

Sustainability Report 2019



Sustainability Report 2019

Credits

Banco del Pacífico Publication

Strategic Planning – Corporate Governance and Social Responsibility

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GRI 102-1 / GRI 102-3

BANCO DEL PACÍFICO

Edif. Banco del Pacífico

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Letter from the Chairman of the Board of Directors

Sustainability Report 2019

In this changing environment, Banco del Pacífico continues to achieve significant financial results, which are reflected in the successful implementation of the strategy that is focused on creating value for the Customer, and the solid institutional values that guide our actions and behavior.

We have strengthened our Corporate Governance, which is a key pillar in the integrity of this institution, while ensuring a proper management that adheres to the rules, and, above all, transparency of information with our stakeholders.

During 2019, the Ecuadorian banking system, as well as our institution, continued expanding to higher rates than those registered in 2018. Our total assets grew 10%, one point higher in relation to the total of the rest of the banks (9%). With these results, Banco del Pacífico maintains its leadership with a participation of 13.6%.

We are aware that the private sector is an essential part to move forward in terms of the economic development of the country, therefore, during 2019, we have channeled USD 1,065 millions to the production and commercial sector, which helps enhance its growth and consequently sustain and generate employment.

The current context in which we operate, enable us to create opportunities through a better value proposal, focused on helping people and companies achieve their personal and business objectives. In this framework, we have developed the most digital proposal in the market, with a wide range of products and specialized services y flexible rates. The pillars to build this added value proposal were data analytics and the implementation of new technologies.

The digital acceleration of our business is linked to the way in which we operate internally. Therefore, we are strengthening organizational health and taking actions in order to promote cultural change that will allow us to innovate, design and execute in an accelerated manner while focusing on the Client.

In addition, we have begun to implement working methods based on business agility, which allows us to ensure our competitive position, make the most out of our company's existing capacities and ensure alignment between strategies and execution. The implementation of this efficient work model, has once again made us a pioneer and a role model in the national financial system.

Our commitment to society and the environment, has taken us to manage our business in a responsible and inclusive way, contributing to the development of the country and creating value for our customers and community. This philosophy has been the foundation of our banking activity, which has allowed us to achieve significant results.

I feel proud of the success that Banco del Pacífico has achieved, which can be attributed to the fact that we have internalized our responsibility with our country, our customers, the environment and our employees, whom I want to acknowledge for their dedication and commitment to our company.

To conclude, I want to thank our customers for their loyalty and preference, for our part, we shall continue to work towards improving their daily experience while using our products and financial services.



Econ. Mario Paz y Miño Phillips
CHAIRMAN OF THE BOARD OF DIRECTORS



Letter from the Chief Executive Officer

GRI 102-14 / GRI 102-15

Once again, I am pleased to share with you the accomplishments achieved by our institution during the challenging year of 2019, in which we reaffirm our commitment of driving the economic development and well-being of the entire country.

The economic slowdown, geopolitical conflicts, and businesses that were affected globally along with the cessation of the country's productive activities in October; had an impact on GDP, which was placed at 0.1% by the end of 2019.

Despite this unfavorable environment, the Ecuadorian Financial System experienced a significant growth of 8% in total deposits, while ensuring soundness and trust to its customers.

To be preferred by people and companies

In this context, it is important to acknowledge the role of Banco del Pacífico of becoming the biggest contributor to the growth in deposits compared to the rest of private banks, with a 19% equivalent to USD 464 millions acquired by the trust our customers have placed in us.

This important result, allowed us to contribute to the development of several economic sectors in 2019, by allocating USD 1,387 millions to the portfolio, with the best rates and conditions on the market, and therefore, meet our objective: "To be a universal bank and a leader in all segments, with the best customer experience, through digital innovation and a sustainable and human business model."

Progress in transformation and digital innovation

We have experienced the first results of our third year of transformation, achieving that 89% of all transactions are handled electronically and digitally, making it more accessible to our customers to self-manage all financial services in a secure, simple and intuitive manner.

A clear evidence of this improvement is accounted for the 94 million transactions through our Virtual Bank, as well as the 32 million transactions through the Mobile Banking. On the latter, we have duplicated the number of active clients compared to the previous year. In addition, with our virtual agent Sophi, we have reached a record number of 3.8 million interactions, being WhatsApp the social network with the highest impact.

As technology advances, and the penetration of the internet increases exponentially in the region, the Bank takes over these opportunities by applying them into their products. Through our star channel Onboard BdP, more than 146 thousand Ecuadorians opened a savings account using their mobile device, which represents 46% of the total number of savings accounts opened. During the course of the year, we incorporated new products within this app, which resulted in sales to triple.

A great contribution to our mobile users was the launch of the BdP Keyboard, through which they are able to carry out different transactions while browsing through their social networks. This product was nominated by Fintech Americas in the Channel Innovation category.

In October, we marked a historic landmark by opening BdP Touch in the city of Quito, the first digital office of the entire Ecuadorian Financial System and the third in Latin-American. This dynamic space, with a new management model, was designed as a place where you can experience and try firsthand, all innovative solutions that our company will offer, while promoting cultural exchange and self-service through our digital and electronic channels.

In the midst of strong waves, our country is always first

In a complex economic environment, our institution kept its commitment to the country, by boosting its economic and social development, channeling a significant amount of USD 1,065 millions to the commercial and productive sector, and ensuring housing for Ecuadorians with USD 22 millions in housing loans.

Similarly, for immediate financial needs, we granted USD 33 millions through our Easy Credit. We enabled access to education through our Pacífico Student Loan, granting a total of USD 33 millions. In order to foster entrepreneurship, we provided USD 29 millions through our Pacífico Entrepreneur product and; through our Opportunities Bank, a product that aims to help sole traders grow, we were able to contribute USD 12 millions throughout this year.

Our effort and demonstrated commitment to the service of the community has allowed us to reach excellent financial indicators, as well as international recognition, placing us in the ranking of the best 4 banks in Latin America published by the América Economía magazine. In addition, we received the highest distinction in the Best Commercial Bank and the Best Innovation in Ecuadorian Commercial Banking categories, awarded by the International Banker 2019 Banking Awards. All this effort converges into an optimum result for our institution, which ended this period with a total asset of more than 6,000 million and a net income that once again reached USD 100 million.

Our legacy

Our most important legacy lies on our service and commitment to the community, which will enable us to transcend through time as an organization. For this reason, through programs like “Aprendo con Mi Banco Banco” (I Learn with My Bank) and “Mi Banco Banco Me Enseña” (My Bank Teaches Me), we train 4,982 children and youth, and 1,893 adults in a fun and proactive way about the importance of financial savings, responsible lending, and banking services, with the purpose of creating long-term financial responsibility, awareness and health.

Moreover, through radio shows on Financial Education, we were able to held the first gathering called Learn and Re-Start where we offered financial tools for business growth and sustainability, which was broadcasted through 55 radio channels nationwide.

Consistent with the current preferences and the ever-growing demand for online content, we have created digital tales, that tell stories around better financial practices. Similarly, we reinforced the Mi Banco Banco TV program on YouTube, led by children for children, with the purpose of building financial foundations on the youngest members of the family and promoting financial education in an innovative way.

On the other hand, we opened the first eco-friendly building next to our headquarters in downtown Guayaquil, which has ecological criteria such as reduced energy consumption and water waste. Such measures will allow us to obtain the EDGE certification by 2020, as an strategy of our circular economy business model.

Ready for new challenges

We have the best human talent team that is highly committed and service-oriented, which are the core value of our institution, and without them we would not had been able to overcome adversity. We know that next year we will be more challenging, we are about to face a world pandemic, and I’m sure there will be much more to tell.

The strength of our spirit is like a ship sailing in high seas, resistant to wild winds and creative during thrashing storms. With steady hands on the rudder and our eye on the path laid down, we will bring progress and welfare to our society.

Finally, I warmly thank each and every one of you: our stakeholders, members of the board, clients and associates, for being part of this noble institution; and, for being an inspiration to improving every day, become leaders in modern, inclusive and universal banking, and to always serving our community.

Again, thank you for your trust. I invite you to embark in this report that gathers all of our achievements.



Ing. Efraín Vieira
CHIEF EXECUTIVE OFFICER

ABOUT THIS REPORT

GRI 102-50 / GRI 102-51 / GRI 102-52 / GRI 102-53 / GRI 102-54 / GRI 102-56

The Sustainable Report published by Banco del Pacífico, is one of the most important communication tools of this institution in terms of Sustainability. It is supplemented by information from Corporate Governance and Corporate Social Responsibility of the corporate website www.bancodelpacifico.com/grupo-bdp/.

This report has been developed according to the Comprehensive option of GRI Standards. Similarly, it follows the guidelines of version G4 of the Financial Services Sector Disclosures of the GRI.





Report Profile

GRI 102-50 / GRI 102-51 / GRI 102-52 / GRI 102-53 / GRI 102-54 / GRI 102-56

Scope and Limitations

This Sustainability Report is the ninth annual document published by Banco del Pacífico that provides information of its commitment in terms of Sustainability. This document covers the most important activities of the Bank over the entire Ecuadorian territory, for the period from January 1 and December 31 of 2019.

The economic information provided comes from the Financial Statements of the bank, which have been audited by an independent external firm. With regards to the non-financial information disclosed, it follows the guidelines of the Institute for Social and Ethical Accountability provided in the last version of the AA1000 standard, therefore, it also adheres to the principles of inclusiveness, materiality and responsiveness to the APS AA1000 2008.

The limitations to the scope of information are reflected on each following paragraph and in the GRI index of contents.

Content

In order to determine the content of this Sustainability Report, the GRI has established four principles to define the content of a Sustainability Report: inclusion of stakeholders, Sustainability context, materiality and exhaustiveness. The development process is discussed in more detail below.

This Sustainability Report is the result of the collaboration of everyone in charge of the main management areas of the Bank, who are responsible of the preparation and integrity of the information provided. The coordination effort is managed by the Corporate Governance and Social Responsibility department. The content and performance parameters provided in this report, come from the information management System of the organization, which has enabled to ensure the correct implementation of the six principles established by GRI to this effect: Accuracy, Balance, Clarity, Comparability, Reliability and Timeliness.

Verification and traceability of information

This document has not been subject to a specific process of external verification by an independent third party, with regards to the implementation of GRI Standards. Nevertheless, a significant number of economic, environmental and/or social content, has been verified externally within specific assurance processes that the institution undergoes.

Queries and further information

In case of consults or requests for further information please go to:

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Material Issues 2019

GRI 102-46

This Sustainability Report has been developed by Banco del Pacífico based on the in-depth review and update exercise of the material issues established by the Sustainability Management provided in the previous report.

This process was carried out in accordance with the following work scheme:



1.- Impact analysis and assessment

- Review of several analyses on sectoral materiality developed by experts.
- Analysis of strategic objectives of the Institution in terms of sustainable development.
- Mapping of main impacts on sustainable development.



2.- Internal validation and prioritization

- Work session with the Board of Directors



3.- Identification of stakeholders' expectations

- 3 months of dialogue with employees.
- 1 survey to shareholders.
- 14 surveys to clients.
- 9 surveys to key informants.
- 19 surveys to suppliers.



4.- Systematization of material issues

- Processing of collected information.
- Systematization of material issues.
- Definition of report content.

GRI 102-48 / GRI 102-49

This review process of material issues, did not involve a level of modification in the structure and content provided in this Sustainability Report compared with the previous report published by the Bank.

GRI 102-44 / GRI 102-46 / GRI 102-47 / GRI 103-1 -> of all identified and reported material issues

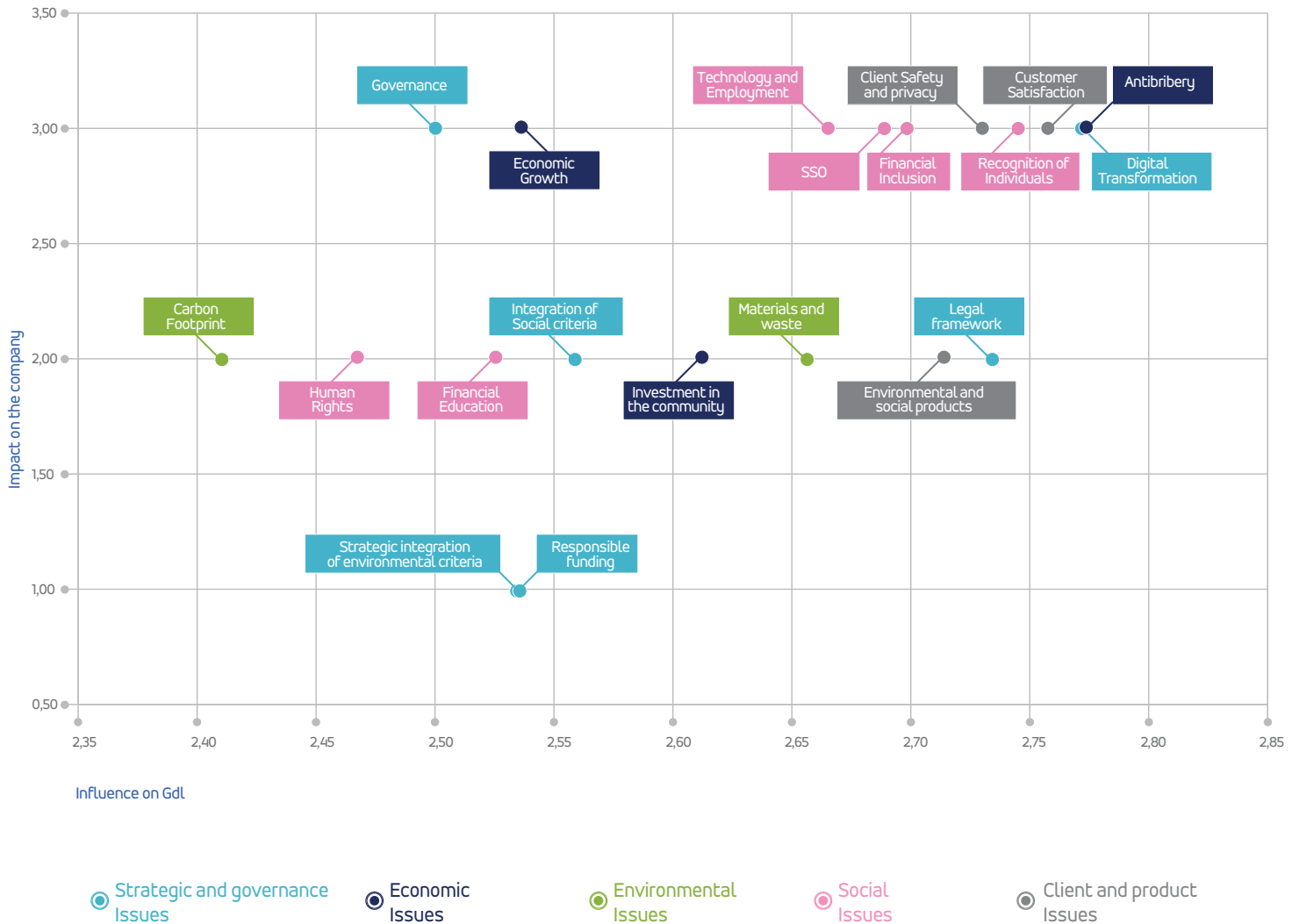
The issues identified as results of this process are listed below, for which the following has been established: its corresponding coverage and the allocated priority level according to an ascending scale from 0 to 3, 0 being the nil level of importance and 3 high level:

Bank Management Field	Identified Subject	Importance of Impact	Importance for GdL	Coverage
 Strategy / Governance	Incorporation of social criteria in the strategy, operability and product portfolio.	2.00	2.66	Internal
	Incorporation of environmental criteria in the strategy, operability and product portfolio.	1.00	2.64	Internal
	Leading Bank in digital innovation and transformation: Mobile Bank, online bank.	3.00	2.92	Internal
	Responsible funding towards clients and prevention of over-indebtedness: risk management of portfolio and systemic management.	1.00	2.64	Internal
	Consolidation of Corporate Governance of the organization.	3.00	2.60	Internal
	Strict monitoring of legal and regulatory framework.	2.00	2.89	Internal
 Economical	Growth in catchments and maximization of revenue for services.	3.00	2.64	Internal
	Investment in the community and financial contribution to social causes and social responsibility programs.	2.00	2.72	Internal
	Rigorous fight against corrupt practices.	3.00	2.92	Internal
 Environmental	Reduction of carbon foot-print (direct and indirect greenhouse gas emission measurement), especially those linked to energy consumption.	2.00	2.49	Internal
	Reduction of material consumption and specific waste generation: paper and technology products.	2.00	2.78	Internal
 Social	Balance between technological leadership and employment	3.00	2.81	Internal
	Recognition of individuals.	3.00	2.90	Internal
	Occupational Safety and Health policies and practices regarding hazards and violence in the workplace.	3.00	2.83	Internal
	Integration of human rights in investment decisions / funding decisions.	2.00	2.58	Internal
	Financial education and literacy.	2.00	2.64	Internal
	Financial inclusion and accessibility for disadvantaged groups.	3.00	2.84	Internal
 Product Responsibility	Information confidentiality and safety of our customers.	3.00	2.87	Internal
	Transparent information and appropriate customer advice.	4.00	2.84	Internal
	Customer satisfaction.	3.00	2.91	Internal
	Strengthening of product offering with specific objectives in the social and environmental sphere.	2.00	2.87	Internal

GRI 102-44 / GRI 102-46 / GRI 102-47 / GRI 103-1 -> of all identified and reported material issues

According to the recommendations of the GRI Standards, the following is a priority graphic matrix of identified material issues:

Material issues of 2019



According to the results of the materiality matrix, Banco del Pacífico has established the contents of this report, thereby reporting on the different issues identified as material throughout the following chapters of this report.

