

Principles for Responsible Banking Banco Promerica Second Report

March 2024

Geographic Footprint

Banco Promerica

- Guatemala
- El Salvador
- Honduras
- Costa Rica
- Dominican Republic

St. Georges Bank Grupo Promerica

- Panama
- Cayman Islands

Banpro Grupo Promerica

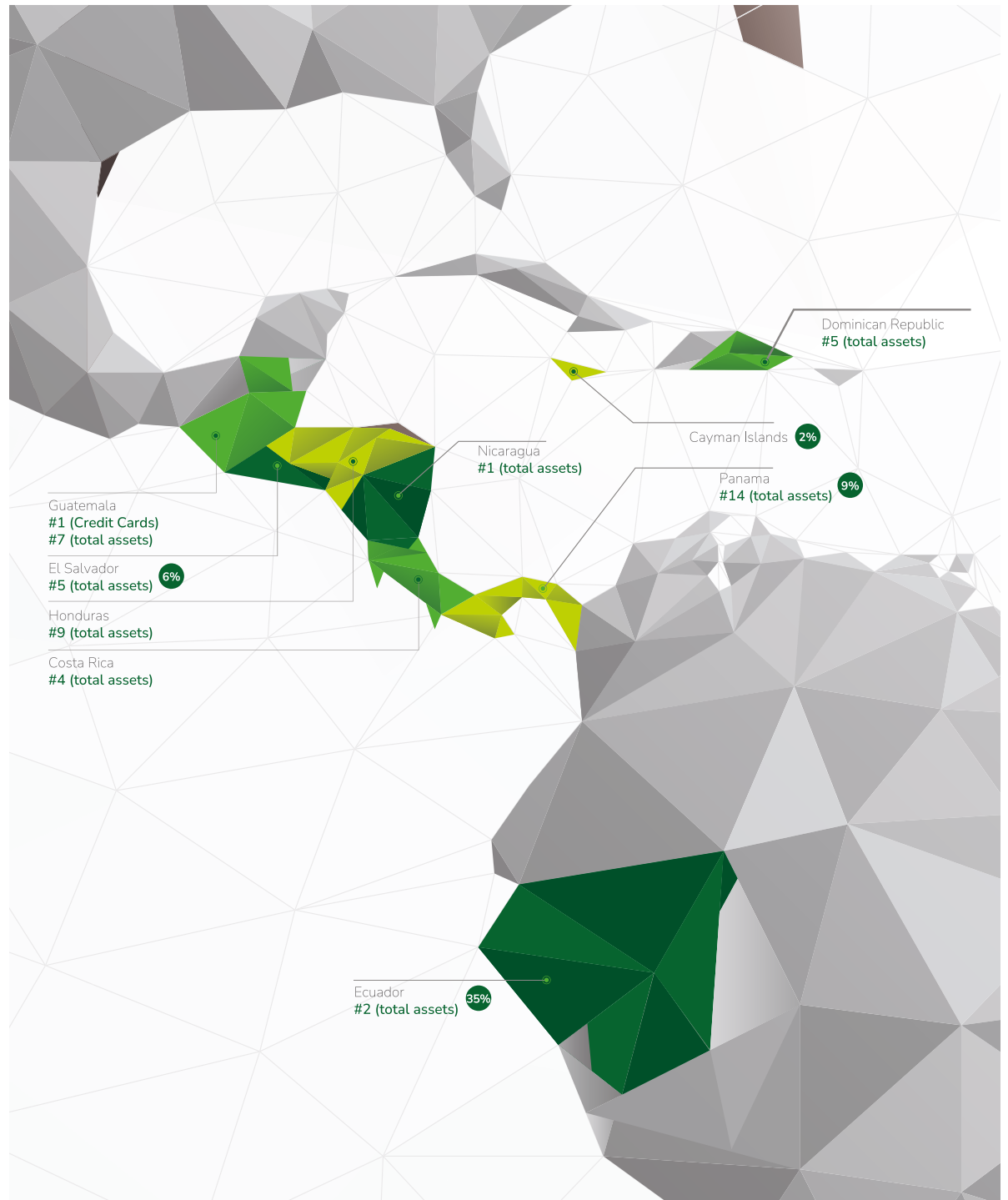
- Nicaragua

Produbanco Grupo Promerica

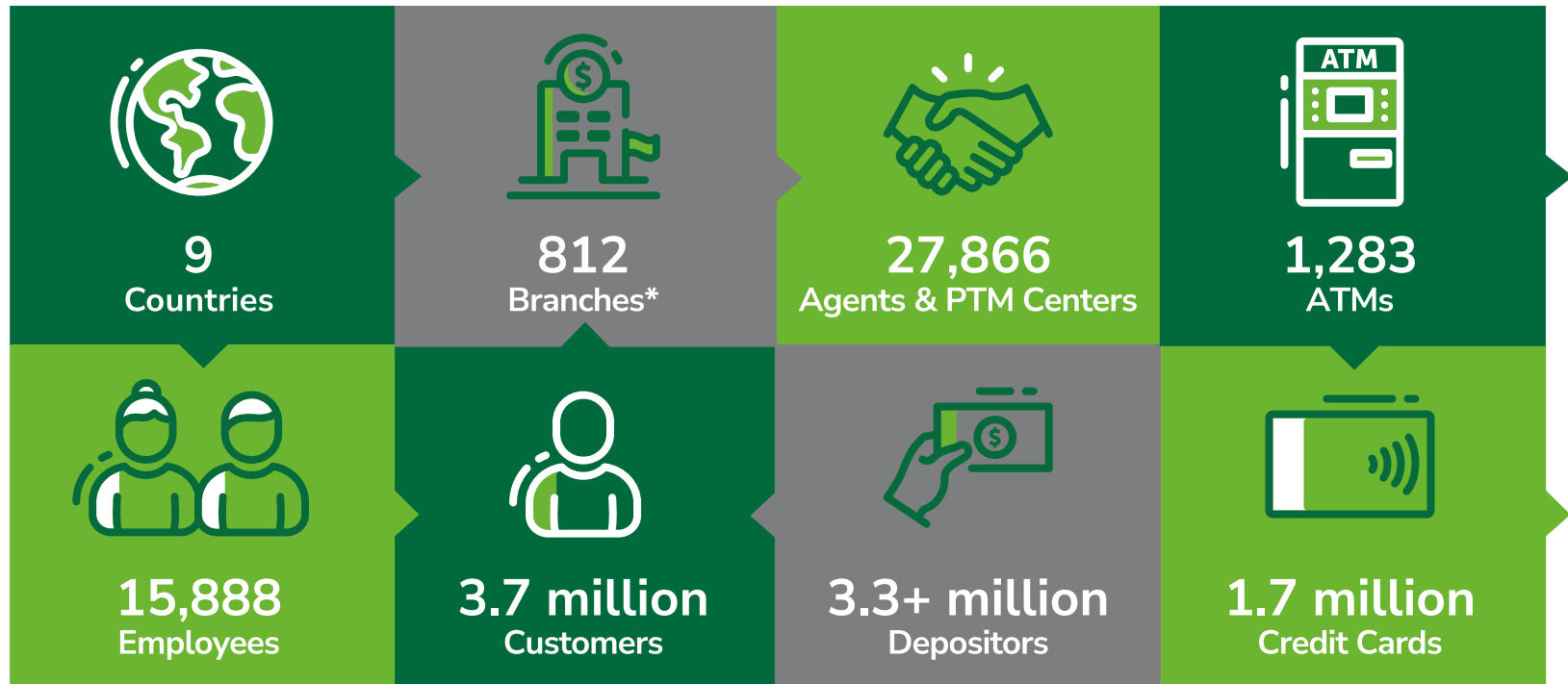
- Ecuador

Denotes ranking amongst other Banks in respective country excluding major Government banks.

 For dollarized economies, denotes share of PFC's total assets in country



Extensive operational network



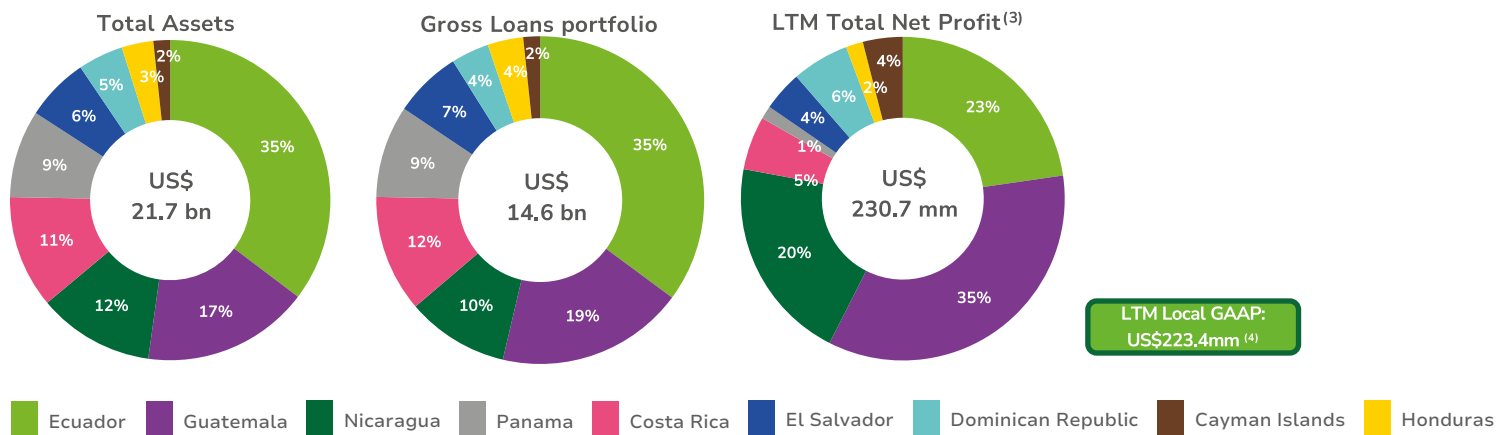
(*) Includes branches and customer service centers

PFC at-a-glance

Key consolidated financial highlights as of December 2023 ⁽¹⁾

| | | | |
|----------------------|------------|------------------|-------------|
| Gross loan portfolio | US\$14.6bn | LTM net profit | US\$183.6mm |
| Total assets | US\$21.7bn | LTM ROATE | 12.4% |
| Total deposits | US\$16.0bn | LTM ROAA | 0.90% |
| Total equity | US\$1.8bn | Capital adequacy | 12.7% |

PFC exposure by country ⁽²⁾



Diversified group with a strong presence across 9 countries in Latin America

- (1) Information on a Consolidated basis.
- (2) Only considers banking subsidiaries and excludes consolidation adjustments
- (3) Banking operations breakdown estimated on a combined basis
- (4) LTM Local GAAP on a combined basis.



Strong presence in El Salvador, 55 service points in the country

- It has been one of the Banks with continuous organic growth through the years
- It is characterized for Balance between Disruption and Solid Risk Management, profitability with a True Customer Focus. It is about Innovation, Relationship, Trust and Security.

Legal Structure | Banco Promerica El Salvador

Property structure as of December 2023

| | | |
|------------------------|--|----------------------------|
| PHL | Ramiro José Ortiz Mayorga 100.00% | |
| PFC | PHL 98.42% | Mario Rappaccioli 1.58% |
| IFP | PFC 97.09% | 74 Accionistas 2.91% |
| Banco Promerica | IFP 99.99% | 9 Accionistas 0.01% |

Corporate Values | Banco Promerica El Salvador

Vision:

At Grupo Promerica we believe that all people and companies in our communities should push their limits to achieve the success they deserve.

Mission:

Promote a bank that develops relationships and offers products and services to our communities, to help them overcome their limits, be they cultural, economic, personal or geographical.

Values

Permanent empathy

Putting ourselves in the place of the other, understanding their goals is our essence to find solutions together We promote relationship banking that develops ethical and profitable businesses in the long term.

