

- NISSAN
- AMICAR
- NON-AMICAR
- RENEGOTIATED

Each one of these segments is divided by risk profiles according to their performance score and considers the following variables:

1. Percentage increase in the outstanding amount in the last three months.
2. Maximum days of delinquency in the last three months.
3. Number of delinquent instalments in the last month.
4. Percentage of instalments paid.
5. Delinquent instalment average in the last month.
6. If the operation has grace period months (this is a binary variable).
7. If the operation had a partial prepayment in the last three months (this is a binary variable).
8. Portfolio average in the last three months.

V) Treasury and Investments portfolio

The calculation of provisions for the intermediation business considers eight risk profiles with internal performance variables. The most significant are:

- Current delinquency days
- Renegotiation.

Update of the adjustment of the probability of default to the economic cycle (forward-looking) and population changes

Every year, the Company analyses possible population and macroeconomic changes associated, for example, with changes in the risk policy, the creation of new products and market indicators, and updates the calibrations of the probability of default curves that will ultimately impact provisioning factors.

Exposure mitigation due to guarantee and/or insurance coverage

All operations that are guaranteed with real estate or insurance or another asset are allocated a target value to the guarantee, which is always based on an independent appraisal and may only be more conservative than such appraisal.

General guarantees will be used to mitigate the customer's exposure in the following order of mitigation:

1. Loans
2. Leasing
3. Factoring
4. Treasury and Investments

Provision for high amount customers

The Company has defined the creation of a group of high amount customers, which corresponds to those who have exposure of or greater than Ch\$2 billion, either individually or aggregated with their economic group.

High amount customers are classified as impaired when they meet any of the following criteria:

- i) External and internal delinquency of greater than 30 days that represents 15% or more of their line.
- ii) They have three or more events of external delinquency.
- iii) They have cases of reorganisation or receivership, as laid down in Law 20.720 on Reorganisation and Enterprise.
- iv) They have legal cases of a high impact or amount.

High amount customers that are not identified as impaired are provisioned for by applying the statistical expected loss models outlined above. In addition, impaired high amount customers are analysed individually by the Credit Committee, which decides on their solvency and the mitigating factors, thereby determining the expected risk of each one.

Summary of the high amount portfolio

The breakdown of the high amount portfolio by product is shown below:

31.12.2021

Product	Normal High Amounts				Impaired High Amounts				Total			
	Gross Balance	Provision	Total Guarantee	Debt-related Guarantee	Gross Balance	Provision	Total Guarantee	Debt-related Guarantee	Gross Balance	Provision	Total Guarantee	Debt-related Guarantee
Loans	197,108,779	(367,696)	89,414,698	72,521,615	65,519,343	(3,259,786)	72,971,134	55,588,062	262,628,122	(3,627,482)	162,385,832	128,109,677
Factoring	189,161,717	(175,677)	7,097,253	7,097,253	39,026,898	(600,696)	33,878,580	33,870,771	228,188,615	(776,373)	40,975,833	40,968,024
Floor plan	16,387,389	(1,042)	19,690,797	14,984,511	-	-	-	-	16,387,389	(1,042)	19,690,797	14,984,511
Leasing	39,459,910	(67,634)	33,260,432	33,195,497	4,208,513	-	3,577,236	3,577,236	43,668,423	(67,634)	36,837,668	36,772,733
Total	442,117,795	(612,049)	149,463,180	127,798,876	108,754,754	(3,860,482)	110,426,950	93,036,069	550,872,549	(4,472,531)	259,890,130	220,834,945

31.12.2020

Product	Normal High Amounts				Impaired High Amounts				Total			
	Gross Balance	Provision	Total Guarantee	Debt-related Guarantee	Gross Balance	Provision	Total Guarantee	Debt-related Guarantee	Gross Balance	Provision	Total Guarantee	Debt-related Guarantee
Loans	158,438,158	(114,652)	53,833,623	53,833,623	44,854,623	-	57,007,001	44,854,623	203,292,782	(114,652)	110,840,624	98,688,247
Factoring	173,959,850	(82,231)	9,432,693	8,818,682	19,994,212	(296)	17,498,494	17,498,494	193,954,062	(82,527)	26,931,187	26,317,176
Floor plan	8,684,885	(3,474)	7,816,064	7,527,882	-	-	-	-	8,684,885	(3,474)	7,816,064	7,527,882
Leasing	51,890,529	(289,420)	40,919,253	38,980,415	-	-	-	-	51,890,529	(289,420)	40,919,253	38,980,415
Total	392,973,422	(489,777)	112,001,633	109,160,602	64,848,835	(296)	74,505,495	62,353,117	457,822,258	(490,073)	186,507,128	171,513,720

Breakdown	Currency	31.12.2020						
		Ch\$'000						
		0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total
Minimum lease receivables, gross	UF	20,030,686	9,524,175	7,407,089	20,626,986	3,074,453	17,406,622	78,070,011
Minimum lease receivables, gross	CLP	6,838,134	3,110,233	426,559	22,451	22,451	119,738	10,539,566
Minimum lease receivables, gross	USD	658,433	13,552	-	-	-	-	671,985
Minimum lease receivables, gross		27,527,253	12,647,960	7,833,648	20,649,437	3,096,904	17,526,360	89,281,562
Minimum lease receivables, interest	UF	(3,907,209)	(3,123,959)	(2,670,302)	(1,370,765)	(1,117,175)	(4,351,176)	(16,540,586)
Minimum lease receivables, interest	CLP	(410,330)	(108,165)	(18,566)	(13,358)	(12,080)	(34,164)	(596,663)
Minimum lease receivables, interest	USD	(14,768)	(194)	-	-	-	-	(14,962)
Minimum lease receivables, present value		(4,332,307)	(3,232,318)	(2,688,868)	(1,384,123)	(1,129,255)	(4,385,340)	(17,152,211)
Impairment loss		(454,524)	(80,175)	(43,808)	(164,047)	(16,755)	(111,898)	(871,207)
Total minimum lease receivables, present value, net								71,258,144

Note 11. Assets and liabilities by currency

The statement of financial position by currency for the years ended 31 December 2021 and 2020 is shown below:

2021

Classified Statement of Financial Position (Consolidated)	31.12.2021						
	CLP	USD	EUR	CHF	Other	UF	Total
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Current assets							
Cash and cash equivalents	32,324,723	23,980,938	1,597,480	3,732	6,250	-	57,913,123
Other current financial assets	112,210,437	15,082,425	-	-	-	2,260,108	129,552,970
Other current non-financial assets	1,971,725	38,322	-	-	-	-	2,010,047
Trade and other receivables, current	677,379,657	182,200,972	-	-	-	114,905,748	974,486,377
Receivables due from related parties, current	5,843,527	-	-	-	-	-	5,843,527
Current tax assets	12,218,434	-	-	-	-	-	12,218,434
Non-current assets or asset groups for disposal classified as held-for-sale	9,841,754	-	-	-	-	-	9,841,754
Total current assets	851,790,257	221,302,657	1,597,480	3,732	6,250	117,165,856	1,191,866,232
Non-current assets							
Other non-current financial assets	33,127,465	40,640,451	-	-	-	-	73,767,916
Other non-current non-financial assets	6,018,442	1,282,764	-	-	-	-	7,301,206
Trade and other receivables, non-current	356,071,202	22,336,245	-	-	-	91,648,613	470,056,060
Receivables due from related parties, non-current	201,613	-	-	-	-	-	201,613
Intangible assets other than goodwill	5,213,428	-	-	-	-	-	5,213,428
Goodwill	1,639,828	-	-	-	-	-	1,639,828
Property, plant and equipment	2,657,261	-	-	-	-	6,255,859	8,913,120
Deferred tax assets	34,348,005	-	-	-	-	-	34,348,005
Total non-current assets	439,277,244	64,259,460	-	-	-	97,904,472	601,441,176
Total assets	1,291,067,501	285,562,117	1,597,480	3,732	6,250	215,070,328	1,793,307,408
Current liabilities							
Other current financial liabilities	310,071,290	216,796,179	14,391,262	185,048,468	-	24,613,975	750,921,174
Trade and other payables	124,090,668	19,368,460	1,588,757	-	-	330,039	145,377,924
Current tax liabilities	4,983,943	-	-	-	-	-	4,983,943
Current provisions for employee benefits	3,889,469	-	-	-	-	-	3,889,469
Total current liabilities	443,035,370	236,164,639	15,980,019	185,048,468	-	24,944,014	905,172,510
Non-current liabilities							
Other non-current financial liabilities	2,131,211	143,114,533	-	125,298,558	-	270,160,335	540,704,637
Non-current provisions for employee benefits	273,753	-	-	-	-	-	273,753
Total non-current liabilities	2,404,964	143,114,533	-	125,298,558	-	270,160,335	540,978,390
Total liabilities	445,440,334	379,279,172	15,980,019	310,347,026	-	295,104,349	1,446,150,900
Total equity	347,156,508						347,156,508
Currency exchange differences	498,470,659	(93,717,055)	(14,382,539)	(310,343,294)	6,250	(80,034,021)	-
Hedges*	(547,243,464)	98,462,432	14,470,779	310,343,294		123,966,959	-
Net exposure	(48,772,805)	4,745,377	88,240	-	6,250	43,932,938	-

(*) Hedging instruments to comply with the risk policies established by the Company and which are monitored by the Assets and Liabilities Committee (ALCO).

2020

Classified Statement of Financial Position (Consolidated)	31.12.2020						
	CLP	USD	EUR	CHF	Other	UF	Total
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Current assets							
Cash and cash equivalents	64,870,018	54,663,583	514,312	30,780	1,274	-	120,079,967
Other current financial assets	71,218,134	7,285,264	36,306	-	-	1,394,646	79,934,350
Other current non-financial assets	1,798,658	1,259,325	-	-	-	-	3,057,983
Trade and other receivables, current	498,141,346	123,450,233	-	-	-	111,613,261	733,204,840
Receivables due from related parties, current	4,902,407	-	-	-	-	-	4,902,407
Current tax assets	6,644,839	-	-	-	-	-	6,644,839
Non-current assets or asset groups for disposal classified as held-for-sale	4,798,124	-	-	-	-	-	4,798,124
Total current assets	652,373,526	186,658,405	550,618	30,780	1,274	113,007,907	952,622,510
Non-current assets							
Other non-current financial assets	35,533,159	19,500,097	-	-	-	-	55,033,256
Other non-current non-financial assets	5,104,184	77,224	-	-	-	-	5,181,408
Trade and other receivables, non-current	282,714,384	22,521,789	-	-	-	86,568,620	391,804,793
Receivables due from related parties, non- current	33,719	-	-	-	-	-	33,719
Intangible assets other than goodwill	6,637,324	-	-	-	-	-	6,637,324
Goodwill	1,639,828	-	-	-	-	-	1,639,828
Property, plant and equipment	3,209,596	-	-	-	-	7,098,054	10,307,650
Investment property	11,317,684	-	-	-	-	-	11,317,684
Deferred tax assets	31,218,162	-	-	-	-	-	31,218,162
Total non-current assets	377,408,040	42,099,110	-	-	-	93,666,674	513,173,824
Total assets	1,029,781,566	228,757,515	550,618	30,780	1,274	206,674,581	1,465,796,334
Current liabilities							
Other current financial liabilities	238,544,919	125,988,177	35,136	100,982,698	-	50,838,028	516,388,958
Trade and other payables	99,721,810	16,258,773	468,086	-	-	-	116,448,669
Other short-term provisions	508,424	-	-	-	-	-	508,424
Current tax liabilities	3,261,504	-	-	-	-	-	3,261,504
Current provisions for employee benefits	950,497	-	-	-	-	-	950,497
Total current liabilities	342,987,154	142,246,950	503,222	100,982,698	-	50,838,028	637,558,052
Non-current liabilities							
Other non-current financial liabilities	6,833,103	129,894,173	-	152,108,162	-	221,359,997	510,195,435
Non-current provisions for employee benefits	299,760	-	-	-	-	-	299,760
Total non-current liabilities	7,132,863	129,894,173	-	152,108,162	-	221,359,997	510,495,195
Total liabilities	350,120,017	272,141,123	503,222	253,090,860	-	272,198,025	1,148,053,247
Total equity	317,743,087						317,743,087
Currency exchange differences	361,918,462	(43,383,608)	47,396	(253,060,080)	1,274	(65,523,444)	-
Hedges*	(502,596,330)	42,698,312	-	253,060,080	-	206,837,938	-
Net exposure	(140,677,868)	(685,296)	47,396	-	1,274	141,314,494	-

(*) Hedging instruments to comply with the risk policies established by the Company and which are monitored by the Assets and Liabilities Committee (ALCO).

Note 12. Related party receivables and payables

a) Receivables due from related parties

The balance of short-term and long-term receivables due from related companies and parties was as follows:

Taxpayer ID No.	Company	Country	Relationship	Currency	Current		Non-current		Income	
					31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020
					Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
77.218.598-7	Jameson SPA	Chile	Parent shareholder	CLP	3,248,973	3,100,000	-	-	184,554	36,412
77.266.528-8	Inversiones Maita SPA	Chile	Parent shareholder	CLP	1,654,831	1,592,671	-	-	62,158	7,040
76.010.029-3	Inversora Quillota Dos S.A.	Chile	Parent shareholder	CLP	-	209,736	-	-	4,044	17,011
77.397.998-7	Inversiones y Asesorías JRS SpA	Chile	Parent shareholder	CLP	848,249	-	-	-	19,680	-
15.639.639-7	Sebastián Matías Zarzar Ives	Chile	Subsidiary shareholder	CLP	91,474	-	201,613	33,719	42,342	2,937
Total					5,843,527	4,902,407	201,613	33,719	312,778	63,400

These loans were granted to the Company's executives and shareholders to pay for shares of a capital increase, with the shareholding as a guarantee.

At 31 December 2021 and 2020, there were no payables due to related parties.

b) Transactions with related parties

- In July 2021, a loan was granted to a minority shareholder of Tanner Servicios Financieros S.A. to finance the purchase of Company shares. At 31 December 2021 there was an outstanding balance of ThCh\$848,249.
- In January 2021, a loan was granted to a minority shareholder of the subsidiary Tanner Corredores de Bolsa S.A. At 31 December 2021 there was an outstanding balance of ThCh\$293,087.
- In September and November 2020 loans were granted to minority shareholders of Tanner Servicios Financieros S.A. to finance the purchase of Company shares. These loans were renewed in March 2021.
- The amounts shown in the table of transactions with related parties are Board fees, Credit Committee fees and consultancy services, which are interest-free amounts paid monthly.
- At the close of the reporting periods, there were no provisions for doubtful debts regarding outstanding balances.
- All the outstanding balances at the close of the reporting periods were up-to-date.

The following were the significant transactions with related parties:

Taxpayer ID No.	Company	Country	Relationship	Currency	Transaction Description	31.12.2021	31.12.2020
						Ch\$'000	Ch\$'000
6.735.614-4	Jorge Sabag Sabag	Chile	Director	UF	Board fee	120,418	105,512
6.941.260-2	Oscar Alberto Cerda Urrutia	Chile	Director	UF	Board fee	81,339	89,534
6.420.113-1	Ricardo Massu Massu	Chile	Director	UF	Board fee	89,689	86,124
4.465.911-5	Eduardo Massu Massu	Chile	Director	UF	Board fee	78,252	68,861
6.066.143-K	Jorge Bunster Betteley	Chile	Director	UF	Board fee	-	8,506
7.054.226-9	Fernando Alberto Zavala Cavada	Chile	Director	UF	Board fee	78,353	68,890
4.778.406-9	Fernando Tafra Sturiza	Chile	Director	UF	Board fee	96,075	78,944
9.389.707-2	Luis Patricio Flores Cuevas	Chile	Subsidiary shareholder	CLP	Payment of loans	-	(602,346)
17.406.903-4	Luis Felipe Massu Heiremanss	Chile	Related to the controller	CLP	Board advisor	87,340	54,744
13.668.525-2	Antonio Turner Fabres	Chile	Parent shareholder	CLP	Loans	-	3,095,204
					Payment of loans	-	(3,095,204)
15.639.639-7	Sebastián Zarzar Ives	Chile	Subsidiary shareholder	CLP	Loans	281,528	-
77.218.598-7	Jameson SPA	Chile	Parent shareholder	CLP	Payment of loans	(3,175,811)	-
					Loans	3,125,110	3,100,000
77.266.528-8	Inversiones Maita SPA	Chile	Parent shareholder	CLP	Payment of loans	(1,670,937)	-
					Loans	1,592,671	1,592,671
77.397.998-7	Inversiones y Asesorías JRS SpA	Chile	Parent shareholder	CLP	Loans	828,569	-
76.010.029-3	Inversora Quillota Dos S.A.	Chile	Parent shareholder	CLP	Loans	(226,551)	209,736

Note: considers participation in Audit Committees and/or other Committees.

c) Company board of directors and management

At 31 December 2021, the board of directors comprises the following members:

1. Martín Díaz Plata
2. Eduardo Massu Massu
3. Ricardo Massu Massu
4. Jorge Sabag Sabag
5. Fernando Tafra Sturiza
6. Fernando Zavala Cavada

The organisational structure comprises the positions of CEO, controller, corporate counsel, corporate division manager, structured product manager, auto financing division manager, IT manager, CFO, financial control and administration manager, marketing manager and the human resources manager.

Board remuneration

Pursuant to the Company's articles of association, directors are paid for their functions and such amount shall be established annually by the ordinary shareholders' meeting (see Note 34).

Controlling entity

At 31 December 2021, the immediate controlling entity of Tanner Servicios Financieros S.A. is Inversiones Bancarias SpA with a 57.71% stake in the

Company. This company does not submit financial statements to the Financial Market Commission (CMF, according to the Spanish acronym) as it is not registered in the Securities Registry of the CMF.

Remuneration of senior managers

At 31 December 2021 and 2020, the Company paid its senior managers the following:

Breakdown	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Management remuneration (*)	5,721,484	5,742,543
Total	5,721,484	5,742,543

(*) Considers the remuneration of managers and deputy managers, which qualifies as short-term benefits.

Note 13. Non-current assets or asset groups for disposal classified as held-for-sale

At 31 December 2021 and 2020, the breakdown of this item was as follows:

Type of inventory	31.12.2021 Ch\$'000	31.12.2020 Ch\$'000
Assets received as payment in kind	9,841,754	4,798,124
Total	9,841,754	4,798,124

The breakdown of assets received as payment in kind at 31 December 2021 and 2020 is shown below:

Type of inventory	31.12.2021 Ch\$'000	31.12.2020 Ch\$'000
Vehicles	849,584	3,778,747
Heavy-duty vehicles	120,946	640,377
Machinery and equipment	16,511	379,000
Real estate and land	8,854,713	-
Total	9,841,754	4,798,124

Table of changes

The table below shows the changes of non-current assets classified as held-for-sale at 31 December 2021 and 2020:

2021

Breakdown	Vehicles	Heavy-duty vehicles	Machinery and equipment	Real estate and land	Total
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Balance at 01.01.2021	3,778,747	640,377	379,000	-	4,798,124
Additions	1,579,609	183,622	27,511	802,479	2,593,221
Reclassifications	(881,636)	(160,429)	(175,253)	10,646,783	9,429,465
Disposals	(3,498,420)	(460,423)	(157,931)	(1,632,498)	(5,749,272)
Revaluation	(128,716)	(82,201)	(56,816)	(962,051)	(1,229,784)
Total at 31.12.2021	849,584	120,946	16,511	8,854,713	9,841,754

2020

Breakdown	Vehicles	Heavy-duty vehicles	Machinery and equipment	Total
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Balance at 01.01.2020	8,790,947	1,283,581	444,439	10,518,967
Additions	6,261,879	336,809	249,053	6,847,741
Reclassifications	50,377	(50,377)	-	-
Disposals	(11,304,530)	(751,408)	(293,562)	(12,349,500)
Revaluation	(19,926)	(178,228)	(20,930)	(219,084)
Total at 31.12.2020	3,778,747	640,377	379,000	4,798,124

Note 14. Property, plant and equipment

The breakdown of property, plant and equipment and the corresponding accumulated depreciation as of the reporting dates indicated was as follows:

Property, plant and equipment, gross	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Right-of-use	9,286,143	9,321,775
Refurbishment	4,514,164	4,423,098
Technological equipment	2,922,445	3,862,941
Office furniture	980,914	979,225
Office equipment	626,329	626,329
Other assets	231,474	269,949
Buildings	154,514	154,514
Total	18,715,983	19,637,831

Accumulated depreciation and impairment of property, plant and equipment	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Right-of-use	3,030,275	2,223,723
Refurbishment	2,498,946	2,152,910
Technological equipment	2,410,607	3,145,226
Office furniture	922,808	893,537
Office equipment	596,258	585,952
Other assets	214,177	217,583
Buildings	129,792	111,250
Total	9,802,863	9,330,181

Property, plant and equipment, net	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Right-of-use	6,255,868	7,098,052
Refurbishment	2,015,218	2,270,188
Technological equipment	511,838	717,715
Office furniture	58,106	85,688
Office equipment	30,071	40,377
Other assets	17,297	52,366
Buildings	24,722	43,264
Total	8,913,120	10,307,650

The breakdown and changes of property, plant and equipment at 31 December 2021 and 2020 was as follows:

2021

At 31 December 2021	Buildings	Technological equipment	Office furniture	Office equipment	Refurbishment	Other assets	Right-of-use	Total
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance at 01.01.2021	154,514	3,862,941	979,225	626,329	4,423,098	269,949	9,321,775	19,637,831
Additions in the year	-	263,443	1,689	-	199,122	-	123,526	587,780
Readjustment	-	-	-	-	-	-	529,715	529,715
Disposals/withdrawals/ reclassifications in the year	-	(1,203,939)	-	-	(108,056)	(38,475)	(688,873)	(2,039,343)
Gross balance at 31.12.2021	154,514	2,922,445	980,914	626,329	4,514,164	231,474	9,286,143	18,715,983
Depreciation opening balance at 01.01.2021	(111,250)	(3,145,226)	(893,537)	(585,952)	(2,152,910)	(217,583)	(2,223,723)	(9,330,181)
Depreciation in the year	(18,542)	(383,947)	(29,271)	(10,306)	(387,583)	(11,179)	(1,167,668)	(2,008,496)
Disposals and sales in the year	-	1,118,566	-	-	41,547	14,585	361,116	1,535,814
Depreciation balance at 31.12.2021	(129,792)	(2,410,607)	(922,808)	(596,258)	(2,498,946)	(214,177)	(3,030,275)	(9,802,863)
Net amount at 31.12.2021	24,722	511,838	58,106	30,071	2,015,218	17,297	6,255,868	8,913,120

2020

At 31 December 2020	Buildings	Technological equipment	Office furniture	Office equipment	Refurbishment	Other assets	Right-of-use	Total
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance at 01.01.2020	154,514	3,783,727	948,735	620,373	4,026,494	214,599	9,351,458	19,099,900
Additions in the year	-	104,120	31,390	5,956	396,604	55,350	21,211	614,631
Disposals/withdrawals/ reclassifications in the year	-	(24,906)	(900)	-	-	-	(50,894)	(76,700)
Gross balance at 31.12.2020	154,514	3,862,941	979,225	626,329	4,423,098	269,949	9,321,775	19,637,831
Depreciation opening balance at 01.01.2020	(92,708)	(2,799,725)	(847,758)	(569,487)	(1,809,785)	(204,643)	(1,144,034)	(7,468,140)
Depreciation in the year	(18,542)	(359,068)	(46,679)	(16,465)	(343,125)	(12,940)	(1,079,689)	(1,876,508)
Disposals/withdrawals/ reclassifications in the year	-	13,567	900	-	-	-	-	14,467
Depreciation balance at 31.12.2020	(111,250)	(3,145,226)	(893,537)	(585,952)	(2,152,910)	(217,583)	(2,223,723)	(9,330,181)
Net amount at 31.12.2020	43,264	717,715	85,688	40,377	2,270,188	52,366	7,098,052	10,307,650

Management has not witnessed any signs of impairment of the value of property, plant and equipment.

Note 15. Investment property

The Company's investment property is mainly real estate and land, both in Santiago and other cities in Chile. These are maintained by the Company to generate value and are stated at their fair value. Such value was calculated by independent external appraisers.

The fair value of investment property is updated annually.

The breakdown and changes of investment property at 31 December 2021 and 2020 was as follows:

2021

Investment property	Real estate Ch\$'000	Land Ch\$'000	Total Ch\$'000
Balance at 01.01.2021	9,944,392	1,373,292	11,317,684
Additions	-	-	-
Reclassifications	(9,233,665)	(1,413,118)	(10,646,783)
Disposals	(787,806)	-	(787,806)
Revaluation	77,079	39,826	116,905
Balance at 31.12.2021	-	-	-

2020

Investment property	Real estate Ch\$'000	Land Ch\$'000	Total Ch\$'000
Balance at 01.01.2020	10,216,080	1,164,474	11,380,554
Additions	691,296	381,237	1,072,533
Reclassifications	778,508	(778,508)	-
Disposals	(661,164)	-	(661,164)
Revaluation	(1,080,328)	606,089	(474,239)
Balance at 31.12.2020	9,944,392	1,373,292	11,317,684

At 31 March 2021, the Company reclassified all its investments properties to the item "Non-current assets or groups of assets for disposal classified as held-for-sale" (Note 13), considering that there is a formal plan for their disposal within the current period.

Note 16. Income tax, deferred tax and current taxes

a) Current taxes

The income tax determined by the Company for the years reported is shown in the breakdown below:

Breakdown	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Summary of current tax assets (liabilities)		
Current tax assets	12,218,434	6,644,839
Current tax (liabilities)	(4,983,943)	(3,261,504)
Total tax recoverable (payable)	7,234,491	3,383,335
Breakdown of current tax assets (liabilities), net		
Plus:		
Tax credit of the National Training and Employment Service (SENCE)	196,938	164,418
Monthly provisional income tax payments	1,634,839	1,533,982
Net tax credit	5,800,468	1,089,370
Recoverable income tax	4,586,189	3,857,069
Total current tax assets	12,218,434	6,644,839
Less:		
Net tax debit	(489,398)	(321,881)
Income tax provision	(4,494,545)	(2,938,319)
Income tax provision under Article 21	-	(1,305)
Total current tax liabilities	(4,983,943)	(3,261,504)
Total tax recoverable (payable)	7,234,491	3,383,335

b) Current and deferred income tax benefit (expense)

Breakdown	01.01.2021 to	01.01.2020 to
	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Income tax expense		
Current year tax	(7,674,402)	(4,041,548)
Deferred tax credit (charge)		
Effect of deferred tax assets or liabilities	5,000,891	(1,135,931)
Subtotal	(2,673,511)	(5,177,479)
Expenses rejected under Article 21	(4,017)	(1,306)
Prior year tax	165,263	(185,492)
Net charge to profit or loss due to income tax	(2,512,265)	(5,364,277)

c) Deferred tax

The table below shows the deferred tax established in accordance with the policies indicated in Note 2 p):

Breakdown	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Deferred tax assets		
Tax loss	24,216,025	23,785,766
Leased assets	10,301,624	10,650,657
Allowance for doubtful accounts	4,521,200	3,934,315
Adjustment for IFRS 9/provision for doubtful accounts (equity)	2,223,531	2,223,531
Fixed assets/software	1,286,419	(64,606)
Provisions	1,033,787	353,793
Other events	941,932	126,480
Prepaid income	488,408	774,883
Provision for holidays	468,478	364,552
Comprehensive income	201,685	9,948
Provision for severance indemnity payments	122,414	84,156
Right-of-use	63,175	50,025
Software assets	-	-
Financial write-offs	(0)	(1,647,022)
Provision for severance indemnity payments (equity)	(10,532)	7,911
Deferred expenses	(2,711,718)	(2,136,646)
Prepaid fees	(8,798,423)	(7,299,581)
Total deferred tax assets	34,348,005	31,218,162

d) Reconciliation of the income tax that would arise from applying current taxes and the consolidated tax expense

Breakdown	Rate	01.01.2021 to 31.12.2021	Rate	01.01.2020 to 31.12.2020
	%	Ch\$'000	%	Ch\$'000
Profit for the year before tax		39,628,989		32,875,217
Tax expense using the legal rate	27%	(10,436,631)	27%	(8,876,309)
Permanent differences		-		-
Net price-level restatement	(18%)	6,966,123	(7%)	2,707,025
Others	(2%)	958,243	(2%)	805,007
Income tax expense	7%	(2,512,265)	18%	(5,364,277)

e) Deferred tax variation

31.12.2021

Breakdown	Deferred tax variation	Variation explanation		
	Ch\$'000	Profit or loss for the year Ch\$'000	Deferred taxes in equity Ch\$'000	(*) 31.12.2021
Deferred tax assets				
Financial write-offs	1,647,022	1,647,022	-	-
Leased assets	(349,033)	(349,033)	-	-
Allowance for doubtful accounts	586,885	586,885	-	-
Tax loss	430,259	2,459,209	(1,962,737)	(66,213)
Provision for holidays	103,926	108,394	-	(4,468)
Provision for severance indemnity payments	38,258	38,258	-	-
Right-of-use	13,151	13,286	-	(135)
Provision for severance indemnity payments (equity)	(18,444)	-	(18,444)	-
Deferred revenue	(286,475)	(286,475)	-	-
Other events	815,452	815,452	-	-
Fixed assets/software	1,351,025	1,351,479	-	(454)
Comprehensive income	191,739	-	191,739	-
Prepaid fees	(1,498,845)	(1,498,845)	-	-
Deferred expenses	(575,072)	(575,072)	-	-
Provisions	679,995	690,331	-	(10,336)
Total deferred tax assets	3,129,843	5,000,891	(1,789,442)	(81,606)

(*) Variation explained by the income related to the former subsidiary TAM AGF, whose investment was fully transferred on 30 December 2021.