In fact, according to GRI Standards, the performed materiality exercise has allowed to establish which issues are important enough for Banco del Pacífico to provide information on the subject in its Sustainability Report. Nevertheless, not all material issues had the same level of importance. Those in the upper right quadrant are the most important for Banco del Pacífico and its stakeholders in 2019, and that is why they are highlighted in this report.



Identified material issues

GRI 102-44 / GRI 102-47 / GRI 103-1 > of all identified and reported material issues

Incorporation of social criteria in the strategy, operability and product portfolio.



Incorporation of environmental criteria in the strategy, operations and product portfolio.

Our stakeholders expect that our commitment with the environment and the society is can be reflected from our strategic planning and our general policies, up to our operational deployment through the design and range of products and services that are incorporated in these criteria.



Leadership in digital innovation and transformation.

The Bank's stakeholders expect to have access to our products and services in an easy and timely manner, through the use of new technologies, which requires us to be at the forefront in terms of innovation and operational efficiency.



Responsible funding and prevention of over-indebtedness.

Our stakeholders expect us to be responsible in our credit granting practices, constantly adjusting to their risk profile, systemically preventing their over-indebtedness, and contributing to the stability of the national financial system.



Consolidation of the Corporate Governance of the organization.

Stakeholders expect an institution like ours to have an impeccable behavior in terms of ethics and integrity, through the consolidation of the best possible governing body practices.



Strict monitoring of legal and regulatory framework.

Stakeholders expect from our organization to fully comply with the current regulation and proper creditworthiness before certification bodies.



Growth in catchments and maximization of revenue for services.

Stakeholders expect Banco del Pacífico to be a strong and trustworthy bank, with good economic results, where they can place their trust.



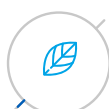
Investment in the community and financial contribution to social causes and social responsibility programs.

Our stakeholders expect from an institution like ours, to have an active participation in the community through channeling financial resources to projects and high impact causes in order to promote social change and create equal opportunities.



Rigorous fight against corrupt practices.

Stakeholders expect our Bank to have integrity and be transparent; and to properly manage ethical challenges provided by our environment.



Reduction of carbon foot-print (direct and indirect greenhouse gas emission measurement), especially those linked to energy consumption.

Our stakeholders expect us to act decisively in the global fight against climate change, through strong actions in terms of energy efficiency.



Reduction of material consumption and specific waste generation: paper and technology products.

Stakeholders of our organization expect a reduction of the direct environmental impacts caused by our operations, especially in terms of paper consumption and waste production.



Balance between technological leadership and employment

Our stakeholders expect us to responsibly handle the challenges that the digital transformation entails in terms of social aspects, due to its potential consequences on employment.

GRI 102-44 / GRI 102-47 / GRI 103-1 > of all identified and reported material issues



Recognition of individuals.

Stakeholders expect Banco del Pacífico to manage their work teams with an approach on people development, based on information, assessment and recognition of talent.



Occupational Safety and Health policies and practices regarding hazards and violence in the workplace.

Our stakeholders expect that we facilitate a safe and healthy work environment for our workers, through the proper assessment of occupational hazards and under a comprehensive management model.



Integration of human rights in investment decisions / funding decisions.

Stakeholders expect Banco del Pacífico to integrate human rights in their economic decisions, through the incorporation of specific criteria on the subject, in their investment analyses and funding or as a performance requirement in their trade relations.



Financial education and literacy.

Our stakeholders expect for us to promote the best financial education in our society, with the objective of creating a better understanding of financial concepts and a change in behavior in financial decision-making.



Financial inclusion and accessibility for disadvantaged groups.

Stakeholders expect Banco del Pacífico to favor financial inclusion through a value offer that is able to cater adequately for low-income population or with major access barriers, with the objective of favorably impact on the wellbeing and growth of the country.



Information confidentiality and safety of our customers.

Our stakeholders trust that their personal information is safe with Banco del Pacífico, and that is only used for their agreed purposes, while complying fully with the current legislation.



Transparent information and appropriate customer advice.

Stakeholders expect Banco del Pacífico to provide transparent, proper and enough information to their customers for an effective decision-making, and to also, provide appropriate solutions to their needs and personal characteristics.



Customer satisfaction.

Our stakeholders trust our business model to be mainly oriented towards the customer, and that our focus is aimed at offering the best experience, translating into a leadership in terms of customer satisfaction.



Strengthening of product offering with specific objectives in the social and environmental sphere.

Our stakeholders expect that our commitment with the environment and society is reflected on a design and range of innovative products and services that incorporate criteria to make a positive contribution to the environment and society.

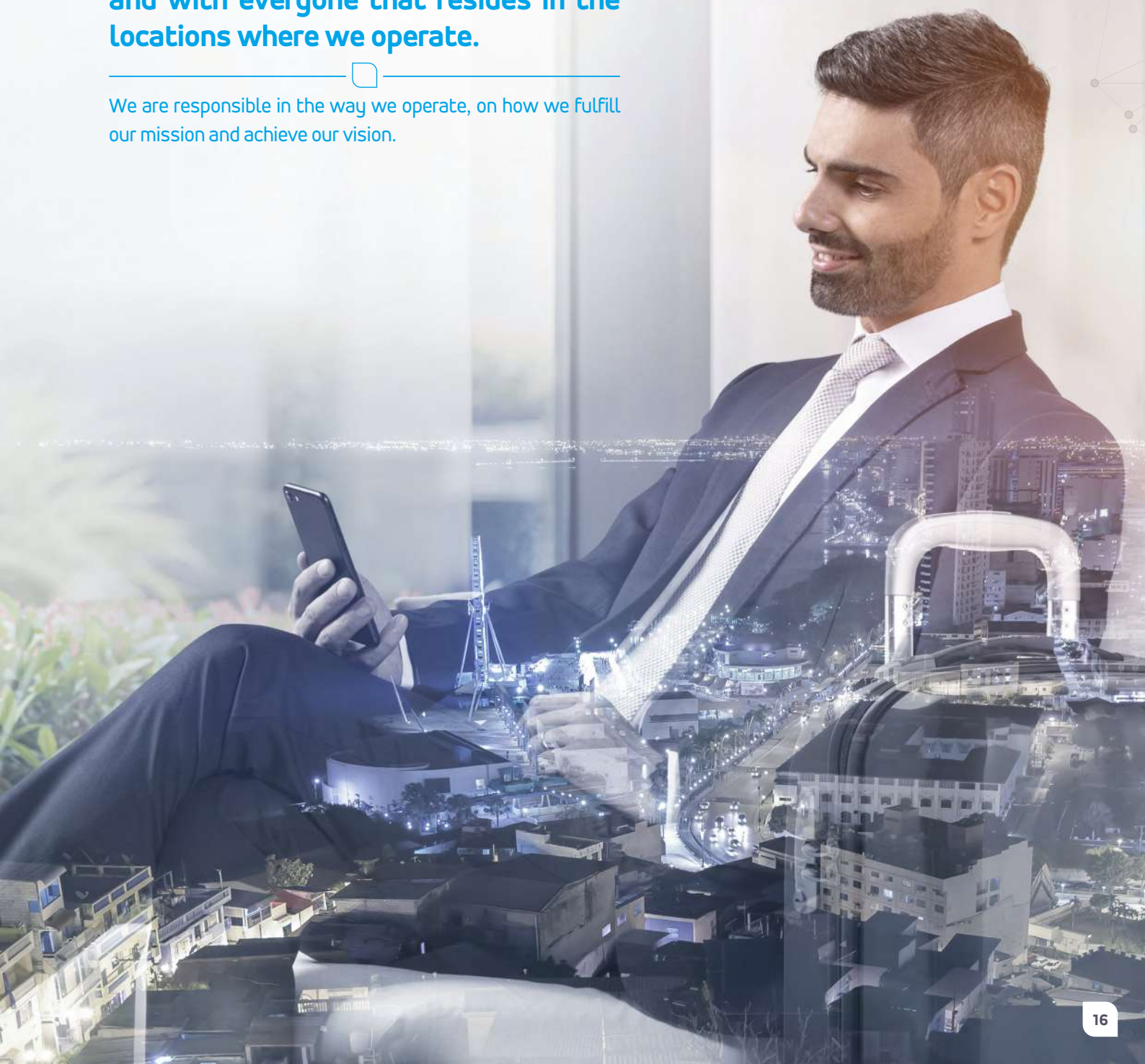


Banco del Pacífico in 2019

GRI 102-16

As one of the main banks in the country, at Banco del Pacífico we have a responsibility with our more than 3,762 employees, and with more than **2.3 million customers, and with everyone that resides in the locations where we operate.**

We are responsible in the way we operate, on how we fulfill our mission and achieve our vision.

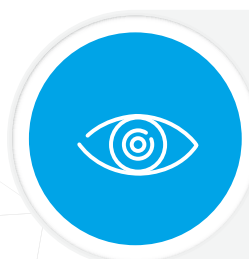


GRI 102-16



Our Mission

To contribute to the development of the country with social responsibility, while creating added value to our customers and the community, through an inclusive bank with human talent.



Our Vision

To be a universal leading bank in all aspects, with the best customer experience, through digital innovation and a sustainable and human business model.

Strategic Objectives of 2019



1

To be **the first** financial and service option



2

Provide **the best** customer experience



3

To be at the **forefront** of innovation



4

Achieve **operational and technological** excellence



5

To establish a **sustainable and human** business model



A responsible and digital business model

GRI 102-16

1. Our institutional values are the guiding principles for everything we do.



Integrity:

Demonstrate an honest, integral and sincere behavior through each and every one of our operations that shows a profound moral and ethical solvency, to avoid personal interest to influence in our decision-making.



Teamwork:

Develop our ability to work collaboratively, with a broad sense of empathy, joining forces and skills to achieve our institutional objectives.



Customer-centric approach:

Know the needs and motivations of our customers to develop competitive value proposals that enable us to provide the best experience in the market, while generating loyalty to our institution.



Innovation:

Being flexible with the capacity to evolve and promote a shift in thinking, in order to create ideas that are radically different, and that can create solutions that are substantially better for the challenges that we face from our customers.



Recognition to individuals:

To objectively value and respect talent and people's attitudes, while promoting and acknowledging good results, and making sure that this behavior moves towards the right direction and reaches the rest of the people.

GRI 102-6 / GRI 102-10

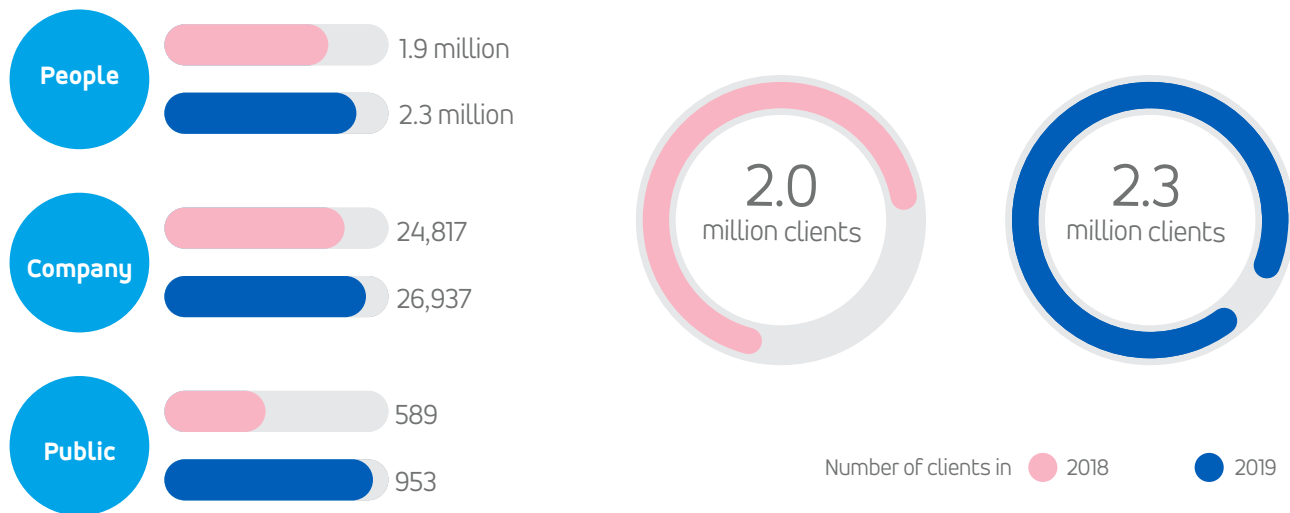
2. The customer at the center of everything we do

We understand the needs of our clients, from both companies and people. Our value offer is aimed at comprehensive and personal care for all.

In order to become the leading bank in customer satisfaction, we are consistently working towards building long-term relationships based on trust with our customers. During 2019, we continued moving forward with the consolidation of our management model, reaching to more clients through a greater number of customer service locations:



Type of Banking (clients)



2019 Coverage

GRI 102-4 / GRI 102-6 / GRI 102-10

INTERNAL NETWORK	185
Offices	110
Teller Windows	36
Virtual Center	39
COLLECTION CENTER	33
YOUR BANK HERE	15,688
ATMS	871
ATM's	446
ATM's Plus & XPlus	425

Total number of customer service locations:

16,777

“A successful digital transformation starts with the people”



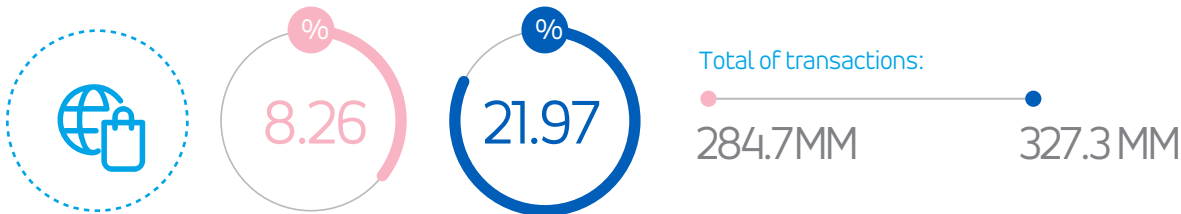
Luis Aguirre
National Manager of Transformation and Innovation

GRI 102-7

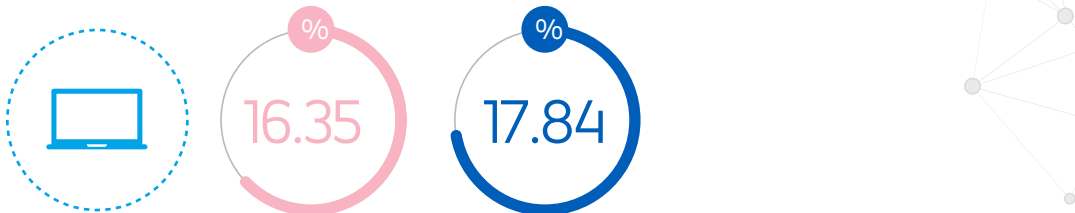
3. Digital Transformation on the service we provide

We aspire to be the Bank with the most digital value proposal in the market, while implementing easy methodologies in the workplace, which translated into a leadership in transactions and digital sales in 2019.