Entrepreneurs by nature

We were born with the vision and work of entrepreneurs who never gave up facing borders cultural, economic, personal or geographical With this nature we want to inspire others

Shared trust

Our actions in the markets we serve strengthen the trust and credibility that identifies us for make joint decisions with our clients and achieve mutually beneficial results

Common culture

We are from here, we know our communities, we know the challenges that we overcome We use our experience, energy and creativity to overcome prejudices and setbacks and thus help them achieve their dreams



Corporate Governance

Corporate Governance Standards

Comply with the Corporate Governance Technical Standards (NRP-17) issued by the Central Reserve Bank of El Salvador, and the Corporate Governance Code approved by its Board of Directors, considering the following aspects:

1. Shareholders

The General Shareholders' Meeting is the highest authority within the entity. Its primary functions include adopting various agreements regarding governance and ensuring compliance with the Articles of Incorporation.

2. Board of Directors

The Board of Directors is tasked with strategically leading the Bank. They must supervise and control Senior Management to ensure that objectives are met, strategic guidelines are followed, risk levels are approved, and the general interests of the entity are maintained.

3. Senior Management

Responsible for implementing the policies and internal controls approved by the Board of Directors. They must ensure these are executed and reported on at least annually. Additionally, they are accountable for ensuring that the financial information accurately reflects the true financial situation of the entity.

4. Committees

The Board of Directors has established Committees that operate in accordance with the Corporate Governance Code and the regulations set by the Central Reserve Bank. The Committees' sessions are documented in clear and detailed minutes that outline the basis of their agreements, which are accessible to the Board members.

5. Corporate Governance Code

The Board of Directors has approved the Corporate Governance Code that contains the pre-established and formal internal governance guidelines related to the Bank's corporate governance model. Its content complements the provisions of the Bank's Articles of Incorporation and the applicable legal framework.

6. Code of Ethics

The Board of Directors has approved the Code of Ethics, which contains the guidelines to guide the actions of the Board of Directors, Senior Management and, in general, that of all Bank employees, through five principles, aligned with corporate values.

7. Annual Corporate Governance Report

Within the first 90 days of each year, the Corporate Governance Report is prepared. The Board of Directors is responsible for its content, approval, and publication, following the Corporate Governance Technical Standards (NRP-17). The report is sent to the Superintendence of the Financial System within ten days of approval.

8. Transparency of Information

In attention to the Transparency of Information, the Banco Promerica website has a section called "Corporate Governance", which includes documents, reports and standards.

Policy and Statutory Committees

| | |
|--|---|
| Audit Committee |  |
| Assets and Liabilities Committee |  |
| Compliance Committee |  |
| Comprehensive Risk Management Committee/CAIR |  |
| Committee of Business Continuity |  |

Ethical and conduct standards

Ethics code is summarized in 5 principles applicable to all employees:

- Complies with laws, rules, regulations, policies and procedures.
- Respects confidentiality and protects the integrity and security of assets, communications, information and transactions
- Acts with honesty and integrity
- Treats all with justice, equity and respect
- Avoid situations with conflict of interests

[Código de Ética \(promericanet.com.sv\)](http://promericanet.com.sv)

Strategic Plan 2020 - 2025

1 
Primero El Cliente

2 
Eficiencia y Manejo del Riesgo

3 
Crecimiento Rentable y Sostenible

4 
Transformación Digital

5 
Talento

1. Leadership in Customer Experience

- Relationship banking- Commercial model “Acción”
- Process optimization
- New structure – Retail, Corporate

2. Operation strenghtening

1. Functional structure
2. 3 lines of defense
3. Audit E2E based on risks
4. Risk apetite
5. Disciplined follow-up on accounts integration and conciliation

3. Profitable and sustainable bank

1. Scale economies, grow more than market
2. Better mix – core deposits and risk apetite
3. Sustainability strategy Implementation across areas

4. Leaders in Digital adoption

1. Digital culture
2. Best in customer experience
3. Digital sales
4. Advanced digital analytics
5. Super app UX

5. Preferred employer and high performance culture

1. Performance evaluation
2. Development and succession plan
3. Competitive compensation plan
4. Women advance
5. Certified Great Place to Work for 3 years

Awards and Recognition



2023:

- President Lázaro Figueroa recognized as CEO of the Year at the DyN 2023 Awards by Derecho y Negocios.
- Certified for the fourth consecutive year as one of “The Best Places to Work® in Central America and the Caribbean” by Great Place to Work® (GPTW).
- Recognized by Aldeas Infantiles SOS for efforts in child welfare under CSR strategy at the Innova RSE Forum.
- Named one of the most beloved brands in the region’s banking sector by Lovemarks, according to Estrategia y Negocios.
- Ranked 13th in Digital Transformation among companies in El Salvador by Summa magazine in 2023.
- Ranked 26th in the Best Employers in Central America and the Dominican Republic 2023 by Summa magazine.
- Positioned 30th in the Central America Banks ranking by Estrategia & Negocios in 2023.
- Ranked 3rd in the top 20 customer service companies in El Salvador by Summa magazine in late 2023.



2024:

- IDB has recognized Promerica El Salvador as a success story and pioneer for the implementation of an impact measurement system presented in Sustainable Week
- Recognition as leader in sustainable finance compared to a benchmark of banks in the country and Latin America with the Implementation of a Sustainable Finance Portal.
- Collaboration with IFC to publish a manual for green bond emissions.

These achievements are the result of the effort of key areas to promote initiatives within the 4 pillars of the sustainability strategy.

Blog: <https://idbinvest.org/es/blog/impacto-en-el-desarrollo/una-empresadora-obtiene-un-prestamo-que-pasa-despues-la-importancia>

Participation in IDB Invest Sustainability Week:

https://www.linkedin.com/posts/promericafinancialcorporation_idb-invest-sustainability-week-activity-7208952324814192641-xju8?utm_source=share&utm_medium=member_desktop

Our commitment to Sustainability

“At Banco Promerica, we believe that financing sustainability means guaranteeing the future of new generations. We are a Group that seeks to achieve a positive impact by offering a portfolio of products and social investments in our communities that generate a balance between social equity, environmental viability and economic development in a sustainable manner.”

Lázaro Figueroa
Executive President of Banco Promerica El Salvador



Signatories of Principles of Responsible Banking

The United Nations Principles for Responsible Banking represent a unique context for the sustainable banking industry, developed through a partnership between banks around the world and the United Nations Environment Programme Finance Initiative (UNEP FI).