31.12.2020

Breakdown	Deferred tax variation Ch\$'000	Variation explanation		
	Ch\$'000	Profit or loss for the year Ch\$'000	Deferred taxes in equity Ch\$'000	(*) 31.12.2020 Ch\$'000
Deferred tax assets				
Financial write-offs	(18,857,888)	(18,847,231)	-	(10,657)
Leased assets	(2,008,305)	(2,008,305)	-	-
Allowance for doubtful accounts	(1,542,815)	(1,578,554)	-	35,739
Tax loss	22,775,541	20,350,378	2,454,873	(29,710)
Adjustment for IFRS 9/provision for bad debts (equity)	-	-	-	-
Provision for holidays	24,034	21,756	-	2,278
Provision for severance indemnity payments	(5,571)	(5,571)	-	-
Right-of-use	16,865	16,865	-	-
Provision for severance indemnity payments (equity)	7,534	-	7,534	-
Deferred revenue	538,684	538,684	-	-
Other events	126,480	126,480	-	-
Fixed assets/software	38,079	37,833	-	246
Comprehensive income	37,077	123,640	(98,813)	12,250
Prepaid fees	1,827,001	1,827,001	-	-
Deferred expenses	(1,846,028)	(1,846,077)	-	49
Provisions	121,668	107,170	-	14,498
Total deferred tax assets	1,252,356	(1,135,931)	2,363,594	24,693

(*) Variation explained by the income related to the former subsidiaries Tanner Corredores de Bolsa de Productos S.A. and Chita SpA, both sold in 2020.

Note 17. Intangible assets other than goodwill

The breakdown of the balances and changes of intangible assets for the years ended 31 December 2021 and 2020 is shown below:

2021

Breakdown	Software	Trademarks (*)	Total
	Ch\$'000	Ch\$'000	Ch\$'000
Balance at 01.01.2021	11,597,207	51,400	11,648,607
Additions	1,069,247	-	1,069,247
Withdrawals/disposals/reclassifications	(814,640)	-	(814,640)
Balance at 31.12.2021	11,851,814	51,400	11,903,214

Amortisation	Software	Trademarks (*)	Total
	Ch\$'000	Ch\$'000	Ch\$'000
Balance at 01.01.2021	(5,011,283)	-	(5,011,283)
Amortisation for the year	(1,952,744)	-	(1,952,744)
Disposals	274,241	-	274,241
Balance at 31.12.2021	(6,689,786)	-	(6,689,786)
Net Total	5,162,028	51,400	5,213,428

(*) Trademarks are from the acquisition of the subsidiary Tanner Investments SpA in December 2011.

2020

Breakdown	Software	Trademarks (*)	Total
	Ch\$'000	Ch\$'000	Ch\$'000
Balance at 01.01.2020	9,927,834	51,400	9,979,234
Additions	1,669,373	-	1,669,373
Withdrawals/disposals/reclassifications	-	-	-
Balance at 31.12.2020	11,597,207	51,400	11,648,607

Amortisation	Software	Trademarks (*)	Total
	Ch\$'000	Ch\$'000	Ch\$'000
Balance at 01.01.2020	(3,220,537)	-	(3,220,537)
Amortisation for the year	(1,790,746)	-	(1,790,746)
Balance at 31.12.2020	(5,011,283)	-	(5,011,283)
Net Total	6,585,924	51,400	6,637,324

(*) Trademarks are from the acquisition of the subsidiary Tanner Investments SpA in December 2011.

Intangible assets of software are amortised in the period in which they are expected to generate income from use (average useful life of three years), as indicated in Note 2 m), and charged to the amortisation expense account in the cost of sales item of the statement of income. The remaining identifiable intangible assets have an indefinite useful life.

At 31 December 2021, the change in additions concerns the purchase of software in the year to implement computer systems, the purchase of new licences and renewal of other current licenses amounting to ThCh\$1,069,247 (ThCh\$1,669,373 in 2020).

At 31 December 2021 and 2020, management did not witness any signs of impairment of the value of intangible assets.

Note 18. Goodwill

The assets and liabilities acquired are valued provisionally on the date when the Company takes control of them and such valuation is reviewed in a maximum term of one year as of the acquisition date. Until the fair value of the assets and liabilities is finally determined, the difference between the purchase price and the carrying amount of the company acquired is stated on a provisional basis as goodwill.

If the final value of goodwill is reported in the financial statements of the year subsequent to that of the acquisition of the ownership interest, the accounting items of the previous year stated for comparison are restated to include the value of the assets and liabilities acquired and the final goodwill as of the acquisition date of the ownership interest.

The breakdown of goodwill for each cash-generating unit (CGU) at 31 December 2021 and 2020 is shown below:

Taxpayer ID No.	Cash-generating unit	Goodwill	
		31.12.2021	31.12.2020
		Ch\$'000	Ch\$'000
91.711.000-K	Financo S.A.	1,109,410	1,109,410
93.966.000-3	Tanner Investments SpA	495,555	495,555
80.962.600-8	Tanner Corredores de Bolsa S.A.	34,863	34,863
	Total	1,639,828	1,639,828

The goodwill assigned to CGUs is tested annually for impairment, or more frequently if there are indications that any of the CGUs might be impaired. To calculate value-in-use, the Company used cash flow forecasts over a 5-year assessment timeline, based on budgets and forecasts reviewed by management for the same period and with an average growth rate of 3%. The discount rate reflects the market evaluation regarding the specific risks of the CGUs. The discount rate used was 6%.

At 31 December 2021 and 2020, management assessed the presence of potential signs of impairment and concluded that there were no indications of impairment of goodwill for these investments.

Note 19. Other current financial liabilities

The breakdown of other current financial liabilities at their carrying amount was as follows:

Other current financial liabilities	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Obligations with banks and financial institutions	232,263,941	133,327,432
Obligations with the public (promissory notes)	187,021,300	170,540,687
Obligations with the public (bonds payable)	223,120,777	150,847,371
Other financial liabilities	108,515,156	61,673,468
Total	750,921,174	516,388,958

Other current financial liabilities at undiscounted contractual cash flows were as follows:

Other current financial liabilities	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Obligations with banks and financial institutions	237,394,041	139,097,793
Obligations with the public (promissory notes)	188,085,717	173,580,268
Obligations with the public (bonds payable)	268,822,047	157,867,930
Other financial liabilities	108,697,636	61,881,326
Total	802,999,441	532,427,317

a) Current obligations with banks and financial institutions

The balances at carrying amounts at 31 December 2021 were as follows:

Debtor taxpayer ID No.	Debtor company	Debtor country	Creditor taxpayer ID No.	Creditor	Creditor country	Type of amortisation	Currency	Maturity date	Nominal Amounts 31.12.2021			Total Nominal Amounts
									0 - 3 months	3 - 6 months	6 - 12 months	
									Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/04/2022	39,248	16,893,800	-	16,933,048
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/10/2023	1,289,793	1,267,035	2,534,070	5,090,898
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/10/2023	1,015,324	1,022,519	2,045,039	4,082,882
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/10/2023	443,093	222,287	222,287	887,667
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	76.362.099-9	Banco BTG Pactual	Chile	Single	CLP	24/06/2022	7,578	10,000,000	-	10,007,578
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	DEG	Germany	Half yearly	USD	16/09/2024	3,409,884	-	3,237,978	6,647,862
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	60.706.000-2	CORFO	Chile	Single	CLP	21/10/2022	103,810	-	22,966,820	23,070,630
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/01/2026	1,955,034	1,788,755	3,577,511	7,321,300
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	16/01/2024	4,971,893	4,767,329	9,534,658	19,273,880
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	16/01/2024	1,866,296	-	-	1,866,296
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BLADEX	USA	Single	USD	17/06/2022	-	8,501,000	-	8,501,000
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	76.362.099-9	Banco BTG Pactual	Chile	Single	CLP	24/03/2022	5,003,456	-	-	5,003,456
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.030.000-7	Banco Estado	Chile	Single	CLP	24/02/2022	6,002,970	-	-	6,002,970
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Huntington National Bank	USA	Single	USD	23/06/2022	-	8,529,400	-	8,529,400
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.004.000-5	Banco de Chile	Chile	Single	CLP	31/01/2022	5,048,190	-	-	5,048,190
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.080.000-K	Banco BICE	Chile	Single	CLP	19/01/2022	3,044,137	-	-	3,044,137
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.080.000-K	Banco BICE	Chile	Single	CLP	20/03/2022	4,061,543	-	-	4,061,543
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	SUMITOMO	USA	Single	USD	22/03/2022	8,048,035	-	-	8,048,035
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Banco de Crédito del Perú	Peru	Single	USD	23/03/2022	4,165,704	-	-	4,165,704
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BLADEX	USA	Single	USD	20/09/2023	94,175	-	-	94,175
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Single	USD	15/10/2023	59,690	-	-	59,690
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Banco Bac Florida	USA	Single	USD	12/04/2022	171,500	5,741,330	-	5,912,830
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	SUMITOMO	USA	Single	USD	25/04/2022	-	24,883,445	-	24,883,445
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	SUMITOMO	USA	Single	USD	25/01/2022	16,922,743	-	-	16,922,743
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Banco Bac Florida	USA	Single	USD	22/09/2022	-	-	3,104,127	3,104,127
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BLADEX	USA	Single	USD	14/02/2022	12,688,643	-	-	12,688,643
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Banco de Crédito del Perú	Peru	Single	USD	28/02/2022	10,723,759	-	-	10,723,759
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Banco Bac Florida	USA	Single	USD	22/09/2022	-	5,286,393	-	5,286,393
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.030.000-7	Banco Estado	Chile	Single	CLP	24/02/2022	5,001,660	-	-	5,001,660
Totales									96,138,158	88,903,293	47,222,490	232,263,941

Note: the table below shows the average annual interest rate.

Current borrowing rates 31.12.2021			
Creditor	Currency	Nominal annual rate	Effective annual rate
Domestic	CLP	4.74%	4.74%
International	USD	1.11%	1.36%

The balances at undiscounted cash flows at 31 December 2021 were as follows:

Debtor taxpayer ID No.	Debtor company	Debtor country	Creditor taxpayer ID No.	Creditor	Creditor country	Type of amortisation	Currency	Maturity date	Nominal Amounts 31.12.2021			Total Nominal Amount
									0 - 3 months	3 - 6 months	6 - 12 months	
									Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/04/2022	129,537	16,957,152	-	17,086,689
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/10/2023	1,349,544	1,302,512	2,590,721	5,242,777
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/10/2023	1,089,105	1,051,150	2,090,757	4,231,012
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/10/2023	236,762	228,511	454,512	919,785
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	76.362.099-9	Banco BTG Pactual	Chile	Single	CLP	24/06/2022	92,828	10,087,144	-	10,179,972
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	DEG	Germany	Half yearly	USD	16/09/2024	3,713,451	-	3,477,949	7,191,400
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	60.706.000-2	CORFO	Chile	Single	CLP	21/10/2022	227,805	129,763	23,239,321	23,596,889
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/01/2026	2,157,554	1,954,752	3,897,221	8,009,527
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	16/01/2024	5,256,814	4,974,731	9,892,555	20,124,100
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	16/01/2024	517,403	489,639	973,677	1,980,719
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BLADEX	USA	Single	USD	17/06/2022	-	8,602,155	-	8,602,155
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	76.362.099-9	Banco BTG Pactual	Chile	Single	CLP	24/03/2022	5,042,331	-	-	5,042,331
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.030.000-7	Banco Estado	Chile	Single	CLP	24/02/2022	6,059,400	-	-	6,059,400
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Huntington National Bank	USA	Single	USD	23/06/2022	-	8,678,908	-	8,678,908
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.004.000-5	Banco de Chile	Chile	Single	CLP	31/01/2022	5,108,230	-	-	5,108,230
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.080.000-K	Banco BICE	Chile	Single	CLP	19/01/2022	3,096,140	-	-	3,096,140
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.080.000-K	Banco BICE	Chile	Single	CLP	20/03/2022	4,170,613	-	-	4,170,613
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	SUMITOMO	USA	Single	USD	22/03/2022	8,090,300	-	-	8,090,300
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Banco de Crédito del Perú	Peru	Single	USD	23/03/2022	4,270,025	-	-	4,270,025
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BLADEX	USA	Single	USD	20/09/2023	276,449	-	169,877	446,326
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	USA	Single	USD	15/10/2023	118,094	58,600	119,154	295,848
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Banco Bac Florida	USA	Single	USD	12/04/2022	18,686	5,914,604	-	5,933,290
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	SUMITOMO	USA	Single	USD	25/04/2022	-	25,017,292	-	25,017,292
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	SUMITOMO	USA	Single	USD	25/01/2022	16,962,211	-	-	16,962,211
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Banco Bac Florida	USA	Single	USD	22/09/2022	17,678	-	3,130,872	3,148,550
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BLADEX	USA	Single	USD	14/02/2022	12,725,228	-	-	12,725,228
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Banco de Crédito del Perú	Peru	Single	USD	28/02/2022	10,774,521	-	-	10,774,521
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Banco Bac Florida	USA	Single	USD	22/09/2022	-	27,694	5,333,432	5,361,126
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.030.000-7	Banco Estado	Chile	Single	CLP	24/02/2022	5,048,677	-	-	5,048,677
Total									96,549,386	85,474,607	55,370,048	237,394,041

The balances at carrying amounts at 31 December 2020 were as follows:

Debtor taxpayer ID No.	Debtor company	Debtor country	Creditor taxpayer ID No.	Creditor	Creditor country	Type of amortisation	Currency	Maturity date	Carrying amounts 31.12.2020			Total carrying amountsa
									0 - 3 months	3 - 6 months	6 - 12 months	
									Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Sumitomo	USA	Single	USD	21/01/2021	10,691,397	-	-	10,691,397
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.004.000-5	Banco de Chile	Chile	Single	CLP	27/01/2021	4,035,933	-	-	4,035,933
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Bladex	USA	Single	USD	22/03/2021	7,112,928	-	-	7,112,928
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Bladex	USA	Single	USD	29/03/2021	7,147,504	-	-	7,147,504
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Banco Bac Florida	USA	Single	USD	29/03/2021	3,555,177	-	-	3,555,177
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/04/2021	-	14,254,025	-	14,254,025
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.006.000-6	BCI	Chile	Single	CLP	23/04/2021	-	5,023,144	-	5,023,144
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.006.000-6	BCI	Chile	Single	CLP	23/04/2021	-	5,023,144	-	5,023,144
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.006.000-6	BCI	Chile	Single	CLP	23/04/2021	-	3,013,887	-	3,013,887
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	IFC	USA	Half yearly	USD	17/05/2021	-	8,932,320	-	8,932,320
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	76.362.099-9	Banco BTG Pactual	Chile	Single	CLP	24/06/2021	8,333	10,000,000	-	10,008,333
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Bladex	USA	Single	USD	27/09/2021	-	-	3,577,701	3,577,701
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Bladex	USA	Single	USD	01/10/2021	-	-	3,576,473	3,576,473
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	60.706.000-2	CORFO	Chile	Single	CLP	15/11/2021	89,975	-	28,664,660	28,754,635
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	DEG	Germany	Half yearly	USD	15/12/2021	-	4,751,076	4,739,667	9,490,743
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Cargill	USA	Single	USD	14/07/2023	-	-	350,121	350,121
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/10/2023	1,117,356	1,066,425	2,132,850	4,316,631
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/10/2023	901,726	860,624	1,721,247	3,483,597
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/10/2023	196,027	187,092	374,184	757,303
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	16/01/2024	50,518	-	-	50,518
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	DEG	Germany	Half yearly	USD	16/09/2024	133,878	-	-	133,878
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/01/2026	38,040	-	-	38,040
Total									35,078,792	53,111,737	45,136,903	133,327,432

Note: the table below shows the average annual interest rate.

Current borrowing rates 31.12.2020			
Creditor	Currency	Nominal annual rate	Effective annual rate
Domestic	CLP	2.38%	2.38%
Domestic	UF	2.00%	2.00%
International	USD	2.02%	2.35%

The balances at undiscounted cash flows at 31 December 2020 were as follows:

Debtor taxpayer ID No.	Debtor company	Debtor country	Creditor taxpayer ID No.	Creditor	Creditor country	Type of amortisation	Currency	Maturity date	Carrying amounts 31.12.2020			Total carrying amountsa
									0 - 3 months	3 - 6 months	6 - 12 months	
									Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Sumitomo	USA	Single	USD	21/01/2021	10,699,152	-	-	10,699,152
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.004.000-5	Banco de Chile	Chile	Single	CLP	27/01/2021	4,042,000	-	-	4,042,000
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Bladex	USA	Single	USD	22/03/2021	7,140,351	-	-	7,140,351
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Bladex	USA	Single	USD	29/03/2021	7,965,744	-	-	7,965,744
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Banco Bac Florida	USA	Single	USD	29/03/2021	3,559,158	-	-	3,559,158
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/04/2021	76,995	14,294,321	-	14,371,316
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.006.000-6	BCI	Chile	Single	CLP	23/04/2021	-	5,049,595	-	5,049,595
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.006.000-6	BCI	Chile	Single	CLP	23/04/2021	-	5,049,595	-	5,049,595
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	97.006.000-6	BCI	Chile	Single	CLP	23/04/2021	-	3,029,757	-	3,029,757
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	IFC	USA	Half yearly	USD	17/05/2021	-	9,140,352	-	9,140,352
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	76.362.099-9	Banco BTG Pactual	Chile	Single	CLP	24/06/2021	93,750	10,095,833	-	10,189,583
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Bladex	USA	Single	USD	27/09/2021	-	-	4,036,032	4,036,032
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Bladex	USA	Single	USD	01/10/2021	-	-	4,035,522	4,035,522
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	60.706.000-2	CORFO	Chile	Single	CLP	15/11/2021	170,953	160,156	28,830,214	29,161,323
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	DEG	Germany	Half yearly	USD	15/12/2021	-	4,960,995	4,850,939	9,811,934
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Cargill	USA	Single	USD	14/07/2023	-	-	796,353	796,353
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/10/2023	1,194,080	1,180,898	2,333,814	4,708,792
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/10/2023	951,183	941,832	1,863,812	3,756,827
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/10/2023	206,779	204,746	405,177	816,702
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	16/01/2024	86,602	203,154	413,080	702,836
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	DEG	Germany	Half yearly	USD	16/09/2024	238,966	-	264,878	503,844
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	217110109	BID Invest	Multilateral	Quarterly	USD	15/01/2026	65,211	153,565	312,249	531,025
Total									36,490,924	54,464,799	48,142,070	139,097,793

b) Current obligations with the public (promissory notes)

The balances at carrying amounts and undiscounted cash flows at 31 December 2021 and 2020 were as follows:

2021

Country	Registry No	Currency	Type of amortisation	Effective annual rate	Nominal annual rate	Nominal value Ch\$'000	Promissory note maturity	Carrying amounts				Undiscounted cash flows			
								31.12.2021			Total Ch\$'000	31.12.2021			Total Ch\$'000
								0 - 3 months	3 - 6 months	6 - 12 months		0 - 3 months	3 - 6 months	6 - 12 months	
								Ch\$'000	Ch\$'000	Ch\$'000		Ch\$'000	Ch\$'000	Ch\$'000	
Chile	Line 107	CLP	Single	4.32%	4.32%	5,000,000	04/01/2022	4,998,211	-	-	4,998,211	5,000,000	-	-	5,000,000
Chile	Line 107	CLP	Single	1.08%	1.08%	7,000,000	11/01/2022	6,981,919	-	-	6,981,919	7,000,000	-	-	7,000,000
Chile	Line 126	CLP	Single	3.50%	3.50%	10,000,000	11/01/2022	8,548,070	-	-	8,548,070	8,664,471	-	-	8,664,471
Chile	Line 117	USD	Single	1.18%	1.18%	4,223,450	13/01/2022	4,221,791	-	-	4,221,791	4,223,450	-	-	4,223,450
Chile	Line 107	CLP	Single	4.44%	4.44%	8,000,000	18/01/2022	7,983,364	-	-	7,983,364	8,000,000	-	-	8,000,000
Chile	Line 126	CLP	Single	1.08%	1.08%	8,000,000	18/01/2022	7,995,951	-	-	7,995,951	8,000,000	-	-	8,000,000
Chile	Line 117	USD	Single	1.00%	1.00%	12,670,350	20/01/2022	12,663,676	-	-	12,663,676	12,670,350	-	-	12,670,350
Chile	Line 107	CLP	Single	4.07%	4.07%	10,000,000	25/01/2022	9,973,101	-	-	9,973,101	10,000,000	-	-	10,000,000
Chile	Line 126	CLP	Single	4.68%	4.68%	10,000,000	25/01/2022	9,470,497	-	-	9,470,497	9,500,196	-	-	9,500,196
Chile	Line 126	CLP	Single	1.32%	1.32%	10,000,000	01/02/2022	9,988,730	-	-	9,988,730	10,000,000	-	-	10,000,000
Chile	Line 117	USD	Single	1.00%	1.00%	8,446,900	03/02/2022	8,439,168	-	-	8,439,168	8,446,900	-	-	8,446,900
Chile	Line 107	CLP	Single	3.60%	3.60%	5,000,000	08/02/2022	4,981,273	-	-	4,981,273	5,000,000	-	-	5,000,000
Chile	Line 144	CLP	Single	5.18%	5.18%	9,910,000	08/02/2022	9,856,235	-	-	9,856,235	9,910,000	-	-	9,910,000
Chile	Line 117	USD	Single	1.08%	1.08%	12,670,350	10/02/2022	12,655,126	-	-	12,655,126	12,670,350	-	-	12,670,350
Chile	Line 107	CLP	Single	5.04%	5.04%	5,000,000	15/02/2022	4,968,776	-	-	4,968,776	5,000,000	-	-	5,000,000
Chile	Line 144	CLP	Single	5.04%	5.04%	10,000,000	15/02/2022	9,937,551	-	-	9,937,551	10,000,000	-	-	10,000,000
Chile	Line 107	CLP	Single	5.64%	5.64%	10,000,000	22/02/2022	9,919,317	-	-	9,919,317	10,000,000	-	-	10,000,000
Chile	Line 126	CLP	Single	5.67%	5.67%	10,000,000	01/03/2022	9,908,257	-	-	9,908,257	10,000,000	-	-	10,000,000
Chile	Line 126	CLP	Single	5.67%	5.67%	7,000,000	08/03/2022	6,928,244	-	-	6,928,244	7,000,000	-	-	7,000,000
Chile	Line 144	CLP	Single	5.88%	5.88%	10,000,000	15/03/2022	9,882,229	-	-	9,882,229	10,000,000	-	-	10,000,000
Chile	Line 144	CLP	Single	6.24%	6.24%	5,000,000	05/04/2022	-	4,919,894	-	4,919,894	-	5,000,000	-	5,000,000
Chile	Line 126	CLP	Single	5.88%	5.88%	7,000,000	12/04/2022	-	6,887,554	-	6,887,554	-	7,000,000	-	7,000,000
Chile	Line 126	CLP	Single	6.00%	6.00%	5,000,000	19/04/2022	-	4,912,366	-	4,912,366	-	5,000,000	-	5,000,000
Total								170,301,486	16,719,814	-	187,021,300	171,085,717	17,000,000	-	188,085,717

2020

Country	Registry No	Currency	Type of amortisation	Effective annual rate	Nominal annual rate	Nominal value Ch\$'000	Promissory note maturity	Carrying amounts				Undiscounted cash flows			
								31.12.2020			Total Ch\$'000	31.12.2020			Total Ch\$'000
								0 - 3 months	3 - 6 months	6 - 12 months		0 - 3 months	3 - 6 months	6 - 12 months	
								Ch\$'000	Ch\$'000	Ch\$'000		Ch\$'000	Ch\$'000	Ch\$'000	
Chile	Line 107	CLP	Single	1.80%	1.80%	10,000,000	05/01/2021	9,998,027	-	-	9,998,027	10,000,000	-	-	10,000,000
Chile	Line 117	USD	Single	1.10%	1.10%	6,502,202	07/01/2021	6,091,727	-	-	6,091,727	6,502,202	-	-	6,502,202
Chile	Line 107	CLP	Single	0.96%	0.96%	9,927,732	12/01/2021	9,924,805	-	-	9,924,805	9,927,729	-	-	9,927,729
Chile	Line 117	USD	Single	1.53%	1.53%	7,818,667	14/01/2021	7,072,218	-	-	7,072,218	7,818,710	-	-	7,818,710
Chile	Line 126	CLP	Single	0.96%	0.96%	8,000,000	19/01/2021	7,996,169	-	-	7,996,169	8,000,000	-	-	8,000,000
Chile	Line 117	USD	Single	1.50%	1.50%	5,155,839	21/01/2021	4,615,327	-	-	4,615,327	5,158,078	-	-	5,158,078
Chile	Line 107	CLP	Single	1.08%	1.08%	5,000,000	26/01/2021	4,996,261	-	-	4,996,261	5,000,000	-	-	5,000,000
Chile	Line 126	CLP	Single	1.32%	1.32%	10,000,000	02/02/2021	9,988,324	-	-	9,988,324	10,000,000	-	-	10,000,000
Chile	Line 107	CLP	Single	1.32%	1.32%	10,000,000	09/02/2021	9,986,920	-	-	9,986,920	10,000,000	-	-	10,000,000
Chile	Line 117	USD	Single	1.45%	1.45%	6,971,030	11/02/2021	6,388,671	-	-	6,388,671	6,971,030	-	-	6,971,030
Chile	Line 126	CLP	Single	1.32%	1.32%	9,947,986	16/02/2021	9,931,215	-	-	9,931,215	9,947,969	-	-	9,947,969
Chile	Line 117	USD	Single	1.40%	1.40%	6,122,630	18/02/2021	5,677,914	-	-	5,677,914	6,122,630	-	-	6,122,630
Chile	Line 107	CLP	Single	1.20%	1.20%	5,000,000	23/02/2021	4,991,201	-	-	4,991,201	5,000,000	-	-	5,000,000
Chile	Line 107	CLP	Single	0.96%	0.96%	10,000,000	02/03/2021	9,984,041	-	-	9,984,041	10,000,000	-	-	10,000,000
Chile	Line 126	CLP	Single	1.32%	1.32%	10,000,000	09/03/2021	9,975,588	-	-	9,975,588	10,000,000	-	-	10,000,000
Chile	Line 117	USD	Single	1.20%	1.20%	2,131,920	11/03/2021	2,127,956	-	-	2,127,956	2,131,920	-	-	2,131,920
Chile	Line 126	CLP	Single	1.32%	1.32%	8,000,000	16/03/2021	7,978,403	-	-	7,978,403	8,000,000	-	-	8,000,000
Chile	Line 126	CLP	Single	1.44%	1.44%	10,000,000	23/03/2021	9,968,593	-	-	9,968,593	10,000,000	-	-	10,000,000
Chile	Line 107	CLP	Single	1.08%	1.08%	10,000,000	30/03/2021	9,972,506	-	-	9,972,506	10,000,000	-	-	10,000,000
Chile	Line 107	CLP	Single	1.08%	1.08%	7,000,000	06/04/2021	-	6,980,111	-	6,980,111	-	7,000,000	-	7,000,000
Chile	Line 126	CLP	Single	1.32%	1.32%	10,000,000	04/05/2021	-	9,955,173	-	9,955,173	-	10,000,000	-	10,000,000
Chile	Line 126	CLP	Single	1.56%	1.56%	6,000,000	24/08/2021	-	-	5,939,537	5,939,537	-	-	6,000,000	6,000,000
Total								147,665,866	16,935,284	5,939,537	170,540,687	150,580,268	17,000,000	6,000,000	173,580,268

c) Current obligations with the public (bonds payable)