Products sold online



Active clients in Online Banking



Active clients in Mobile Bank



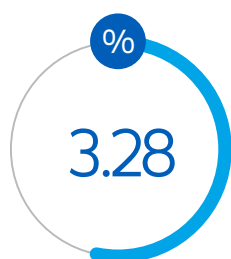
2018 2019



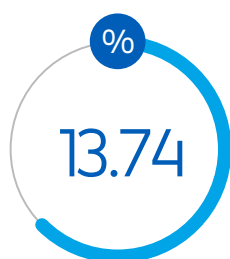
Main figures of 2019

GRI 102-7

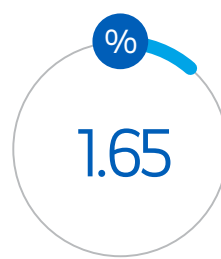
In 2019, we generated a profitable business:



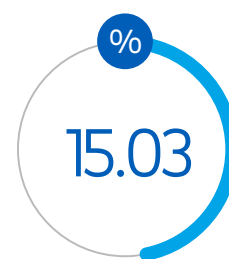
Delinquency
portfolio



NI/Income



ROA



ROE



* **ROA:** "Return on Assets" or financial profits
It is an index that measures the total profit of the organization's assets.

** **ROE:** "Return on Equity" or financial returns
It is an index that measures the return on the invested capital of shareholders.

NI/Income: Net Income/Total Income

GRI 102-7 / GRI 102-8 / GRI 102-9

...as the same time in which we contributed to the country's economic and social growth.

Employees

3,762
professionals

99.36% of employees with
permanent contracts

Among the 3 best companies to
work for in the country.
Great Place to Work (GPTW)

Customers

2.3 million
users

USD 1,388
million in loans granted

USD 20.59 million
in microloans

USD 221.11 million
in production loans

USD 30.86 million
in student loans

USD 75.3 million
in Public Housing loans

Supplier

2,354
suppliers

USD 246.17
million payments to suppliers

2,206
national suppliers

Community/ Society

365
beneficiaries of
social projects
and their family

USD 206,839
on social investment

1,732 hours
of corporate volunteering

6,875 children, youth and adults
beneficiaries from financial education programs

Establish a
**sustainable and human
business model**



Our commitment with Sustainability

Banco del Pacífico focuses its Sustainability Management approach in identifying the needs of its stakeholders, managing socio-environmental risks and creating tangible values with the purpose of achieving sustainability in the institution, the community's wellbeing and the preservation of the environment.

GRI 102 - 16

Sustainable strategic axes

By the end of 2017, the Bank carried out a comprehensive process of strategic planning in terms of Sustainability by defining the following strategic map:

Aspiration in Corporate Responsibility

Accompany the proactive deployment of the Bank's business model, while ensuring the compliance and implementation of the best sustainable practices of the sector.

Responsible Banking for People and Companies Universal

- Ensuring the safety of the client and personal information throughout all our channels.
- Lead the market with the best standards in quality customer service.
- Offer responsible advice tailored to suit the customer's needs.
- Institutionalize the financial and digital education of the Bank's clients.

Responsible Banking for People and Companies Highly vulnerable segments

- Implement human rights due diligence processes in mid-term product and service granting for segments with a higher risk.
- Promote financial inclusion of socioeconomic segments without access to banking.

Digital Innovation and Sustainability

- Develop digital skills in the Bank's employees
- Consolidate mitigation actions for climate change and sustainable use of the Bank's resources.

Organizational Health & Sustainability

- Implement and communicate in a timely manner and with transparency good governance, compliance and anticorruption practices.
- Establish and implement the social investment program of the Bank.
- Institutionalize financial and digital education of stakeholders of the Bank.
- Promote the development of our employees for a motivated and quality performance.
- Ensure high standards of health and safety in the workplace for all Bank employees.

Sustainability Key Policies

In order to tackle its sustainability strategy, Banco del Pacífico adheres to the ISO 26000 international standards. On this basis, it has developed several policies in terms of what it is looking for, on the one side, to ratify the commitment assumed by the Bank with its stakeholders and, on the other hand, to facilitate the strategic deployment of the organization.

The Bank has a Manual on Corporate Social Responsibility Policies, which establish clear guidelines on ethical, economic, social and environmental issues:



Fundamental Issues ISO 26000

- Governance
- Work practice
- Fair operational practices
- Human Rights
- Consumer Affairs
- Environment
- Active participation and development of the community

Banco del Pacífico Issues

- Corporate Governance
- Employees
- Value Chain: Suppliers
- Human Rights
- Customers
- Responsibility with the Environment
- Community development

The Sustainable Management of the Bank, incorporates the different responsibility areas of the organization in a transverse manner, and settling on several standards, both national and international, mandatory or voluntary, aside from regulations, codes and internal policies:

GRI 102-12 / GRI 419 (103-2, 103-3)

Standards

International and Voluntary

Universal Declaration of Human Rights.
International Covenant on Economic, Social and Cultural Rights.
United Nations Global Compact.
Guidelines for an Andean Code of Corporate Governance of CAF.
FELABAN's Code on Good Corporate Governance Framework for entities in the Latin American Financial Sector.
The Principles issued by the Basel Committee on Banking Supervision in their document "Enhancing Corporate Governance for Banking Organizations".
The Principles of Corporate Governance of the Organization for Economic Cooperation and Development (OECD).

Standards

ISO 9001 Standards Quality Management System.
OHSAS 18001 Standard:2017 Management System.
ISO 26000 Standard on Social Responsibility.
International Standard on Financial Information.
Standards issued by the ICC – International Chamber of Commerce.
Standards PCI-DSS.
ISO 37001 Anti-bribery Management System.
ISO 22301 Business Continuity.

National and Mandatory

Work Code.
Regulations and Resolutions from IESS and the Internal Revenue Service (IRS).
Principles of a Good Corporate Governance issued by the Superintendency of Banks.
Organic Monetary and Financial Code.
Organic Law on the Prevention, Detection and Eradication of the Crime of Asset Laundering and Financing of Crimes.
Codification of the Standards of the Superintendency of Banks.
Codification of Monetary, Financial, Securities and Insurance Resolutions of the Board on Monetary and Financial Policies and Regulations.

Internal

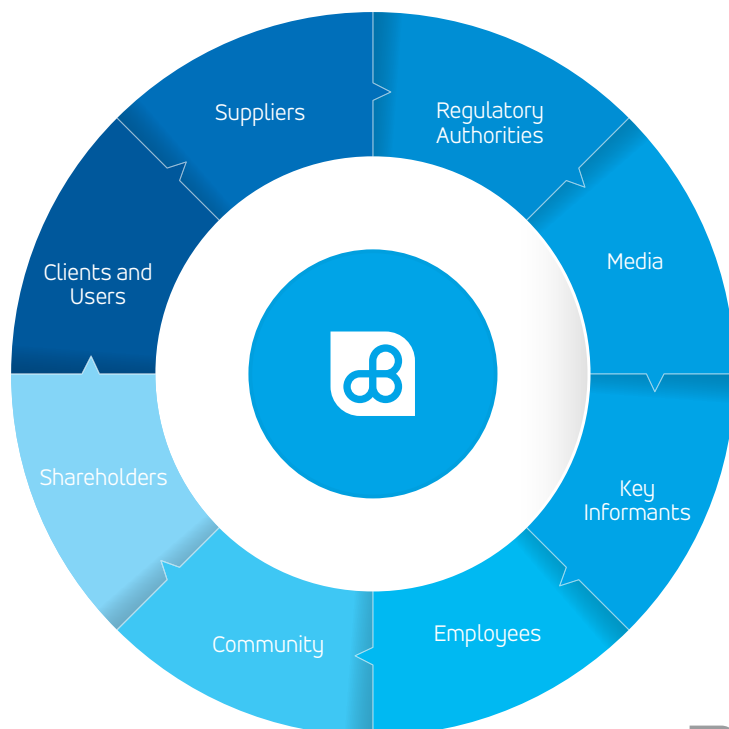
Internal Labor Regulations.
Code of ethics and conduct.
Corporate Governance Code.
Credit Policy Manual.
Policy Manual on Sojourn of Personnel.
Policy Manual on Conflicts of Interest.
Manual on Corporate Social Responsibility.
Manual on the Prevention of Asset Laundering, among others.
Procedure Manual to manage the Environmental Responsibility of the bank.

GRI 102-40 / GRI 102-42 / GRI 102-43

Dialogue with Stakeholders

In 2018, during the development of its 2018-2021 Sustainability Plan, Banco del Pacífico carried out a review and update of its stakeholders' mapping. Defined as all those people, organizations and entities that are linked to the institution and that directly or indirectly influence its business activities, each one of these interest groups are an essential part of the Bank's processes.

Furthermore, the Sustainability Plan defines and identifies what are the key aspects of the Bank's relationships with its various stakeholders.



GRI 102-44

Channels for dialogue with stakeholders

Banco del Pacífico has multiple channels that make it possible to identify the expectations of its stakeholders, and be able to act on them. It keeps an ongoing dialogue with them, carrying out studies and measurements to understand their expectations and needs, and identify the opportunities of creating long-term value.

Client Experience

CRONOS

It was created in order to improve customer experience and promoting self-service, seeking to improve the teller waiting time, deriving our customers in order for them to manage their payments and deposits in a easy and timely manner through our ATMs.

With these strategies, we obtained the following results:

INDEX	IMPLEMENTATION INDEX (August 2018)	END OF IMPLEMENTATION (December 2019)
ATM vs Teller Transaction	9%	32%
NPS (recommendation)	60%	71 points
CSAT (Satisfaction)	60%	97%
CES (Effort)	Was not measured	3.2

OLIMPO

Olimpo's use model was created with the purpose of reducing the waiting time of our customers in the Banking Service platform, managing to derive 30 of its main transactions to the Self-Service Kiosk. Furthermore, we adapted our customers to a new self-service culture, thus improving the experience at our offices.

With these strategies we were able to obtain the following results:

INDEX	IMPLEMENTATION INDEX (March 2019)	END OF IMPLEMENTATION (February 2020)
Self-Service Kiosk vs SSBB Transaction	9%	92%
NPS	63%	75 points
CSAT	96%	98%
CES	Was not measured	3



Banco del Pacífico will continue working in numerous actions to motivate our clients in the use of digital and alternative channels, with the purpose of improving the time that our clients spend when they visit our offices so that they can execute all of their transactions without leaving their home.

The Accountability Report – open event in which the highest authority of the Bank presents the results of the management carried out in the previous year – and the Sustainability Report – which provides information on the management carried out in the economic, environmental and social dimensions – they are the two main, public and transversal communication and dialogue tools with customers, shareholders, employees, community, regulatory authorities, key informants, media and suppliers.

www.bancodelpacifico.com/transparencia-de-informacion



GRI 102-44

The communication and dialogue channels that the Bank has with its main stakeholders are listed below:

Employees:

Internal Portal:	Permanent information about important activities that are being executed.
Bulk email:	Specific information that requires permanent, easy and direct dissemination.
Dialogue workshops:	Gathering held every 2 years where material issues about the institution are reviewed. Communication about the annual strategy at the national level.
Ethics Mailbox:	Permanent Channel to notify violations or complaints based on acts that go against the Code of Ethics Regulations.
Instant Messaging (WhatsApp):	Digital channel that reaches every employee, where they can interact.
Digital Boards:	Permanent interactive channel located in the main offices in Guayaquil and Quito with institutional information and of general concern.
Participation in Committees:	Bimonthly and quarterly representation at the Occupational Safety and Health Committee and the Ethics Committee.
Banco del Pacifico Portal:	Information about products, services, financial education, corporate governance, among others.
Workplace	Corporate platform and social network that allows digital communication with employees, decentralizing internal communication in an organized manner.

Regulatory Authorities and Entities:

Email:	Publication of monthly financial statements. Letter sending and reception about compliance provisions of Control Authorities.
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Customers and Users:

Banco del Pacifico Portal	It has permanent information about the products, services, financial education, corporate government, among others.
Bank statements	Monthly information about your relationship status with the Bank and product and service offering.
Mass Campaigns:	Temporary massive emails on relevant information of new services, offers, products, among others.
Surveys:	Bimonthly contracted service to identify the needs of customers and measure their level of satisfaction.
Press blog:	Permanent information about the Bank's main events that are of interest to the press.
Customer Service:	Personal attention and easy requirement management, from Monday to Friday within normal working hours.
Studies and surveys:	Proof of concept, advertising pre-test, advertising post-test performed on focus groups. Feasibility and reputation studies focused on quality of service according to requirements in the administration area.
Dialogue workshops:	Gathering held every 2 years where material issues about the institution are reviewed.
Lab and research:	Weekly service on CX (Customer Experience) / UX (User Experience), where client specific product prototypes are researched, analyzed and presented in order to measure the level of recommendation, effort and usability that the product or service has for our client.
Contact Center:	Bank Department where phone and email communication with customers is managed and coordinated.
Social Networks:	Virtual platforms that connect the Bank with the public in order to cater for inquiries and consultations.
Instant Messaging (WhatsApp):	Message app that allows to send instant messages and multimedia content to a number of users.
Virtual Agent Sophi:	Chatbot that provides information about products and services of the Bank, aside from carrying out transactions such as balance inquiry, account movements, add money, provide passwords, payments, issuance of certificates, among other things.
Digital billboards:	Permanent interactive channel located in offices with general institutional information and of general interest.

Suppliers:

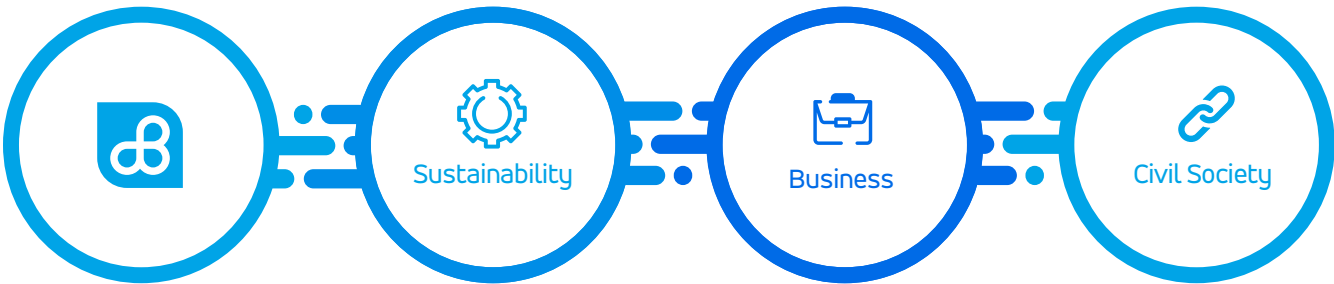
Dialogue workshops:	Gathering held every 2 years where material issues about the institution are reviewed.
Phone communication and face-to-face meetings:	In order to make consultations about procured goods and services.

GRI 102-13

Strategic Alliances:

Driven by the development of a proactive relationship with stakeholders in terms of Sustainability and businesses, Banco del Pacífico has established multiple long-term strategic alliances with several organizations.

The following were highlighted in 2019:



Ecuadorian Consortium
For Social Responsibility
- CERES

Business Council
for Sustainable Development
of Ecuador (CEMDES)

Ecuadorian Council for
Sustainable Building
(CEES)

Sustainable Finance
Committee in partnership
with Asobanca

Chamber of Commerce of
Guayaquil, Milagro, Manta,
Machala, Cuenca,
Quito and Ibarra

Ecuadorian - American
Chamber of Commerce
Ambato Branch

Ecuadorian - American
Chamber of Commerce
Guayaquil Branch

Huancavilca Foundation -
Board Member



Ethics and Transparency

Banco del Pacifico has been consolidating and strengthening its Corporate Governance, while mainly focusing on the role and functioning of the Annual General Meeting, as well as in its appropriate leadership on the main policies and strategies of the institution. Furthermore, the bank's track record shows a progressive growth in its governing bodies in terms of Sustainability Management and its associated risks, in accordance with the highest international standards on this matter, while currently performing a key role.



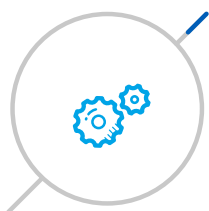


Good Corporate Governance



GRI 102-18

Governing Bodies

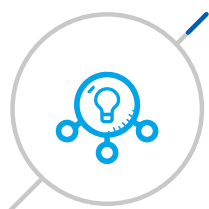


Banco del Pacífico has several Corporate Governance bodies. The management and administration bodies establish their management guidelines, and they execute and comply with all acts in order to achieve its corporate purpose.