The Principles are the fundamental framework to ensure that banks' strategy and practice can be aligned with the vision society has set for its future, within the UN Sustainable Development Goals and the Paris Climate Agreement. Banks that have signed this document commit to being ambitious in their sustainability strategies, working to prioritize and embed sustainability at the heart of their business, while enabling them to remain at the forefront of sustainable finance.

Banco Promerica signed the commitment in 2021.



News: [https://www.promerica.com.sv/noticias/art%C3%ADculos/firma-de-pbr-con-la-unepl/](https://www.promerica.com.sv/noticias/art%C3%ADculos/firma-de-pbr-con-la-unepl)

Strategic Plan | Sustainability model

This is the set of products and services the Bank offers that are aligned with development goals such as green lines, EE & RE, women-led companies, green accounts and other instruments such as sustainable bond.

Processes and systems to keep track of development indicators for measuring the accomplishments in Sustainability. Sustainable strategy implementation, Reporting and partnerships



Support to the communities where we are present – donations to causes, support to foundations, volunteer day and programs for financial education. Corporate Social Responsibility programs, support to non-profit organizations and financial education, specially Actuar es Vivir, foundation to prevent cancer in women.

This refers to the actions internally adopted to contribute to reduce the impact of the bank's activities such as efficient use of water and electricity, waste management and recycling, digital solutions for reducing the use of paper. This also includes wellness programs for employees and equality between women and men at work.

Enviromental, Social and Governance Risk Management (ARAS-G)

This framework integrates ESG considerations into the bank's decision-making processes to enhance long-term resilience and compliance with regulatory standards.

Sustainable Banking | Grupo Promerica

Develop Sustainability strategy of the Group aligned to Sustainable Development Goals and to other international frameworks and commitments.

Gobernance

- Creation of regional and local bodies to enable the Implementation of the objectives and organizational synergies

Sustainability Leaders

- Responsible for implementing the Sustainability strategy in the Banks of Grupo Promerica
- Coordinate with bank and PFC senior management for regional actions

Lines of Action

- Sustainable products
- Impact measurement
- Lead by example
- Social Investment
- Environmental and Social Risk Management and Governance

Pro- Sustainable Regional Commission

Develop Sustainability strategy of the Group aligned to Sustainable Development Goals and to other international frameworks and commitments.



Ramiro N. Ortiz



Karla Icaza



Jean Paul Rigalt
Director JDs



Oscar Delgadillo
Director JDs



Denise Henriquez
Director JDs



Mario Rappaccioli
Director JDs

Local Sustainability Committee| Banco Promerica El Salvador

| | | | | |
|-------------------------|--------------------|---------------------------------------|--|---------------------------------------|
| Sustainability Strategy | Family of products | Sustainable Products | Green lines Women-led businesses | Young-led businesses Green account |
| | | Financing and sustainable bond | Mobilization of green and social funds Technical assistance programs | |
| | Lead by example | Administration and strategic sourcing | Recycling program Resource efficiency in offices and banking Agencies | |
| | | Talent | Culture Policies and gender equality (internal) Internal communication | |
| | Social Investment | Partnerships | | |
| | | External Communication | | |
| | | CSR and Financial Education | | |
| | ESG | Policies and ESMS manuals | | |
| | | Multilateral work plans in ESMS | | |
| | Impact measurement | Progress indicators | | |
| | | Status of projects | | |
| | | Strategic partnerships | | |

Sustainable Development Goals



The 2030 agenda for Sustainable Development defines 17 global goals with 169 targets that seek to promote development along 3 factors: economic, environmental and social, with a focus on equity and inclusion.

We contemplate our activities consider the contribution to Sustainable Development Goals, especially those related to ensure prosperity for all and leave no one behind.

The bank has a commitment with 10 objectives with their correspondent indicators of impact.

International and Local Commitments



We are signatories of Principles for Responsible Banking since 2021

“The signing of the Principles of Responsible Banking with UNEP FI is a reflection of our commitment to incorporate sustainability as a strategic priority, thus providing long-term value for our clients, employees, shareholders and society in general.” Lázaro Figueroa, Executive President of Banco Promerica El Salvador

In support of

WOMEN'S EMPOWERMENT PRINCIPLES

Established by UN Women and the UN Global Compact Office

We are signatories of Women Empowerment Principles (WEPs) since 2022

WEPs are based on international labor and human rights standards and are based on the recognition that businesses have an interest and responsibility in gender equality and women's empowerment.



Sustainability Protocol since 2019

On October 01, 2019 Salvadoran Banking Association through its banks members signed their Sustainability Protocol as a way of institutionalizing support for the country's sustainable development.

The agreement contemplates 4 work lines with the objective of positively impacting environmental conservation and resource sustainability:

- integral management of resources and value chain
- development of specialized products and services
- consideration of portfolio impacts
- programs for the sustainable development of communities.

Relationships with stakeholders

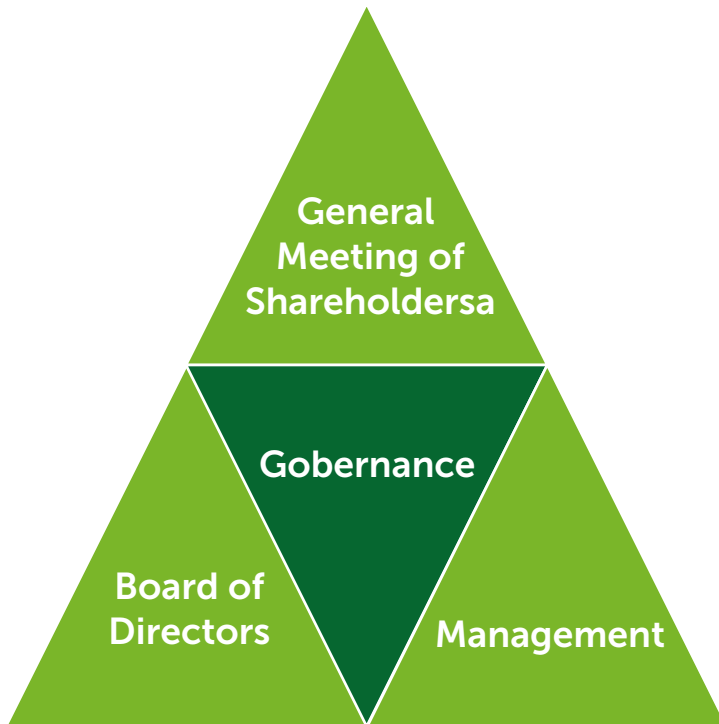
Banco Promerica interacts with different stakeholders and has these approaches:

- **Visits to customers:** we value relationship banking and through these visits we identify needs to structure a proposition, solution or collaboration. We maintain a close relationship with customers, especially corporate and SMEs.
- **Participation in business associations:** it is an opportunity to meet and network with different industries, leading to collaboration, new business opportunities and partnerships.
- **Feedback to regulators:** we have actively participated in the construction of the recently published NRP-53 Technical Standards for Environmental and Social Risk Management, also we are in constant communication with Superintendence of the Financial System and Central Bank
- **Shareholders:** The bank maintains a transparent and communicative relationship with its shareholders, providing regular updates on financial performance, strategic initiatives, and corporate governance. By aligning the interests of the shareholders with the bank's long-term objectives, the institution seeks to build trust and confidence among its investor base, ensuring a mutually beneficial relationship that supports sustainable growth.

The next step will be a double materiality study to include the point of view from relevant stakeholders with 3 main objectives:

1. Financial materiality: risk assessment and value creation
2. Non-financial materiality: align initiatives to core business
3. Integration of both perspectives: validate the strategy and holistic decision-making

Governance: Sustainability as a Key Driver



Sustainability strategy shared at all levels:

- Sustainability strategy and advances is shared with Board of Directors once a year
- Sustainability local roundtable: Bimonthly follow-up on Sustainability agenda with Senior Management
- Sustainable bond local roundtable: commission of key areas in the implementation of post-emission plan
- Designated champions across key areas that integrate Sustainability local roundtable.
- Training for new employees twice a month, main topics: reasons for Banco Promerica to commit to Sustainability, international framework, governance and how to support Sustainability initiatives on a daily basis.
- Sustainability strategy was shared to key positions during June 2022 Town Hall, on June 2023 we had a Sustainability themed Townhall and on 2024 we have implemented a training program in Sustainable strategy for 100% of the staff.



Assets

Segmentation of the sustainable portfolio :

- SMEs45%
- Women- led32%
- Young-led8%
- Green Loans15%



Liabilities

- Green Account
- Sustainable Bond
- Development Institutions & Funds



Technical Assistance

- CABI Green MSMEs Initiative
- BID Invest Impact Measurement System



Green lines

Objective:

Generate credits, products and services aimed at financing productive activities and investment projects that seek savings through energy efficiency, renewable energies, and that seek to prevent or mitigate environmental impacts.



Green lines represent 10% of the portfolio of productive loans

Actions

- Develop and/or enhance green credits in all countries
- Automatized green segmentation
- Develop and replicate best practices within Promerica Group to standardize the product features in the region
- Identify green allies in each country for new partnerships and business development
- ESMS enforcement
- Technical support from multilaterals and development Banks

Results

- Increase of 39% in balance from 2022 to 2023
- Visits to a sample of clients in green portfolio with development banks
- Signing of agreement under Green SMEs Initiative with BCIE, KFW and EU
- Advance in work plan with ESMS
- Energy efficiency training for SMEs and Corporate executives
- Segmentation and definition for green categories with the support from external validators

Green Lines Customer testimonials



Aristos (Grupo Escobar Guillen)

Client of Banco Promerica El Salvador since 2022, currently managing products such as:

- Checking account
- Services payment
- Planilla
- International transfers
- Loans
- Loans for Management team

At Aristos Inmobiliaria we are committed to the development and revitalization of El Salvador. Thanks to our strategic alliance with Banco Promerica and the benefits in its green credit lines, it has allowed us to grow and consolidate ourselves as the 5th generator of photovoltaic energy in the country and stand out with the construction and development of our technological project DataTrust, the first data Tier III commercial certified center from El Salvador. Thanks to this, we started the technological hub at national level.



Women-led SMEs

Objective:

Socioeconomic advancement and empowerment of women through access to financing



Women-led SMEs represent 20% of the portfolio of productive loans



Apoyamos tu esfuerzo y trabajo constante

Por ello hemos creado para ti un programa de beneficios

Beneficios

- Crédito para capital de trabajo o innovación
- Creación de tu tienda virtual NID!
- Tarjeta Pyme desde \$2,000
- Acceso a nuestro portal de educación financiera

Actions

The product that target women-led SMEs is a loan with an integral value proposal that includes:

- credit for working capital or innovation
- creation of the on-line shop to enter the world of e-commerce
- SME credit card
- access to the e-learning site among other benefits

The guarantees cover up to 70% of the amount granted. The process starts with the promotion of the credit through SME executives and the credit request goes through a QR code to the next phase, which is the initial contact and the regular process of approval starts.

Women-led SME Customer testimonials



**Flores de
Guatemala**

Client of Banco Promerica El Salvador since 2014, currently managing products such as:

- Integra Account
- POS
- Planilla
- International transfers
- Sociocredit
- Loans
- Credit card



I thank Banco Promerica because they have been a support for us with all the services they have for SMEs. I am so happy with the Integra business account because with that account I only deposit in Guatemala, we pay suppliers, we pay Costa Rica, I have paid with the account to Ecuador. Promerica has supported us with cards and loans for working capital.



Flores de Guatemala has 6 branches nationwide and has presence in Guatemala. Also, it has suppliers in Costa Rica and Ecuador.

<https://www.facebook.com/FloresdeGuatemalaOficial/videos/flores-de-guatemala-banco-promerica/1217854642022344/>

Non-financial initiatives for WSMEs

Alliance to create an e-learning platform for women-led SMEs based on focus groups to know the needs and aspirations of the segment.



Sponsor of the first ConneCTour, organized by the Chamber of Commerce of El Salvador aimed at tourism companies. (176 participants, 59% women)



Sponsor of Logistics Services event, organized by the Chamber of Commerce of El Salvador, (195 attendees, 43% women).