The balances at carrying amounts and undiscounted cash flows at 31 December 2021 and 2020 were as follows:

2021

Country	Registry No.	Series	Nominal amount	Currency	Amortisation	Effective annual rate	Nominal annual rate	Final term	Carrying amounts 31.12.2021				Undiscounted cash flows 31.12.2021			
									0 - 3 months	3 - 6 months	6 - 12 months	Total	0 - 3 months	3 - 6 months	6 - 12 months	Total
									M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
Chile	888	AC series	801,000	UF	On maturity	2.14%	2.15%	05/04/2022	-	22,782,058	-	22,782,058	-	63,028,518	-	63,028,518
Chile	888	AD series	1,269,500	UF	On maturity	2.05%	2.00%	15/08/2023	-	-	-	-	-	-	-	-
Chile	817	W series	990,000	UF	Half yearly with a ten-year grace period	3.95%	3.80%	01/08/2036	578,019	-	-	578,019	1,161,376	-	-	1,161,376
Chile	888	AB series	1,940,000	UF	On maturity	3.36%	3.75%	15/02/2038	190,186	-	-	190,186	1,794,731	-	-	1,794,731
Chile	888	AE series	1,915,000	UF	On maturity	0.98%	1.10%	15/06/2024	-	27,076	-	27,076	-	339,979	-	339,979
Chile	888	AG series	1,206,000	UF	On maturity	0.05%	0.05%	15/09/2024	-	-	-	-	-	-	-	-
Chile	1.045	AH series	1,080,000	UF	On maturity	1.71%	0.05%	15/05/2024	-	103,706	-	103,706	-	208,950	-	208,950
Switzerland	-	-	200,000,000	CHF	On maturity	0.59%	0.60%	07/11/2022	-	-	184,672,280	184,672,280	-	-	186,586,043	186,586,043
Switzerland	-	-	12,000,000	CHF	On maturity	1.23%	1.00%	16/08/2023	-	-	50,747	50,747	-	-	161,586	161,586
Switzerland	-	-	125,000,000	CHF	On maturity	1.59%	1.17%	26/04/2024	-	325,440	-	325,440	-	1,000,867	-	1,000,867
France	-	-	15,000,000	EUR	On maturity	1.02%	0.95%	13/07/2022	-	-	14,391,265	14,391,265	-	-	14,539,997	14,539,997
	Total								768,205	23,238,280	199,114,292	223,120,777	2,956,107	64,578,314	201,287,626	268,822,047

2020

Country	Registry No.	Series	Nominal amount	Currency	Amortisation	Effective annual rate	Nominal annual rate	Final term	Carrying amounts 31.12.2020				Undiscounted cash flows 31.12.2020			
									0 - 3 months	3 - 6 months	6 - 12 months	Total	0 - 3 months	3 - 6 months	6 - 12 months	Total
									M\$	M\$	M\$	M\$	M\$	M\$	M\$	M\$
Chile	656	I series	133,333	UF	Half yearly with a four-year grace period	3.67%	3.80%	01/04/2021	-	3,912,185	-	3,912,185	-	3,949,002	-	3,949,002
Chile	548	Z series	1,500,000	UF	On maturity	2.74%	3.25%	05/07/2021	-	-	44,384,549	44,384,549	702,924	-	44,293,706	44,996,630
Chile	888	AC series	2,000,000	UF	On maturity	2.14%	2.15%	05/04/2022	-	294,197	-	294,197	-	621,688	621,688	1,243,376
Chile	888	AD series	2,000,000	UF	On maturity	2.05%	2.00%	15/08/2023	220,182	-	-	220,182	578,500	-	578,500	1,157,000
Chile	817	W series	1,000,000	UF	Half yearly with a ten-year grace period	3.95%	3.80%	01/08/2036	523,168	-	-	523,168	547,186	-	547,186	1,094,372
Chile	888	AB series	2,000,000	UF	On maturity	3.36%	3.75%	15/02/2038	583,807	-	-	583,807	1,080,079	-	1,080,079	2,160,158
Chile	888	AE series	2,000,000	UF	On maturity	0.98%	1.10%	15/06/2024	-	25,425	-	25,425	-	318,871	318,871	637,742
Switzerland	-	-	125,000,000	CHF	On maturity	1.00%	1.01%	03/12/2021	-	-	100,537,351	100,537,351	-	-	101,647,587	101,647,587
Switzerland	-	-	200,000,000	CHF	On maturity	0.59%	0.60%	07/11/2022	-	-	366,507	366,507	-	-	982,063	982,063
	Total								1,327,157	4,231,807	145,288,407	150,847,371	2,908,689	4,889,561	150,069,680	157,867,930

d) Other financial liabilities

The breakdown of other current financial liabilities at carrying amounts is shown below:

Other financial liabilities	31.12.2021 Ch\$'000	31.12.2020 Ch\$'000
Liabilities for repos	92,003,185	23,493,562
Liabilities for local repos	7,792,630	16,254,427
Liabilities for forwards	7,559,424	20,824,331
Current finance lease liabilities	1,159,917	1,101,148
Total	108,515,156	61,673,468

The breakdown of other current financial liabilities at undiscounted contractual cash flows was as follows:

Other financial liabilities	31.12.2021 Ch\$'000	31.12.2020 Ch\$'000
Liabilities for repos	92,003,185	23,493,562
Liabilities for local repos	7,796,276	16,258,843
Liabilities for forwards	7,559,424	20,824,331
Current finance lease liabilities	1,338,751	1,304,590
Total	108,697,636	61,881,326

i) The breakdown of liabilities for forwards is shown below:

i. At carrying amount

Debtor taxpayer ID No.	Debtor company	Debtor company country	31.12.2021				31.12.2020			
			0 - 3 months	3 - 6 months	6 - 12 months	Total	0 - 3 months	3 - 6 months	6 - 12 months	Total
			Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	2,982,640	-	-	2,982,640	20,021,915	-	-	20,021,915
80.962.600-8	Tanner Corredora de Bolsa S.A.	Chile	4,576,784	-	-	4,576,784	802,416	-	-	802,416
Total			7,559,424	-	-	7,559,424	20,824,331	-	-	20,824,331

ii. At undiscounted contractual cash flows

Debtor taxpayer ID No.	Debtor company	Debtor company country	31.12.2021				31.12.2020			
			0 - 3 months	3 - 6 months	6 - 12 months	Total	0 - 3 months	3 - 6 months	6 - 12 months	Total
			Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	2,982,640	-	-	2,982,640	20,021,915	-	-	20,021,915
80.962.600-8	Tanner Corredora de Bolsa S.A.	Chile	4,576,784	-	-	4,576,784	802,416	-	-	802,416
Total			7,559,424	-	-	7,559,424	20,824,331	-	-	20,824,331

ii) The breakdown of liabilities for sales with repurchase agreements was as follows:

i. At carrying amount

Debtor taxpayer ID No.	Debtor company	Debtor company country	31.12.2021				31.12.2020			
			0 - 3 months	3 - 6 months	6 - 12 months	Total	0 - 3 months	3 - 6 months	6 - 12 months	Total
			Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
80.962.600-8	Tanner Corredores de Bolsa S.A.	Chile	92,003,185	-	-	92,003,185	23,493,562	-	-	23,493,562
Total			92,003,185	-	-	92,003,185	23,493,562	-	-	23,493,562

ii. At undiscounted contractual cash flows

Debtor taxpayer ID No.	Debtor company	Debtor company country	31.12.2021				31.12.2020			
			0 - 3 months	3 - 6 months	6 - 12 months	Total	0 - 3 months	3 - 6 months	6 - 12 months	Total
			Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
80.962.600-8	Tanner Corredores de Bolsa S.A.	Chile	92,003,185	-	-	92,003,185	23,493,562	-	-	23,493,562
Total			92,003,185	-	-	92,003,185	23,493,562	-	-	23,493,562

iii) The breakdown of liabilities for repurchase agreements was as follows:

2021

The breakdown of balances at carrying amounts and undiscounted cash flows at 31 December 2021 is shown below:

Debtor taxpayer ID No.	Debtor company	Debtor company country	Creditor taxpayer ID No.	Creditor	Creditor country	Type of amortisation	Currency	Maturity date	Carrying amount at 31.12.2021			Total	Undiscounted cash flows at 31.12.2021			Total
									0 - 3 months	3 - 6 months	6 - 12 months		0 - 3 months	3 - 6 months	6 - 12 months	
									Ch\$'000	Ch\$'000	Ch\$'000		Ch\$'000	Ch\$'000	Ch\$'000	
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	26/01/2022	1,115,236	-	-	1,115,236	1,115,758	-	-	1,115,758
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	26/01/2022	39,210	-	-	39,210	39,228	-	-	39,228
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	26/01/2022	187,154	-	-	187,154	187,242	-	-	187,242
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	26/01/2022	394,791	-	-	394,791	394,976	-	-	394,976
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	26/01/2022	160,535	-	-	160,535	160,611	-	-	160,611
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	26/01/2022	1,146,495	-	-	1,146,495	1,147,031	-	-	1,147,031
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	26/01/2022	1,106,601	-	-	1,106,601	1,107,119	-	-	1,107,119
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	26/01/2022	455,724	-	-	455,724	455,936	-	-	455,936
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	26/01/2022	553,740	-	-	553,740	553,999	-	-	553,999
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	26/01/2022	587,959	-	-	587,959	588,234	-	-	588,234
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	26/01/2022	576,129	-	-	576,129	576,399	-	-	576,399
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	26/01/2022	1,469,056	-	-	1,469,056	1,469,743	-	-	1,469,743
Total									7,792,630	-	-	7,792,630	7,796,276	-	-	7,796,276

Note: the table below shows the average annual interest rate.

Repurchase agreement rates 31.12.2021			
Creditor	Currency	Nominal annual rate	Effective annual rate
Foreign	USD	0.60%	0.60%

2020

The breakdown of balances at carrying amounts and undiscounted cash flows at 31 December 2020 is shown below:

Debtor taxpayer ID No.	Debtor company	Debtor company country	Creditor taxpayer ID No.	Creditor	Creditor country	Type of amortisation	Currency	Maturity date	Carrying amount at 31.12.2020			Total	Undiscounted cash flows at 31.12.2020			Total
									0 - 3 months	3 - 6 months	6 - 12 months		0 - 3 months	3 - 6 months	6 - 12 months	
									Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	835,622	-	-	835,622	835,849	-	-	835,849
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	242,322	-	-	242,322	242,388	-	-	242,388
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	1,499,608	-	-	1,499,608	871,736	-	-	871,736
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	1,467,861	-	-	1,467,861	1,500,015	-	-	1,500,015
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	290,756	-	-	290,756	1,468,260	-	-	1,468,260
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	577,928	-	-	577,928	290,835	-	-	290,835
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	1,400,729	-	-	1,400,729	578,085	-	-	578,085
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	1,709,887	-	-	1,709,887	1,401,110	-	-	1,401,110
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	1,179,978	-	-	1,179,978	1,710,352	-	-	1,710,352
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	872,268	-	-	872,268	1,180,299	-	-	1,180,299
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	599,857	-	-	599,857	872,505	-	-	872,505
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	1,220,373	-	-	1,220,373	600,020	-	-	600,020
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	1,165,982	-	-	1,165,982	1,220,704	-	-	1,220,704
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	967,775	-	-	967,775	1,166,299	-	-	1,166,299
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	733,726	-	-	733,726	968,038	-	-	968,038
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	871,500	-	-	871,500	733,925	-	-	733,925
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	132,765	-	-	132,765	132,801	-	-	132,801
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	139,250	-	-	139,250	139,288	-	-	139,288
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	312,230	-	-	312,230	312,314	-	-	312,314
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	Credit Suisse	USA	Single	USD	14/01/2021	34,010	-	-	34,010	34,020	-	-	34,020
Total									16,254,427	-	-	16,254,427	16,258,843	-	-	16,258,843

Note: the table below shows the average annual interest rate.

Repurchase agreement rates			
31.12.2020			
Creditor	Currency	Nominal annual rate	Effective annual rate
Foreign	USD	1.12%	1.12%

iv) The breakdown of finance lease liabilities was as follows:

2021

The balances at carrying amount and undiscounted cash flows at 31 December 2021 were as follows:

Debtor taxpayer ID No.	Debtor company	Debtor company country	Carrying amount at 31.12.2021				Undiscounted cash flows at 31.12.2021			
			0 - 3 months	3 - 6 months	6 - 12 months	Total	0 - 3 months	3 - 6 months	6 - 12 months	Total
			Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
80.962.600-8	Tanner Corredores de Bolsa S.A.	Chile	230,618	232,352	469,958	932,928	275,260	275,260	550,519	1,101,039
80.962.600-8	Tanner Corredores de Bolsa S.A.	Chile	56,111	56,533	114,345	226,989	59,428	59,428	118,856	237,712
Total			286,729	288,885	584,303	1,159,917	334,688	334,688	669,375	1,338,751

At 31 December 2021, there were other disclosures related to finance lease liabilities and their effect on these consolidated financial statements:

Debtor taxpayer ID No.	Debtor company	Depreciation charge (*) Ch\$'000	Interest expense Ch\$'000	Expense under IFRS 16.6		Income from subleases Ch\$'000	Cash outlays Ch\$'000
				Amount Ch\$'000	Duration Ch\$'000		
96.667.560-8	Tanner Servicios Financieros S.A.	1,005,703	193,681	82,944	55,296	-	1,088,529
80.962.600-8	Tanner Corredores de Bolsa S.A.	161,965	16,710	-	-	-	211,061
Total		1,167,668	210,391	82,944	55,296	-	1,299,590

(*) For further details about the depreciation charge concerning the right-of-use related to these liabilities, see Note 14 - Property, plant and equipment.

2020

The balances at carrying amount and undiscounted cash flows at 31 December 2020 were as follows:

Debtor taxpayer ID No.	Debtor company	Debtor company country	Carrying amount at 31.12.2020				Undiscounted cash flows at 31.12.2020			
			0 - 3 months	3 - 6 months	6 - 12 months	Total	0 - 3 months	3 - 6 months	6 - 12 months	Total
			Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	221,122	222,785	450,609	894,516	270,404	270,404	540,808	1,081,616
80.962.600-8	Tanner Corredores de Bolsa S.A.	Chile	51,079	51,463	104,090	206,632	55,744	55,743	111,487	222,974
Total			272,201	274,248	554,699	1,101,148	326,148	326,147	652,295	1,304,590

At 31 December 2020, there were other disclosures related to finance lease liabilities and their effect on these consolidated financial statements:

Debtor taxpayer ID No.	Debtor company	Depreciation charge (*) Ch\$'000	Interest expense Ch\$'000	Expense under IFRS 16.6		Income from subleases Ch\$'000	Cash outlays Ch\$'000
				Amount Ch\$'000	Duration Ch\$'000		
96.667.560-8	Tanner Servicios Financieros S.A.	938,583	210,941	190,279	126,852	-	1,137,969
80.962.600-8	Tanner Corredores de Bolsa S.A.	141,106	22,109	-	-	-	197,662
Total		1,079,689	233,050	190,279	126,852	-	1,335,631

(*) For further details about the depreciation charge concerning the right-of-use related to these liabilities, see Note 14 - Property, plant and equipment.

Note 20. Other non-current financial liabilities

The breakdown of other non-current financial liabilities was as follows:

I) At carrying amount

Other non-current financial liabilities	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Obligations with banks and financial institutions	143,114,533	129,894,173
Obligations with the public (bonds payable)	390,362,861	367,718,288
Swap derivative instruments	1,897,317	6,400,794
Other financial liabilities	5,329,926	6,182,180
Total	540,704,637	510,195,435

II) At undiscounted cash flows

Other non-current financial liabilities	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Obligations with banks and financial institutions	148,575,931	136,257,291
Obligations with the public (bonds payable)	499,374,005	382,029,786
Swap derivative instruments	1,897,317	6,400,794
Other financial liabilities	5,763,470	6,759,577
Total	655,610,723	531,447,448

Pursuant to what is indicated in Circular Letter N°595 of the Financial Market Commission (CMF, according to the Spanish acronym), consolidated financial statements should indicate the name, taxpayer ID number and country of the debtor entity. In this case, all the non-current financial liabilities effective on the reporting dates are obligations of the Parent Company, Tanner Servicios Financieros S.A., taxpayer ID number 96.667.560-8, country of origin, Chile.

a) Non-current obligations with banks and financial institutions

i) The breakdown of these at carrying amounts at 31 December 2021 and 2020 was as follows:

Debtor taxpayer ID No.	Debtor company	Debtor company country	Creditor taxpayer ID No.	Creditor	Creditor country	Type of amortisation	Currency	Maturity date	Carrying amounts							
									31.12.2021				31.12.2020			
									1 - 3 years	3 - 5 years	Over 5 years	Total	1 - 3 years	3 - 5 years	Over 5 years	Total
									Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	CARGILL	USA	Single	USD	14/07/2023	41,966,437	-	-	41,966,437	35,547,570	-	-	35,547,570
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BID Invest	Multilateral	Quarterly	USD	16/01/2024	23,529,116	-	-	23,529,116	32,100,132	3,727,625	-	35,827,757
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BID Invest	Multilateral	Quarterly	USD	15/01/2026	14,310,042	8,716,320	-	23,026,362	12,044,329	12,044,329	1,299,185	25,387,843
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	DEG	Germany	Quarterly	USD	16/09/2024	12,810,004	-	-	12,810,004	10,901,233	5,316,644	-	16,217,877
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BID Invest	Multilateral	Quarterly	USD	15/10/2023	5,052,939	-	-	5,052,939	8,531,400	-	-	8,531,400
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BID Invest	Multilateral	Quarterly	USD	15/10/2023	4,052,048	-	-	4,052,048	6,884,989	-	-	6,884,989
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BID Invest	Multilateral	Quarterly	USD	16/01/2024	2,346,549	-	-	2,346,549	1,496,737	-	-	1,496,737
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BID Invest	Multilateral	Quarterly	USD	15/10/2023	880,961	-	-	880,961	-	-	-	-
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BLADEX	USA	Single	USD	20/09/2023	16,893,800	-	-	16,893,800	-	-	-	-
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BID Invest	Multilateral	Single	USD	15/10/2023	12,556,317	-	-	12,556,317	-	-	-	-
Total									134,398,213	8,716,320	-	143,114,533	107,506,390	21,088,598	1,299,185	129,894,173

ii) The breakdown of these at undiscounted cash flows at 31 December 2021 and 2020 was as follows:

Debtor taxpayer ID No.	Debtor company	Debtor company country	Creditor taxpayer ID No.	Creditor	Creditor country	Type of amortisation	Currency	Maturity date	Carrying amounts							
									31.12.2021				31.12.2020			
									1 - 3 years	3 - 5 years	Over 5 years	Total	1 - 3 years	3 - 5 years	Over 5 years	Total
									Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	CARGILL	USA	Single	USD	14-07-23	43,982,550	-	-	43,982,550	37,218,010	-	-	37,218,010
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BID Invest	Multilateral	Quarterly	USD	16-01-24	24,248,367	-	-	24,248,367	33,110,197	4,039,221	-	37,149,418
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BID Invest	Multilateral	Quarterly	USD	15-01-26	15,135,732	9,107,030	-	24,242,762	13,035,477	12,447,212	1,514,775	26,997,464
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	DEG	Germany	Half yearly	USD	16-09-24	13,427,680	-	-	13,427,680	11,688,669	5,582,336	-	17,271,005
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BID Invest	Multilateral	Quarterly	USD	15-10-23	5,119,497	-	-	5,119,497	8,911,127	-	-	8,911,127
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BID Invest	Multilateral	Quarterly	USD	15-10-23	4,131,524	-	-	4,131,524	7,154,862	-	-	7,154,862
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BID Invest	Multilateral	Quarterly	USD	16-01-24	2,386,650	-	-	2,386,650	1,555,405	-	-	1,555,405
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BID Invest	Multilateral	Quarterly	USD	15-10-23	898,157	-	-	898,157	-	-	-	-
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BLADEX	USA	Single	USD	20-09-23	17,230,737	-	-	17,230,737	-	-	-	-
96.667.560-8	Tanner Servicios Financieros S.A.	Chile	Foreign	BID Invest	Multilateral	Single	USD	15-10-23	12,908,007	-	-	12,908,007	-	-	-	-
Total									139,468,901	9,107,030	-	148,575,931	112,673,747	22,068,769	1,514,775	136,257,291

b) Non-current obligations with the public (bonds payable)

i) The breakdown of obligations with the public at carrying amounts and undiscounted cash flows at 31 December 2021 was as follows:

Country	Registry number	Series	Nominal amount	Currency	Amortisation	Effective annual rate	Nominal annual rate	Final maturity	Carrying amounts			
									31.12.2021			
									1 - 3 years	3 - 5 years	Over 5 years	Total
									Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Chile	888	AD series	1,269,500	UF	On maturity	2.05%	2.00%	15-08-23	40,915,198	-	-	40,915,198
Chile	817	W series	990,000	UF	Half yearly with a 10-year grace period	3.95%	3.80%	01-08-36	-	2,526,240	26,312,200	28,838,440
Chile	888	AB series	1,940,000	UF	On maturity	3.36%	3.75%	15-02-38	-	-	63,538,954	63,538,954
Chile	888	AE series	1,915,000	UF	On maturity	0.98%	1.10%	15-06-24	61,848,006	-	-	61,848,006
Chile	889	AG series	1,206,000	UF	On maturity	0.05%	0.40%	15-09-24	37,794,631	-	-	37,794,631
Chile	1,045	AH series	1,080,000	UF	On maturity	1.71%	0.05%	15-05-24	32,129,074	-	-	32,129,074
Switzerland	-	-	125,000,000	CHF	On maturity	1.59%	1.17%	26-04-24	114,264,957	-	-	114,264,957
Switzerland	-	-	12,000,000	CHF	On maturity	1.23%	1.00%	16-08-23	11,033,601	-	-	11,033,601
Total									297,985,467	2,526,240	89,851,154	390,362,861

Country	Registry number	Series	Nominal amount	Currency	Amortisation	Effective annual rate	Nominal annual rate	Final maturity	Undiscounted cash flows			
									31.12.2021			
									1 - 3 years	3 - 5 years	Over 5 years	Total
									Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Chile	888	AD series	1,269,500	UF	On maturity	2.05%	2.00%	15-08-23	63,216,951	-	-	63,216,951
Chile	817	W series	990,000	UF	Half yearly with a 10-year grace period	3.95%	3.80%	01-08-36	2,333,430	5,124,335	33,742,685	41,200,450
Chile	888	AB series	1,940,000	UF	On maturity	3.36%	3.75%	15-02-38	4,605,868	4,605,868	88,467,223	97,678,959
Chile	888	AE series	1,915,000	UF	On maturity	0.98%	1.10%	15-06-24	63,003,418	-	-	63,003,418
Chile	889	AG series	1,206,000	UF	On maturity	0.05%	0.40%	15-09-24	62,478,852	-	-	62,478,852
Chile	1,045	AH series	1,080,000	UF	On maturity	1.71%	0.05%	15-05-24	42,464,500	-	-	42,464,500
Switzerland	-	-	125,000,000	CHF	On maturity	1.59%	1.17%	26-04-24	118,136,114	-	-	118,136,114
Switzerland	-	-	12,000,000	CHF	On maturity	1.23%	1.00%	16-08-23	11,194,761	-	-	11,194,761
Total									367,433,894	9,730,203	122,209,908	499,374,005

ii) The breakdown of obligations with the public at carrying amounts and undiscounted cash flows at 31 December 2020 was as follows:

Country	Registry number	Series	Nominal amount	Currency	Amortisation	Effective annual rate	Nominal annual rate	Final maturity	Carrying amounts			
									31.12.2020			
									1 - 3 years	3 - 5 years	Over 5 years	Total
									Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Chile	888	AC series	2,000,000	UF	On maturity	2.14%	2.15%	05-04-22	32,819,018	-	-	32,819,018
Chile	888	AD series	2,000,000	UF	On maturity	2.05%	2.00%	15-08-23	37,342,499	-	-	37,342,499
Chile	888	AE series	2,000,000	UF	On maturity	0.98%	1.10%	15-06-24	-	58,369,462	-	58,369,462
Chile	817	W series	1,000,000	UF	Half yearly with a 10-year grace period	3.95%	3.80%	01-08-36	-	-	26,190,331	26,190,331
Chile	888	AB series	2,000,000	UF	On maturity	3.36%	3.75%	15-02-38	-	-	60,888,746	60,888,746
Switzerland	-	-	200,000,000	CHF	On maturity	0.59%	0.60%	07-11-22	152,108,232	-	-	152,108,232
Totales									222,269,749	58,369,462	87,079,077	367,718,288