The Bank Governance is executed, in the first place, by the Annual General Meeting (AGM). The organization's management is carried out by the Board and, along the same lines, the management is the responsibility of the Chief Executive, vice-presidents, managers, sub-managers and other officials, who have the power and responsibility as determined by the Law, which dictates the codification of the Rules of the Superintendency of Banks, the Monetary and Financial Organic Code, the Statute, its appointments and powers, as well as the Regulations and the Procedures Manual, among others.

GRI 102-5 / GRI 102-10 / GRI 102-19

Annual General Meeting

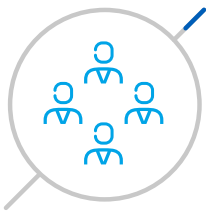


Since 2012, the only shareholder of Banco del Pacífico has been the National Financial Corporation (CFN). They share a close relationship due to the financial nature of both organizations, which was formally established for communication and accountability.

The Annual General Meeting of Banco del Pacífico is the highest authority of the Bank, which is responsible of establishing the guidelines of the business and the general policies of the entity, as well as approving the strategic plan. The decisions made by the Annual General Meeting are based on the mandatory compliance with the legal provisions and the current social statute of the institution. From these provisions, the rules, areas and authorities are established, who are in charge of managing the ethical, economic, social and environmental issues that will be undertaken by the executives of the organization. The Board adheres to its Regulations, which aims at determining its operating principles.

GRI 102-24

Board of Directors



Furthermore, the Board, commissioned by the Annual General Meeting, is the governing body that determines the general management guidelines. The Directors are chosen to exercise their functions for 2 years, and they can be re-elected indefinitely. Directors are chosen based on their personal achievements, professional career, and academic preparation in the business, economic and social sector. In addition, they have the qualifications issued by the Control Body¹.

The main goal of the Board is to govern, control and assess the Bank, and delegating their day-to-day management to the Top Management and other Government bodies established for these purposes, while focusing their activity on the general supervisory and control function.

GRI 102-22 / GRI 102-23

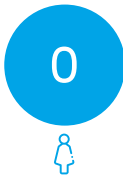
It has its own regulations, which governs its operations and organization, in addition to clearly establishing the issues on which they have to make decisions, according to the provisions of the legal regulations that govern its actions, the Social Statute, and other internal policy documents.

Main Directors:

- Econ. Mario Paz y Miño Phillips (President of the Board)²
- Econ. Jorge Ayala Romero
- Ab. Ramiro Cepeda Alvarado
- Ing. Gabriel León Muñoz

Listed below is their average time in office.

Main Directors:



¹GRI 102-24: The selection criteria are those previously mentioned and the aspects related to diversity, independence or specific knowledge in social or environmental issues are not considered as specific requisites.
²GRI 102-23: All the Directors of the Bank, including the President, are independent, they are not executives of the organization.

GRI 102-28

Relevant aspects for the Board's knowledge and resolution

With the purpose of achieving the best standards in fulfilling the principles of a good Corporate Governance, Banco del Pacífico has established a performance assessment methodology for the Board, which is annually applied for both the members and the Board as a whole.

The methodology has two main components, the first one is focused on the main results of the Institution (40%) and the second one is focused on self-assessment (60%). With regards to the self-assessment, the system measures the performance of the Board regarding the following aspects:



Strategic Approach of the Board.



Knowledge and Information of the business.



Independence and decision making process.



Functioning of Meetings and Committees.



Motivation and alignment of interests.



The results of the assessment of the Board indicated a

98.01%

which represents a satisfactory performance on behalf of the Governing Body of the institution.

PERFORMANCE ASSESSMENT OF THE BOARD IN 2019

Aspect	Relevance	Information Obtained	Result
Self-assessment	60%	98.40%	59.04%
Performance assessment of the Bank	20%	95.76%	19.15%
Assessment of Strategic Intent	20%	99.06%	19.81%
	100%		98.01%



With regards to the assessment of the President of the Board, the result obtained was

98.64%

reflecting the acknowledgment in terms of leadership and knowledge of the line of business.

PERFORMANCE ASSESSMENT OF THE PRESIDENT OF THE BOARD IN 2019

Aspect	Relevance	Information Obtained	Result
Self-assessment	60%	99.47%	59.68%
Performance assessment of the Bank	20%	95.76%	19.15%
Assessment of Strategic Intent	20%	99.06%	19.81%
	100%		98.64%

GRI 102-25

Conflict of Interest

For Banco del Pacífico it is important that the shareholder, members of the Board and employees avoid their personal interests come in conflict with the interests of the institution and/or its clients. In order to accomplish this, it adheres to a Code of Ethics, a Manual on the Prevention of Conflict of Interest Policies and other Corporate Governance documents that establish relevant aspects that can identify, prevent and manage the possible

conflict of interest that may arise from the development of the activities carried out by Grupo Financiero Banco del Pacífico (Banco del Pacífico Financial Group). The Bank evaluates the situations that may somehow create conflict between their personal interests and those of the institution, its clients and other audiences; therefore, the following regulated guidelines are established to avoid conflicts of interest:



Development of other professional activities.



Misuse of Hierarchy.



Unjustifiable profits.



Over-payments, acceptance of gifts or benefits.

In addition, mechanisms for the disclosure and resolution of conflicts of interest have been established. Furthermore, since November 2019, the Bank obtained the ISO 37001 - Anti-bribery Management System certification.

GRI 102-26

Relevant aspects for the Directory’s knowledge and resolution

With regards to the adoption of resolutions, each Director has the right to vote and resolutions are adopted by the majority of votes of directors who attended the session. In the event of situations of conflict of interest, the Board member involved will abstain from voting and will not be

allowed to participate in the debate on the issue in question. The Board of Directors adopts decisions and resolutions in accordance with the Law and the Social Statute, especially on the following aspects:

1



Strategic Plan and Business Plan of Banco del Pacífico

2



Work reports and plans issued by the Legal Representative, Top Management, Committees and Commissions.

3



Approval of policies, procedures, methodologies and internal measurement systems, Codes, Regulations, among others.

4



Issues related with the Comprehensive Risk Management, Prevention on Asset Laundering, Terrorist Financing and other Crimes, just as the Financial Education Program.

GRI 102-21 / GRI 102-29 / GRI 102-31 / GRI 102-32

In terms of Social Responsibility, the axes are reported and measured by the Board of Directors as the highest body of the Bank in the following order:



The Board of Directors of the Bank is the final body within the organization for the approval of the Sustainable Report, in such a way that every year it endorses this exercise in transparency that is based on widely recognized international standards. The results of the

materiality analyses that periodically identify the relevant issues on which the Bank establishes the content that will be used in the report after consultation with its stakeholders, and the annual reports are both shared with the Board of Directors with particular interest.



GRI 102-33

Meeting sessions of the Board of Directors

The meeting sessions of the Board of Directors are carried out by the Chief Executive, in accordance with the provisions of the Social Statute and, it is processed by the Secretariat of said collegial body, and they can be issued by written media or email.

The areas that have the different issues to be addressed, present the information to the Legal Advisory area and the General Secretariat, who channels the information provided to the Board and, who also monitors the decisions made.

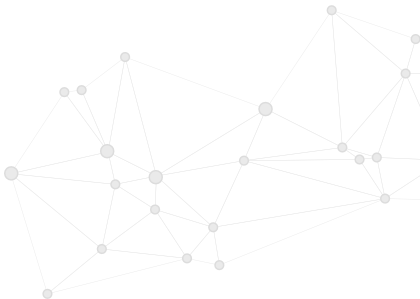
GRI 102-27

Strengthening of institutional capacity

Finally, and with the purpose of strengthening the institutional capacity, during 2019, the Bank promoted the following training to the members of the Board of Directors:

Sustainability Workshop
The following where the main objectives of the workshop:

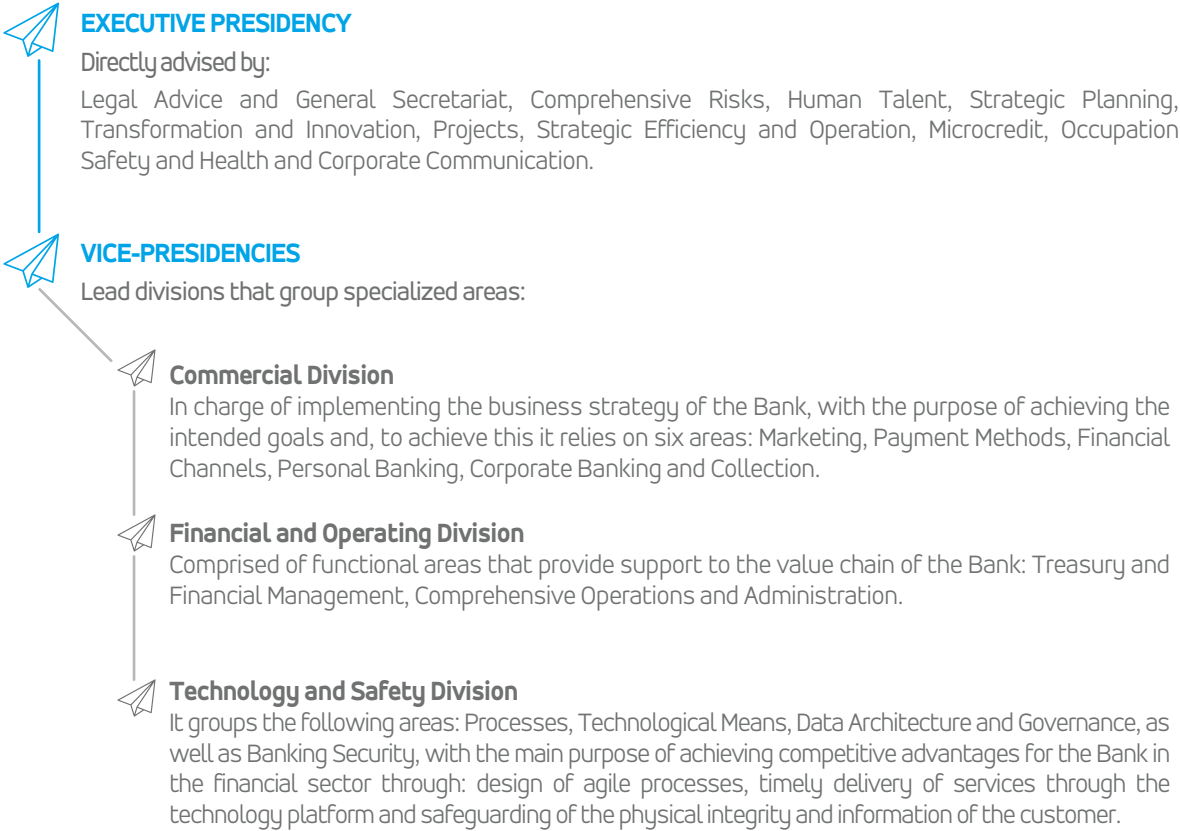
- 1 **Conveying the importance of adopting a sustainable approach** in the financial business and provide the necessary elements to identify the way to create value through sustainability in the financial sector.
- 2 **Identifying the general context** in which organizations operate, especially in the business and financial environment, in terms of sustainability.
- 3 **Become familiar with successful models** of responsible and sustainable banking.
- 4 **Identifying options to improve** the sustainable management model of Banco del Pacifico.



GRI 102-18 / GRI 102-20

Top Management and Structure of the organization

Banco del Pacifico is led by the executive presidency, and its strategic management is exercised at the head office and from there it deploys to all locations. In order to have a great delegation and control process, the Bank has established a pyramidal organization model with a functional approach that is divided into five major groups:



According to the provisions of the current regulation, the Internal Audit areas and the Regulatory Compliance Unit report directly and functionally to the Board of Directors.

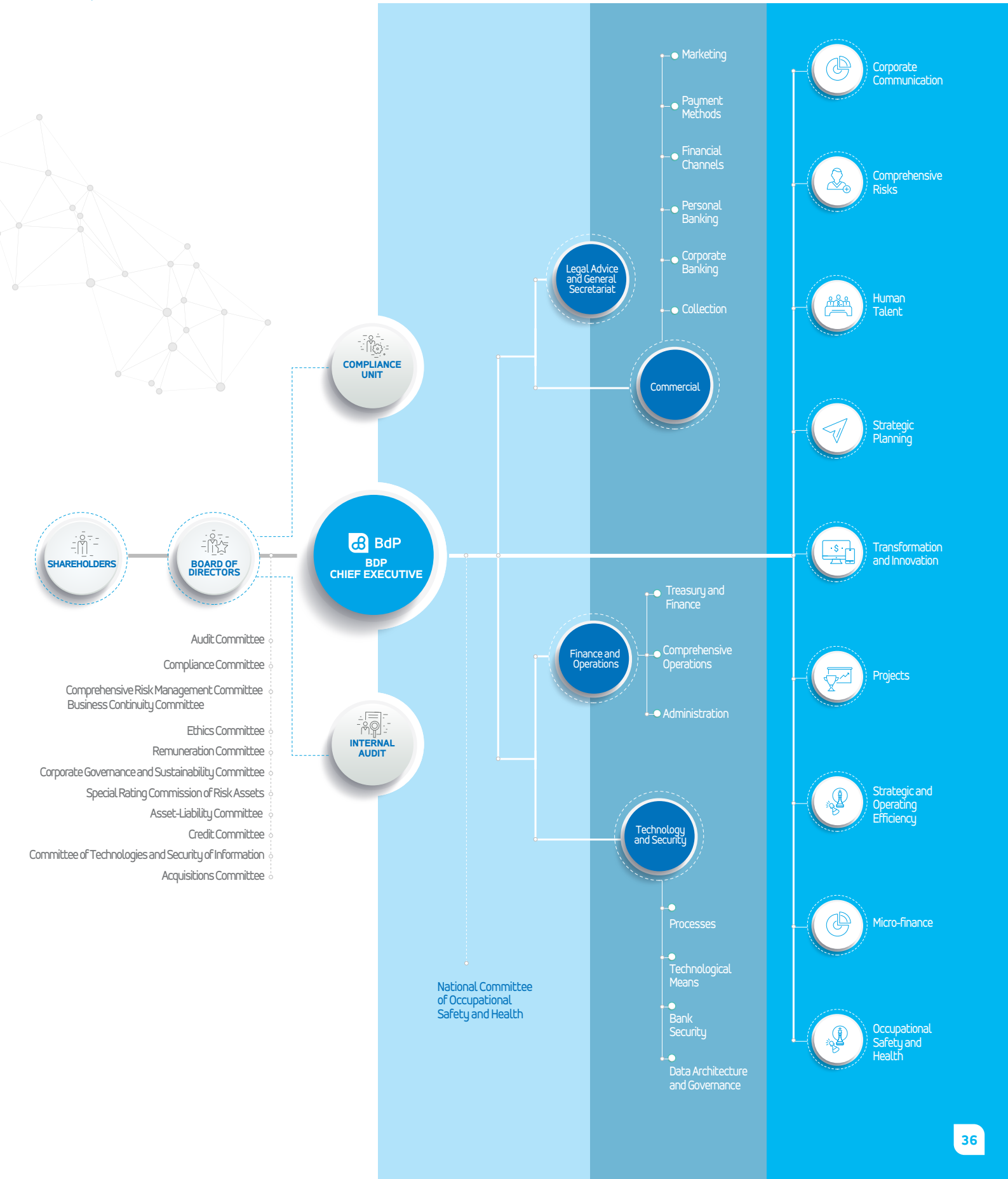
³Banco del Pacifico Grupo Financiero is formed by Banco del Pacifico S.A.; Banco Continental Overseas N.V. (BCO); and Almaenera del Agro S.A. Almagro, logistics operator.

GRI 102-18 / GRI 102-20



Organizational Structure

The Internal Audit and Compliance Unit report back to the Board of Directors.



GRI 102-18 / GRI 102-20

Committees and Commissions of the Organization

For a greater involvement in management and a better distribution of tasks, the Bank has several Committees that support the functions of the Board and Top Management. Their scope not only covers the business' progress, but also the economic, environmental, social and control activities. This is aimed at ensuring an efficient, impartial, transparent and appropriate governance system.

The Board is informed through the Committees on the most relevant aspects regarding the management and the actions taken by the institution.