Business breakfast for customers on electronic invoicing for SMEs



Green account

Green Account is an account that contributes to environmental care, it allows clients to save and at the same time support financing activities that contribute to caring for the environment in a sustainable and long-term way.

This is a product that directs resources for sustainable projects or green portfolio, also allows the users to know the destination of the resources. It can be a tool for financial education and promote sustainable banking since it has reduced the use of paper for resource optimization.

The funds are directed to finance Green Lines Program, the customers receive a bulletin indicating the projects the Banks is investing and it was launched in December 2022



Cuenta Verde

¡Súmate al cambio y di sí a la sostenibilidad!

Es una cuenta, que permite a los clientes ahorrar y al mismo tiempo apoyar actividades de financiamiento que aporten al cuidado del medio ambiente de una manera sostenible y a largo plazo.

[Abre tu Cuenta Aquí](#)



The green account has grown 2.4 times from December 2023 to March 2024

<https://www.promerica.com.sv/cuenta-verde/>

Sustainable bond

Objective:

The objective of the sustainable bond emission for the bank is to leverage financial resources for projects aligned with the Sustainable Development Goals (SDGs), focusing on addressing climate change and promoting environmental and social solutions. The bank aims to contribute to sustainable development in El Salvador by financing green and social projects while adhering to ethical and responsible investment practices.

Actions

1. **Allocate Funds Responsibly:** Use proceeds from the sustainable bond to finance new credits for the social and green portfolios.
2. **Collaborate with Partners:** Work with institutions like the Stock Exchange of El Salvador to ensure successful and official bond placement.
3. **Reaffirm Commitment to Sustainable Development:** Channel financial resources into projects that benefit social, environmental, and economic aspects.

Results

1. **Improved Access to Long-Term Financing:** Enhance financing for businesses with positive social and environmental impacts.
2. **Injection of Resources:** Support economic growth in El Salvador through new financial resources.
3. **Promotion of Best Practices:** Encourage industries to pursue profitable projects that respect the environment and society.
4. **Demonstrated Commitment to Quality of Life Improvement:** Reflect dedication to improving quality of life by supporting development and minimizing risks for women-led businesses and other segments.



As of December 31, 2023, 130 projects have been financed for US\$27.8 million from a program of US\$100 million.

Of the current balance, 32% of the projects are towards companies led by women, 30% towards renewable energy projects, 29% towards SMEs and 8% youth-led companies

Report for 2nd year: <https://www.promerica.com.sv/media/593124/segundo-reporte-de-gestio-n-bono-sostenible.pdf>

Contribution to the SDGs: <https://www.promerica.com.sv/media/591332/objetivos-sostenibilidad.pdf>

Support to IFC in publishing the Manual for Green Bond Emissions for Financial Institutions in LAC: <https://promerica.com.sv/media/593110/sostenibilidad.pdf>

Leading by example: Environmental



Savings with environmental initiatives

| | | |
|---------------------|---------------------------------------|--|
| <p>Solar Panels</p> | <p>LED illumination</p> | <p>Air Conditioners</p> |
| <p>E-mailing</p> | <p>Plastic use reduction projects</p> | <ul style="list-style-type: none">• Reduction of CO2 tons 14.4 TON• Recycling Paper 6,967.3 KG• Paper Consumption Reduction 2,074.3 KG |

Projects

- Expanded service capabilities with Punto Ágil and modernized electronic lobbies
- Strengthened Business Continuity with Crisis Management, and Disaster Recovery plans.
- Cost optimizations through Strategic Sourcing
- Updated Occupational Health and Safety systems and launched a SharePoint site for improved communication.
- Other projects for optimizations: Electronic signatura, Electronic bill transactions through “super app”, account statement by email and client update project

Leading by example: Social

Objective:

Internal program and initiatives to promote women empowerment and gender equality in the workplace

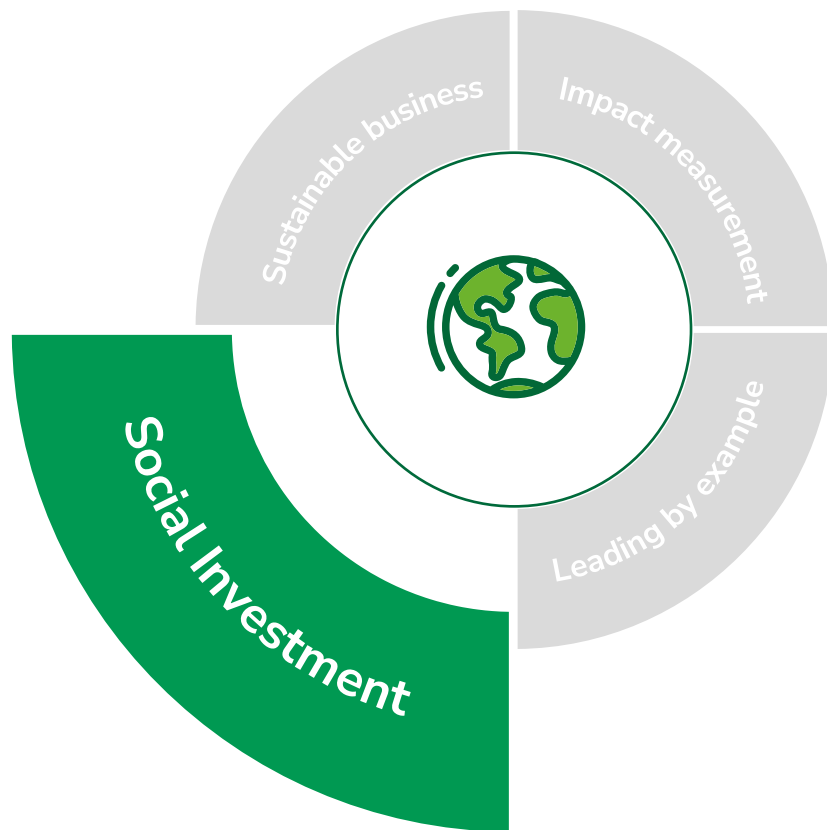
Actions

- **Employer Brand and Recognition:**
 - Recognized as a Great Place to Work and Great Place to Work for Women for 4 consecutive years.
 - Emphasis on gender equality in job postings and selection processes.
- **Training and Awareness Programs:**
 - Conducts webinars and local training initiatives (Protagonistas Program).
 - Focus on educating employees on gender equality issues.
- **Diversity and Leadership Development:**
 - Actively promotes diversity in leadership roles.
 - Implements succession plans and mentorship programs for women.
- **Flexible Work Environment:**
 - Provides facilities for lactation center.
 - Supports work-life balance with flexible hours and maternity leave benefits.
- **Community Empowerment Initiatives:**
 - Engages in local initiatives to empower women in 4 areas in Social Responsibility Programs: Education, Women advance, Communities and
 - Employee contributions to Fundación Actuar es Vivir in 2023.
- **HR Policies and Principles:**
 - Adheres to HR policies ensuring a harassment-free workplace.
 - Commits to UN Women's Women Empowerment Principles (WEPs).