Country	Registry number	Series	Nominal amount	Currency	Amortisation	Effective annual rate	Nominal annual rate	Final maturity	Undiscounted cash flows			
									31.12.2020			
									1 - 3 years	3 - 5 years	Over 5 years	Total
									Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Chile	888	AC series	2,000,000	UF	On maturity	2.14%	2.15%	05-04-22	33,430,822	-	-	33,430,822
Chile	888	AD series	2,000,000	UF	On maturity	2.05%	2.00%	15-08-23	37,777,983	-	-	37,777,983
Chile	888	AE series	2,000,000	UF	On maturity	0.98%	1.10%	15-06-24	318,871	58,459,531	-	58,778,402
Chile	817	W series	1,000,000	UF	Half yearly with a 10-year grace period	3.95%	3.80%	01-08-36	2,188,746	2,188,746	32,783,367	37,160,859
Chile	888	AB series	2,000,000	UF	On maturity	3.36%	3.75%	15-02-38	1,080,079	1,080,079	58,945,625	61,105,783
Switzerland	-	-	200,000,000	CHF	On maturity	0.59%	0.60%	07-11-22	153,775,937	-	-	153,775,937
Total									228,572,438	61,728,356	91,728,992	382,029,786

c) Finance lease liabilities

2021

Debtor taxpayer ID No.	Debtor company	Carrying amount				Undiscounted cash flows			
		31.12.2021				31.12.2021			
		1 - 3 years	3 - 5 years	Over 5 years	Total	1 - 3 years	3 - 5 years	Over 5 years	Total
		Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
96.667.560-8	Tanner Servicios Financieros S.A.	1,839,367	1,819,039	1,437,629	5,096,035	2,091,059	1,962,685	1,472,014	5,525,758
80.962.600-8	Tanner Corredores de Bolsa S.A.	233,893	-	-	233,893	237,712	-	-	237,712
Total		2,073,260	1,819,039	1,437,629	5,329,928	2,328,771	1,962,685	1,472,014	5,763,470

2020

Debtor taxpayer ID No.	Debtor company	Carrying amount				Undiscounted cash flows			
		31.12.2020				31.12.2020			
		1 - 3 years	3 - 5 years	Over 5 years	Total	1 - 3 years	3 - 5 years	Over 5 years	Total
		Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
96.667.560-8	Tanner Servicios Financieros S.A.	1,871,484	1,663,976	2,214,411	5,749,871	2,163,231	1,849,143	2,301,255	6,313,629
80.962.600-8	Tanner Corredores de Bolsa S.A.	432,309	-	-	432,309	445,948	-	-	445,948
Total		2,303,793	1,663,976	2,214,411	6,182,180	2,609,179	1,849,143	2,301,255	6,759,577

d) Reconciliation of changes in liabilities and cash flows from financing activities

The reconciliation of financing activities at 31 December 2021 and 2020 is shown below:

2021

Changes from financing cash flows	Liabilities		Equity		Total at 31.12.2021 Ch\$'000
	Bank overdrafts Ch\$'000	Other borrowings and obligations Ch\$'000	Share capital Ch\$'000	Retained earnings Ch\$'000	
Opening balance at 01.01.2021	-	1,026,584,393	-	8,198,841	1,034,783,234
Changes from financing cash flows					
Charges from issuing borrowings and obligations	2,259,363	1,505,895,149	-	-	1,508,154,512
Repayment of borrowings	(2,259,363)	(1,351,320,682)	-	-	(1,353,580,045)
Payments of finance lease liabilities	-	(1,089,199)	-	-	(1,089,199)
Payments for other equity interests	-	-	-	-	-
Dividend paid	-	-	-	(8,198,841)	(8,198,841)
Proceeds from the issuance of other equity instruments	-	-	-	-	-
Interest paid	-	(31,289,981)	-	-	(31,289,981)
Total changes from financing cash flows	-	122,195,287	-	(8,198,841)	113,996,446
Other non-cash flow changes					
Accrual of interest	-	47,518,963			47,518,963
Exchange rate changes	-	51,855,162			51,855,162
Others	-	43,472,006	-	-	43,472,006
Total other changes	-	142,846,131	-	-	142,846,131
Balance at 31 December 2021	-	1,291,625,811	-	-	1,291,625,811

2020

Changes from financing cash flows	Liabilities		Equity		Total at 31.12.2020 Ch\$'000
	Bank overdrafts Ch\$'000	Other borrowings and obligations Ch\$'000	Share capital Ch\$'000	Retained earnings Ch\$'000	
Opening balance at 01.01.2020	-	1,159,515,448	-	9,615,819	1,169,131,267
Changes from financing cash flows					
Charges from issuing borrowings and obligations	13,412,945	943,751,457	-	-	957,164,402
Repayment of borrowings	(13,412,945)	(1,111,423,421)	-	-	(1,124,836,366)
Payments of finance lease liabilities	-	(1,079,909)	-	-	(1,079,909)
Payments for other equity interests	-	-	-	-	-
Dividend paid	-	-	-	(9,615,819)	(9,615,819)
Proceeds from the issuance of other equity instruments	-	-	-	-	-
Interest paid	-	(50,073,702)	-	-	(50,073,702)
Total changes from financing cash flows	-	(218,825,575)	-	(9,615,819)	(228,441,394)
Other non-cash flow changes					
Accrual of interest	-	2,067,244	-	-	2,067,244
Exchange rate changes	-	53,221,038	-	-	53,221,038
Others	-	30,606,238	-	-	30,606,238
Total other changes	-	85,894,520	-	-	85,894,520
Balance at 31 December 2020	-	1,026,584,393	-	-	1,026,584,393

Note 21. Trade and other payables, current

This item includes the following:

Breakdown	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Amounts payable for loan operations (1)	34,704,094	16,094,440
Collateral guarantees (2)	20,703,870	9,465,252
Payables to brokers and dealers TCB (3)	20,266,461	18,608,119
Sundry payables for auto financing (4)	15,538,867	9,395,475
Other notes payable (5)	11,879,890	3,792,019
Dividend payable	10,875,250	8,246,624
Sundry payables for international factoring operations (6)	8,263,579	10,902,047
Notes payable TCB (7)	7,044,137	9,925,320
Other accounts payable TCB (8)	2,741,283	17,692,333
Accounting overdrafts (9)	2,438,642	1,264,368
Sundry payables for domestic factoring operations (10)	2,043,201	3,921,548
Accounts payable (11)	1,862,326	1,895,308
Provision for holidays	1,735,103	1,349,900
Surpluses to be returned for notes (12)	1,098,386	426,780
Others (13)	1,072,766	2,037,880
Deferred liabilities	929,669	591,529
Taxes payable	863,842	464,400
Leasing suppliers	763,427	3,261
Sundry payables for leasing (14)	553,131	372,066
Total	145,377,924	116,448,669

(1) These are loan and auto financing operations registered as pending payment.

(2) Collateral guarantees to be paid to counterparties for derivative hedging operations of Tanner Servicios Financieros S.A.

(3) These are mainly obligations due to prepayments for customer purchases and brokerage of variable-income and simultaneous operations.

(4) Liabilities arising from auto financing transactions undertaken by Tanner Servicios Financieros S.A.

(5) These are mainly related to suppliers and social security law deductions.

(6) Liabilities arising from international factoring operations undertaken by the Parent.

(7) These are balances payable to customers in USD related to the subsidiary Tanner Corredores de Bolsa S.A.

(8) These are the balances payable for fixed-income operations and other accounts payable associated with the subsidiary Tanner Corredores de Bolsa S.A.

(9) Those banks that are overdrawn in accounting, either due to unidentified deposits or charges not registered by the bank.

(10) Liabilities arising from domestic factoring operations performed by the Parent.

(11) Obligations with suppliers and/or creditors of Tanner Leasing Vendor Ltda.

(12) Amounts released for factoring operations, and available for use or withdrawal by customers.

(13) Other accounts payable not classified in any of the previous items.

(14) Liabilities arising from leasing transactions undertaken by Tanner Leasing S.A.

Note 22. Other current provisions

a) The breakdown of other current provisions was as follows:

Other current provisions	Currency	31.12.2021	31.12.2020
		Ch\$'000	Ch\$'000
Provisions for expenses ¹	CLP	-	158,626
Other provisions ²	CLP	-	349,798
Total		-	508,424

1 Provisions for accrued expenses in the year, whose documentation has not been received yet.

2 Other provisions include the annual audit and withholdings payable.

b) The change in current provisions was as follows: here

2021

Breakdown	Expense provisions Ch\$'000	Other provisions Ch\$'000	Total Ch\$'000
Opening balance at 01.01.2021	158,626	349,798	508,424
Increases	-	-	-
Decreases	-	-	-
Reclassifications	(158,626)	(349,798)	(508,424)
Closing balance at 31.12.2021	-	-	-

2020

Breakdown	Expense provisions Ch\$'000	Other provisions Ch\$'000	Total Ch\$'000
Opening balance at 01.01.2020	229,233	299,004	528,237
Increases	2,762,214	1,845,853	4,608,067
Decreases	(2,832,821)	(1,795,059)	(4,627,880)
Closing balance at 31.12.2020	158,626	349,798	508,424

Note 23. Provision for employee benefits

The Company provides short- and long-term benefits as part of its compensation policies.

The Company has a collective bargaining agreement with its employees, which establishes short- and long-term rewards and/or benefits for its personnel, whose main features are outlined below.

- The short-term benefits are generally based on annual performance bonuses and benefits.
- The long-term benefits are plans or agreements to mainly cover post-employment benefits from the termination of the employment relationship, either due to voluntary resignation or death of the employee hired.
- The cost of these benefits is charged to profit or loss in the employee salaries and expenses accounts in Note 29 c).

The following are the employee benefits included in this item:

Employee benefits	At 31 December 2021		At 31 December 2020	
	Current	Non-current	Current	Non-current
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Short-term benefits (a)	3,748,845	-	909,266	-
Employment termination benefits (b)	140,624	273,753	41,231	299,760
Total	3,889,469	273,753	950,497	299,760

a) Short-term benefits

Short-term benefits mainly comprise compensation by means of bonuses and special holiday allowances. These benefits are registered when the obligation is accrued and they are usually paid in less than 12 months so they are not discounted.

b) Long-term benefits

The Company has a collective bargaining agreement with the Workers' Union, which establishes three long-term benefits. Such contract shall be effective for the next three years.

The following are the recognised benefits:

(b.1) Retirement: this consists of an indemnity of 80% of the base salary for each year of service with a maximum period of 15 years and a remuneration limit of UF90. This benefit is valid for those employees who meet the legal requirements to retire and it has a limit of 8 individuals during the effective period of the collective agreement, with priority given to those with greater labour seniority in the Company.

(b.2) Severance: this entails payment of legal severance to employees who, without meeting the retirement requirements, seek to terminate their employment relationship with the employer. They may obtain 60% of the severance referred to in article 163, subparagraph 2, of the Labour Code, and a maximum period of 15 years of labour seniority and a limit of UF90 shall be considered.

This benefit is applicable for those employees who wish to leave the Company and a limit of 8 individuals is established during the term of the collective bargaining agreement, including those employees who wish to leave the Company due to retirement (b.1), with priority given to those with greater labour seniority working for the Company.

(b.3) Recognition of labour seniority: this consists of recognition of those employees with 10, 15 or 20 years of service in the Company.

These obligations are determined by means of the actuarial value of the accrued cost of the benefits, and this method considers various factors in the calculation, such as estimates of future permanence, mortality rates, future salary increases and the discount rate. The Company periodically assesses the above-mentioned factors based on historical information and future forecasts, making the corresponding adjustments when steady changes in trends are verified.

This value calculated as such is stated at the current value using the method of accrued benefits for years of service. The discount rate is determined with reference to market interest rate curves. The discount rate used is 5.89%, which is the rate of bonuses of the Chilean government at a 20-year term as of the valuation date.

The following are the employment termination benefits:

2021

Employee benefits	Current liabilities	Non-current liabilities	Balance at 31.12.2021
	Ch\$'000	Ch\$'000	Ch\$'000
Severance payment for dismissal	61,890	120,482	182,372
Severance payment for retirement	50,427	98,166	148,593
Seniority bonus	28,307	55,105	83,412
Total	140,624	273,753	414,377

2020

Employee benefits	Current liabilities	Non-current liabilities	Balance at 31.12.2020
	Ch\$'000	Ch\$'000	Ch\$'000
Severance payment for dismissal	19,280	140,173	159,453
Severance payment for retirement	17,213	125,142	142,355
Seniority bonus	4,738	34,445	39,183
Total	41,231	299,760	340,991

Changes in the employment termination obligations were as follows:

2021

Change in the severance payment provision (SPP)	SPP1	Seniority bonus	Total
	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance at 01.01.2021	301,808	39,183	340,991
Past service costs	49,426	-	49,426
Current year service costs	54,460	14,154	68,614
Interest costs	10,898	1,415	12,313
Benefits paid	(21,492)	(18,092)	(39,584)
Modification of benefits*	4,173	48,848	53,021
Actuarial effect	(68,308)	(2,096)	(70,404)
Balance at 31.12.2021	330,965	83,412	414,377

1 Severance payment provision.

2020

Change in the SPP	SPP1	Seniority bonus	Total
	Ch\$'000	Ch\$'000	Ch\$'000
Opening balance at 01.01.2020	297,384	36,335	333,719
Past service costs	-	-	-
Current year service costs	47,407	5,776	53,183
Interest costs	10,943	1,337	12,280
Benefits paid	(83,228)	(6,869)	(90,097)
Actuarial effect	29,302	2,604	31,906
Balance at 31.12.2020	301,808	39,183	340,991

1 Severance payment provision.

The amounts stated in the consolidated statement of income by function were as follows:

Breakdown	31.12.2021			31.12.2020		
	SPP1	Seniority bonus	Total	SPP1	Seniority bonus	Total
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Current year service cost	69,531	62,323	131,854	47,407	5,776	53,183
Past service costs	49,426	-	49,426	-	-	-
Total	118,957	62,323	181,280	47,407	5,776	53,183

1 Severance payment provision.

c) Actuarial assumptions

The main actuarial assumptions used to calculate the severance payment obligation were as follows:

Actuarial assumptions	31.12.2021	31.12.2020
Mortality	RV-2014	RV-2014
Discount rate	5.70%	3.61%
UF value	30,991.74	29,070.33
Employee turnover rate		
- Dismissal	9.00%	10.23%
- Resignation	23.00%	13.64%
- Other reasons	0.00%	1.69%
Retirement ages	60 W and 65 M	60 W and 65 M
Salary increase	Nominal annual percentage of 3.30%	Nominal annual percentage of 4.81%

Note 24. Equity

The main objective of managing shareholders' equity is to maintain a suitable credit risk profile and healthy capital ratios that enable the Company to access capital markets to achieve its medium- and long-term objectives, and to maximise the return for shareholders.

The Company allocates resources to its business lines and not to investments outside the main objective of its line of business.

Series	No. of subscribed shares	No. of paid-up shares	No. of voting shares
Single ordinary series	1,212,129	1,212,129	1,212,129
Total	1,212,129	1,212,129	1,212,129

a) Shareholders

At 31 December 2021 and 2020, the subscribed and paid-up capital was ThCh\$195,223,800 and represented by 1,212,129 no-par-value shares.

Shareholder	Taxpayer ID N°	Related to	31.12.2021		31.12.2020	
			No. of shares	Shareholding %	No. of shares	Shareholding %
INVERSIONES BANCARIAS SPA	99.546.550-7	Massu Group	699,544	57.7120%	699,544	57.7120%
ADMINISTRADORA TANNER SPA	76.917.587-3	Massu Group	12,979	1.0708%	11,648	0.9610%
INVERSIONES LOS CORRALES SPA	76.618.804-4	Massu Group	8,736	0.7207%	8,736	0.7207%
ANITA SpA	76.472.406-2	Massu Group	3,947	0.3256%	3,947	0.3256%
INVERSIONES GABLES S.L.U.	59.196.270-1	Capital Group	310,911	25.6500%	310,911	25.6500%
INVERSIONES SIMILAN S.L.U.	59.196.260-4	Capital Group	16,364	1.3500%	16,364	1.3500%
ASESORÍAS FINANCIERAS BELÉN 2020 SpA	77.719.080-6	Jorge Sabag S.	78,182	6.4500%	78,182	6.4500%
JAMESON SpA	77.218.598-7	Derek Sassoon	12,121	1.0000%	12,121	1.0000%
INVERSIONES MAITA SpA	77.266.528-8	Gustavo Inostroza A.	6,060	0.4999%	6,060	0.4999%
INVERSIONES Y ASESORÍAS JRS SpA	77397998-7	Julián Rodríguez S.	3,030	0.2500%	-	0.0000%
E. BERTELSEN ASESORÍAS S.A.	96.501.470-5	Suc. Ernesto Bertelsen R.	688	0.0568%	688	0.0568%
INVERSORA QUILLOTA DOS S.A.	76.010.029-3	Suc. Ernesto Bertelsen R.	22,681	1.8712%	24,842	2.0495%
INVERSIONES RIO ABRIL SpA	77.569.400-9	Mauricio González S.	22,783	1.8796%	22,783	1.8796%
ASESORÍAS E INVERSIONES CAU CAU LIMITADA	76.475.300-3	Sergio Contardo P.	3,194	0.2635%	5,394	0.4450%
ASESORÍAS E INVERSIONES GÓMEZ PERFETTI LIMITADA	76.477.320-9	Javier Gómez M.	3,000	0.2475%	3,000	0.2475%
INVERSIONES Y ASESORÍAS ROCHRI LIMITADA	76.477.270-9	Rodrigo Lozano B.	3,000	0.2475%	3,000	0.2475%
XAGA ASESORÍAS E INVERSIONES LIMITADA	76.477.310-1	Julio Nielsen S.	3,000	0.2475%	3,000	0.2475%
INVERSIONES ANITA E HIJOS LIMITADA	76.066.686-6	Ana María Lizárraga C.	1,909	0.1575%	1,909	0.1575%
Total			1,212,129	100.0000%	1,212,129	100.0000%

b) Retained earnings

At 31 December 2021 and 2020, the breakdown of this item was as follows:

Retained earnings	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Retained earnings from the prior year	127,135,981	107,978,073
Profit for the year	36,082,344	27,326,973
Increase (decrease) due to transfers and other changes	-	30,061
Dividends paid (or provisioned)	(10,825,450)	(8,199,126)
Total	152,392,875	127,135,981

c) Dividend distribution

An ordinary general shareholders' meeting held on 9 March 2021 agreed to distribute and pay a dividend charged to the 2020 profits of Ch\$6,764 per share, amounting to ThCh\$8,198,841.

d) Provision for a minimum dividend

As indicated in Note 2(s), the Company provisions 30% of the undistributed profit in the year as a minimum dividend at the close of each financial year. At 31 December 2021, the minimum dividend was ThCh\$10,824,703 (ThCh\$8,198,092 in 2020).

e) Other reserves

The other reserves item is shown below:

Other Reserves	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Reserve for capital increase premium (1)	291,154	291,154
Other reserves	194,251	240,413
Increase from applying IFRS 9	86,602	86,602
Increase (decrease) due to adjustments	-	11,350
Reserve for actuarial gains and losses	28,475	(21,390)
Fair value reserve (2)	(1,355,832)	(581,121)
Hedging reserve (3)	(669,154)	(5,568,945)
Total	(1,424,504)	(5,541,937)

Capital increase premium (1), from the premium obtained on liquidating foreign currency for the capital increase approved in an extraordinary shareholders' meeting held on 29 October 2013. On such occasion, the increase of ThUS\$200,000 was translated using the observed exchange rate on the same date as the extraordinary shareholders' meeting, which was different from the observed exchange rate in force at the time of the mentioned liquidation. This led to a difference in favour of shareholders that was stated as a reserve in equity.

Fair value reserve (2), which reflects the changes in the fair value of financial instruments measured at fair value through other comprehensive income which, as instruments are liquidated or impair, will be reclassified through profit or loss for the year.

Hedging reserve (3), which arises from applying hedge accounting to financial liabilities used as such. This reserve is reversed on termination of the effectiveness of contracts, or when the operation no longer qualifies as hedge accounting, whichever occurs first. The balances are stated net of deferred taxes.

Note 25. Non-controlling interests

Non-controlling interests at 31 December 2021 and 2020, respectively, were as follows:

Taxpayer ID No.	Company	31 December 2021							
		Equity Ch\$'000	Net Income Ch\$'000	Direct Interest %	Indirect Interest %	Investment Value Ch\$'000	Minority Interest Equity Ch\$'000	Investment Net Income Ch\$'000	Minority Interest Net Income Ch\$'000
96912590-0	Tanner Leasing S.A.	85,391,190	21,183,984	99.9900%	0.0000%	85,382,651	8,540	21,181,867	2,118
77164280-2	Tanner Leasing Vendor Ltda.	9,192,962	676,613	99.9900%	0.0100%	9,192,043	-	676,546	-
76133889-7	Tanner Corredora de Seguros Ltda.	3,779,592	3,669,592	99.9900%	0.0100%	3,779,214	-	3,669,225	-
93966000-3	Tanner Investments SpA y Filiales	32,261,065	2,078,880	99.9978%	0.0035%	32,633,562	955,797	2,022,932	57,461
	Total	130,624,809	27,609,069			130,987,470	964,337	27,550,570	59,579

Taxpayer ID No.	Company	31 December 2020							
		Equity Ch\$'000	Net Income Ch\$'000	Direct Interest %	Indirect Interest %	Investment Value Ch\$'000	Minority Interest Equity Ch\$'000	Investment Net Income Ch\$'000	Minority Interest Net Income Ch\$'000
96912590-0	Tanner Leasing S.A.	64,207,225	15,800,721	99.9900%	0.0000%	64,200,804	6,421	15,799,141	1,580
77164280-2	Tanner Leasing Vendor Ltda.	29,713,153	247,707	99.9900%	0.0100%	29,710,182	-	247,682	-
76133889-7	Tanner Corredora de Seguros Ltda.	8,374,723	2,672,604	99.9900%	0.0100%	8,373,886	-	2,672,336	-
93966000-3	Tanner Investments SpA y Filiales	31,600,038	5,141,335	99.9978%	0.0035%	31,961,237	918,822	4,959,227	182,387
76620928-9	Tanner Asset Management AGF S.A.	481,618	(162,206)	99.9918%	0.0082%	481,579	-	(162,193)	-
	Total	134,376,757	23,700,161			134,727,688	925,243	23,516,193	183,967

Note 26. Compliance

At 31 December 2021, the Company has four current lines of commercial papers approved by the Financial Market Commission (CMF, according to the Spanish acronym). At present it is issuing instruments charged to Line 107 dated 19/02/2015, Line 126 dated 09/10/2018, Line 117 dated 16/06/2017 and line 144 dated 12/07/2021, and with obligations of ThCh\$49,805,961, ThCh\$64,639,669, ThCh\$37,979,761 and ThCh\$34,595,909, respectively. The Company has eleven current bonds, seven issued in UF in the domestic market of ThCh\$310,347,025, three international issues made in Switzerland that jointly amount to ThCh\$310,347,025, and an international issue in EUR of ThCh14,391,265. Moreover, Tanner Servicios Financieros S.A. has several credit lines agreed with Chilean and foreign banks, long-term loans with other international institutions and other financial obligations amounting to ThCh\$474,913,172.

a) Commercial Paper

In accordance with the terms of the prospectuses for Lines N°107, N°117, N°126 and N°144, the Company must comply with certain ratios, which must be reported quarterly in the financial statements under IFRS, as stipulated in sections 5.5.1 (limits of indexes and/or ratios), 5.5.2 (obligations, limitations and prohibitions), 5.5.3 (maintenance, replacement or renewal of assets), and 5.5.6 (effects of mergers, splits, or others) of such document.

Commercial papers: Line N°107	Limit	31.12.2021	31.12.2020
Total equity/total assets	Minimum 10%	19.4%	21.7%
Current assets/current liabilities	Minimum 0.75 times	1.3	1.5
Minimum equity	Minimum Ch\$60 billion	347,157	317,743
Commercial papers: Line N°117	Limit	31.12.2021	31.12.2020
Total equity/total assets	Minimum 10%	19.4%	21.7%
Current assets/current liabilities	Minimum 1.0 times	1.3	1.5
Minimum equity	Minimum Ch\$60 billion	347,157	317,743
Strategic net placements (*)	Minimum 75%	97.3%	97.3%
Commercial papers: Line N°126	Limit	31.12.2021	31.12.2020
Total equity/total assets	Minimum 10%	19.4%	21.7%
Current assets/current liabilities	Minimum 1.0 times	1.3	1.5
Minimum equity	Minimum Ch\$60 billion	347,157	317,743
Strategic net placements (*)	Minimum 75%	97.3%	97.3%
Commercial paper: Line N°144	Limit	31.12.2021	31.12.2020
Total equity/total assets	Minimum 10%	19.4%	21.7%
Current assets/current liabilities	Minimum 1.0 times	1.3	1.5
Minimum equity	Minimum Ch\$60 billion	347,157	317,743

(*) Sum of net factoring placements, plus net leasing placements, plus net auto financing placements, plus net loan placements divided by the Company's total net placements.

b) Local bonds

Pursuant to the bond issue contracts entered into, the Company must comply with the following financial indicator limits:

Bonds: Lines Nos.-548, 625 and 656	Limit	31.12.2021	31.12.2020
Current liabilities/equity	Maximum 7.5 times	4.2	3.6
Unencumbered assets!/unguaranteed current liabilities	Minimum 0.75 times	1.2	1.3
Total equity	Minimum Ch\$21 billion	347,157	317,743
Bonds: Line No.709	Limit	31.12.2021	31.12.2020
Current liabilities/equity	Maximum 7.5 times	4.2	3.6
Unencumbered assets!/unguaranteed current liabilities	Minimum 0.75 times	1.2	1.3
Total equity	Minimum Ch\$60 billion	347,157	317,743
Bonds: Line No.817	Limit	31.12.2021	31.12.2020
Current liabilities/equity	Maximum 7.5 times	4.2	3.6
Unencumbered assets!/unguaranteed current liabilities	Minimum 1.0 times	1.2	1.3
Total equity	Minimum Ch\$60 billion	347,157	317,743
Bonds: Line No.888	Limit	31.12.2021	31.12.2020
Current liabilities/equity	Maximum 6.0 times	4.2	3.6
Unencumbered assets!/unguaranteed current liabilities	Minimum 0.75 times	1.2	1.3
Total equity	Minimum Ch\$150 billion	347,157	317,743
Bonds: Line No.1045	Limit	31.12.2021	31.12.2020
Current liabilities/equity	Maximum 6.0 times	4.2	3.6
Unencumbered assets!/unguaranteed current liabilities	Minimum 0.75 times	1.2	1.3
Total equity	Minimum Ch\$150 billion	347,157	317,743

(1) At 31 December 2021 and 2020, there were no pledges, mortgages, guarantees or liens on the Company's assets.

c) Corporación Interamericana de Inversiones (BID Invest) covenants

The BID Invest ratios at 31 December 2021 and 2020 are shown below:

BID Invest ratios	Definition	Limit	31.12.2021	31.12.2020
Overdue portfolio ratio	Overdue portfolio (delinquency > 90 days)/total portfolio	<= 5%	1.9%	2.3%
Leverage ratio	Total liabilities/equity	<= 5 times	4.2	3.6
Equity exposure ratio	(Overdue portfolio + renegotiated - provisions + payment in kind)/equity	<=20%	10.0%	12.2%
Liquidity ratio	Liquid assets (maturity < 90 days)/liabilities with maturity of less than 90 days	Minimum 1 time	1.5	1.5
10 largest customer exposure ratio	10 largest customer loans (groups)/total loans	<25%	10.4%	16.3%
Foreign currency exposure	(Assets in foreign currency - liabilities in foreign currency)/total equity	-25% < X < 25%	1.4%	-0.2%
Delinquency coverage	Provisions/delinquency > 90 days	>60%	92.1%	89.1%

d) Corporación Andina de Fomento (CAF) covenants

At 31 December 2021, there were not any ratios since no operations were made or are in force as of that date. The CAF ratios at 31 December 2020 are shown below:

CAF ratios	Definition	Limit	31.12.2021 ⁽¹⁾	31.12.2020
Delinquency	Delinquency > 90 days/gross portfolio. For leasing, the estimated recoverable value of the asset is discounted	<= 5.5%	-	2.3%
Delinquency coverage	Provisions/delinquency > 90 days	>= 70%	-	89.1%
Debt-to-equity ratio	Total liabilities/equity	<= 5.5 times	-	3.6
Loan with related parties	Receivables due from related parties - guarantees/equity	<= 0.15 times	-	0.0
10 largest customer concentration	Loans of 10 largest customers/total portfolio (based on the moving average of the last 12 months)	<= 30%	-	14.2%
10 largest debtor concentration	Loans of 10 largest debtors/debtor portfolio (based on the moving average of the last 12 months)	<= 25%	-	14.7%
Liquidity ratio	Liquid assets (maturity < 90 days)/liabilities with maturity of less than 90 days	> 1 time	-	1.5
Foreign currency exposure	(Assets in foreign currency - liabilities in foreign currency)/total equity	-25% < X < 25%	-	-0.2%

(1) At 31 December 2021, the credit line the Company has with this creditor is not in use.

e) Deutsche Investitions und Entwicklungsgesellschaft mbH (DEG) covenants

The DEG ratios at 31 December 2021 and 2020 are shown below:

DEG ratios	Definition	Limit	31.12.2021	31.12.2020
Solvency ratio	Total equity/total assets	>15%	19.4%	21.7%
10 largest customer exposure ratio	Loans of 10 largest customers/total loans	<25%	16.0%	15.3%
20 largest customer exposure ratio	Loans of 20 largest customers/total loans	<30%	22.5%	22.3%
10 largest customer exposure ratio	Loans of 10 largest customers/total equity	<200%	67.8%	55.3%
Credit exposure ratio	(Delinquency > 90 days + renegotiated - provisions - cash collateral)/total equity	<15%	7.3%	10.7%
Largest customer exposure ratio	Loan of largest customer as a group/total equity	<20%	11.6%	7.3%
Related party loan ratio	Trade receivables due from related parties/total equity	<15%	1.7%	1.6%
Aggregate foreign currency position	(Assets in foreign currency - liabilities in foreign currency)/total equity	>-25%	1.4%	-0.2%
Individual foreign currency position US\$	(Assets in US\$ - liabilities in US\$)/equity	>-25%	1.4%	-0.2%
Individual foreign currency position Euro	(Assets in € - liabilities in €)/equity	>-25%	0.0%	0.0%
Individual foreign currency position CHF	(Assets in CHF - liabilities in CHF)/equity	>-25%	0.0%	0.0%
Liquidity ratio	Liquid assets (maturity < 90 days)/liabilities with maturity of less than 90 days	> 1 time	1.5	1.5
Net stable financing ratio	(Non-current liabilities + equity)/non-current assets	> 1 time	1.5	1.7

f) International Finance Corporation (IFC) covenants

The IFC ratios at 31 December 2021 and 2020 were as follows:

IFC ratios	Definition	Limit	31.12.2021 ⁽¹⁾	31.12.2020
Equity/total assets	Total equity/total assets	> 17%	-	21.7%
Related party exposure ratio	(Receivables due from related parties - guarantees)/capital	< 5%	-	0.0%
Loan exposure ratio	(Default > 90 days + default < 90 days for doubtful accounts + renegotiated + payment in kind - provisions)/capital	< 20%	-	14.0%
Economic group exposure ratio	Loan of largest customer as an economic group/capital	< 15%	-	10.8%
Aggregate exposure ratio of large customers	Loans of the largest customers (> than 10% of the equity)/capital	< 400%	-	10.8%
Exposure ratio by sector	Loans of the largest economic sector/total loans	< 30%	-	11.4%
Fixed assets plus investment interest ratio	(Fixed assets + investments in other companies)/capital	< 35%	-	7.8%
Aggregate foreign currency position	(Assets in foreign currency - liabilities in foreign currency)/capital	< 25%	-	0.3%
Individual foreign currency position				
US\$	(Assets in US\$ - liabilities in US\$)/capital	< 10%	-	0.2%
EUR	(Assets in € - liabilities in €)/capital	< 10%	-	0.0%
CHF	(Assets in CHF - liabilities in CHF)/capital	< 10%	-	0.0%
Interest rate risk ratio	(Assets - liabilities) x adjustment factor/capital			
0 - 180 days	Assets and liabilities with maturity of less than 180 days	-10% <= x <= 10%	-	0.6%
180 - 365 days	Assets and liabilities with maturity of 180 to 365 days	-10% <= x <= 10%	-	0.2%
1 year - 3 years	Assets and liabilities with maturity of 1 to 3 years	-10% <= x <= 10%	-	0.2%
3 years - 5 years	Assets and liabilities with maturity of 3 to 5 years	-10% <= x <= 10%	-	0.0%
5 years - 10 years	Assets and liabilities with maturity of 5 to 10 years	-10% <= x <= 10%	-	-5.0%
> 10 years	Assets and liabilities with maturity of over 10 years	-10% <= x <= 10%	-	0.5%
Aggregate interest rate risk ratio	(Assets - liabilities) x adjustment factor/capital	-20% <= x <= 20%	-	-3.5%
Foreign currency maturity gap ratio				
US\$	(Assets in US\$ with maturity of < 60 days - liabilities in US\$ with maturity of < 60 days)/capital	> -150%	-	15.7%
EUR	(Assets in with maturity of < 60 days - liabilities in € with maturity of < 60 days)/capital	> -150%	-	0.0%
CHF	(Assets in CHF with maturity of < 60 days - liabilities in CHF with maturity of < 60 days)/capital	> -150%	-	0.0%
Liquidity ratio	Liquid assets (maturity of < 90 days)/liabilities with maturity of less than 90 days	> 100%	-	1.5

(1) At 31 December 2021, the Company has no financial obligations with this financial institution.

g) Chilean Economic Development Agency (CORFO) covenants

The CORFO ratios at 31 December 2021 and 2020 were as follows:

CORFO ratios	Definition	Limit	31.12.2021	31.12.2020
Current ratio	Current assets/current liabilities	>= 1 time	1.3	1.5
Debt-to-equity ratio	Total liabilities/total equity	<= 4.8 times	4.2	3.6

Note 27. Contingencies and restrictions

a) Direct guarantees and liens on assets

At 31 December 2021 and 2020, the Company did not grant any direct guarantees, which includes any kinds of mortgages, pledges, liens, or prohibitions on its assets.

b) Indirect guarantees

Indirect guarantees at 31 December 2021 were as follows:

- Joint and several guarantees granted to guarantee the current account overdraft line with Banco de Crédito e Inversiones of Ch\$9,000,000,000 (Ch\$9,000,000,000 at 31 December 2020), issued to Tanner Corredores de Bolsa S.A. in January 2018.
- Joint and several guarantees granted to guarantee the current account overdraft line with Banco Security of UF320,000 (UF320,000 at 31 December 2020), issued to Tanner Corredores de Bolsa S.A. in May 2020.

c) Lawsuits and other legal actions

Lawsuit Number 1

File : “Servicio Nacional del Consumidor against Tanner Servicios Financieros”
Court : 13th Civil Court of Santiago
Case N° : C-17635-2017
Subject matter : Class action suit for breach of Law N°19.496
Amount : Undetermined
Started : 17-07-2017 (notice to Tanner: 31.08.2017)

Class action suit filed for Tanner’s alleged breach of Law N°19.496 related to Law N°20.855 which “Regulates the release of mortgages and pledges of loan guarantees,” on the grounds of unilateral interpretation of such Law N°20.855, under which financial institutions are bound, with retroactive effect, to release at their own initiative and cost the guarantees for loans fully paid prior to such law coming into force. The foregoing is without making any distinction between general or specific guarantees, as in reality such law expressly lays down the retroactive effect for specific guarantees only, and those constituted in favour of this company are under a general guarantee clause. According to Tanner, the National Consumer Agency (SERNAC, according to the Spanish acronym) makes a whimsical interpretation of the law compared to its clear text.

Status of the proceeding at 31 December 2021: a first instance final verdict was given in favour of Tanner, rejecting all the parts of the class action suit filed by SERNAC. The Honourable Court of Appeals of Santiago upheld the first instance verdict in favour of Tanner. SERNAC filed an appeal for annulment regarding the merits of the case that is now in the Honourable Supreme Court, which ordered that the appeal is admissible.

Lawsuit Number 2

File : “Fica against Tanner Servicios Financieros”
 Court : 18th Civil Court of Santiago
 Case N° : C-36595-2017
 Subject matter : Compensation for damages
 Amount : Undetermined
 Started : 19.12.2017 (notice to Tanner: 08.02.2018)

Lawsuit filed by the customer Ingeniería y Construcción Fica y Cía. Ltda. alleging damage caused by Tanner when demanding the customer's responsibility for the payment of notes assigned due to factoring operations. The customer alleges that after Tanner verified the documents assigned regarding the debtor's bankruptcy of such documents, Tanner would be disqualified from demanding responsibility as a customer to the plaintiff (directly disregarding what is established in the factoring framework contract). The customer therefore claims that collection proceedings are unlawful and the cause of economic damage.

Status of the proceeding at 31 December 2021: in the discussion period, awaiting the resolution of the case entering the evidence period. The Company filed a petition for discontinuance of the proceeding due to the time elapsed and the lack of activity of the other party, which was upheld by the court. The plaintiff appealed the verdict of discontinuance of the procedure.

Lawsuit Number 3

File : “Inmobiliaria Lomas de Maitencillo against Tanner Servicios Financieros”
 Court : 17th Civil Court of Santiago
 Case N° : C-33186-2020
 Subject matter : Lawsuit for the restitution of amounts and compensation for damage
 Amount : Undetermined
 Started : 25-11-2019 (notification to Tanner: 15 January 2020)

Lawsuit filed by the debtor Inmobiliaria Lomas de Maitencillo S.A., which claims a flaw of invalidity of a public deed of debt recognition and payment in kind it entered into with Tanner Servicios Financieros S.A. to comply with the delinquent debt from loans granted to the plaintiff. The plaintiff alleges the invalidity of the mentioned public deed (pursuant to which it gave a series of real estate it owns in payment to pay its debt) for alleged flaws of lack of a lawful case and flawed consent. As a result of this, the plaintiff is demanding the restitution of what it paid and compensation for damage. Tanner's plea adamantly rejects each and all of the factual and legal information of this lawsuit.

Status of the proceeding at 31 December 2021: discussion period completed. A resolution was issued for the case to enter the evidence period. Meanwhile, on 3 November 2021 the Honourable Court of Appeals accepted the dilatory exception of litis pendencia filed by Tanner.

In management's opinion, the verdict of these lawsuits, irrespective of the outcome, will have no material effect on the Company.

a) Other contingencies

At 31 December 2021 and 2020, there were no other significant contingencies to be reported.

b) Restrictions

At 31 December 2021 and 2020, there were no restrictions to be reported.

Note 28. Sureties obtained from third parties

At 31 December 2021 and 2020, the main sureties obtained from third parties were as follows:

Type of guarantees	31.12.2021	31.12.2020
	Ch\$'000	Ch\$'000
Pledges	597,409,302	472,159,794
Mortgages	175,263,941	101,937,770
Insurance policies in guarantee	52,053,894	64,250,498
Total	824,727,137	638,348,062

Note 29. Breakdown of significant income

a) Revenue

The breakdown of revenue for the years ended 31 December 2021 and 2020 was as follows:

Revenue		01.01.2021 to 31.12.2021 Ch\$'000	01.01.2020 to 31.12.2020 Ch\$'000
Factoring	Fees	2,194,577	2,264,796
Factoring	Price differences	26,465,776	29,842,339
Factoring	Other income	6,347,227	6,740,985
Factoring	Income between segments	-	-
Factoring total		35,007,580	38,848,120
Loans	Interest	16,909,191	17,944,551
Loans	Fees	9,438,097	3,658,466
Loans	Other income	57,169	173,610
Loans	Income between segments	-	-
Loan total		26,404,457	21,776,627
Auto Financing	Interest	79,949,236	77,699,578
Auto Financing	Other income	17,262,225	13,110,457
Auto Financing	Income between segments	-	-
Auto Financing total		97,211,461	90,810,035
Leasing	Interest	4,991,821	5,320,559
Leasing	Fees	178,822	1,416,116
Leasing	Other income	90,079	522,593
Leasing	Income between segments	-	-
Leasing total		5,260,722	7,259,268
Treasury and Investments	Adjustments	13,377,325	4,546,647
Treasury and Investments	Exchange rate differences	6,405,538	14,989,148
Treasury and Investments	At fair value	(891,157)	333,019
Treasury and Investments	Interest	4,042,782	7,492,226
Treasury and Investments	Other income	2,543,854	11,600,157
Treasury and Investments	Income between segments	1,727,490	2,117,324
Treasury and Investments total		27,205,832	41,078,521
Total income (gross)		191,090,052	199,772,571
Total income between segments		(1,727,490)	(2,117,324)
Total consolidated income		189,362,562	197,655,247

b) Cost of sales

The breakdown of the cost of sales for the years ended 31 December 2021 and 2020 was as follows:

Cost of sales		01.01.2021 to 31.12.2021 Ch\$'000	01.01.2020 to 31.12.2020 Ch\$'000
Factoring	Interest	6,685,124	8,859,943
Factoring	Fees	65,998	51,605
Factoring	Other costs	1,217,294	1,460,966
Factoring	Costs between segments	392,174	529,831
Factoring total		8,360,590	10,902,345
Loans	Interest	6,177,205	8,144,578
Loans	Other costs	-	-
Loans	Costs between segments	362,378	487,052
Loan total		6,539,583	8,631,630
Auto Financing	Interest	15,137,398	16,341,823
Auto Financing	Fees	25,575,266	25,727,646
Auto Financing	Other costs	3,974,689	4,981,568
Auto Financing	Costs between segments	888,017	977,253
Auto Financing total		45,575,370	48,028,290
Leasing	Interest	1,447,582	2,059,956
Leasing	Other costs	174,310	644,100
Leasing	Costs between segments	84,921	123,188
Leasing total		1,706,813	2,827,244
Treasury and Investments	Adjustments	4,129,114	2,736,849
Treasury and Investments	Exchange rate differences	5,594,719	13,342,793
Treasury and Investments	At fair value	-	-
Treasury and Investments	Interest	5,216,810	4,099,126
Treasury and Investments	Other costs	3,920,872	4,597,509
Treasury and Investments	Costs between segments	-	-
Treasury and Investments total		18,861,515	24,776,277
Total costs (gross)		81,043,871	95,165,786
Total costs between segments		(1,727,490)	(2,117,324)
Total consolidated costs		79,316,381	93,048,462

c) Administrative expenses

The breakdown of administrative expenses for the years ended 31 December 2021 and 2020 was as follows:

Segment	01.01.2021 to 31.12.2021 Ch\$'000	01.01.2020 to 31.12.2020 Ch\$'000
Employee salaries and expenses	34,305,636	29,423,376
Payroll	30,838,915	25,539,115
Benefits	1,727,901	1,620,902
Severance	671,409	1,604,069
Provision for holidays	664,515	413,914
Organisational development	306,633	184,211
Others	96,263	61,165
General administrative expenses	17,128,674	16,678,435
Depreciation and amortisation	3,961,240	3,682,723
IT and communication expenses	3,177,833	2,465,163
Service, collection and recovery expenses	2,076,376	1,851,254
Non-recoverable taxes	1,781,351	1,549,399
Licenses and contributions	1,235,007	1,132,160
Chattel and real estate property management expenses	731,347	1,458,770
Leases, lighting, heating and other services	693,457	864,215
Board expenses	636,955	591,916
Advertising and promotion	552,825	358,052
External consultancy and professional service fees	542,048	576,241
Legal and notary expenses	440,860	424,104
Other general administrative expenses	414,568	406,668
External financial information service	252,416	603,243
Insurance premiums	225,364	273,399
Personnel representation and transportation expenses	146,052	210,378
Maintenance and repair of fixed assets	135,617	84,619
PO box, post, postage and home delivery of products	80,257	72,527
Office materials	37,332	49,835
Fines, lawsuits and interest and other leasing and auto financing expenses	7,769	23,769
Total	51,434,310	46,101,811

Note 30. Impairment losses

The breakdown of impairment losses for the years ended 31 December 2021 and 2020 is shown below:

Segment	01.01.2021 to 31.12.2021	01.01.2020 to 31.12.2020
	Ch\$'000	Ch\$'000
Factoring	3,417,029	1,920,916
Loans	4,937,371	4,745,543
Auto Financing	8,283,295	13,383,617
Leasing	1,478,749	3,285,996
Treasury and Investments	1,697,846	778,771
Total impairment loss	19,814,290	24,114,843

The breakdown of impairment losses is shown below:

Item	31.12.2021					
	Factoring	Loans	Auto Financing	Leasing	Treasury & Investments	Total
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Provisions and write-offs (*)	4,692,239	5,545,786	13,328,520	(137,801)	519,449	23,948,193
Write-offs of other receivables	89,356	-	747,359	2,407	-	839,122
Write-off recovery	(1,364,566)	(608,415)	(5,792,584)	1,614,143	(28,833)	(6,180,255)
Net charge	3,417,029	4,937,371	8,283,295	1,478,749	490,616	18,607,060
Impairment of financial instruments	-	-	-	-	1,207,230	1,207,230
Total impairment under IFRS 9	3,417,029	4,937,371	8,283,295	1,478,749	1,697,846	19,814,290

(*) See the release and accrual of provisions in Note 10 d)

Item	31.12.2020					
	Factoring	Loans	Auto Financing	Leasing	Treasury & Investments	Total
	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000	Ch\$'000
Provisions and write-offs	3,226,046	4,745,543	15,477,410	1,780,820	16,597	25,246,416
Write-offs of other receivables	253,374	-	181,812	1,071,419	-	1,506,605
Write-off recovery	(1,558,504)	-	(2,275,604)	433,757	-	(3,400,351)
Net charge	1,920,916	4,745,543	13,383,618	3,285,996	16,597	23,352,670
Impairment of financial instruments	-	-	-	-	762,173	762,173
Total impairment under IFRS 9	1,920,916	4,745,543	13,383,618	3,285,996	778,770	24,114,843

Note 31. Other profits (losses)

The breakdown of non-operating income for the years ended 31 December 2021 and 2020 was as follows:

December 2021

Item	Factoring Ch\$'000	Loans Ch\$'000	Auto Financing Ch\$'000	Leasing Ch\$'000	Treasury & Investments Ch\$'000	Total Ch\$'000
Unidentified deposits ¹	(198,942)	-	(446,771)	(150,594)	-	(796,307)
Sundry receivables ²	82,435	-	-	31,950	-	114,385
Surpluses ³	9,045	-	-	12,070	-	21,115
Others ⁴	-	-	-	-	78,938	78,938
Total other profits (losses)	(107,462)	-	(446,771)	(106,574)	78,938	(581,869)

1 Revenue (losses) related to unidentified deposits of over 90 days.

2 Revenue (losses) related to sundry receivables of factoring operations of over 90 days.

3 Revenue (losses) related to surpluses of factoring operations of over one year.

4 Other revenue and expenses not classified in the other categories, mainly associated with the Treasury and Investments division.

December 2020

Item	Factoring Ch\$'000	Loans Ch\$'000	Auto Financing Ch\$'000	Leasing Ch\$'000	Treasury & Investments Ch\$'000	Total Ch\$'000
Unidentified deposits ¹	(688,942)	(615,208)	(253,924)	(1,220,712)	-	(2,778,786)
Sundry receivables ²	730,869	(345,232)	-	8,540	-	394,177
Surpluses ³	20,410	-	-	-	-	20,410
Others ⁴	136,488	-	-	-	741,092	877,580
Total other profits (losses)	198,825	(960,440)	(253,924)	(1,212,172)	741,092	(1,486,619)

1 Revenue (losses) related to unidentified deposits of over 90 days.

2 Revenue (losses) related to sundry receivables of factoring operations of over 90 days.

3 Revenue related to surpluses of factoring operations of over one year.

4 Other revenue and expenses not classified in the other categories, mainly associated with the Treasury and Investments division.

Note 32. Earnings per share

The breakdown of earnings per share for the years ended 31 December 2021 and 2020 was as follows:

Breakdown	01.01.2021 to 31.12.2021 Ch\$'000	01.01.2020 to 31.12.2020 Ch\$'000
Basic earnings per share		
Basic earnings (losses) per share from continuing operations	29,767,74	22,544,61
Basic earnings (losses) per share from discontinued operations	49,15	151,77
Total basic earnings per share	29,816,88	22,696,38
Diluted earnings per share		
Diluted earnings (losses) per share from continuing operations	29,767,74	22,544,61
Diluted earnings (losses) per share from discontinued operations	49,15	151,77
Total diluted earnings per share	29,816,89	22,696,38

Note 33. Environment

At 31 December 2021 and 2020, the Company made no environmental protection disbursements and nor are there any future commitments to such effect.

Note 34. Board of directors' remuneration

In an extraordinary shareholders' meeting held on 2 April 2013, the Company's articles of association were modified so directors could be remunerated. Such modification determined the remuneration amount, which is established annually by the ordinary shareholders' meeting. To such effect, the ordinary shareholders' meetings held in subsequent years have established the board of directors' remuneration.

The remuneration for directors established in the ordinary shareholders' meeting held in 2021 amounts to UF100 a month, and UF200 a month for the chairman and vice chairman, in addition to fees for being on the different committees.

Note 35. Sanctions

The Parent Company and its subsidiaries, directors and executives did not receive any sanctions by the Chilean Financial Market Commission (CMF, according to the Spanish acronym) or by any other regulator for the years reported.

Note 36. Material events

From 26 January 2021 to 30 June 2021, Tanner Servicios Financieros S.A. placed bonds of the AG series in the domestic market amounting to UF2,000,000, at an average rate of 0.06% per annum for a term of 3 years and 7 months.

On 26 October 2021, Tanner Servicios Financieros S.A. placed bonds in the international market (Switzerland) amounting to 125,000,000 Swiss francs, at a rate of 1.15% per annum for a term of 2 years and 6 months.

The director Mr Oscar Cerda Urrutia sadly passed away on 9 November 2021. At an extraordinary meeting, the Board of Directors agreed on 24 November 2021 to leave the position vacant until the next ordinary shareholders' meeting.

Note 37. Subsequent events

The consolidated financial statements of Tanner Servicios Financieros S.A. and its subsidiaries for the year ended 31 December 2021 were approved by the Board of Directors at the extraordinary board meeting held on 16 February 2022.

Subsequent to 31 December 2021, and up to the date of issue of these consolidated financial statements, Management is unaware of any other financial events or of any other nature that may materially affect their interpretation.

Quarterly Earnings REPORT

December 2021

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I. EXECUTIVE SUMMARY

Profit after tax in 2021 surged 31.4% YoY to Ch\$36,142 million, in line with an operating income increase of 16.1% YoY. On the other hand, in 4Q21 net profit decreased 40.2% to Ch\$5,191 million, commensurate with operating income decreasing 75.6% YoY.

The consolidated net loan portfolio was Ch\$1,444,542 million, increasing Ch\$319,533 million (+28.4% YTD), due to an increase in the corporate division with net loans of Ch\$822,473 million, up on those at year-end 2020 (↑Ch\$186,473 million / +29.4% YTD), driven by an increase in factoring (↑Ch\$117,713 million / +37.4% YTD) amounting to Ch\$432,133 million, and corporate loans (↑Ch\$74,442 million / +29.7% YTD) amounting to ↑Ch\$324,764 million. This was offset by a decrease in leasing with net loans amounting to Ch\$65,576 million (↓Ch\$5,682 million / -8.0% YTD). The auto financing division also posted higher net loans of Ch\$599,994 million (↑Ch\$ 133,473 million / +28.6% YTD).

There was lower risk compared to 2020, leading to non-performing loans (NPLs) over 90 days decreasing 40 bps to 1.9% (12M20: 2.3%). Likewise, NPLs over 30 days dropped 207 basis points to 3.6% (12M20: 5.7%). That was mainly driven by the auto financing division with a large improvement of 83 basis points of NPLs over 90 days of 2.0% (12M20: 2.8%). Moreover, the corporate division performance improved, with NPLs over 90 days of 1.8% decreasing 21 basis points (12M20: 2.0%), driven by a decrease in factoring and leasing loan delinquency of 37 bps (12M20: 0.8% vs. 12M21: 0.4%) and 93 bps (12M20: 1.1% vs. 12M21: 0.2%), respectively. Corporate loans had higher NPLs over 90 days of 18 bps (12M20: 3.8% vs 12M21: 4.0%).

The liquidity index at the close of 4Q21 was 1.32 times, below the level at the close of 2020 (1.49x), while ready cash amounted to Ch\$57,913 million versus Ch\$120,080 million at the end of the previous year. On the other hand, the company's leverage ratio was 4.17 times (December 2020: 3.61x).

ROAE*:

12M21: 10.9% / 12M20: 8.8%

ROAA**:

12M21: 2.2% / 12M20: 1.8%

EQUITY:

12M21: Ch\$347,157 million / €
+: 9.3% YTD

NET PROFIT:

4Q21: Ch\$5,191 million /
4Q20: Ch\$8,681 million
=: 40.2% YoY
12M21: Ch\$36,142 million /
12M20: Ch\$27,511 million
+: 31.4% YoY

NET LOAN PORTFOLIO:

12M21: Ch\$1,444,542 million /
+: 28.4% YTD

NPLS > 90 DAYS:

12M21: 1.9% / 12M20: 2.3%

* ROAE: return on average equity LTM

** ROAA: return on average assets LTM

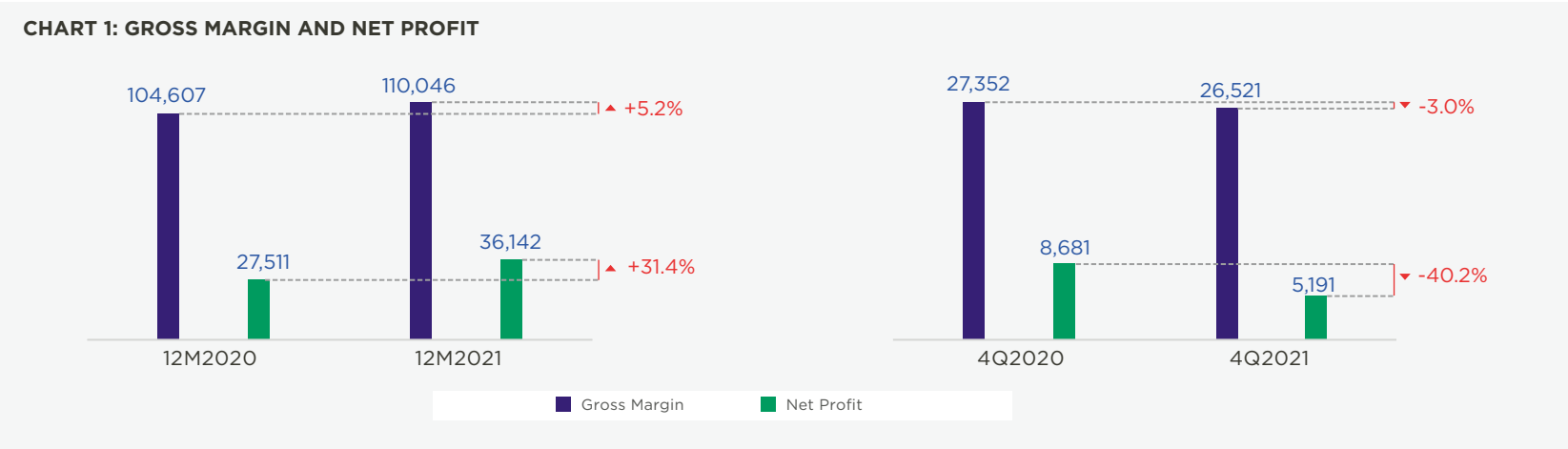
II. CONSOLIDATED INCOME ANALYSIS

The following table shows the consolidated income of Tanner Servicios Financieros S.A. and subsidiaries. All the figures are stated in Chilean pesos (Ch\$) and reported in accordance with the International Financial Reporting Standards (IFRS).