Currently, there are thirteen Committees, and nine of these committees are of regulatory nature:

COMMITTEE	OBJECTIVES
Audit Committee	Advice and consult unit of the Board to ensures an effective support to the Audit function on behalf of all Bank members; and it also ensures the fulfillment of the objectives of the internal controls and monitors full compliance of the mission and goals of the institution.
Compliance Committee	Proposes policies and procedures for the Prevention of Asset Laundering, Terrorist Funding and other crimes, with the purpose of preventing the Bank from being used as a means to perform these activities.
Comprehensive Risk Management Committee	Designs the policies, systems, methodologies, models and procedures for an efficient comprehensive risk management; and proposes the exposure limits to these risks. The CAIR provides advice in terms of comprehensive risk management and administration to the Board and the Chief Executive of the Bank.
Business Continuity Committee	Establishes an administration process for business continuity that allows to plan, maintain and improve business continuity, with the purpose of ensuring the Bank's capacity to be in continuous operation and minimize the losses in the event of business disruption.
Committee of Technology and Security of Information	Evaluates and monitors the strategic technological activities and the security management system of information; with the purpose of collection, processing, storage and transmission of information; avoid business disruptions and safeguard the information against damage, losses and unauthorized use.
Ethics Committee	Establishes the Code of Ethics and Conduct of the Grupo Financiero Banco del Pacífico (GFBP); evaluates and analyzes their enforcement. In addition, it determines the necessary actions to disseminate and strengthen the highest standards of ethical behavior within Banco del Pacífico S.A. and its subsidiaries.
Remuneration Committee	Controls the remuneration of the members of the Board and the Executive Board of the Bank.
Special Rating Commission of Risk Assets	Carries out the rating, assessment and permanent monitoring risk assets, whose results will determine the level of provisions required to properly protect them in the face of possible losses due to uncollectibility or loss in value.
Committee of Occupational Safety and Health	Controls and supports the fulfillment of the provisions of the rules of the current legislation in terms of Occupation Safety and Health, encouraging occupational well-being and the development of Banco del Pacífico S.A.
Corporate Governance and Sustainability Committee	Recommends the Board on the strategies to adopt, monitor and improve the Corporate Governance practices in Grupo Financiero Banco del Pacífico.
Credit Committee	Evaluates and approves the credit operations in accordance with the limits established in the Level of Approval chart that is included in the Credit Policy Manual of Banco del Pacífico S.A.
Asset-Liability Committee	Establishes, evaluates, applies and controls the strategies related with the administration of Assets and Liabilities (ALM), while observing the limitations and quotas defined by the Board, with the purpose of ensuring a proper balance between growth, profit generation and risk taking. This allows a long-term sustainability for the Institution.
Acquisitions Committee	Evaluates and approves the acquisitions that according to the levels authorized by the Board, it has the responsibility to approve, while complying with the policies and procedures established for this process.

The regulation Committees are determined in accordance with the provisions of the legal regulations, and with regards to those created by the entity, and its integration is carried out while considering the best governance practices.

● Regulatory Committees

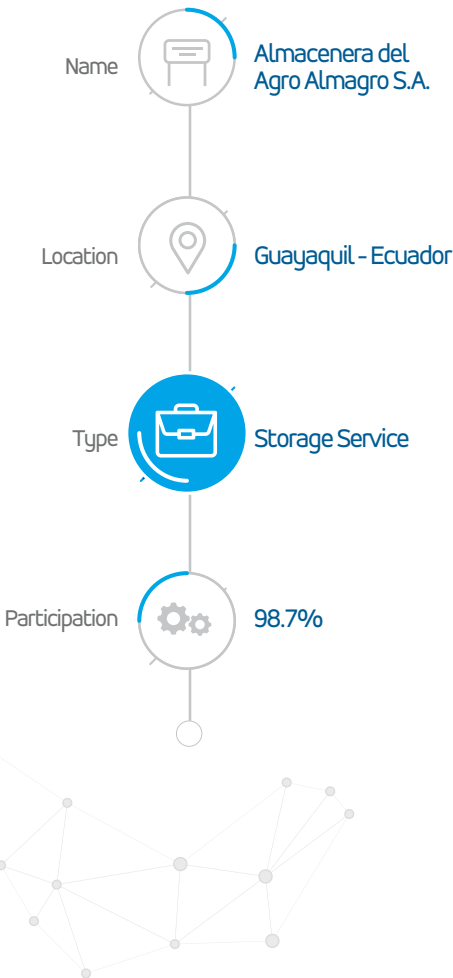
● Other Committees

Shareholder Activism, (103-2, 103-3) / FS5 / FS10 / FS11 / FS12

Banco del Pacífico is the head of Grupo Financiero Banco del Pacífico and has two subsidiary companies:



In this context, for the purpose of shareholder activism, this report only provides information about the interactions of Banco del Pacífico with Almacenera del Agro S.A.



Logistics operator in the market since 1976, Almagro provides storage services, administration of inventories, product dispatch and distribution in accordance with the needs of its clients. It also has authorization from Ecuadorian Customs in order to operate as Customs Warehouse.

Controlled by the Superintendency of Banks and SENA, and it is governed by the provisions of the Monetary and Financial Organic Code; and the rules of the Organic Code on Production, Trade and Investments.

Members of the Board of Directors of Almagro	
Ing. León Efraín Dostoievskc Vieira Herrera	PRESIDENT AND MAIN MEMBER
Econ. Armando Andrés Baquerizo Barriga	PRINCIPAL DIRECTOR
Ing. Gloria Mercedes Baquerizo Morales	PRINCIPAL DIRECTOR
Abg. Ramiro Francisco Cepeda Alvarado	PRINCIPAL DIRECTOR
Econ. Galo Mario Paz y Miño Phillips	PRINCIPAL DIRECTOR
Lcdo. Juan Carlos Cevallos Serrano	SUBSTITUTE MEMBER
Ing. Andrés Vicente Ollague Alarcón	AD-HOC SECRETARIAT

The Executive President of Banco del Pacífico is the president of the Board of Almacenera del Agro S.A. On this basis and given its shareholding, Banco del Pacífico permanently instils guidelines that have an ethical and sustainable socio-environmental management on the company⁴.

⁴FS11: Banco del Pacífico does not have formal voting policies in terms of social and/or environmental aspects for entities on which it has advise on voting or acts as an advisor.



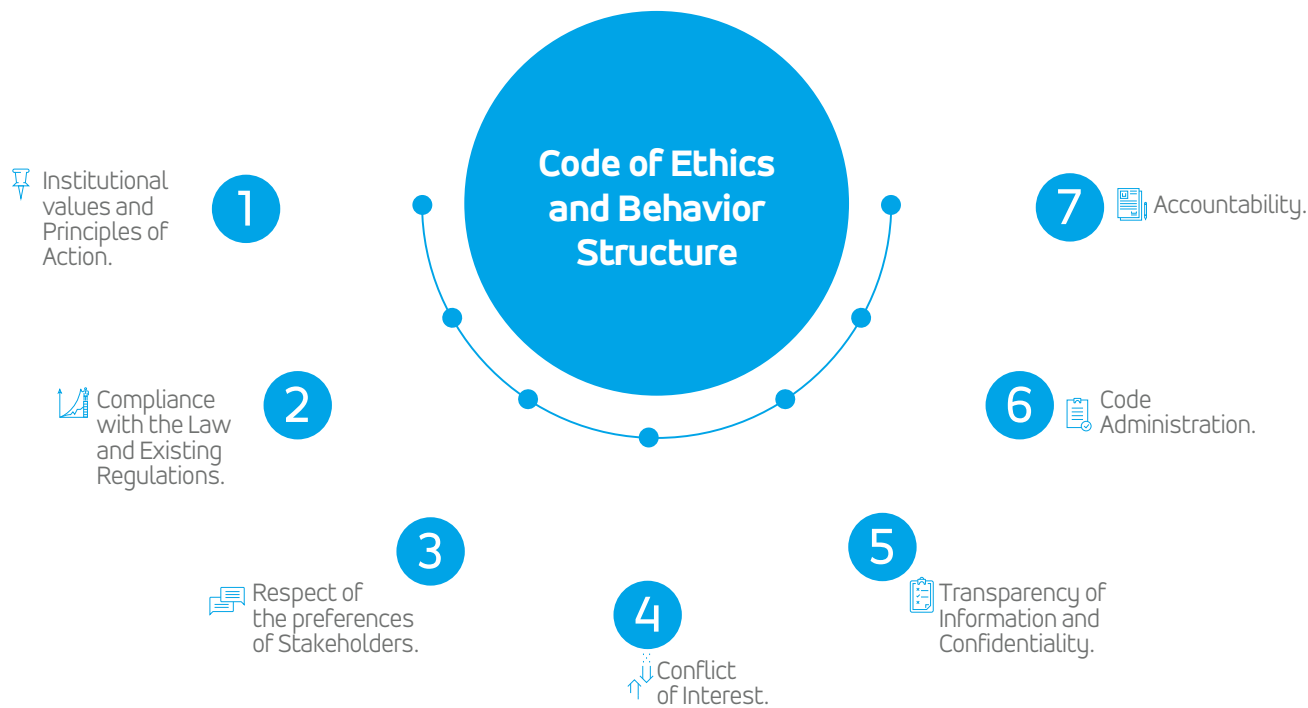
Ethics and Integrity

GRI 205 (GRI 103-2, GRI 103-3) / GRI 205-1 / GRI 205-3 / GRI 419-1

Ethics in Banco del Pacífico

Banco del Pacífico has a Code of Ethics whose enforcement is mandatory for all employees, members of the Board and other companies of Grupo Financiero Banco del Pacífico. This code established the corporate values and principles of the organization.

It also sets the guidelines for action that need to be applied to internal relationships, such as those linked to shareholders, customers, users, suppliers and other agents. Its content is disseminated to all the employees, and it is available for all stakeholders through all the dissemination channels of the Bank.



GRI 205 (GRI 103-2, GRI 103-3) / GRI 205-1 / GRI 205-3 / GRI 419-1

The Legal Advice Department and the General Secretariat, and the Debt Collection Court have the main objective of providing permanent legal advice to the Board, Management, and the different areas of the Bank and the subsidiaries of Grupo Financiero Banco del Pacífico. Through the interpretation and proper application of the rules, as well as the adequate structure of documents to be signed, the Bank guarantees complete and absolute safety in all aspects related to their activity. This commitment is reflected on the results obtained in 2019, where Banco del Pacífico did not caused any breaches, or complaints, non-monetary sanctions or warnings on behalf of the Control Authorities.

Similarly, the institution has a Fraud Prevention Department within the Bank Security area and with a Compliance Unit, which are constantly monitoring the transactions of our clients with the purpose of preventing, detecting and controlling unusual transactions.

Within the institution, the process of “Customer Service” has been identified as the highest risk for possible fraud, considering that it has the highest level of personnel rotation compared to all other processes because it has the highest number of employees distributed nationwide; while the “Procurement process of goods and services” shows the lowest exposure.



Prevention of Corruption

One of the most relevant issues for Banco del Pacífico is to internally ensure a good control in the fight against corruption, specifically in terms of asset laundering and financing of crimes such as terrorism, in accordance with our reason of being and line of business.

We are convinced that an adequate risk control system, cross-sectional management systems and trainings⁵ on the subject are the path towards ensuring the safety of employees, customers and other stakeholders associated with the institution.

GRI 102-17 / GRI 205-3

The Code of Ethics and Behavior administration is under the responsibility of the Ethics Committee.

In order to ensure transparency in the operation of the Bank, we have an electronic channel for claims (etica@pacifico.fin.ec), which allows to make consultations related to conflicts of interest and receiving cases of non-compliance of the Code of Ethics and the Internal Work Rules.

As mentioned before, the Bank has established mechanisms to reveal and solve conflicts of interest or acts of corruption, while ensuring that during this period there were no confirmed cases of this nature. During 2019, there were no formal external complaints for unethical behavior, conflict of interest, bad management practices or other related issues. In addition, there were no internal complaints from employees.

⁵The specifics on the trainings held within the Bank in 2019, in terms of the prevention of corruption, is provide in detail in Chapter 6 of this report on Human Talent responsible Management.



Risk Control and Management



GRI 102-11 / GRI 102-30 / GRI 201-2

Precautionary Principle



For Banco del Pacífico, the comprehensive management of its most relevant risks (credit, liquidity, market, legal, environmental and social, operational including technological risks) is a tool that combined with the precautionary principle in decision making, has proved to be the key to prevent economic losses and guarantee the stability of the institution in the long run.

For the comprehensive risk management, the Bank has the Comprehensive Risk department, an independent department from the business and operation areas that reports directly to the Chief Executive, under supervision and guidance of the Comprehensive Risk Management Committee. During 2019, the Bank also managed environmental and social risks, for which it included methodologies, policies and procedures in order to manage and administrate this risk within credit operations.

In addition, as part of the comprehensive risk management process, the Bank has a Business Continuity Administration program, which takes as reference the ISO 22301 standard and is focused on safeguarding the integrity of employees and assets in the event of unforeseen disruptions.

Business risk control



The Board of Directors, which is the highest governing body, and in accordance with the Ecuadorian legal regulation, has the responsibility of the comprehensive risk management. It is its duty to know and understand the inherent risks of the business strategy of the entity, as well as to comply with all policies, processes, methodologies, exposure limits and contingency plans. The Board is required to know the most relevant reports on risk positions, and in the event that the business strategy, policies, processes and procedures for comprehensive risk management are not fully or partially met, the Board should order the implementation of remedial actions.

Within its risk and threat assessment, the Business Continuity Management Program considers those of natural origin as the ones that may cause disruptions that impact the continuity of operations; which are managed through risk treatments, strategy definitions and the development of a business continuity plan that provides an opportunity to prepare, respond and recover the critical procedures that support the main products, services and channels of the institution.

The Comprehensive Risk department actively participated in the design of products, as well as in the identification of risks such as liquidity, rate, operational, credit and legal risks; while recommending the best mitigation measures for them.

Banco del Pacífico developed the **“Green Credit,”** product, aimed at corporate clients whose business activities fall in the following sectors: agriculture, forest, fish, aquaculture, livestock, tourism, industry and service; whose main objective involves actions such as: climate change, cleaner production, regulatory compliance, and agribusiness. On this occasion, risks such as liquidity, rate, operational, credit and legal risks were also identified, for which the mitigation and timely management measures were applied.

FS2



Environmental and social risks

Banco del Pacífico is aware of the environmental impact that certain business activities cause, therefore, it has established within its credit policies, the activities of higher risk of environmental pollution; and as a mandatory component within credit requests, it requires the submission of environmental impact reports or reports on carbon footprints or the measures adopted by companies intended to counteract the environmental impact caused.

In addition, Banco del Pacífico has the “Green Credit” financial product, which has policies that take into consideration environmental and social aspects that are based on the principles of sustainability defined by the institution for an efficient business management.

In 2019, Banco del Pacífico along with the support of an external advisor, implemented an environmental and social risk analysis system, which was applied to credit operations that are focused on the agriculture, livestock, fish, aquaculture and forest sectors. The policies, procedures and methodologies used for the Environmental and Social Risk management are documented and approved by the Board of Directors.

(103-2, 103-3) / FS1 / FS9



Audit

Banco del Pacífico is subject to internal and external controls through audits that are aimed at verifying the fulfillment of policies, procedures, regulations and laws that are internally required as well as required by Control Authorities. These are intended, among other issues, to control the implementation of environmental and social policies and procedures of the Bank. To this end, it has an Internal Audit department whose management role is to evaluate and make sure that the identified internal controls are appropriate and effective, with the purpose of ensuring the integrity and consistency of the operations, and that they present reasonableness in the procedures, statutes and reports of the Bank.

In addition, the financial statements are annually audited by a qualified external firm, as well as other processes, such as quality management systems, occupational safety and health systems and monitoring of the declaration of Carbon Neutrality Coalition.



Quality Management System

Banco del Pacífico has adopted the ISO 9001 standard as part of the continuous improvement of its processes and to increase customer satisfaction. In order to do this, the following was defined as part of the scope: credit and debit card issuance and management process, cardholder payment and services and ATM operations for the headquarters in Guayaquil and the Main Office in Quito. Both the internal and external audits of the Quality Management System are carried out each year.

In July of 2019, internal monitoring audits of the Quality Management System were carried out in the cities of Guayaquil and Quito, with the purpose of making sure of the fulfillment of the legal and regulatory requirements of the international standard ISO 9001: 2015 were met. In addition, in preparation for the recertification, the Ecuadorian company SGS carried out an external audit at the same office in November, obtaining the recertification of the Quality Management System under the defined scope.