Protagonistas 2023: <https://www.promerica.com.sv/noticias/art%C3%ADculos/soy-protagonista/>

Social Investment: “Banca con solidaridad”



In 2023, Banco Promerica reinforced its commitment to sustainability through its “Banca con Solidaridad” program. Key initiatives included a donation to FUNDACTUAR for breast cancer prevention and support, raising over 10% through employee contributions, and organizing the “Kilómetros Rosa” run.

The bank also engaged in environmental efforts by sponsoring a beach cleanup and providing community support. Financial education remained a cornerstone, with the “Aprende con Banco Promerica” program training 213 individuals.

Other notable activities included supporting SOS Children’s Villages, participating in Global Money Week, and various community donations and events, all driven by the dedicated efforts of Banco Promerica and its employees.

Más información: <https://www.promerica.com.sv/media/593068/memoria-2023-completa-web.pdf>

4 pillars in Banca con Solidaridad



Financial Education



- “Aprende con Promerica” Program



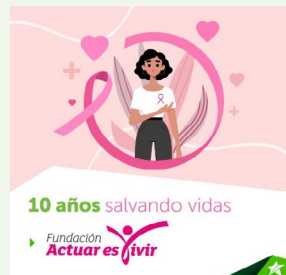
Environment



- Héroe promericano (Volunteering)
- Beach clean-up/ Reforestation



Women Advance



- Fundactuar
- Donations to other causes

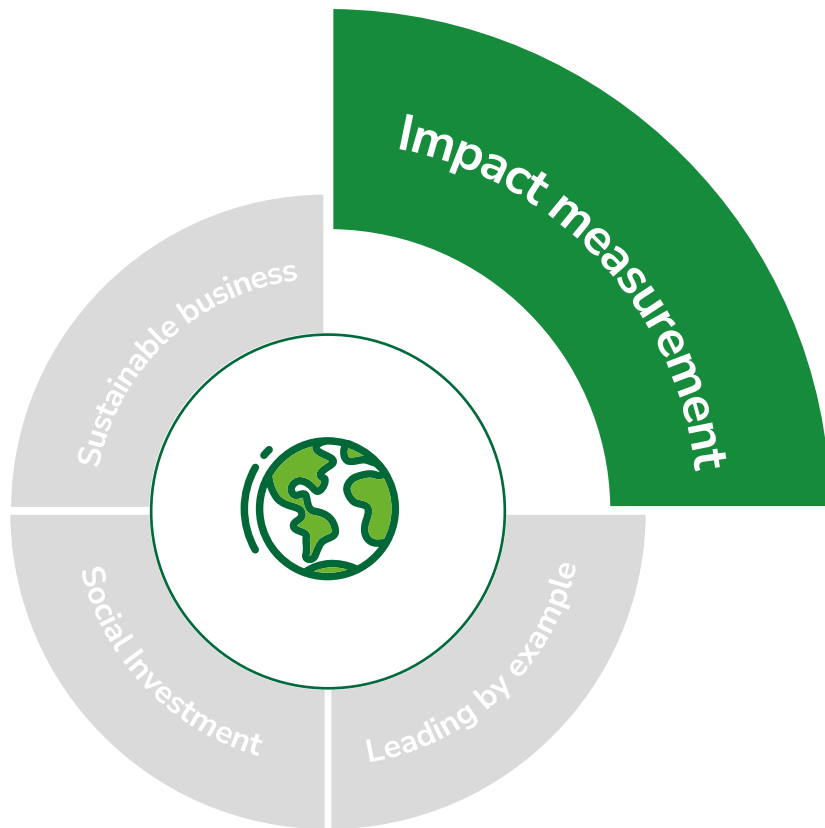


Community



- Allies and non-profit organizations

First private bank to implement an Impact Measurement system



SIMIPROS: Impact Measurement System for Sustainable Projects First private bank to implement a centralized customer information collection system for thematic credit labeling and monitoring of green and social credits. Initiative with support from IDB Invest.



Environmental, Social and Governance Risk Management (ARAS-G)

Grupo Promerica's ESG Evolution



ESG 1.0



ESG 2.0



ESG 3.0

Asistencia Stewart Redqueen

Con apoyo:



2006



Costa Rica starts with ARAS 1.0, as a pioneer country of Grupo Promerica.

▶ 2008



The first update of SARAS is carried out, each subsidiary began to work on its policy.

▶ 2014



Costa Rica, Nicaragua and Panama lead the way in the ARAS 2.0 shift

▶ 2016



Joins Grupo Produbanco and Banco Promerica GT merges with Citi Bank Guatemala, starting with ARAS 2.0 all subsidiaries

▶ 2021



Costa Rica, Nicaragua, Ecuador lead the new version of ARAS 3.0 that incorporates IFC PS and prepares Roll out for the Group

▶ 2023



All subsidiaries start the Implementation of ARAS 3.0 and it is planned to introduce Climate Risks (Physical and Transition)