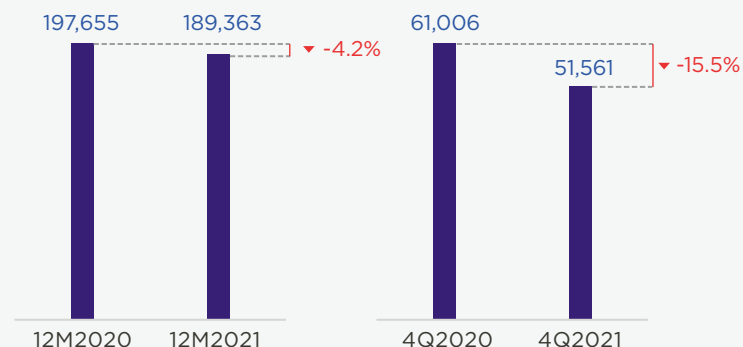
Table 1: Consolidated Income Statement

CONSOLIDATED INCOME STATEMENT (Ch\$ million)	01-01-21	01-01-20	Δ Ch\$	Δ %	01-10-21	01-10-20	Δ Ch\$	Δ %
	31-12-21	31-12-20			31-12-21	31-12-20		
Revenue	189,363	197,655	(8,293)	-4.2%	51,561	61,006	(9,444)	-15.5%
Sales cost	(79,316)	(93,048)	13,732	-14.8%	(25,040)	(33,654)	8,614	-25.6%
Gross margin	110,046	104,607	5,439	5.2%	26,521	27,352	(831)	-3.0%
Impairment losses	(19,814)	(24,115)	4,301	-17.8%	(11,450)	(5,115)	(6,335)	123.9%
Administrative expenses	(51,434)	(46,102)	(5,332)	11.6%	(12,642)	(11,287)	(1,355)	12.0%
Other profits (losses)	(582)	(1,487)	905	-61%	(81)	(1,328)	1,247	-94%
Operating margin	38,216	32,904	5,312	16.1%	2,348	9,622	(7,273)	-75.6%
Finance income	-	2	(2)	-100.0%	-	-	-	-
Finance costs	(388)	(449)	60	-13.5%	(111)	(91)	(20)	22.2%
Foreign exchange differences	635	138	498	361.6%	254	101	152	150.4%
Gain from indexation units	191	280	(89)	-31.7%	123	191	(68)	-35.4%
Profit (loss) before tax	38,654	32,875	5,779	17.6%	2,614	9,823	(7,209)	-73.4%
Income tax (expense) revenue	(2,512)	(5,364)	2,852	-53.2%	2,577	(1,142)	3,719	-325.6%
Profit (loss)	36,142	27,511	8,631	31.4%	5,191	8,681	(3,490)	-40.2%
Profit (loss) attributable to owners of the parent	36,082	27,327	8,755	32.0%	5,195	8,619	(3,423)	-39.7%
Profit (loss) attributable to non-controlling interests	60	184	(124)	-67.6%	(4)	62	(66)	-106.6%

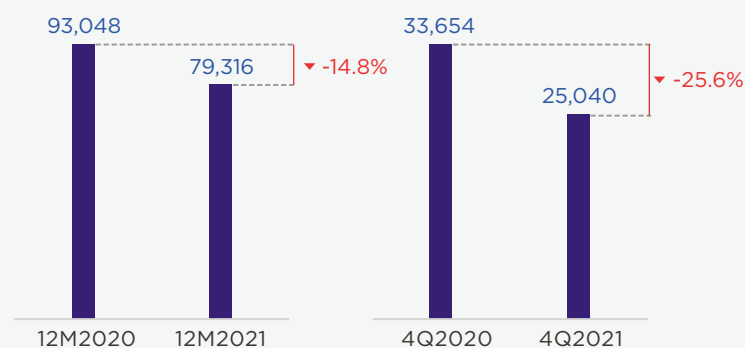
The company’s **net profit in 2021 increased 31.4% YoY** (↑Ch\$8,631 million) to Ch\$36,142 million against Ch\$27,511 million in 2020, while in the fourth quarter profit decreased 40.2% YoY (↓Ch\$3,490 million). **The gross margin in 12M21 was Ch\$110,046 million** (↑Ch\$5,439 million / +5.2%) and in **4Q21 it was Ch\$26,521 million** (↓Ch\$831 million / -3.0% YoY).



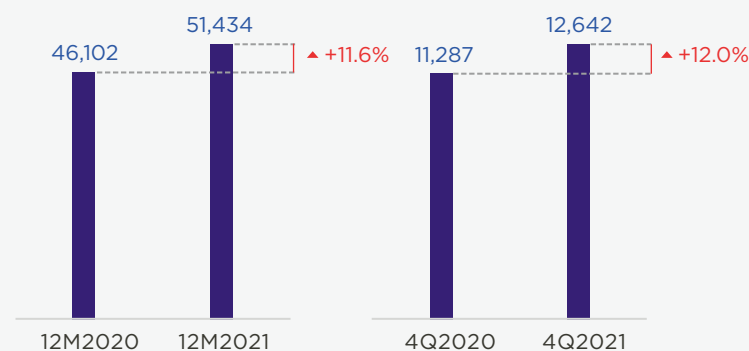
Consolidated revenue amounted to Ch\$189,363 million in 12M21, decreasing 4.2% YoY (↓Ch\$8,293 million), and decreasing 15.5% YoY (↓Ch\$9,444 million) to Ch\$51,651 million in 4Q21, due to lower: (i) income from foreign exchange differences (12M21: ↓Ch\$8,584 million / -57.3% YoY and 4Q21: ↓Ch\$13,820 million / -94.8% YoY), (ii) other income (12M21: ↓Ch\$5,847 million / -18.2% YoY and 4Q21: ↓Ch\$4,361 million / -40.4% YoY), (iii) income from price differences (12M21: ↓Ch\$3,377 million / -11.3% YoY and 4Q21: ↑Ch\$2,316 million / +42.3% YoY), (iv) interest income (12M21: ↓Ch\$2,564 million / -2.4% YoY and 4Q21: ↑Ch\$3,597 million / +14.2% YoY) and (v) income from fair value (12M21: ↓Ch\$1,224 million / -367.6% YoY and 4Q21: ↓Ch\$2,273 million / -537.2% YoY). These were offset by higher: (i) income from indexation (12M21: ↑Ch\$8,831 million / +194.2% YoY and 4Q21: ↑Ch\$4,007 million / +201.7% YoY) and (ii) fee income (12M21: ↑Ch\$4,472 million / +60.9% YoY and 4Q21: ↑Ch\$1,091 million / +44.1% YoY).

CHART 2: CONSOLIDATED REVENUE

The consolidated cost of sales in 12M21 was Ch\$79,316 million (↓Ch\$13,732 million / -14.8% YoY) and Ch\$25,040 million in 4Q21 (↓Ch\$8,613 million / -25.6% YoY), mainly due to decreases of: (i) exchange rate differences (12M21: ↓Ch\$7,748 million / -58.1% YoY and 4Q21: ↓Ch\$9,084 million / -70.1% YoY), (ii) interest expenses (12M21: ↓Ch\$4,841 million / -12.3% YoY and 4Q21: ↓Ch\$1,731 million / -15.7% YoY), (iii) other costs (12M21: ↓Ch\$2,397 million / -20.5% YoY and 4Q21: ↑Ch\$1,284 million / +125.3% YoY) and (iv) fee expenses (12M21: ↓Ch\$138 million / -0.5% YoY and 4Q21: ↓Ch\$41 million / -0.6% YoY); These were offset by higher indexation expenses (12M21: ↑Ch\$1,392 million / +50.9% YoY and 4Q21: ↑Ch\$960 million / +58.4% YoY).

CHART 3: SALES COST

SG&A expenses (including depreciation) were Ch\$51,434 million in 12M21, increasing 11.6% YoY, and Ch\$12,642 million in 4Q21, increasing 12.0% YoY, mainly due to a higher labour expense, which accounts for 67% of the SG&A expenses, that amounted to Ch\$34,306 million in 12M21 (+16.6% YoY) and Ch\$7,849 million in 4Q21 (+11.7% YoY), driven by a higher remuneration expense. General administrative expenses increased 2.7% YoY in 12M21, amounting to Ch\$17,129 million, and 12.5% YoY in 4Q21, amounting to Ch\$4,793 million.

CHART 4: SG&A EXPENSES

III. MAIN INDICATORS

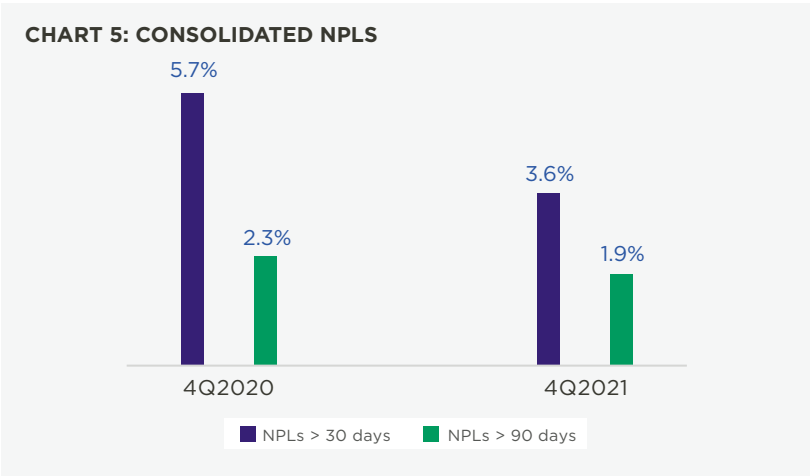
Table 2: Main Balance Sheet Indicators

	Indicator	Definition	Unit	31-12-21	31-12-20
Liquidity and Solvency	Liquidity Ratio	Current assets/Current liabilities	Times	1.32	1.49
	Short-Term Leverage Ratio	Current liabilities/Equity	Times	2.61	2.01
	Immediate Liquidity	Cash and cash equivalents/Current liabilities	Times	0.06	0.19
	Stable Funding Ratio	(Non-current liabilities + Equity)/(Current assets)	Times	1.48	1.61
	Leverage Ratio	Liabilities/Equity	Times	4.17	3.61
	Capitalisation	Equity/Assets	%	19.4%	21.7%
	Total Leverage Ratio	Liabilities/Assets	Times	0.8	0.8
	Short-Term Debt Ratio	Total current liabilities/Total liabilities	%	62.6%	55.5%
	Long-Term Debt Ratio	Total non-current liabilities/Total liabilities	%	37.4%	44.5%
	Short-Term Bank Debt	Current bank liabilities/Current liabilities	%	25.7%	20.9%
	Long-Term Bank Debt	Non-current bank liabilities/Non-current liabilities	%	26.5%	25.4%
	Working Capital	Current assets - Current liabilities	Ch\$ million	286,694	315,064
	Financial Expenditure Ratio	(Profit before tax + Financial expenditure)/Financial expenditure	Times	2.1	1.7
Profitability	Return on Average Equity	Annualised net profit/Average equity	%	10.9%	8.8%
	Return on Average Assets	Annualised net profit/Average assets	%	2.2%	1.8%
	Gross Margin	Gross margin (*)/Revenue	%	47.7%	40.7%
	Operating Margin	Operating margin/Revenue	%	20.2%	16.6%
	Net Income Margin	Net income/Revenue	%	19.1%	13.9%
	Earnings Per Share (EPS)	Net income/Number of shares	Ch\$'000	29,817	22,696
	Expenditure Efficiency	SG&A expenses/Gross margin (*)	%	57.0%	57.3%
Asset Quality	Non-Performing Loans over 30 days	Non-performing loans >30 days/(Loans + Provisions)	%	3.6%	5.7%
	Non-Performing Loans over 90 days	Non-performing loans >90 days/(Loans + Provisions)	%	1.9%	2.3%
		Non-Performing loans >90 days/Equity	%	8.1%	8.3%
	Non-Performing Loans	Non-Performing loans/(Loans + Provisions)	%	7.6%	10.9%
		Non-Performing loans/Equity	%	32.0%	39.2%
	Provisions	Provisions/(Loans + Provisions)	%	1.7%	2.0%
		Provisions/Non-performing loans	%	22.5%	18.3%
		Provisions/Non-performing loans >90 days	%	95.6%	89.1%
	Write-offs	Write-offs/(Loans + Provisions)	%	1.5%	2.7%
	Provisions and Write-offs	Annualised provisions and write-offs/(Loans + Provisions)	%	1.6%	2.2%
	Restructured Portfolio	Restructured portfolio/(Loans + Provisions)	%	1.9%	3.4%

(*) Gross margin considers impairment.

As of 31 December 2021, in terms of liquidity and leverage the company has a healthy and robust position, reflecting the strength of Tanner and its ability to meet its immediate and long-term commitments. At a general level, total liabilities increased Ch\$298,098 million (+26.0% YTD) compared to those at December 2020 amounting to Ch\$1,446,151 million, while assets rose 22.3% (↑Ch\$327,511 million) in 4Q21 to Ch\$1,793,307 million. Equity increased Ch\$29,413 million (+9.3% YTD) amounting to Ch\$347,157 million.

The asset quality indicators, reflected by NPLs > 30 days and NPLs > 90 days, improved YoY. This was driven by a conservative risk policy, which the company has maintained in the social crisis and throughout the sanitary crisis.



IV. BUSINESS DIVISION RESULTS

Tanner is organised into three divisions: Corporate ¹, Auto Financing ² and Treasury & Investments ³. The results of these three divisions, which accounted for 45.5%, 46.9% and 7.6% of the consolidated gross margin in 12M21, respectively, and 57.6%, 54.4% and -12.2% in 4Q21, are shown below.

Table 3: Business Division Results

Business Division		01.01.2021 to 31.12.2021	01.01.2020 to 31.12.2020	Δ \$	Δ %	01.10.2021 to 31.12.2021	01.10.2020 to 31.12.2020	Δ Ch\$	Δ %
		Ch\$ million	Ch\$ million			Ch\$ million	Ch\$ million		
Corporate Division	Revenue	66,673	67,884	(1,211)	-1.8%	19,703	14,551	5,152	35.4%
	Costs	16,607	22,361	(5,754)	-25.7%	4,417	4,981	(564)	-11.3%
	Gross Margin	50,066	45,523	4,543	10.0%	15,286	9,570	5,716	59.7%
I. Factoring	Revenue	35,008	38,848	(3,841)	-9.9%	11,030	6,802	4,227	62.1%
	Costs	8,361	10,902	(2,542)	-23.3%	2,820	2,041	779	38.2%
	Gross Margin	26,647	27,946	(1,299)	-4.6%	8,210	4,762	3,448	72.4%
II. Leasing	Revenue	5,261	7,259	(1,999)	-27.5%	1,459	2,096	(638)	-30.4%
	Costs	1,707	2,827	(1,120)	-39.6%	337	845	(508)	-60.1%
	Gross Margin	3,554	4,432	(878)	-19.8%	1,122	1,251	(130)	-10.4%
III. Corporate Loans	Revenue	26,404	21,777	4,628	21.3%	7,215	5,652	1,563	27.7%
	Costs	6,540	8,632	(2,092)	-24.2%	1,260	2,095	(835)	-39.9%
	Gross Margin	19,865	13,145	6,720	51.1%	5,955	3,557	2,398	67.4%
Auto Financing Division	Revenue	97,211	90,810	6,401	7.0%	26,277	22,457	3,820	17.0%
	Costs	45,575	48,028	(2,453)	-5.1%	11,812	12,585	(772)	-6.1%
	Gross Margin	51,636	42,782	8,854	20.7%	14,465	9,872	4,592	46.5%
Treasury & Investments Division	Revenue	27,206	41,079	(13,873)	-33.8%	6,044	24,877	(18,833)	-75.7%
	Costs	18,862	24,776	(5,915)	-23.9%	9,274	16,967	(7,694)	-45.3%
	Gross Margin	8,344	16,302	(7,958)	-48.8%	(3,230)	7,909	(11,139)	-140.8%
Adjustments Between Segments	Revenue	1,727	2,117	(390)	-18.4%	462	878	(416)	-47.4%
	Costs	(1,727)	(2,117)	390	-18.4%	(462)	(878)	416	-47.4%
Tanner	Revenue	189,363	197,655	(8,293)	-4.2%	51,561	61,006	(9,444)	-15.5%
	Costs	79,316	93,048	(13,732)	-14.8%	25,040	33,654	(8,614)	-25.6%
	Gross Margin	110,046	104,607	5,439	5.2%	26,521	27,352	(831)	-3.0%

The consolidated gross margin in 12M21 was Ch\$110,046 million (↑Ch\$5,439 million / +5.2% YoY), due to a decrease in revenue (↓Ch\$8,293 million / -4.2% YoY) and lower costs (↓Ch\$13,732 million / -14.8% YoY). In 4Q21, the gross margin was Ch\$26.521 million (↓Ch\$831 million / -3.0% YoY), with a decrease in revenue (↓Ch\$9,444 million / -15.5% YoY) that was higher than the lower costs (↓Ch\$8,614 million / -25.6% YoY).

¹ Corporate Division: this includes factoring, leasing and corporate loans.

² This includes auto financing and Tanner Corredora de Seguros Ltda.

³ Treasury and Investments Division: this includes the Treasury of Tanner Servicios Financieros and the subsidiary Tanner Corredores de Bolsa S.A.

The gross margin breakdown by division/product was as follows:

Corporate Division	<p>12M21: Ch\$50,066 million, up 10.0% YoY (↑Ch\$4,543 million), on account of a decrease of Ch\$1,211 million (-1.8% YoY) in revenue and 25.7% YoY (↓Ch\$5,754 million) in the costs of the division.</p> <p>4Q21: Ch\$15,286 million, up 59.7% YoY (↑Ch\$5,716 million), due to an increase of Ch\$5,152 million (+35.4% YoY) in revenue and a decrease of 11.3% YoY (↓Ch\$564 million) in the costs of the division.</p>
I. Factoring	<p>12M21: Ch\$26,647 million, down 4.6% YoY (↓Ch\$1,299 million), with decreases of 9.9% YoY (↓Ch\$3,841 million) in revenue and 23.3% YoY (↓Ch\$2,542 million) in costs.</p> <p>4Q21: Ch\$8,210 million, up 72.4% YoY (↑Ch\$3,448 million), due to an increase of 62.1% YoY (↑Ch\$4,227 million) in revenue and a cost increase of 38.2% YoY (↑Ch\$779 million).</p>
II. Leasing	<p>12M21: Ch\$3,554 million, down 19.8% YoY (↓Ch\$878 million), due to a decrease in revenue (↓Ch\$1,999 million / -27.5% YoY) and in costs of 39.6% YoY (↓Ch\$1,120 million).</p> <p>4Q21: Ch\$1,122 million, down 10.4% YoY (↓Ch\$130 million), because of a decrease in revenue (↓Ch\$638 million / -30.4% YoY) and in costs of 60.1% YoY (↓Ch\$508 million).</p>
Corporate Loans	<p>12M21: Ch\$19,865 million, up 51.1% YoY (↑Ch\$6,720 million), due to an increase in revenue (↑Ch\$4,628 million / +21.3% YoY) and lower costs (↓Ch\$2,092 million / -24.2% YoY).</p> <p>4Q21: Ch\$5,955 million, up 67.4% YoY (↑Ch\$2,398 million), due to an increase in revenue (↑Ch\$1,563 million / +27.7% YoY) and a decrease in costs (↓Ch\$835 million / -39.9% YoY).</p>
Auto Financing Division	<p>12M21: Ch\$51,636 million, up 20.7% YoY (↑Ch\$8,854 million), because of an increase in revenue (↑Ch\$6,401 million / 7.0% YoY), and a decrease in costs (↓Ch\$2,453 million / -5.1% YoY).</p> <p>4Q21: Ch\$14,465 million, up 46.5% YoY (↑Ch\$4,592 million), due to an increase in revenue (↑Ch\$3,820 million / +17.0% YoY), and a decrease in costs (↓Ch\$772 million / -6.1% YoY).</p>
Treasury & Investments Division	<p>12M21: Ch\$8,344 million, down 48.8% YoY (↓Ch\$7,958 million), due to a decrease in revenue (↓Ch\$13,873 million / -33.8% YoY) and in costs (↓Ch\$5,915 million / +23.9% YoY).</p> <p>4Q21: -Ch\$3,230 million, down 140.8% YoY (↓Ch\$11,139 million), due to a bigger decrease in revenue (↓Ch\$18,833 million / -75.7% YoY) than in costs (↓Ch\$7,694 million / -45.3% YoY).</p>

CHART 6: GROSS MARGIN BREAKDOWN BY BUSINESS LINE

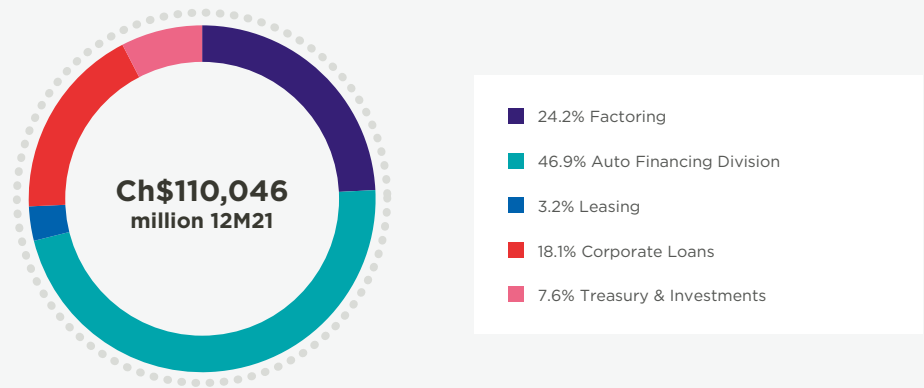


CHART 7: GROSS MARGIN BY BUSINESS LINE 12M21

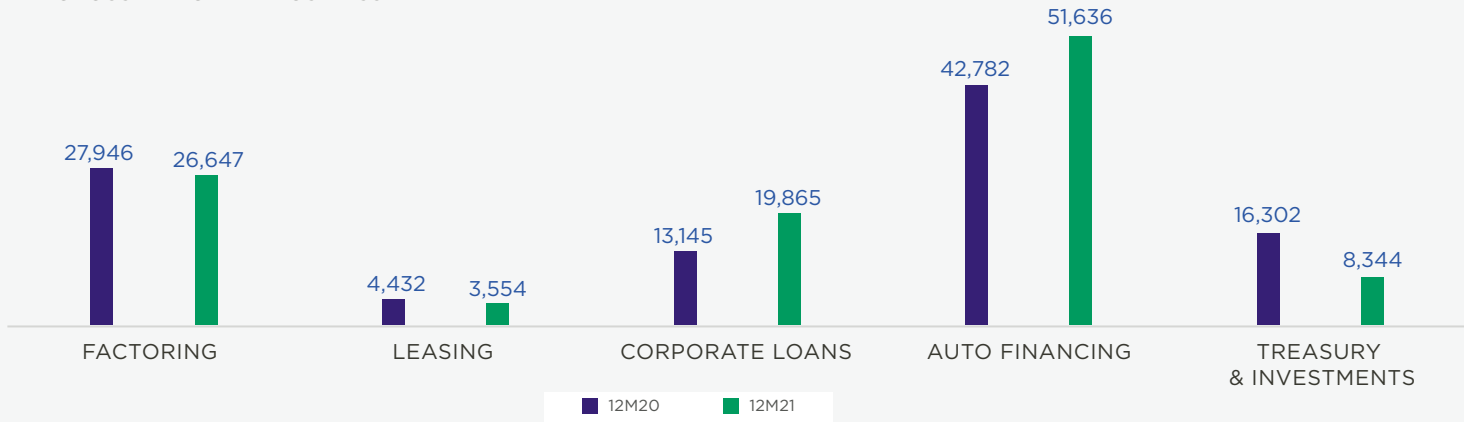
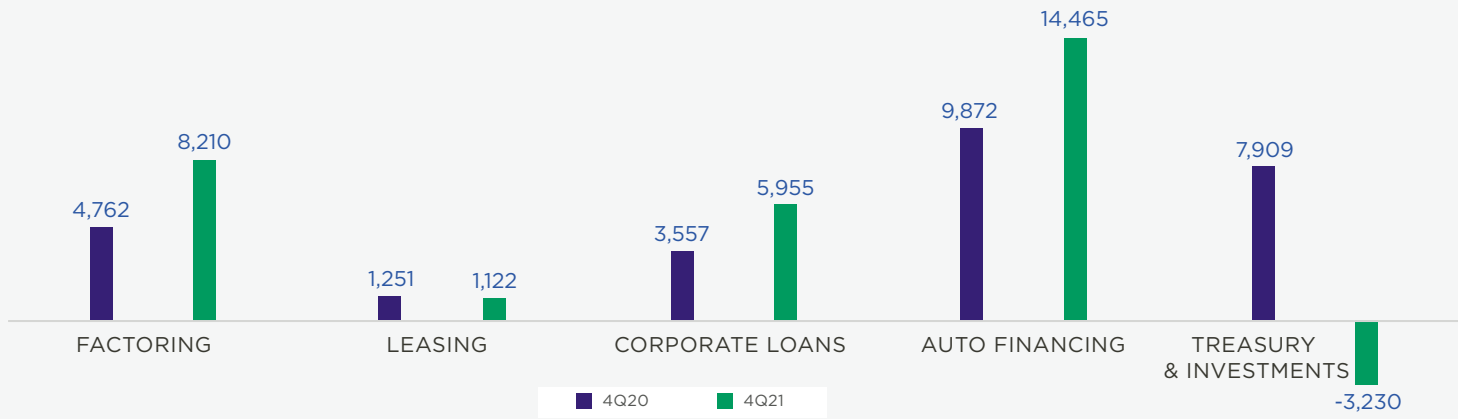


CHART 8: GROSS MARGIN BY BUSINESS LINE 4Q21



The company’s consolidated revenue was **Ch\$189,363 million** in 12M21, decreasing 4.2% YoY (↓Ch\$8,293 million), and **Ch\$51,561 million in 4Q21**, decreasing 15.5% YoY (↓Ch\$9,444 million), explained by the following revenue:

CORPORATE DIVISION	12M21: Ch\$66,673 million (↓Ch\$1,211 million / -1.8% YoY). 4Q21: Ch\$19,703 million (↑Ch\$5,152 million / +35.4% YoY). Driver: Lower revenue from the factoring business that accounts for 52.5% of the division's revenue.
I. FACTORING	12M21: Ch\$35,008 million (↓Ch\$3,841 million / -9.9% YoY). 4Q21: Ch\$11,030 million (↑Ch\$4,227 million / +62.1% YoY). Driver: Lower price difference income, due to a lower average price.
II. LEASING	12M21: Ch\$5,261 million (↓Ch\$1,999 million / -27.5% YoY). 4Q21: Ch\$1,459 million (↓Ch\$638 million / -30.4% YoY). Driver: Lower fee income on account of a lower size of the portfolio.
III. CORPORATE LOANS	12M21: Ch\$26,404 million (↑Ch\$4,628 million / +21.3% YoY). 4Q21: Ch\$7,215 million (↑Ch\$1,563 million / +27.7% YoY). Driver: Higher fees received due to the increase in loans.
AUTO FINANCING DIVISION	12M21: Ch\$97,211 million (↑Ch\$6,401 million / +7.0% YoY). 4Q21: Ch\$26,277 million (↑Ch\$3,820 million / +17.0% YoY). Driver: Higher revenue from the greater amount due, because of the increase in loans.
TREASURY & INVESTMENTS DIVISION	12M21: Ch\$27,206 million (↓Ch\$13,873 million / -33.8% YoY). 4Q21: Ch\$6,044 million (↓Ch\$18,833 million / -75.7% YoY). Driver: Lower revenue from exchange rate differences, fair value of financial instruments, other income and interest.