This certification is supported by the UKAS company, the United Kingdom Accreditation Service, which is a recognized accreditation organism that evaluates organizations that offer the certification, testing, inspection and calibration of the internationally agreed services. The UKAS accreditation shows and provides a guarantee of the competitive ability, impartiality and efficiency of the evaluation companies.



Anti-Bribery Management System / SGAS

Banco del Pacífico in its commitment towards integrity and transparency, became the first Ecuadorian financial institution to obtain the ISO 37001 certification of the 2016 Anti-Bribery Management System by the Ecuadorian SGS rating company for all of its products and services nationwide.

The ISO 37001 standard established measures for an organization to avoid bribery practices by its personnel or any affiliate, while helping the institution to maintain, implement and improve the existing controls.

This is another prove of how the bank is supporting the sector, and continues implementing the best international practices for the fight against corruption.



Risk Management System

In December of 2019, the Bank obtained the ISO 22301 certification of the Business Continuity Management System, whose scope consisted of those procedures that allow the delivery of the following products: savings accounts, checking accounts, credit cards and debit cards. The physical limitation is the Banco del Pacífico's headquarters.



Shared Value Creation

Growth: an accomplished challenge.

In 2019, Banco del Pacífico reached the amount of **USD 100.3 million in revenue.**

Even though one of the strategic priorities of the Institution is to grow, while also aiming at becoming the first financial and service option of the country, among other objectives, it aspires to undertake this by looking after the sustainability of the organization, a prudent risk management and a shared value creation.





Responsible Economic Performance



GRI 201 (103-2)

The development of 2019 was marked by the fulfillment of the strategic objectives included in the plan for the 2018 – 2022 period, which is based on the pillars of the business and embraces digital transformation and innovation. The Bank seeks to be a leader in innovation and transformation in the digital area, providing the best customer experience, while establishing a sustainable and human business model. Without a doubt, it is an ambitious goal but one that we have been working for since 2018, without neglecting the goals established by the business plan that is oriented towards the commercial side, with clear medium- and long-term development objectives.

In addition, the effective control over the costs and expenses structure make it possible to have an adequate return, while always taking care of the resources through prudent management policies on liquidity and risk management, while taking into consideration the local and international market.

The Bank seeks to contribute to the development of the country with social responsibility, creating value for our customers through innovative and timely products, in order to become the first Financial and service option.

We want to consolidate the position of the Bank in the market and be known as a virtual and sustainable bank, a leading bank in key segments with a digital transformation implemented at scale and a large organizational health. Throughout the year, this business orientation remained close to the current regulatory framework and always under a proper risk administration.

Banco del Pacífico is preparing to face new challenges in 2020, which aim at consolidating the place, prestige and leadership of the organization in Ecuadorian banking. One of things that will allow to position Banco del Pacífico among the leading brands of the country, is to be closer to its customers, as well as developing innovative products that allow it to stand out in the market as a digital product, while being in a friendly environment with its employees and the environment, and on the basis of a balance-sheet soundness and financial strength.

Control System

GRI 201 (103-3)

The economic and operational management of the Bank is subject to internal control processes as well as external audit processes. Each one is focused on safeguarding the assets of the entity, the resources of depositors and the shareholder's equity, as well as guaranteeing the fulfillment of the current legal, regulatory, statutory and accounting provisions.

These processes also respond to a continuous improvement approach in management, which mainly adapts through the definition of projects, automated projects, as well as the internal manuals updated versions. In 2019, Top Management continued adopting the required measures to strengthen and implement better controls that guarantee the efficiency and effectiveness of the Bank's operations.

⁶GRI 201-4: Banco del Pacífico does not receive financial assistance from State. In 2018, it did not receive any financial benefit provided by the National Government or other governments, such as grants, subventions or cash prizes or goods.

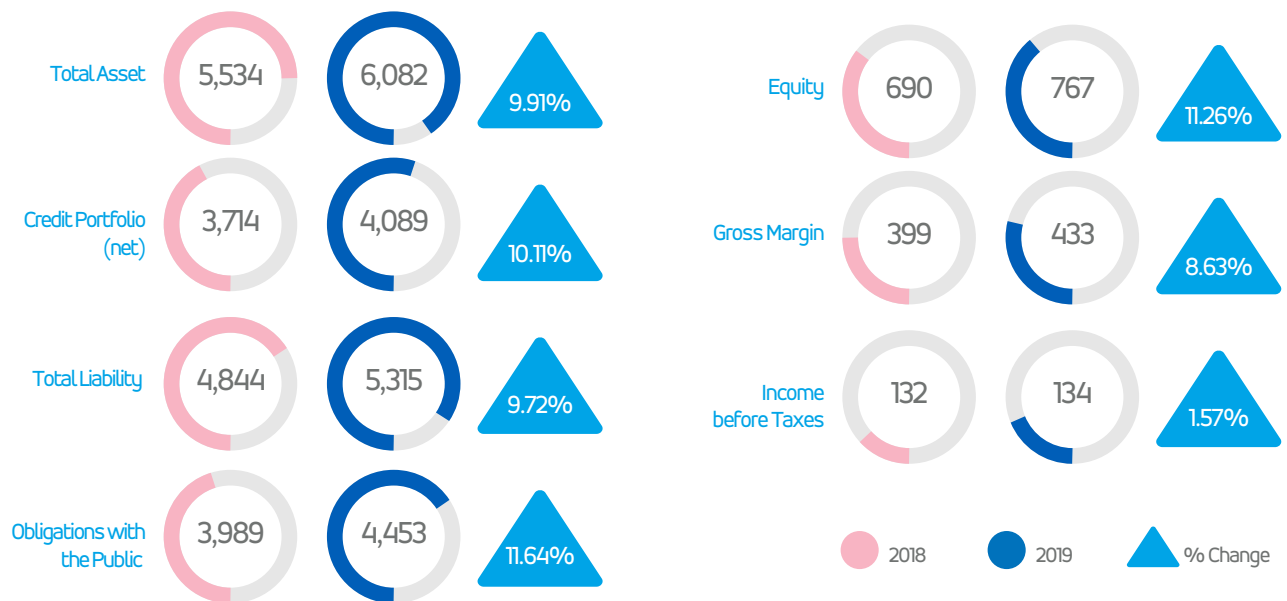
GRI 102-7 / GRI 201 (103-3)

Financial Results of 2019

Banco del Pacífico obtained excellent results in 2019. With its innovative management, financial strength and successful commercial model, the Bank was in its capacity to meet the needs of the market. By the end of the year, the Financial Statements showed a Bank with strong results, in terms of volume of assets, deposits, equity and return, as well as in terms of liquidity and solvency indicators.

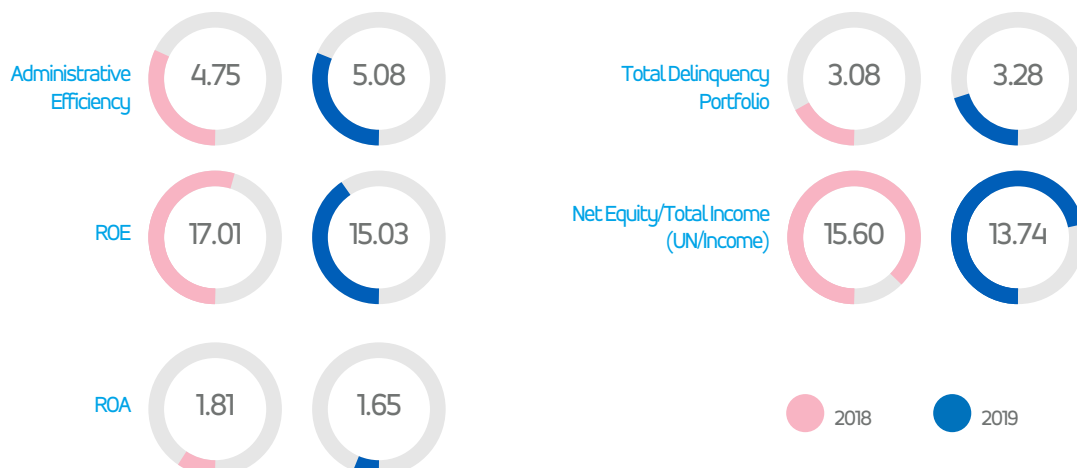
Balance and Results:

(in million USD)



One of the priorities of the Bank is the continued strength of its equity that reached USD 676 million by December 31 of 2019. The net income obtained by the end of the year was USD 100 million.

Index (%)



⁷GRI 102-45: Banco del Pacífico performs the consolidation of its financial statements as Grupo with the Almacenera del Agro S.A. (Almagro) and Banco Continental Overseas N.V. (BCO) subsidiaries, the latter being inactive.

Banco del Pacífico:
The first financial and services option

In 2019, the Bank promoted its strategy to lead the financial system in all segments of the country, offering credits with better rates and preferential conditions.

Its placement of resources in the economy reached a significant amount of USD 1,388 million in resources, through credits directed towards multiple sectors in the economy.

Destinations:

2019 Placements (in million USD)



Commercial Credit
864.84



Consumer Credit
48.06

Total Delivered:
1,388 million



Production
201.11



Education
30.86



Microcredit
20.59



Real Estate
222.53



FS6

Inclusive growth

In keeping with their mission of contributing to the development of the country while creating value for society, in 2019, we implemented actions to channel resources to several geographic locations of the population, promoting access to financial services. 1,388 million have been placed in approximately 45 thousand operations.



Location

Amount Disbursed (in million USD)

Percentage

Ambato	22.42	1.62%
Babahoyo	8.26	0.60%
Cayambe	1.15	0.08%
Cuenca	39.55	2.85%
Daule	2.20	0.16%
Esmeraldas	4.78	0.34%
Galapagos	7.74	0.56%
Guayaquil	546.46	39.37%
Ibarra	41.30	2.98%
La Libertad	4.70	0.34%
Latacunga	2.88	0.21%
Loja	7.17	0.52%
Machala	26.05	1.88%
Manta	90.53	6.52%
Milagro	12.00	0.86%
Playas	0.89	0.06%
Portoviejo	5.95	0.43%
Puyo	2.12	0.15%
Quevedo	8.28	0.60%
Quito	520.88	37.53%
Riobamba	13.32	0.96%
Sto Domingo	16.79	1.21%
Tulcan	2.59	0.19%
Overall Total	1,388	100.00%

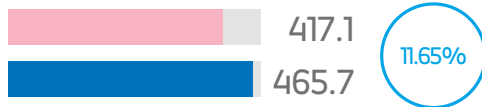
GRI 201-1

Furthermore, Banco del Pacífico played an important role throughout the year in the Ecuadorian economic activity through payment of salaries, buying goods and services, investments made, among other things. The organization generated positive economic effects throughout its entire value chain through financial flows directed at numerous stakeholders and several sustainable development stages.

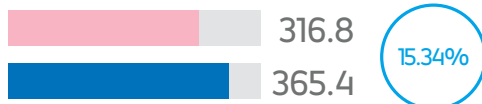
Significant Sustainable Indicators

(in million USD)

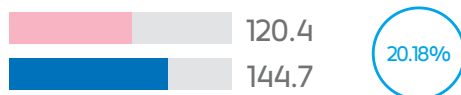
Economic Value Generated



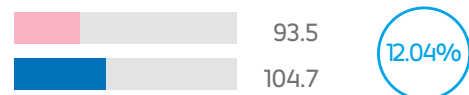
Distributed Economic Value



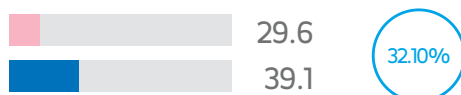
Operational Costs



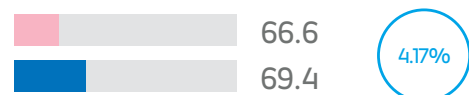
Salary for Employees and Benefits



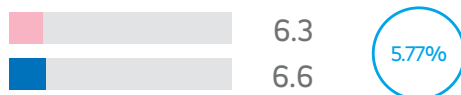
Payments to Capital Suppliers



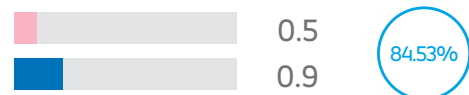
Payments to the State



Contributions to the Superintendency of Banks



Contributions to the Community



Retained Economic Value



2018 2019 % Change



Sustainable Value Chain

Banco del Pacífico carries out its operation with a value chain approach, placing special emphasis on integrating supply and sourcing activities in its business model. With suppliers and contractors, the Bank establishes relations based on trust, transparency and the sharing knowledge, experiences and capabilities to achieve shared and mutually beneficial goals.

Furthermore, the organization seeks to guarantee fair, competitive and transparent negotiation processes in its supply chain. To do this, the Bank has a policy manual to manage acquisitions and an administrative supplier management tool that establishes a methodology in the application processes of purchasing, bidding, negotiation and selection of suppliers.

GRI 102-9 / GRI 102-10

The supplier administration is done through an administrative management tool where the participation of all suppliers for the bidding processes is enabled. All suppliers interact dynamically within the system and can join new suppliers to the base, as long as they meet the requirements. Banco del Pacífico carries out the renewal of services. However, the bidding process is open to all suppliers registered with related activities. Their corresponding activities are recorded in accordance with the provisions of the Single Registry of Taxpayers (RUC).



By the end of 2019, the Banks's supplier base ended with

2,354
Suppliers

Of which close to 93,71% are national suppliers:






GRI 102-9 / GRI 102-10

Our overseas suppliers are from Chile, Mexico, United States, Colombia, United Kingdom, Spain, Israel, among others. Meanwhile local suppliers are located in different parts of the country to cover the Bank’s demand.



With suppliers that meet the qualification process, meetings are held to generate their active participation in the Bank’s bidding processes.

Banco del Pacifico suppliers are registered and managed in a technological administrative management tool, which has the supplier’s information in detail. The activity of the suppliers is registered according to their established registration documents (RUC) with regards to their commercial activities. In detail, there are suppliers for each one of the areas that generate requirements for goods and services of the Bank:

	To a greater extent and proportionality, there are suppliers from various computer and software security services, as well as consulting, construction, and maintenance services.
	With regards to goods, the largest number of suppliers is based on the buying and sale of supplies, sales of office equipment, money counters, ATMs
	In 2019, the total monetary value paid to suppliers amounted to USD 246.17 million.

GRI 414 (103-2, 103-3)

Supplier Qualification

According to our internal policy and the provisions of the Superintendency of Banks, all active suppliers of Banco del Pacifico must be qualified by a specialized external company, which is why the Bank has 2 rating companies to enforce the provisions of our internal policy and control body regarding the qualification of the suppliers. Currently, the supplier qualification process evaluates the following parameters: business profile, operational and commercial capacity, financial capacity, and the modules on Social Responsibility and Business Continuity are also evaluated.

Considering the procurement amounts and purposes, the Bank has defined different rating parameters to enhance the process and allow the inclusion of new suppliers to the value chain.

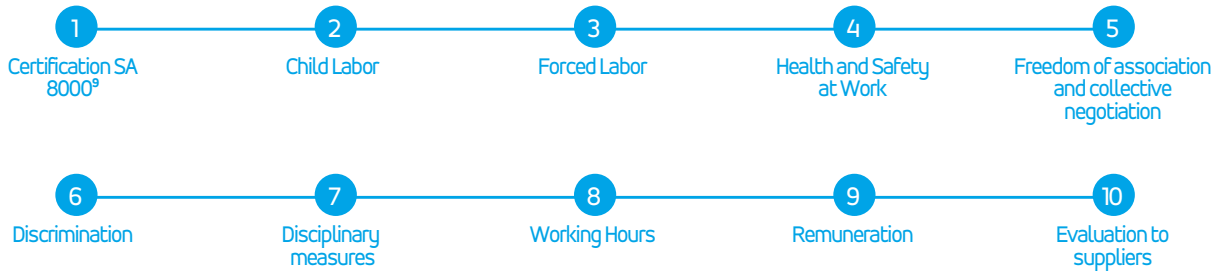
The qualification parameters allow to distinguish those suppliers that are starting at the Bank and those who have grown up with the institution as is the case of entrepreneurs and artisans.



⁸GRI 102-10: In 2019, there were no significant changes in relation to 2018, in the structure of the Bank’s supply chain or in the relationships it maintains with its suppliers.