▶ 2024-2025



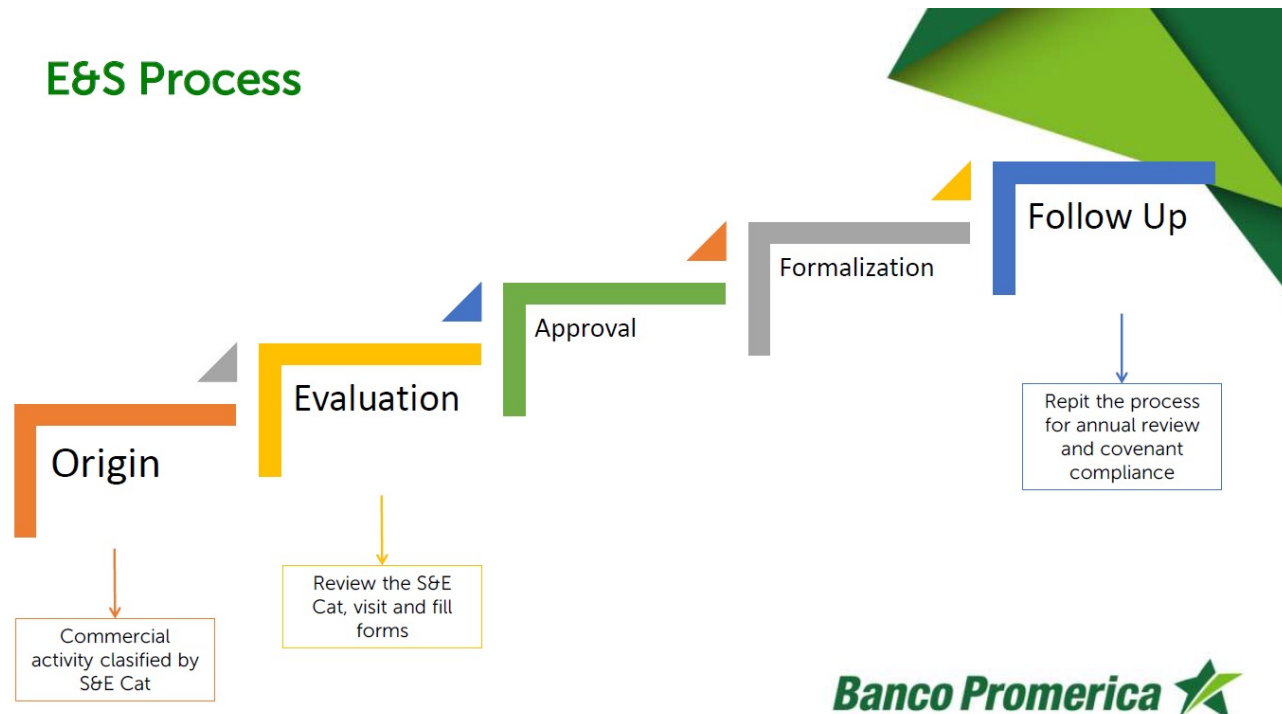
Physical Hazards Transition Risks TCFD

Environmental and Social Management System

The Implementation of the ESMS methodology for credit rating at the beginning of the granting process has not only created value for the Green Lines Program, but also for the bank's portfolio since all commercial credit operations are analyzed with the same parameters.

Objectives

- Banco Promerica assumes the principles of environmental and social responsibilities with special focus in the analysis of the company sector, and therefore issues the following policies for:
- Establish a performance space that integrates the principles of the referred environmental and social responsibilities principles in the Bank's strategy.
- Issuance of policies of Environmental and Social Risks Management, that contributes to preserve the quality of the credit portfolio.



Reporting

- A calendar with progress on sustainability-related projects is presented bimonthly to Senior Management
- To measure progress, key indicators are tracked monthly from a cross-cutting perspective and include 4 pillars according to regional Sustainability strategy.
- The dashboard is shared with the members of the local sustainability board so that we are aware of the performance of key projects and initiatives, which allows us to adjust or accelerate along the way.
- The dashboard includes indicators for green lines performance, portfolio by segment, human talent, CSR and internal environmental initiatives.
- We have published the second report on use of funds from the sustainable bond with a third-party verification, As of December 31, 2023, 130 projects have been financed for \$27.8 million. Of the current balance of \$16.9 million, 32% of the projects are towards companies led by women, 30% towards renewable energy projects, 29% towards SMEs and 8% to youth-led companies

PCS PACIFIC CORPORATE SUSTAINABILITY

INFORME DE REVISIÓN POST EMISIÓN DE BONO SOSTENIBLE

- ▶ Banco Promerica El Salvador
- ▶ La Libertad, El Salvador
- ▶ Marzo, 2024



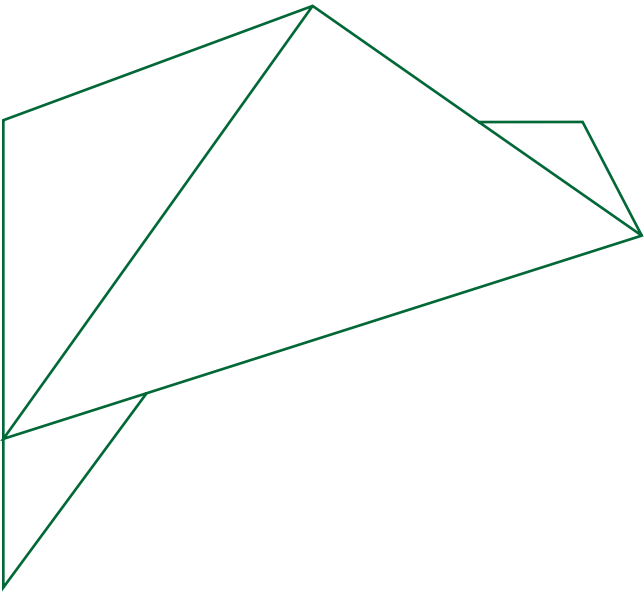
Segundo reporte de gestión del bono sostenible.

Al cierre de diciembre de 2023

Contenido

| | |
|---|----|
| 1. Mensaje de Presidencia | 2 |
| 2. Introducción | 2 |
| 3. Categorías elegibles para el uso de fondos obtenidos del bono sostenible | 8 |
| 4. Criterios de elegibilidad..... | 9 |
| 5. Contribución a los Objetivos de Desarrollo Sostenible..... | 12 |
| 6. Mesa del bono sostenible | 18 |
| 7. Uso de los recursos..... | 18 |
| 7. Conclusión | 20 |





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