Consolidated accrued costs amounted to **Ch\$79,316 million in 12M21**, decreasing Ch\$13,732 million (-14.8% YoY), and **Ch\$25,040 million in 4Q21**, decreasing Ch\$8,614 million (-25.6% YoY), explained by the following costs:

CORPORATE DIVISION	12M21: Ch\$16,607 million (↓Ch\$5,754 million / -25.7% YoY). 4Q21: Ch\$4,417 million (↓Ch\$564 million / -11.3% YoY). Driver: Lower interest cost due to a drop in the financing cost of the division.
I. FACTORING	12M21: Ch\$8,361 million (↓Ch\$2,542 million / -23.3% YoY). 4Q21: Ch\$2,820 million (↑Ch\$779 million / +38.2% YoY). Driver: Lower interest cost, due to a decrease in the financing cost of Tanner.
II. LEASING	12M21: Ch\$1,707 million (↓Ch\$1,120 million / -39.6% YoY). 4Q21: Ch\$337 million (↓Ch\$508 million / -60.1% YoY). Driver: Lower interest cost due to a decrease in the financing cost of Tanner and lower average portfolio compared to the previous period.
III. CORPORATE LOANS	12M21: Ch\$6,540 million (↓Ch\$2,092 million / -24.2% YoY). 4Q21: Ch\$1,260 million (↓Ch\$835 million / -39.9% YoY). Driver: Lower interest cost due to a decrease in the financing cost of Tanner.
AUTO FINANCING DIVISION	12M21: Ch\$45,575 million (↓Ch\$2,453 million / -5.1% YoY). 4Q21: Ch\$11,812 million (↓Ch\$772 million / -6.1% YoY). Driver: Lower interest cost due to a decrease in the financing cost of Tanner.
TREASURY & INVESTMENTS DIVISION	12M21: Ch\$18,862 million (↓Ch\$5,915 million / -23.9% YoY). 4Q21: Ch\$9,274 million (↓Ch\$7,694 million / -45.3% YoY). Driver: Lower cost related to exchange rate differences of the liability.

V. BUSINESS DIVISION PORTFOLIO QUALITY

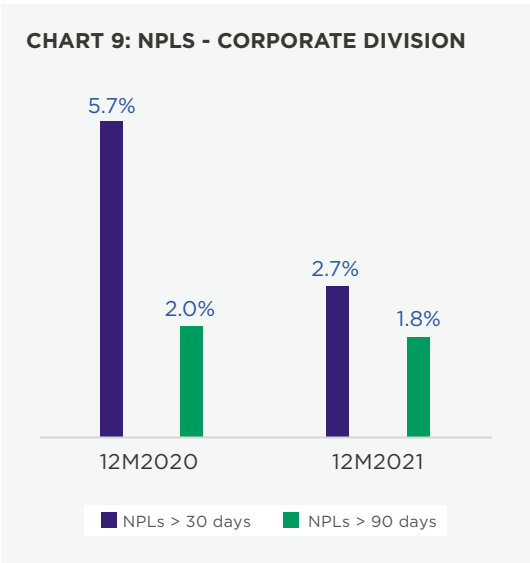
Table 4: Business Division Main Indicators

	Indicator	Definition	Unit	31-12-2021	31-12-2020
CORPORATE DIVISION	Non-Performing Loans	Non-performing loans/(Loans + Provisions)	%	5.4%	9.9%
		Non-performing loans/Equity	%	13.0%	20.1%
	Provisions	Provisions/(Loans + Provisions)	%	1.2%	1.4%
		Provisions/Non-performing loans	%	21.7%	13.9%
	Provisions and Write-offs	Provisions/Non-performing loans > 90 days	%	64.8%	67.8%
		Provisions and write-offs/(Loans + Provisions)	%	1.2%	1.5%
	Non-Performing Loans over 30 days	Non-performing loans > 30 days/(Loans + Provisions)	%	2.7%	5.7%
	Non-Performing Loans over 90 days	Non-performing loans > 90 days/(Loans + Provisions)	%	1.8%	2.0%
		Non-performing loans > 90 days/Equity	%	4.4%	4.1%
	Restructured Porfolio	Restructured portfolio/(Loans + Provisions)	%	1.9%	3.5%
Restructured portfolio/Equity		%	4.6%	7.1%	
	Clients	Number of clients	#	3,373	2,348
	Expenditure Efficiency	SG&A expenses/Gross margin (*)	%	58.1%	59.1%
i. FACTORING	Non-Performing Loans	Non-performing loans/(Loans + Provisions)	%	5.2%	5.3%
		Non-performing loans/Equity	%	6.5%	5.3%
	Provisions	Provisions/(Loans + Provisions)	%	1.0%	0.7%
		Provisions/Non-performing loans	%	18.9%	13.3%
	Provisions and Write-offs	Provisions/Non-performing loans > 90 days	%	239.5%	90.7%
		Provisions and write-offs/(Loans + Provisions)	%	1.1%	1.0%
	Non-Performing Loans over 30 days	Non-performing loans > 30 days/(Loans + Provisions)	%	0.8%	0.9%
	Non-Performing Loans over 90 days	Non-performing loans > 90 days/(Loans + Provisions)	%	0.4%	0.8%
		Non-performing loans > 90 days/Equity	%	0.5%	0.8%
	Restructured Porfolio	Restructured portfolio/(Loans + Provisions)	%	1.2%	0.3%
Restructured portfolio/Equity		%	1.5%	0.3%	
	Clients	Number of clients	#	3,002	1,822
	Expenditure Efficiency	SG&A expenses/Gross margin (*)	%	64.0%	52.5%
ii. LEASING	Non-Performing Loans	Non-performing loans/(Loans + Provisions)	%	2.9%	4.2%
		Non-performing loans/Equity	%	0.5%	1.0%
	Provisions	Provisions/(Loans + Provisions)	%	0.3%	1.2%
		Provisions/Non-performing loans	%	11.8%	28.7%
	Provisions and Write-offs	Provisions/Non-performing loans > 90 days	%	216.0%	111.0%
		Provisions and write-offs/(Loans + Provisions)	%	-0.2%	2.5%
	Non-Performing Loans over 30 days	Non-performing loans > 30 days/(Loans + Provisions)	%	0.9%	2.1%
	Non-Performing Loans over 90 days	Non-performing loans > 90 days/(Loans + Provisions)	%	0.2%	1.1%
		Non-performing loans > 90 days/Equity	%	0.0%	0.2%
	Restructured Porfolio	Restructured portfolio/(Loans + Provisions)	%	9.0%	12.8%
Restructured portfolio/Equity		%	1.7%	2.9%	
	Clients	Number of clients	#	148	217
	Expenditure Efficiency	SG&A expenses/Gross margin (*)	%	53.1%	181.3%
iii. CORPORATE LOANS	Non-Performing Loans	Non-performing loans/(Loans + Provisions)	%	6.3%	17.2%
		Non-performing loans/Equity	%	6.0%	13.9%
	Provisions	Provisions/(Loans + Provisions)	%	1.6%	2.2%
		Provisions/Non-performing loans	%	25.6%	13.1%
	Provisions and Write-offs	Provisions/Non-performing loans > 90 days	%	29.1%	17.7%
		Provisions and write-offs/(Loans + Provisions)	%	1.7%	1.9%
	Non-Performing Loans over 30 days	Non-performing loans > 30 days/(Loans + Provisions)	%	5.5%	12.7%
	Non-Performing Loans over 90 days	Non-performing loans > 90 days/(Loans + Provisions)	%	4.0%	3.8%
		Non-performing loans > 90 days/Equity	%	3.8%	3.1%
	Restructured Porfolio	Restructured portfolio/(Loans + Provisions)	%	1.5%	4.8%
Restructured portfolio/Equity		%	1.4%	3.9%	
	Clients	Number of clients	#	582	567
	Expenditure Efficiency	SG&A expenses/Gross margin (*)	%	49.4%	63.0%
AUTO FINANCING DIVISION	Non-Performing Loans	Non-performing loans/(Loans + Provisions)	%	10.7%	12.6%
		Non-performing loans/Equity	%	19.0%	19.1%
	Provisions	Provisions/(Loans + Provisions)	%	2.39%	2.90%
		Provisions/Non-performing loans	%	22.3%	23.0%
	Provisions and Write-offs	Provisions/Non-performing loans > 90 days	%	121.8%	104.0%
		Provisions and write-offs/(Loans + Provisions)	%	2.2%	3.2%
	Non-Performing Loans over 30 days	Non-performing loans > 30 days/(Loans + Provisions)	%	4.9%	6.0%
	Non-Performing Loans over 90 days	Non-performing loans > 90 days/(Loans + Provisions)	%	2.0%	2.8%
		Non-performing loans > 90 days/Equity	%	3.5%	4.2%
	Restructured Porfolio	Restructured portfolio/(Loans + Provisions)	%	2.0%	3.3%
Restructured portfolio/Equity		%	3.5%	5.0%	
	Clients	Number of clients	#	87,668	79,240
	Expenditure Efficiency	SG&A expenses/Gross margin (*)	%	50.6%	67.1%
TREASURY & INVESTMENTS DIVISION	Non-Performing Loans	Non-performing loans/(Loans + Provisions)	%	12.2%	24.0%
		Non-performing loans/Equity	%	0.7%	1.5%
	Provisions	Provisions/(Loans + Provisions)	%	2.6%	0.1%
		Provisions/Non-performing loans	%	21.7%	0.5%
	Provisions and Write-offs	Provisions/Non-performing loans > 90 days	%	61.0%	51.3%
		Provisions and write-offs/(Loans + Provisions)	%	2.7%	0.1%
	Non-Performing Loans over 30 days	Non-performing loans > 30 days/(Loans + Provisions)	%	4.3%	0.3%
	Non-Performing Loans over 90 days	Non-performing loans > 90 days/(Loans + Provisions)	%	4.3%	0.2%
		Non-performing loans > 90 days/Equity	%	0.2%	0.0%
	Restructured Porfolio	Restructured portfolio/(Loans + Provisions)	%	1.5%	4.1%
Restructured portfolio/Equity		%	0.1%	0.3%	
	Clients	Number of clients	#	1,708	1,721
	Expenditure Efficiency	SG&A expenses/Gross margin (*)	%	89.6%	34.4%

(*) Gross margin considers impairment.

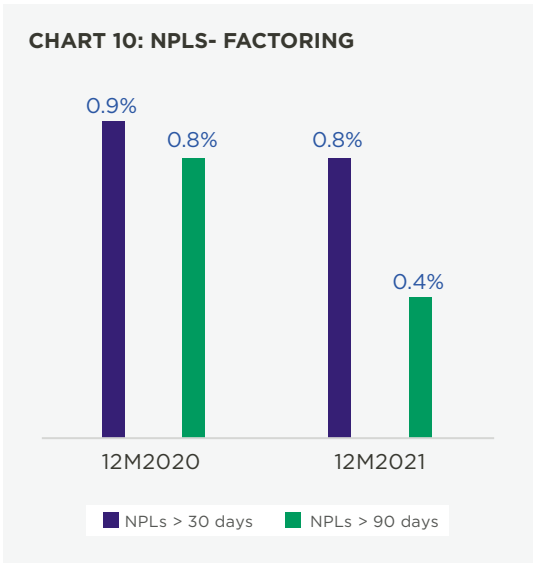
CORPORATE DIVISION

The loan portfolio quality improved for both NPLs > 90 days and NPLs > 30 days compared to 12M2020.



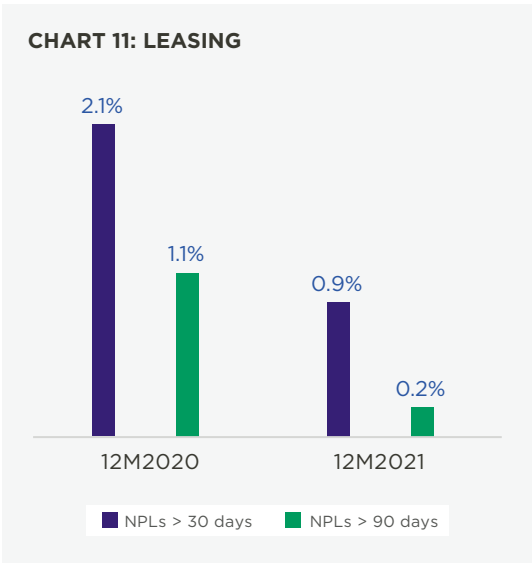
I. FACTORING

The loan portfolio quality improved considerably on the previous year, reflected by a decrease of NPLs > 30/90 days.



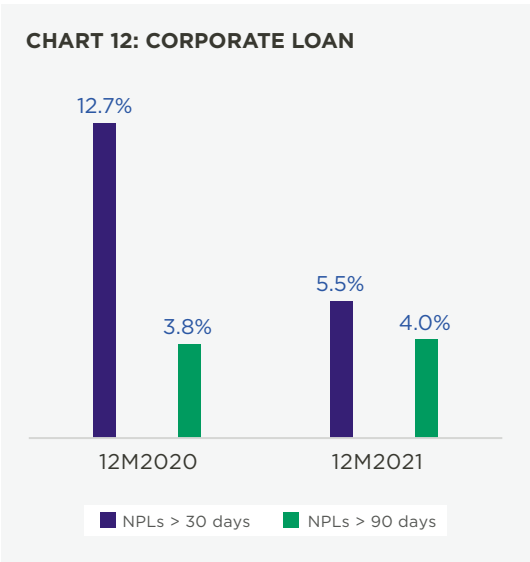
II. LEASING

The portfolio quality indicators improved compared to 2020, especially in terms of NPLs > 30 days and NPLs > 90 days.



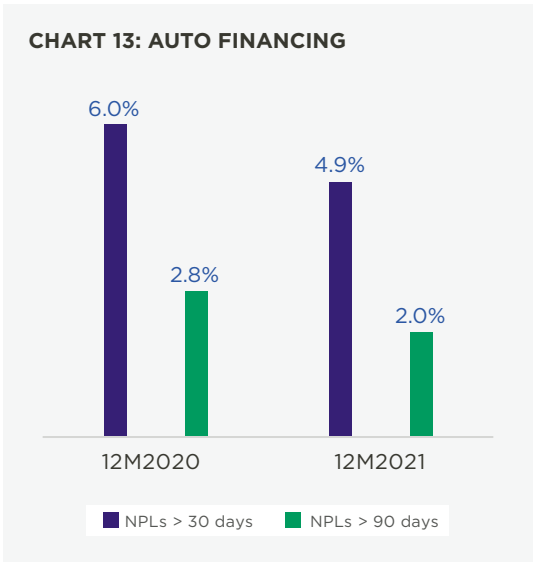
III. CORPORATE LOANS

NPLs > 30 days improved compared to 12M2020. On the other hand, NPLs > 90 days increased, however mainly for loans with real collateral.



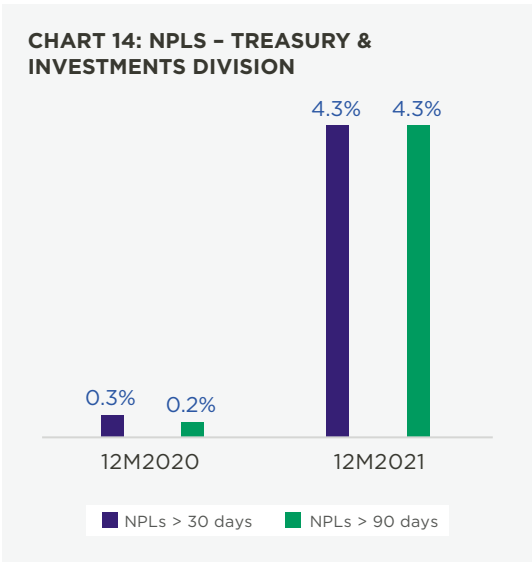
AUTO FINANCING DIVISION

Both NPLs > 30 days and NPLs > 90 days improved YoY, due to a better composition of the portfolio.



TREASURY & INVESTMENTS DIVISION

The portfolio quality was worse compared to 12M2020.



VI. BALANCE SHEET

Table 5: Consolidated Balance Sheet

Assets (Ch\$ million)	31-12-21	31-12-20	Δ Ch\$	Δ %
Current Assets				
Cash and cash equivalents	57,913	120,080	(62,167)	-51.8%
Other current financial assets	129,553	79,934	49,619	62.1%
Other current non-financial assets	2,010	3,058	(1,048)	-34.3%
Trade receivables and other current accounts receivable	974,486	733,205	241,282	32.9%
Accounts receivable from related parties	5,844	4,902	941	19.2%
Current tax assets	12,218	6,645	5,574	83.9%
Non-current assets or asset groups for disposal classified as held-for-sale	9,842	4,798	5,044	105.1%
Total Current Assets	1,191,866	952,623	239,244	25.1%
Non-Current Assets				
Other non-current financial assets	73,768	55,033	18,735	34.0%
Other non-current non-financial assets	7,301	5,181	2,120	40.9%
Trade receivables and other non-current accounts receivable	470,056	391,805	78,251	20.0%
Non-current accounts receivable from related parties	202	34	168	497.9%
Intangible assets other than goodwill	5,213	6,637	(1,424)	-21.5%
Goodwill	1,640	1,640	-	0.0%
Property, plant and equipment	8,913	10,308	(1,395)	-13.5%
Property Investments	-	11,318	(11,318)	-100.0%
Deferred tax assets	34,348	31,218	3,130	10.0%
Total Non-Current Assets	601,441	513,174	88,267	17.2%
Total Assets	1,793,307	1,465,796	327,511	22.3%
Liabilities (Ch\$ million)	31-12-21	31-12-20	Δ Ch\$	Δ %
Current Liabilities				
Other current financial liabilities	750,921	516,389	234,532	45.4%
Trade payables and other current accounts payable	145,378	116,449	28,929	24.8%
Other short-term provisions	-	508	(508)	-100.0%
Current tax liabilities	4,984	3,262	1,722	52.8%
Current provisions for employee benefits	3,889	950	2,939	309.2%
Other current non-financial liabilities	-	-	-	-
Total Current Liabilities	905,173	637,558	267,614	42.0%
Non-Current Liabilities				
Other non-current financial liabilities	540,705	510,195	30,509	6.0%
Non-current provisions for employee benefits	274	300	(26)	-8.7%
Total Non-Current Liabilities	540,978	510,495	30,483	6.0%
Total Liabilities	1,446,151	1,148,053	298,098	26.0%
Equity	347,157	317,743	29,413	9.3%
Total Equity and Liabilities	1,793,307	1,465,796	327,511	22.3%

a. Net Loan Portfolio⁴

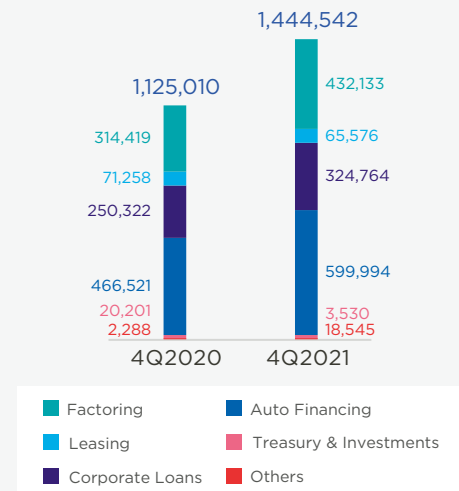
The total gross loan portfolio in 4Q21 was Ch\$1,469,523 million (↑Ch\$321,706 million / +28.0% YTD) versus Ch\$1,147,816 million YoY, while provisions were Ch\$24,980 million, increasing Ch\$2,174 million (+9.5% YTD). Hence, the total net loan portfolio amounted to Ch\$1,444,542 million, an increase of Ch\$319,533 million (+28.4% YoY) on the Ch\$1,125,010 million in 4Q2020.

Net loan portfolio by division in 4Q2021:

- 1. Corporate Division: Ch\$822,473 million** | +29.4% YTD | ↑Ch\$186,473 million.
 - a. Factoring: Ch\$432,133 million** | +37.4% YTD | ↑Ch\$117,713 million.
 - b. Leasing: Ch\$65,576 million** | -8.0% YTD | ↓Ch\$5,682 million.
 - c. Corporate Loans: Ch\$324,764 million** | +29.7% YTD | ↑Ch\$74,442 million.
- 2. Auto Financing Division: Ch\$599,994 million** | +28.6% YTD | ↑Ch\$133,473 million.
- 3. Treasury and Investments Division: Ch\$18,545 million** | -8.2% YTD | ↓Ch\$1,656 million.

The portfolio has shifted to a greater concentration on the company's strategic businesses, such as factoring and auto financing. At the close of 4Q21, these accounted for 30% and 42% of the net loan portfolio, respectively.

CHART 15: NET LOAN PORTFOLIO BREAKDOWN



b. Funding Sources

The company's financial liabilities in 4Q21 were Ch\$1,291,626 million compared with Ch\$1,026,584 million YoY (↑Ch\$265,041 million / +25.8% YTD), due to higher Chilean and international bank loans (↑Ch\$112,157 million / +42.6% YTD), bond-related obligations (↑Ch\$94,918 million / +18.3% YTD), due to placements of UF2 million in the domestic market, two placements in international markets of CHF12 million and EUR15 million and a new placement in the Swiss market of CHF125 million, and other financial liabilities (↑Ch\$41,486 million / +55.9% YTD) that were mainly repos and forwards. In contrast, commercial papers decreased (↓Ch\$16,481 million / -9.7% YTD).

In terms of the liability structure, 47.5% (Ch\$613,484 million) corresponded to local and international bonds, 29.1% (Ch\$375,378 million) to bank loans and credit lines, and 14.5% (Ch\$187,021 million) to commercial papers. The remaining Ch\$115,742 million (9.0%) was related to other financial obligations of repos and forwards.

CHART 16: NET LOAN PORTFOLIO BY LINE OF BUSINESS

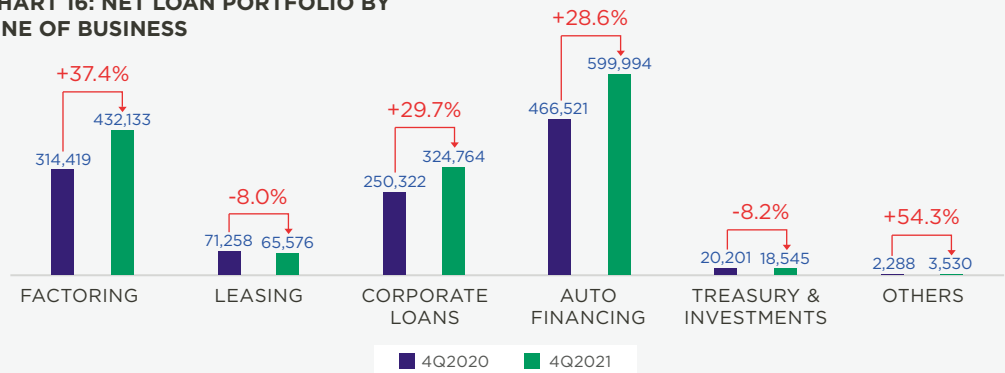
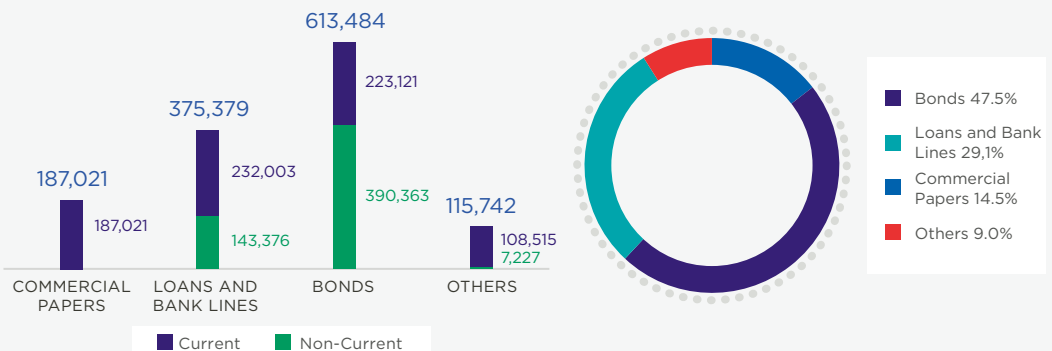


CHART 17: BREAKDOWN OF FUNDING SOURCES



VII. CASH FLOW STATEMENT

Table 6: Cash Flow Statement

Ch\$ million	31-12-21	31-12-20	Δ \$
Cash flow from operating activities	(202,151)	173,151	(375,302)
Cash flow from investing activities	24,607	122,656	(98,048)
Cash flow from financing activities	113,996	(228,441)	342,438
Effect of changes in exchange rates	1,381	(946)	2,326
Cash and cash equivalents, opening balance	(62,167)	66,420	(128,586)
Cash and cash equivalents, opening balance	120,080	53,660	66,420
Cash and cash equivalents, closing balance	57,913	120,080	(62,167)

In 12M21, the cash flow from **operating activities was -Ch\$202,151 million** against Ch\$173,151 million YoY, because payments to suppliers of goods and services increased by Ch\$929,475 million, arising from an increase in the volume of loans in the Auto Financing Division and the Corporate Division.

The cash flow from **investing activities amounted to Ch\$24,607 million**, dropping Ch\$98,048 million on the Ch\$122,656 million in 12M20, mainly due to a -Ch\$670,895 million difference regarding other charges for purchases of equity or debt instruments of other entities, as a result of lower redemptions of financial instruments in 12M21.

The cash flow from **financing activities amounted to Ch\$113,996 million** against -Ch\$228,441 million YoY, mainly because of a higher net flow from loans, due to the increase in financial liabilities.

Finally, **cash and cash equivalents in 12M21 were Ch\$57,913 million**, decreasing Ch\$62,167 million YoY.

VIII. RISK ANALYSIS

a. Credit Risk

Credit risk is the possibility or probability of financial loss the company faces when a client or counterparty of a financial instrument fails to comply with its contractual obligations. This risk is inherent to the company's business activity.

Tanner manages credit risk by line of business or products with specific credit policies and based on a prior analysis of its clients' expected revenue, the financial information available and their payment track record, along with other commercial information, if any. This analysis also includes macroeconomic expectations and those of the sector in which the client operates (as a general case). In terms of factoring, it also includes debtor-specific information.

Another important and complementary aspect of credit risk assessment is the quality and quantity of the guarantees required. One of the company's policies is to have collateral that is a second source of payment of its clients' obligations in the event of default.

FACTORING	Most credit lines include the liability of the assignor for the insolvency of the assigned debtor. A framework agreement is signed by every client to support future operations. Operations without any liability are generally covered by a credit insurance policy and/or specific collateral.
LEASING	Leasing operations are guaranteed by the leased assets. Insurance policies are required for all assets to cover any loss that may lead to a loss in value.
CORPORATE LOANS	Depending on the case, mortgages and/or stock pledges may be required. However, there is the possibility of defining a guarantor, that is liable for the loan and this is generally one of the partners of the borrower company.
AUTO FINANCING	Auto financing is guaranteed by the assets related to the financing, along with a credit analysis of the customer profile. There are two types of guarantees in this case: real (vehicle pledges) and personal (sureties and joint and several guarantees). Moreover, most of the operations have debtor life insurance, which pays the outstanding balance of the debt if the debtor dies.
TREASURY & INVESTMENTS	The receivables of the Treasury and Investments segment mainly correspond to the subsidiary Tanner Corredores de Bolsa S.A. and are classified on its individual balance sheet as brokerage receivables. The provisions associated with these kinds of receivables are determined in accordance with an expected loss model pursuant to IFRS 9.