GRI 414 (103-2, 103-3)

Within this qualification process, we seek to ensure that our suppliers and contractors maintain a behavior in accordance with our organizational values in terms of conduct and social responsibility. Therefore, we promote responsible business practices within our supply chain. The following are the criteria that are evaluated in these areas :



GRI 414-1

During 2019, of the 1,171 active suppliers of the Bank, 772 had to undergo the required qualification process. This represents 80% of them:



GRI 414-2

From the 610 suppliers that were rated in 2019, approximately 35 failed due since they did not deliver the regulatory documents, which are related to the compliance of all legal documents that make their company official.¹⁰

The requalification process is activated immediately either by the rating company or by the Bank. For this, the supplier is notified in a document called a sheet, with the results of the previous audit, to identify the points that have to be amended. Additionally, via email the supplier is advised by the rating company, who lists the points that need to be corrected for approval in the requalification process. Suppliers of Banco del Pacífico do not fail for issues of non-compliance in aspects of social responsibility.

Formal mechanisms for complaints and / or claims:

Suppliers can contact the contracts and suppliers' mailbox (contratosyproveedores@pacifico.fin.ec) to report news regarding the procurement process, in addition, you can schedule meetings to review issues of concern.

⁹Voluntary certification promoted by the Social organization Accountability International (SAI) with the purpose of promoting better working conditions and respect for human rights.

¹⁰GRI 414-2: Of the 610 suppliers qualified in 2019, all were evaluated in relation to social impacts and, no significant negative social impacts were identified.

The client at the center of our business model

We want to be the first financial service option of the country and provide the best experience to our customers. For this, we have been consolidating a customer-oriented business model that allows us to create loyal relationships, based on trust, quality of service and the delivery of a value offer designed according to the needs of each segment we serve.

This model also establishes balanced relationships with our customers that are based on transparency, advice and responsibility.



Help our customers to make the best financial decisions.



Provide the best solutions that generate trust in our clients.



Through multiple customer service channels and with the highest safety standards.



Innovation, technology and sustainability

GRI 102-2 / Cartera de productos (103-2, 103-3) / FS8

Banco del Pacifico deploys a multichannel strategy, providing all customers and users with multiple ways to access their products and services: offices, ATMs, telephone banking, internet banking, mobile banking, phone banking, applications, social networks and non-bank correspondents.

Digitization is revolutionizing financial services globally. Consumers are modifying their consumption habits and interaction with the use of digital technologies, which increase the possibilities of access to financial products and services anytime, anywhere. To stay in competition and to differentiate ourselves in this scenario, we promote the transformation of our business through several digital channels, which in turn have a significant impact on the sustainability of our activities, both in social terms (greater accessibility), and environmental terms (less pressure on resources and less environmental pollution).



GRI 102-2 / FS8

With the objective of transferring face-to-face transactions to digital and electronic ones, in order to improve customer experience and satisfaction, the Bank improved its digital transformation with multiple enhancements in 2019:



Banca Virtual Intermático (Intermatic Virtual Bank)

In 2019, we redesigned the Intermatic Virtual Bank channel providing a better customer experience when making transactions.

Our clients can access the following through their accounts: their savings and checking accounts, PacifiCard credit cards, make service payments to public and private companies, balance checks, available miles, movements, account statements, make cash advances, defer credit card consumption using Deferred Flex, wire transfers to other national and international banks and send money through mobile payments. Also, they can block credit and debit cards, customize amounts for purchases, make investments or request programmed savings.



This year more than
94 million transactions were made



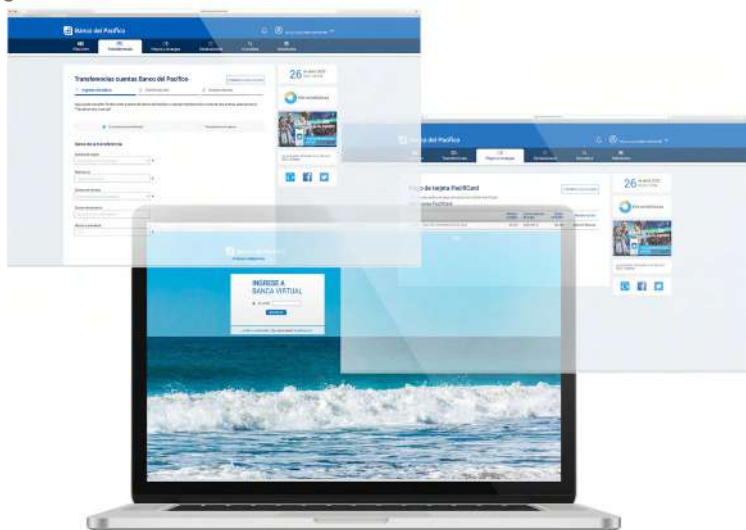
With **406 thousand active clients**



Reaching a record number of
11.9 million in December 2019



It grew by **36% using the channel**
compared to the same period of the previous year



“Customer experience is a catalyst for transformation; it has a direct impact on the culture and on all aspects of the business”



Gloria Baquerizo Morales
Executive Vice-president

GRI 102-2 / FS8



Banca Móvil
(Mobile Banking)

In 2019, our Mobile Banking brought new features. Now you can make an appointment from your mobile device from anywhere, in order to have immediate access to customer service platforms, without queuing. It also has the keyboard of all chats and allows you to check your balance, add credit, send money to bank accounts and make mobile money orders. The user can register their method of choice to access through their cell phone and access their products and services faster.

It makes it easy to check your balance and account movements and credit cards, make utility payments, vehicle registrations, credit card payments, add credit and transfers to other local banks using the transactional keys generated by the PacificID app.



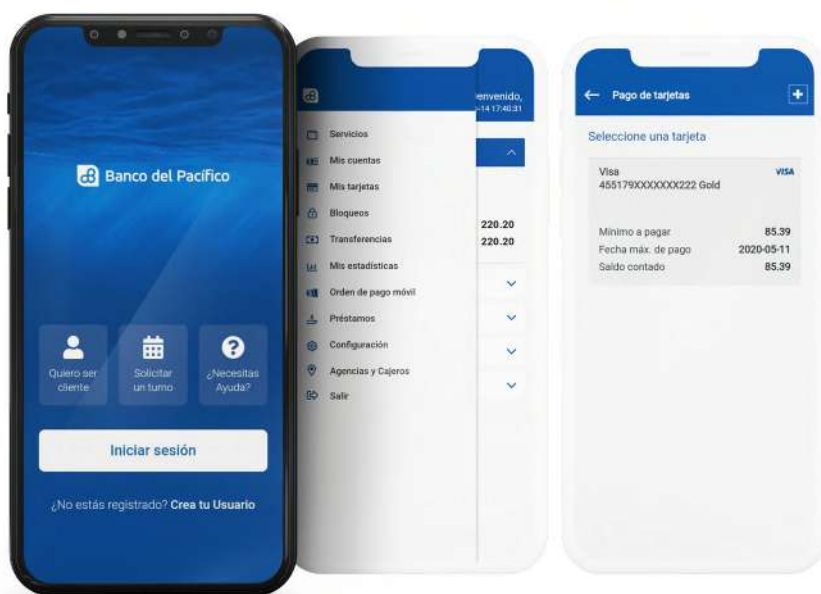
During 2019, more than
**32 million transactions and
226,000 clients were registered**



In December 2019, we reached
**a record figure of 5.57 million
transactions**



Generating an important contribution
to the diversion of digital channels



You can download the App from these stores:



GRI 102-2/FS8



Mi Ahorro Cuenta (My Savings Accounts)

My Savings Account is the application that helps you save in Banco del Pacifico automatically and in a fun way based on your lifestyle: you can create your goal and save, whether for a vacation or a new car. In 2019, this app was made available to customers with savings rules such as; salary percentage, soccer passion, likes, rounding, 52-week challenge, among others.



With approximately
5,000 active clients
who have set long-term savings goals



And they maintain a
USD 841 thousand balance



As of December of 2019,
we have had 32,837 downloads

You can download the App from these stores:



Crédito Ágil (Easy Credit)

In October 2017, the "Pacific Easy Credit" was launched to the market. This is about making your first loan, whose application and approval is done online, without requiring the physical presence of the client, neither guarantors, nor autograph signature on a contract.

Due to its great reception, the Bank improved its terms:



In 2019, it increased
the amount up to USD 10,000



With a period of
up to 36 months



Throughout the year, a total of
USD 33,09 million was disbursed



Self-service Kiosks

Our Self-Service Kiosks provide our customers to carry out transactions such as balance and account statement check and printing, request for checkbooks, printing of bank certificates and blocking debit and credit cards, among others; in an easy and safe way. There are 120 Self-service Kiosks strategically installed throughout the 24 provinces of Ecuador, which can be found at the Bank's agencies and Virtual Centers.



By the end of December 2019,
2.28 million transactions were made.



Obtaining a **35% growth**
compared to the previous year

To contribute to the decongestion of Bank Services platforms, in 2019 we implemented transactions such as Blocking Debit Cards, Debit and Credit Card key-generation, and printing of Debit Card (replacement). As of December 15, we have placed 4 printers and more than 200 cards have been printed.



Teclado BdP (BdP Keyboard)

A digital solution that allows our clients to access financial services, such as balance inquiries, add credit to their cell phones and make money transfers, allowing its use within any social network or messaging application (WhatsApp, telegram, among others), becoming leaders in adopting this function in Ecuador.



GRI 102-2/FS8



ATMs

We had a 360 transformation in terms of customer experience at our multifunction ATMs, since you can make transactions using the touch screen, that has a new and easy, fast and quality format.

As of December 2019,
 **62 million transactions and 560 thousand**
 users have been registered

Banco del Pacifico is making important changes in the ATM technology platform, allowing a better service through our channel. By 2020, the new experience will be extended to all ATMs models of Banco del Pacifico.

By the end of December 2019, Banco del Pacifico's ATM machine park was of 871 ATMs located nationwide, within which there are multifunction ATMs that provide check cashing services.

The ATM machine park of Banco del Pacifico, by the end of 2019 has the highest participation of multifunction ATMs where you can perform:



Deposits



Basic Service
payments



Other
Collections

 At a transactional level, an important
25% growth was obtained

 Reaching over
55 million transactions



Virtual Centers

Banco del Pacifico S.A. decided to promote a 24/7 self-service space for its customers, in order for them to make use of the different financial and non-financial services that the Bank offers

The Virtual Centers have self-service terminals such as:



ATMs

Money withdrawal, cash and check deposits, basic services and PacifiCard credit card payments, check cashing, among others.



Self-service Kiosks

Provides printed and visual balance and movements inquiries, prints several certificates, among others.

The first spaces were installed in locations where the Bank does not have a physical presence. Since 2018, the bank adopted this scheme in its own agencies allocating a wider space aimed towards self-service in its offices.



By the end of December 2019,
we had 39 Virtual Centers located in:
 agencies (17) and outside of agencies (22)



Located in different locations:
 Manta, Quevedo, Ballenita, Guayaquil, Santo Domingo, Quito, Latacunga, Ambato and Riobamba

GRI 102-2/FS8



App BdP Wallet

In October 2019, two new features were launched:



PacifiCard Cash:

Make cash advances, defer it and credit it online to your account.



Notify your trips:

To authorize the use of your PacifiCard Credit and Debit card abroad.



The goal is to improve the experience through high demand self-service features.

You can download the App from these stores:



New Contactless Technology

In 2019, Banco del Pacifico joined the new contactless technology innovating credit and debit card payments

Contactless is a no contact payment system that allows you to pay for a purchase using radio frequency identification built into credit or debit cards.



In January we switched to contactless on Visa cards, and Mastercard in March.



Chatbot Sophi

It is a virtual agent that serves users 24 hours a day through social networks:



Messenger



Twitter



WhatsApp



Google Assistant



Alexa

Provides help with information about the bank's products and services. In addition, it can be asked to carry out transactions such as balance inquiries, movements, credits and payments.



In November 2019, we integrated Sophi

with Alexa and in December with Google Assistant

so that our clients can interact and make better transaction through voice recognition in this channel



In 2019,

3.8 million interactions were made



WhatsApp being the social network with

the highest percentage of participation with 57.91%



GRI 102-2/FS8

Onboard BdP

In 2019, **the Credit Card product** was launched, which allows you to request and obtain a PacifiCard immediately. In addition, in the month of November the product **Mi coche BdP (My BdP car)** was launched, whose request and approval are made online without requiring the physical presence of the client.

Additionally, functionality improvements and security updates were implemented in the application to provide a better customer experience.



In 2019, **46% of the total savings accounts were opened** through the app

From May 2018 to December 2019, **172,140 savings accounts were opened**.
In 2019 alone, **146,324** were opened.

2,473 investments

1,142 PacifiCard cards



You can download the App from these stores:

CASH MANAGEMENT

This financial platform is aimed at companies for an efficient and safe management of their accounts payable and receivable. It allows all transactions to be carried out to a greater number of institutions without leaving the comfort of your office. In addition, it allows lets you know in real time the status of processed or pending transactions by the company without making check drafts or cash payments, maintaining the integrity and confidentiality of the information. These are services that can be accessed:

- Check balances and movements.
- Interbank debits.
- Pagomático (Virtual accounts).
- Service payments.
- Collections.
- Interbank transfers.
- Wire transfers abroad.
- Customs payments.
- Collection of Educational Centers.
- Payment of payroll.
- Payment to suppliers.
- Queries (comments and suggestions).
- Credit card inquiry.
- Deferred Flex (credit cards.)

In 2019, the New Business Bank project was put into production, whose objective is for the tool to allow business customers to relate in a comprehensive manner, simple and dynamic processes such as:

Self-Service Portal: it is a digital platform that allows the user to personalize the contract in which they can perform:



Selection of Services.



Users Management.



Signature Scheme Management.

This improvement contributes to the optimization of the hiring process time from 26 days to 2 days.

Quantity of amounts and transactions carried out by the platform in 2019:



Banco del Pacifico has multiple products and services, but the most representative ones are those detailed in this Sustainability Report. For more information see www.bancodelpacifico.com



Customer Protection

With the firm intention of providing satisfactory experiences to its customers, Banco del Pacífico guarantees security in all interactions and transactions carried out within the organization. This process seeks to reinforce the integrity of our customers and users by using the different channels, products and services made available to them. With proactivity, a sense of anticipation and agility, the Bank performs before multiple risks that may arise in its surroundings.

In this context and within a continuous improvement approach, as in previous years, in 2019, Banco del Pacífico included safety in its value offer in a comprehensive manner: from product and service design, to adopting strong control and revision standards.

GRI 417 (103-2, 103-3) / 417-1 / FS16

Responsibility in customer service

Our actions are focused on raising the level of transparency and clarity of the information that we provide to our customers and users, both in the commercial offer that we make available to them through each product and channel, as in the compliance of all orders and instructions.

In this sense, we seek to permanently guarantee the following:



Understanding by our customers

on the nature and risks of the financial products offered to them.