Moreover, the company undertakes a credit quality follow-up process, whose aim is the early detection of possible changes in the payment capacity of counterparties and to recover past due or delinquent loans, enabling the company to assess the potential loss from risks and take corrective action.

Trade receivable impairment provision policy

IFRS 9 establishes the guidelines for the recognition of credit losses arising from the financial assets of an entity. This standard stipulates that expected credit losses must be recognised considering the following 3 aspects: (i) an amount of the expected probability, (ii) the temporary value of the money, and (iii) reasonable and substantiated information that is available without undue cost or effort on the reporting date of past events, current conditions and forecasts of future economic conditions.

The approach of IFRS 9 is a model that recognises three stages, according to the following definition:

- **Stage 1:** Assets with a low risk of impairment or default.
- **Stage 2:** Assets with a significantly greater risk of default.
- **Stage 3:** Defaulted assets.

For assets classified in stage 1, it is necessary to estimate the expected credit losses due to default that occurs in the next 12 months (weighted by the probability of such default occurring), while for stage 2 and 3 it is necessary to estimate the expected credit losses for the entire remaining life of the asset. In the case of defaulted assets (classified in Stage 3), the default probability parameter is defined as 1.

Although the standard allows entities to determine the criteria to move from one stage to another, there are rebuttable presumptions stipulated, which are the basis of the model described in this document.

- **Stage 1 to Stage 2:** Assets with more than 30 days of delinquency.
- **Stage 2 to Stage 3:** Assets with 90 days or more of delinquency.

The regulatory requirements that were incorporated in the impairment models are:

- a. Risk profile for each product.
- b. Probability of default in 12 months and for the entire life of the asset.
- c. Loss due to default over the entire life of the asset.
- d. Total prepayment rates.
- e. Credit exposure at the time of default.
- f. Adjustment of the default probability to the economic cycle (forward- looking).

The profiles were modelled by means of business segmentation associated with different risk factors, except in the case of the auto financing product, for which logistic regression was used to build a scorecard. 90 days of delinquency was defined as the indicator of default.

For the modelling of the forward-looking adjustment, models were developed whose response variable is the industry default probability index and whose regressors are macroeconomic variables.

During the second half of 2021, Tanner Servicios Financieros S.A. calibrated its credit risk provision models, with the aim of improving the prediction parameters of customer behaviour and maintaining the statistical monitoring standards, which resulted in a greater provision with an effect of Ch\$4,186 million on income.

The basic features of provision policies by business line are:

FACTORING	<p>Provision calculations for the factoring business consider three profiles segmented by sub-product and risk profiles. It is important to highlight that any operation renegotiated as credit falls into the recognition sub-segment. The most influential variables by sub-segment are:</p> <ul style="list-style-type: none"> i. Invoices: (i) type or group, (ii) days of current delinquency. ii. Cheques: (i) type of document, (ii) days of current delinquency, (iii) type or group. iii. Others: (i) days of current delinquency, (ii) type or group. iv. Recognition of debt: (i) if it is credit or not, (ii) days of current delinquency, (iii) type or group.
LEASING	<p>Provision calculations for the leasing business consider five risk profiles segmented by sub-product and risk profiles. The most influential variables are the following: (i) days of current delinquency, (ii) sub-product (real estate or vendor product and machinery or vehicle), and (iii) renegotiation.</p>
CORPORATE LOANS	<p>Provision calculations consider eight risk profiles with internal performance variables. The most influential variables are the following: (i) days of current delinquency and (ii) renegotiation that determines if it is a “normal” credit or “recognition” of the type variable.</p>
AUTO FINANCING	<p>Provision calculations for the auto financing business consider segmentation by sales channel and a performance score. Sales channel segmentation is as follows: (i) Nissan, (ii) AMICAR, (iii) renegotiated and (iv) non-AMICAR.</p> <p>Each segment is subdivided into risk profiles according to their performance score, which in turn considers the following variables:</p> <ul style="list-style-type: none"> i. Percentage increase in the balance in the past three months. ii. Maximum delinquency in the past three months. iii. Unpaid instalments in the last month. iv. Percentage of instalments paid. v. The delinquent instalment average in the past month. vi. If the operation has grace period months (this is a binary variable). vii. If the operation had a partial prepayment in the last three months (this is a binary variable). viii. Portfolio average in the last three months.
TREASURY & INVESTMENTS	<p>Provision calculations for the intermediation business consider eight risk profiles with internal performance variables. The most influential variables are: (i) days of current delinquency, (ii) renegotiation.</p>

Regarding updating the probability of default to the economic cycle (forward-looking) and population changes, at the beginning of the year the studies and risk area will analyse possible population and macroeconomic changes associated, for example, with changes in the risk policy, the creation of new products and market indicators, and will recommend possible calibrations of the default probability curves that will ultimately impact provisioning factors.

In relation to the mitigation of exposure due to guarantees and/or insurance, for all operations that are guaranteed by real estate or insurance or another asset, the risk area will assign an objective value to the guarantee, always based on an independent appraisal and this can only be more conservative than this and will be used to mitigate customer exposure. If they are general guarantees, they will mitigate the exposure in the following order: (i) Corporate Loan, (ii) Leasing, (iii) Factoring, (iv) Treasury and Investments.

Provision for high amount customers: the company has defined the creation of a group of high amount customers, which are those who have exposure of or greater than Ch\$2 billion, either individually or aggregated with their economic group.

High amount customers are classified as impaired when they meet any of the following criteria:

- i. External and internal delinquency of greater than 30 days that represents 15% or more of their line.
- ii. They have three or more events of external delinquency.
- iii. They have cases of reorganisation or receivership, as laid down in Law 20.720 on Reorganisation and Enterprise.
- iv. They have legal cases of a high impact or amount.

High amount customers that are not identified as impaired are provisioned for by applying the statistical expected loss models outlined above. On the other hand, impaired high amount clients are analysed individually by the Credit Committee, which decides on their solvency and the mitigating factors, thereby determining the expected risk of each one.

Write-Off Policy: Tanner Servicios Financieros S.A. has the following write-off policy:

Operations without any mitigating factors:

- i. Factoring: 366 days of delinquency.
- ii. Auto Financing: 366 days of delinquency.
- iii. Corporate Loans: 541 days of delinquency.
- iv. Real Estate Leasing: 541 days of delinquency.
- v. Real Estate Leasing and Vendor: 901 days of delinquency.
- vi. Accounts receivable TCB: 366 days of delinquency.

Operations with mitigating factors:

- i. They will be written off upon reaching 901 days of delinquency.
- ii. The uncovered portion will be 100% provisioned upon meeting the criteria for operations without any mitigating factors.

The following table shows the loan portfolios, the amount of provisions and the risk ratio as of 31 December 2021 and 2020:

Table 7: Loan Portfolio, Provisions and Risk Ratio

Business Line	31.12.2021			
	Gross Portfolio Ch\$ million	Provisions Ch\$ million	Net Portfolio Ch\$million	Risk Ratio
Factoring	436,390	(4,258)	432,133	0.98%
Leasing	65,797	(221)	65,576	0.34%
Corporate Loans	330,087	(5,323)	324,764	1.61%
Auto Financing	614,668	(14,674)	599,994	2.39%
Treasury & Investments	19,050	(505)	18,545	2.65%
Sundry receivables	3,530	-	3,530	0.00%
Total	1,469,523	(24,980)	1,444,542	1.70%

Business Line	31.12.2020			
	Gross Portfolio Ch\$ million	Provisions Ch\$ million	Net Portfolio Ch\$million	Risk Ratio
Factoring	316,662	(2,242)	314,419	0.71%
Leasing	72,129	(871)	71,258	1.21%
Corporate Loans	256,070	(5,748)	250,322	2.24%
Auto Financing	480,441	(13,920)	466,521	2.90%
Treasury & Investments	20,227	(26)	20,201	0.13%
Sundry receivables	2,288	-	2,288	0.00%
Total	1,147,816	(22,807)	1,125,010	1.99%

Renegotiated: Impaired loans for which there is renegotiation are those for which the corresponding financial commitments have been restructured and where the company has assessed the likelihood of recovering these loans as sufficiently high. In all cases of renegotiation, there is always the express consent of the debtor. In the case of customer insolvency, there is also the option of returning the good in applicable cases.

In the factoring business, renegotiations are less frequent, since these operations, unlike leasing and auto financing that are essentially loan operations, provide liquidity of client account receivables. In the event of a renegotiation, these are reviewed and approved by Risk Management. Based on the amount of the operations, there are attribution limits to approve each operation. This might include the actual payment of a percentage of the debt and eventually the constitution of real guarantees.

For corporate loan and leasing operations, a suitable renegotiation aims to improve the creditor position of Tanner in terms of guarantees, commitment of prior partial payment and term, along with analysing and validating the payment capacity of the renegotiation and structuring payments in line with this. As a general rule, the customer must at least pay the unpaid interest to approve a new payment structure.

For auto loans, there is a policy to renegotiate cases of customers who are in arrears. All renegotiation requests are reviewed and approved by the Risk Area and must in general meet the following conditions: (a) the client must have at least 25% of the instalments paid, (b) it must pay an amount depending on the progress of the credit in the operation, and (c) it must prove a source of income. As a general rule, auto financing products are limited to one renegotiation.

For the purposes of estimating impairment and calculating provisions, each risk profile of the renegotiated segment includes a “Probability of Default” for the entire life of the loans, and these are higher compared to the other segments associated with each product. The company, adopting a conservative provision estimate policy, has decided not to incorporate a credit cure process. This means that in the period the loan remains in the renegotiated segment, even though there has been an improvement of the impairment estimate.

The table below shows the carrying amount of loans by business lines and the percentage of the total portfolio, whose terms have been renegotiated:

Table 8: Renegotiated Loan Portfolio

Business Line	31.12.2021				
	Total Portfolio	Renegotiation	Provisions	Renegotiation by product	Renegotiation by total portfolio
	Ch\$ million	Ch\$ million	Ch\$ million	%	%
Factoring	436,390	5,066	(4,258)	1.16%	0.34%
Corporate Loans	330,087	4,925	(5,323)	1.49%	0.34%
Auto Financing	614,668	12,111	(14,674)	1.97%	0.82%
Leasing (*)	65,797	5,925	(221)	9.00%	0.40%
Treasury & Investments	19,050	291	(505)	1.53%	0.02%
Sundry receivables	3,530	-	-	-	-
Total	1,469,523	28,317	(24,980)		1.93%

Business Line	31.12.2020				
	Total Portfolio	Renegotiation	Provisions	Renegotiation by product	Renegotiation by total portfolio
	Ch\$ million	Ch\$ million	Ch\$ million	%	%
Factoring	316,662	1,009	(2,242)	0.32%	0.09%
Corporate Loans	256,070	12,382	(5,748)	4.84%	1.08%
Auto Financing	480,441	15,881	(13,920)	3.31%	1.38%
Leasing (*)	72,129	9,244	(871)	12.82%	0.81%
Treasury & Investments	20,227	831	(26)	4.11%	0.07%
Sundry receivables	2,288	-	-	-	-
Total	1,147,816	39,348	(22,807)		3.43%

*These are mainly mortgage-secured operations.

b. Liquidity Risk

This is defined as the inability of the company to meet its payment obligations as they fall due, without incurring large losses or being prevented from providing normal loan transactions to its clients. It arises from a cash flow mismatch, which occurs when cash flows of liability payments are higher than the receipt of cash flows from investments or loans. The fact that customers fail to pay their loan commitments on the dates that they fall due could also generate a liquidity risk.

The main financing sources of Tanner Servicios Financieros S.A. are bonds (local and international) which have a defined payment schedule, unsecured bank lines of credit that are mainly short-term and renewed regularly, and commercial papers.

The company has a daily cash flow management system that includes a simulation of all maturities of assets and liabilities in order to anticipate cash needs. The Assets and Liabilities Committee (ALCO) convenes to review the forecasts and define action plans based on the company's projections and market conditions.

The company manages its liquidity risk at a consolidated level and its main source of liquidity is cash flows from its operating activities (collection). The company had Ch\$57,913 million of consolidated cash on hand as of 31 December 2021 (Ch\$120,080 million as of 31 December 2020).

The indirect subsidiary Tanner Corredores de Bolsa S.A. is subject to regulatory liquidity indicators called the general liquidity index and brokerage liquidity index. In line with the requirements of the Financial Market Commission (CMF, according to the Spanish acronym, former SVS), the subsidiary has permanently complied with the mentioned indicators.

c. Market Risk

Market risk is construed as the exposure to changes in market variables, such as price, interest rates, currencies, indexation, among others, which affect the value of the company's financial operations.

The company had a mismatch of readjustable operations in UF, so that a 1% decrease in inflation generated a profit of Ch\$370 million in 12M21 (loss of Ch\$1,058 million at 31 December 2020).

In turn, the company had a mismatch of currency operations, so that a 1% decrease in the USD-CLP parity generated earnings of Ch\$61 million in 12M21 and a gain of Ch\$13 million as of 31 December 2020.

On the other hand, the company had a portfolio of fixed-income instruments in the domestic and international markets amounting to Ch\$224,833 million (Ch\$73,455 million as of 31 December 2020), with sensitivity measured by the dollar value of one basis point (DV01⁵) of Ch\$60 million (Ch\$20 million as of 31 December 2020) which, according to the historical Value at Risk (VaR⁶) methodology of the risk-free rate at 1 day with a confidence level of 99%, generated interest rate risk exposure of Ch\$383 million in 12M21 (Ch\$307 million as of 31 December 2020).

The following tables show how the value of the bond portfolio changes in percentage terms when there are changes in interest rates:

Table 9: Sensitivity to Interest Rate Variations

Interest rate delta (basis points)	25	50	75	100	125	150	175	200
Net portfolio change due to a cut in interest rates	0.56%	1.13%	1.69%	2.25%	2.81%	3.38%	3.94%	4.50%
Net portfolio change due to a hike in interest rates	-0.56%	-1.13%	-1.69%	-2.25%	-2.81%	-3.38%	-3.94%	-4.50%

⁵ DV01 is the market value x the modified duration x 1 basis point.

⁶ VaR is the maximum expected loss considering a history timeline of 1 year with a confidence level of 99%.

The company has a portfolio of trading and hedging derivatives used to mitigate interest rate and exchange rate risks of financial liabilities. Since the portfolio of trading derivatives has a very short-term maturity structure, it has an interest rate risk with a low impact on profit and loss. On the other hand, hedging derivatives cover most of the liabilities structured in foreign currency and with variable rates (LIBOR), maintaining quite a limited risk exposure with a low impact on profit and loss of these kinds of operations.

Table 10: Exposure and Sensitivity by Currency

Exposure	31-12-21									
	Trading Derivatives					Hedging Derivatives				
	UF'000	EUR'000	CLP'000	USD'000	CHF'000	UF'000	EUR'000	CLP'000	USD'000	CHF'000
Up to 1 year	518,850	14,365,595	(386,816,791)	381,896,394	-	63,057,334	-	(86,290,047)	(151,501,061)	187,979,775
1 to 3 years	510,814	-	1,266,545	-	-	60,330,684	-	(51,714,863)	(128,072,969)	131,031,684
Over 3 years	-	-	-	-	-	-	-	-	640,575	-
Total	1,029,664	14,365,595	(385,550,246)	381,896,394	-	123,388,018	-	(138,004,910)	(278,933,455)	319,011,460

Note: the table shows the exposure at the present value of the portfolio of trading and hedging derivatives, according to the currencies adopted and terms. The amounts have been translated to Ch\$'000 and are absolute values.

Sens. +1bp	31-12-21									
	Trading Derivatives					Hedging Derivatives				
	UF'000	EUR'000	CLP'000	USD'000	CHF'000	UF'000	EUR'000	CLP'000	USD'000	CHF'000
Up to 1 year	(20)	(764)	4,677	(4,119)	-	(1,735)	-	3,142	13,622	(16,333)
1 to 3 years	(77)	-	(199)	-	-	(15,094)	-	12,099	28,750	(30,061)
Over 3 years	-	-	-	-	-	-	-	-	(274)	-
Total	(97)	(764)	4,478	(4,119)	-	(16,829)	-	15,241	42,098	(46,394)

Note: the table shows the potential loss or gain, expressed in Ch\$'000, to which the portfolios of trading and hedging derivatives are exposed, if valuation rates rise by 1 basis point, according to the currencies adopted and terms on the reference date.

Fallout of the COVID-19 pandemic

The global pandemic caused by COVID-19 has posed, and still poses, a series of global risks and challenges for Chile. The risks and challenges are not only present in the health area but also in the finances of all market agents.

Right from the outset, the company has striven to safeguard the health of its employees, adopting different related internal guidelines and policies. Due to the measures put in place since late 2019, the company has been able to adopt remote working for its employees. In line with the phases implemented by the Ministry of Health, the company has made more flexible a semi in-person work system, thereby assuring employee health and the continuity of operations in accordance with the highest standards of effectiveness and efficiency, besides fully complying with legislation and the applicable regulation on labour and stock market issues.

Although it is true that the pandemic is still evolving, according to the internal forecasts of the company and the performance of the market in the last few months it is estimated that this crisis could get worse and have a greater or lower impact on certain businesses, affecting the volume of their operations and the price of their assets. The company has, however, managed to mitigate the undesired effects with a series of measures.

The company is monitoring the evolution of the pandemic daily so it can make the best decisions, always safeguarding the wellbeing of its employees and fulfilment of its obligations.

For further details regarding this section, please see Note 4 and Note 10 of the company's 12M21 financial statements.



SUMMARISED **FINANCIAL STATEMENTS OF SUBSIDIARIES**

TANNER INVESTMENTS SPA AND SUBSIDIARIES

Balance Sheet (Ch\$'000)					31.12.2021 Ch\$'000	31.12.2020 Ch\$'000	
Total current assets					162,492,827	165,696,790	
Total non-current assets					10,514,590	9,133,764	
Total assets					173,007,417	174,830,554	
Total current liabilities					139,184,164	141,518,184	
Total non-current liabilities					233,894	432,310	
Total equity					33,589,359	32,880,060	
Total equity and liabilities					173,007,417	174,830,554	
Statement of Comprehensive Income (Ch\$'000)					31.12.2021 Ch\$'000	31.12.2020 Ch\$'000	
Gross margin					6,696,108	9,848,202	
Operating income					1,949,140	6,966,299	
Income before tax and others					2,198,846	6,659,412	
Income tax					(119,966)	(1,518,077)	
Income for the year					2,078,880	5,141,335	
Other comprehensive income					(1,333,604)	(37,251)	
Total comprehensive income for the year					745,276	5,104,084	
Statement of Cash Flows (Ch\$'000)					31.12.2021 Ch\$'000	31.12.2020 Ch\$'000	
Cash flows used in operating activities					8,346,594	14,341,833	
Cash flows used in investing activities					(82,334)	(1,037,997)	
Cash flows used in financing activities					(204,358)	(7,392,696)	
Effect of exchange rates on cash and cash equivalents and others					1,380,690	(945,415)	
Net increase (decrease) in cash and cash equivalents					9,440,592	4,965,725	
Statement of Changes in Net Equity (Ch\$'000)		Share capital Ch\$'000	Other reserves Ch\$'000	Retained earnings Ch\$'000	Equity attributable to the owners of the Parent Ch\$'000	Non- controlling interests Ch\$'000	Total equity Ch\$'000
Opening balance, current year at 01.01.2021		19,653,385	(251,482)	12,198,135	31,600,038	1,280,022	32,880,060
Increase (decrease) due to restatement		-	-	-	-	-	-
Restated opening balance		19,653,385	(251,482)	12,198,135	31,600,038	1,280,022	32,880,060
Changes in equity							
Comprehensive income for the year							
Income for the year		-	-	1,994,631	1,994,631	84,249	2,078,880
Other comprehensive income		-	(1,333,604)	-	(1,333,604)	-	(1,333,604)
Total comprehensive income for the year		-	(1,333,604)	1,994,631	661,027	84,249	745,276
Equity issuance		-	-	-	-	-	-
Increase (decrease) from changes in the company's interest in subsidiaries that do not entail loss of control		-	-	-	(35,977)	(35,977)	(35,977)
Total changes in equity		-	(1,333,604)	1,994,631	661,027	48,272	709,299
Total at 31.12.2021		19,653,385	(1,585,086)	14,192,766	32,261,065	1,328,294	33,589,359

TANNER LEASING VENDOR LTDA.

Balance Sheet (Ch\$'000)	31.12.2021 Ch\$'000	31.12.2020 Ch\$'000
Total current assets	7,953,968	87,116,874
Total non-current assets	4,416,024	5,173,578
Total assets	12,369,992	92,290,452
Total current liabilities	3,177,030	62,577,299
Total non-current liabilities	-	-
Total equity	9,192,962	29,713,153
Total equity and liabilities	12,369,992	92,290,452

Statement of Comprehensive Income (Ch\$'000)	31.12.2021 (Ch\$'000)	31.12.2020 (Ch\$'000)
Gross margin	360,751	782,862
Income before tax and others	(19,707)	(7,034)
Income tax	696,320	254,741
Income for the year attributable to the owners of the Parent	676,613	247,707

Statement of Cash Flows (Ch\$'000)	31.12.2021 (Ch\$'000)	31.12.2020 (Ch\$'000)
Cash flows used in operating activities	2,648,294	3,929,713
Cash flows used in financing activities	(3,640,156)	(2,728,435)
Net increase (decrease) in cash and cash equivalents	(991,862)	1,201,278

Statement of Changes in Net Equity (Ch\$'000)	Share capital	Fair value reserve	Total other reserves	Retained earnings	Total equity
Opening balance, current year at 01.01.2021	4,512,806	-	-	25,200,347	29,713,153
Adjustment for initial application of IFRS 9	-	-	-	-	-
Restated balance at 01.01.2021	4,512,806	-	-	25,200,347	29,713,153
Income for the year					
Income for the year	-	-	-	676,613	676,613
Other comprehensive income	-	-	-	-	-
Income for the year	-	-	-	676,613	676,613
Total contributions and distributions	-	-	-	(21,196,804)	(21,196,804)
Total transactions with the company's owners	-	-	-	(20,520,191)	(20,520,191)
Balance at 31.12.2021	4,512,806	-	-	4,680,156	9,192,962

TANNER LEASING S.A.

Balance Sheet (Ch\$'000)	31.12.2021 (Ch\$'000)	31.12.2020 (Ch\$'000)
Total current assets	794,433,520	929,871,487
Total non-current assets	112,246,380	77,282,340
Total assets	906,679,900	1,007,153,827
Total current liabilities	821,288,710	942,946,602
Total non-current liabilities	-	-
Total equity	85,391,190	64,207,225
Total equity and liabilities	906,679,900	1,007,153,827

Statement of Comprehensive Income (Ch\$'000)	31.12.2021 (Ch\$'000)	31.12.2020 (Ch\$'000)
Gross margin	29,754,602	24,800,613
Operating income	27,819,147	22,209,733
Income before tax and others	26,535,524	19,499,350
Income tax	(5,351,539)	(3,698,629)
Income for the year attributable to the owners of the Parent	21,183,985	15,800,744

Statement of Cash Flows (Ch\$'000)	31.12.2021 (Ch\$'000)	31.12.2020 (Ch\$'000)
Cash flows used in operating activities	461,995,794	325,485,116
Cash flows used in investing activities	(80,036,069)	1,425,874
Cash flows used in financing activities	(381,993,624)	(326,340,347)
Effect of exchange rates on cash and cash equivalents and others	-	-
Net increase (decrease) in cash and cash equivalents	(33,899)	570,643

Statement of Changes in Net Equity (Ch\$'000)	Share capital	Available-for-sale fair value reserve	Others	Retained earnings	Equity attributable to the owners of the Parent
Opening balance, current year at 01.01.2021	13,554	25	16,565	64,177,081	64,207,225
Adjustment for initial application of IFRS 9	-	-	-	-	-
Increase (decrease) due to restatement	-	-	-	-	-
Restated balance at 01.01.2020	13,554	25	16,565	64,177,081	64,207,225
Income for the year	-	-	-	-	21,183,985
Total comprehensive income for the year	-	-	-	21,183,985	21,183,985
Increase (decrease) from transfers and other changes	-	-	-19	-1	-20
Total transactions with the company's owners	-	-	-19	21,183,984	21,183,965
Balance at 31.12.2021	13,554	25	16,546	85,361,065	85,391,190

TANNER CORREDORA DE SEGURO LTDA.

Balance Sheet (Ch\$'000)	31.12.2021 (Ch\$'000)	31.12.2020 (Ch\$'000)
Total assets	4,671,570	9,570,112
Total liabilities	891,978	1,195,388
Total equity	3,779,592	8,374,724
Total equity and liabilities	4,671,570	9,570,112

Statement of Comprehensive Income (Ch\$'000)	31.12.2021 (Ch\$'000)	31.12.2020 (Ch\$'000)
Contribution margin	2,567,400	1,946,007
Operating income	1,734,739	1,270,489
Income before tax and others	4,864,389	3,588,818
Income tax	(1,194,797)	(916,214)
Profit in the year attributable to the owners of the Parent	3,669,592	2,672,604

Statement of Cash Flows (Ch\$'000)	31.12.2021 (Ch\$'000)	31.12.2020 (Ch\$'000)
Cash flows used in operating activities	2,724,180	2,765,422
Cash flows used in investing activities	105,958	88,720
Cash flows used in financing activities	(8,955,015)	(7,034)
Net increase (decrease) in cash and cash equivalents	(6,124,877)	2,940,369

Statement of Changes in Net Equity (Ch\$'000)	Share capital	Gain (loss) retained in prior years	Gain (loss) in the year	Retained earnings (losses)	Other reserves	Equity attributable to the owners of the Parent	Non-controlling interests	Total equity
Opening balance, current year at 01.01.2021	110,000	5,592,120	2,672,604	8,264,724	-	8,374,724	-	8,374,724
Increase (decrease) from changes in accounting policies	-	-	-	-	-	-	-	-
Increase (decrease) due to restatement	-	-	-	-	-	-	-	-
Opening balance restated at 01.01.2021	110,000	5,592,120	2,672,604	8,264,724	-	8,374,724	-	8,374,724
Changes in equity								
Comprehensive income	-	-	3,669,592	3,669,592	-	3,669,592	-	3,669,592
Gain (loss)	-	-	3,669,592	3,669,592	-	3,669,592	-	3,669,592
Decrease (increase) from other distributions to the owners	-	(8,264,724)	-	(8,264,724)	-	(8,264,724)	-	(8,264,724)
Increase (decrease) from transfers and other changes	-	2,672,604	(2,672,604)	-	-	-	-	-
Total changes in equity	-	(5,592,120)	996,988	(4,595,132)	-	(4,595,132)	-	(4,595,132)
Closing balance, current year at 31.12.2021	110,000	-	3,669,592	3,669,592	-	3,779,595	-	3,779,595

RESPONSIBILITY STATEMENT

The undersigning directors and CEO of this Annual Report for the year ended 31 December 2021 hereby declare under oath that its content is true according to the information available to them.

**Ricardo Massu M.
Chairman**

Taxpayer ID N°
6.420.113-1

**Jorge Sabag S.
Vice-Chairman**

Taxpayer ID N°
6.735.614-4

**Eduardo Massu M.
Director**

Taxpayer ID N°
4.465.911-5

**Martin Díaz Plata
Director**

UK Passport N°
720111843

**Fernando Zavala C.
Director**

Taxpayer ID N°
7.054.226-9

**Fernando Tafra S.
Director**

Taxpayer ID N°
4.778.406-9

**Derek Sassoon
CEO**

Taxpayer ID N°
14.568.029-8

This responsibility statement was signed by the directors. Copies of this document containing their signatures are available at the CEO's office.

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