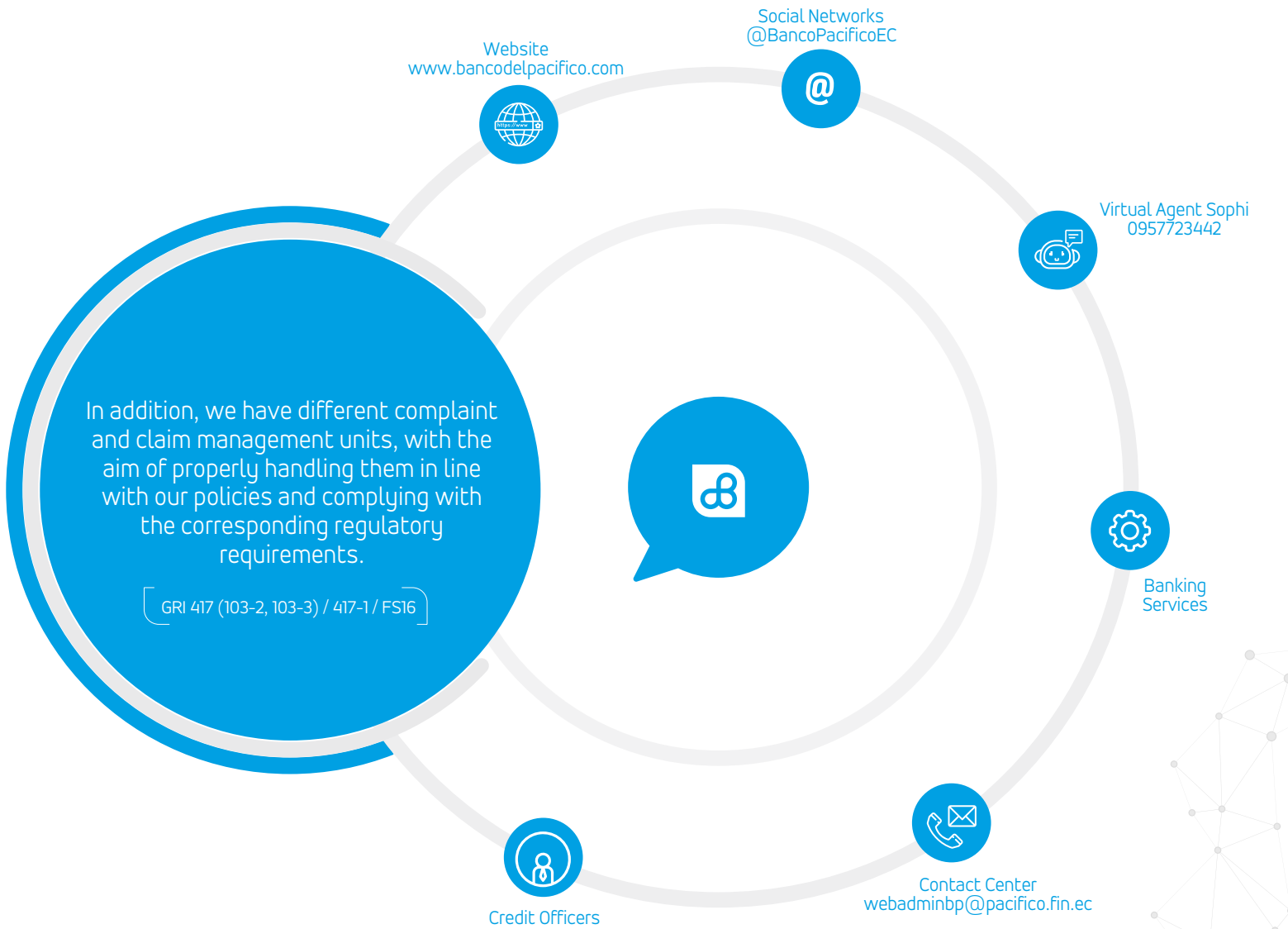
Product suitability

to the customer's profile.



Fairness and clarity

of the Bank's information, including publications.



In addition, we have different complaint and claim management units, with the aim of properly handling them in line with our policies and complying with the corresponding regulatory requirements.

GRI 417 (103-2, 103-3) / 417-1 / FS16

GRI 417 (103-2, 103-3)

In accordance with the provisions of the Superintendency of Banks, if after exhausting the first direct claim of the Bank and, in case of continued dissatisfaction with the response given, the customer has the option to turn to the Customer's Ombudsman, in his capacity as mediator between the user and the Bank, to come to an agreement between the parties. At no cost to the claimant, this service is provided at the Bank's headquarters for immediate advice.

In 2019, the Customer's Ombudsman identified and solved those complaints and claims that customers decided to bring to his attention, after having obtained a dismissal resolution by the Bank's Customer Service Department.

Main elements of the 2019 Customer's Ombudsman report

In 2019, the Customer's Ombudsman handled a total of 631 cases, of which:

- 200 were non-financial services
- 90 for collections and coercive jurisdiction
- 98 for ATM withdrawal
- 99 for national and international consumption not made by the cardholder
- 32 for wrong or outdated information in the Credit Information Bureau
- 84 for customer service
- 28 for the withdrawal of \$ 20 counterfeit bills, through teller or ATM.



GRI 416 (103-2, 103-3)

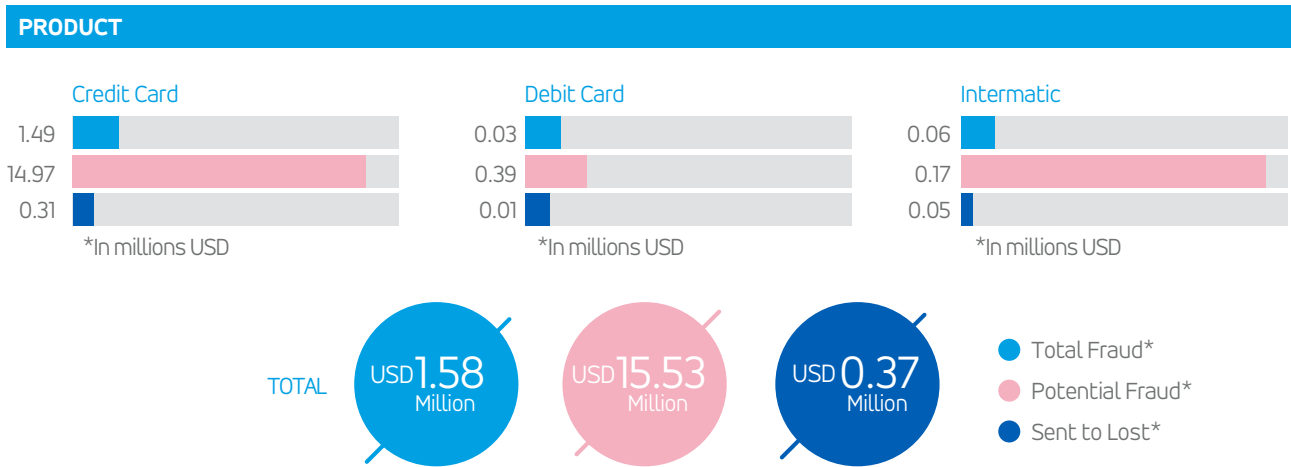
Security and privacy of customers

Banco del Pacifico has a Fraud Prevention department, which is responsible for monitoring and maintaining adequate controls, both for customers and businesses.


Based on the transactional behavior of the user and in compliance with the standards of the Mastercard and Visa franchises, the Bank works towards the continuous improvement of the 24/7 monitoring process and the minimization of fraud events; relying on technological tools that help detect unusual activity and allow to act quickly against possible threats in the environment.

GRI 416-1

The prevention of transactional fraud is carried out in all the channels and means of credit and debit payment that the Bank provides to its customers. In 2019, the figures were as follows:



GRI 418 (103-2, 103-3)




With regards to the information of our customers, we ensure the confidentiality and privacy of the personal data collected. Therefore, essential security measures have been adopted to prevent alterations, loss, treatment or unauthorized access and, thus, guaranteeing their integrity.

Our organization has an Information Security department that defines policies, procedures and controls to manage the security of customer personal data. For this, we have an Information Security Management System (ISMS) that is an integral part of our continuous improvement processes.

The personal data provided by our customers to the Bank are used, solely and exclusively, by our organization in its administrative, technical and commercial management tasks. Under no circumstances, the personal data of customers will be transferred to third parties outside the Institution, without the express consent of the person involved. The Bank eliminates the personal data collected when they are no longer necessary or relevant according to the purpose for which they were initially collected.

Furthermore, access by authorized Bank personnel to the personal data of customers is carried out in a controlled and hierarchical manner, according to the internal policy of access and treatment of customer data. Its transmission is made in an encrypted way under a secure connection.

GRI 416-2 / GRI 417-2 / GRI 417-3 / GRI 418-1



Banco del Pacifico was not subject to any non-compliance, or object to any claim derived from the supply or use of its products and services that have resulted in fines, non-monetary sanctions or warnings by regulatory authorities.



Building an inclusive and opportunities bank



GRI 413 (103-2, 103-3)

Banco del Pacífico promotes financial inclusion in order to support the country's social and economic growth, as well as the different locations where it operates.

We seek to facilitate access to financial services for certain segments of the population through alternative solutions to those from the traditional banking model, through the development of specific channels and products. The aforementioned products allow the customer to access the financial system quickly and safely. In addition, it offers availability and proximity.

GRI 102-2 / FS13 / FS14



**Tu Banco Banco Aquí:
a channel that promotes
bankization**

It is the service point network of Banco del Pacífico, where clients and non-clients can carry out transactions of money collection and payments through:



Banks



Credit unions



Pharmacies



Supermarkets



Stores

The channel aims to promote the bankization of Ecuador, since thanks to its wide coverage and product offer, it allows many Ecuadorians to have access to quality financial services. The benefits for customer and non-customers are:

1

Avoid long drives to carry out bank transactions.

2

Affiliated businesses recognized nationwide.

3

Safety while carrying out their transactions.

4

Wide coverage of service points to carry out collection and payment transactions in places where there are no Bank agencies. The transactions that can be made are: cash withdrawals, cash deposits, credit card cash advances, PacifiCard payment, basic services payments, Judicial council, human development bonus, taxes: SRI, vehicle registration, domain transfers.

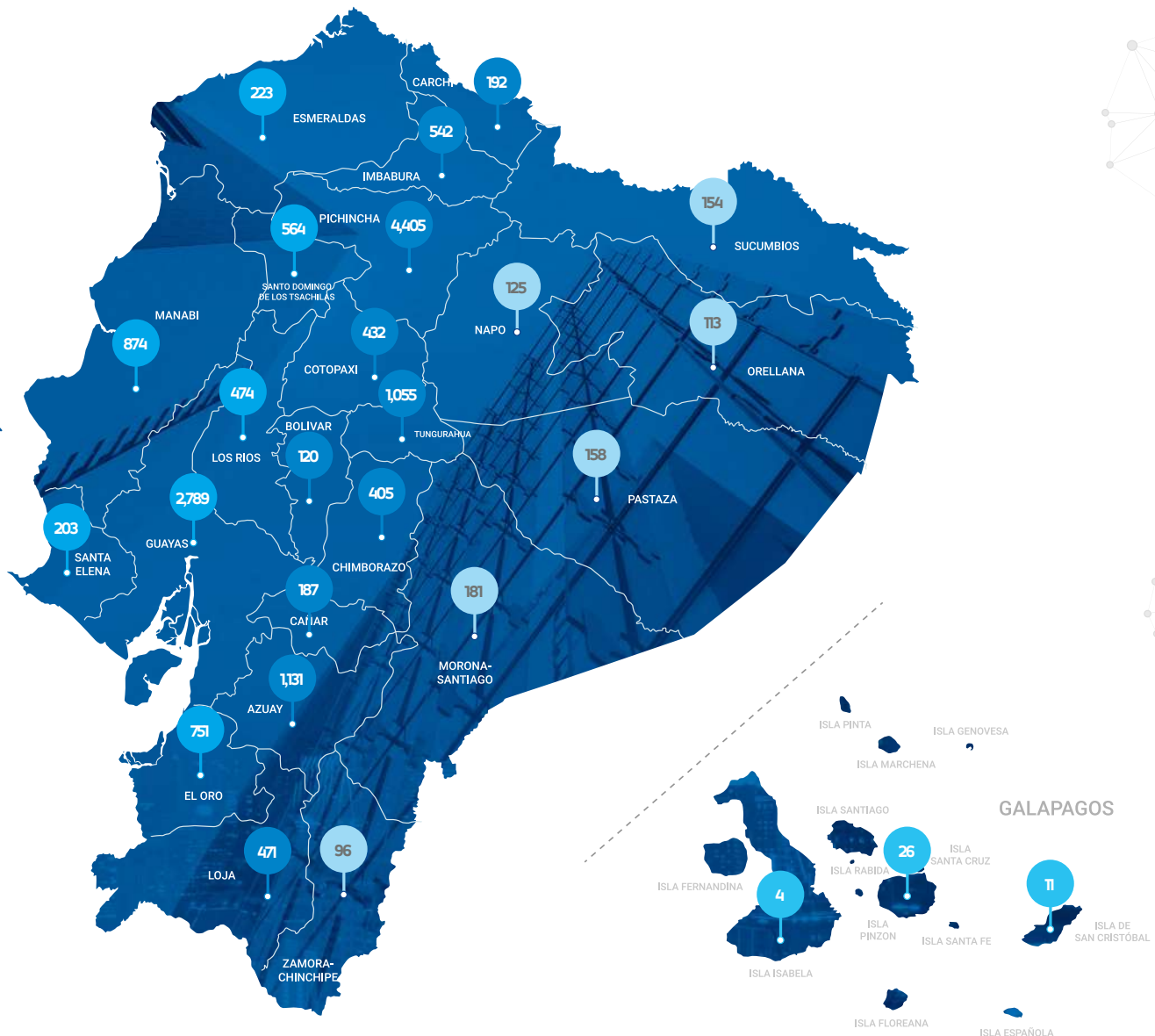
5

Flexibility in services hours thanks to the extended schedule of **Tu Banco Banco Aquí** networks.

FS13 / FS14

Cash Withdrawals and Deposits

As of December 31, 2019, the Bank has 15,688 service points in the 24 provinces of the country, a figure that makes it the first non-bank correspondent in the financial system. Within this coverage, 6,100 locations provide service to make cash withdrawals and deposits. At the end of the year, we recorded 289 thousand withdrawal transactions and 415 thousand deposit transactions.



Coast

5,316
service points

33.86%

Highlands

9,504
service points

60.63%

Amazon

827
service points

5.25%

Insular

41
service points

0.26%

GRI 102-2 / FS7

Products with a social approach



ALDEAS SOS

Since 2010, Banco del Pacífico has maintained an alliance with Fundación Aldeas Infantiles SOS Ecuador through a co-branding system by affinity card. The objective is to contribute to the integral development of thousands of children and adolescents who are orphaned, abandoned or in danger of losing the protection of their parents.

The Bank contributes monthly with a percentage of the consumptions made with the Aldeas Infantiles Aldeas SOS Affinity Card, which is intended for food, education, housing and clothing for the children of this foundation.



PacifiCard Business Debit Card

Since August, Banco del Pacífico launched the product PacifiCard Business Debit Card, a debit card focused on the business / entrepreneur segment. With this card they will have access to make purchases and withdrawals locally and internationally. Furthermore, they will have better control of their expenses because a monthly report is generated with the movements made.



Prepaid taxi driver's card
(Project with ANT)

In March, Banco del Pacífico began issuing a prepaid card for exclusive use at gas stations for the taxi drivers' union. Through this means of payment, the government of the Republic of Ecuador accredits a monthly subsidy for gasoline consumption of said beneficiaries.




GRI 102-2/FS7

Banca Celular (Mobile Bank)

As of June 2018, we incorporated a new Mobile Bank service, which uses USSD (Unstructured Supplementary Service Data or Service Data Supplemental Unstructured) focused on customers who do not have a smartphone or a mobile data plan to connect to internet. This channel allows you to open a basic account, check balances and accounts or cards movements, payment of utilities services, add credit, make wire transfers, among others.

Access dialing: ***8444#** Movistar/Claro and Tuenti
***844#** CNT

In 2019, new microcredits features were implemented such as Retail Banking, aimed at autonomous merchants from the city of Guayaquil.




-  This year more than **135,346 transactions** were made.
-  **8,281 newly** opened accounts
-  **57,522 active** clients were obtained

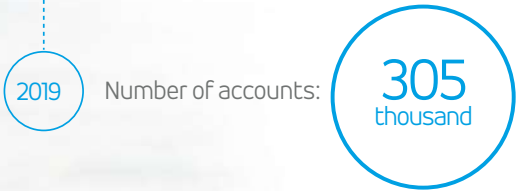


Savings Account

With the purpose of banking more Ecuadorians and promote savings, Banco del Pacífico improved conditions of access to its savings account, by making it possible to open a savings account with no need for an initial deposit.

This product can be acquired at:

-  Any of its agencies nationwide
-  Digitally through the Onboard BdP app and through Mobile Bank
-  The customer has the option of requesting a debit card that can be used nationally or internationally for shopping and making withdrawals backed by MasterCard



GRI 102-2/FS7



Emprendedor Pacífico (Pacífico Entrepreneur)

This product was launched in the second half of 2017. It is aimed at clients and non-clients looking to fund entrepreneurship, innovation and expansion projects.

- The interest rate starts at 8.5%

- It has a funding of up to 7 years for fixed assets

- It has coverage from the National Fund for Credit Guarantees of the National Finance Corporation (CFN)

- With a capital grace period of up to 1 year

2019 425 Credits
Were disbursed For USD 28.98 Million



Crédito para vivienda de interés público (Public housing loans)

This product is provided in two ways:

“Mi Primera Casa Pacífico” (Mi first Pacific house)
From USD 14 thousand to USD 27 thousand

“Tu Casa Pacífico” (Your Pacific House)
From USD 27,001 to USD 70 thousand.

- The two alternatives with a 4.5% interest rate.

- With funding of up to 95% of the value of the house.

- The customer can have access to a 6-months grace period.

2019 1,280 Operations Disbursed amount USD 75.33 million

GRI 102-2/FS7

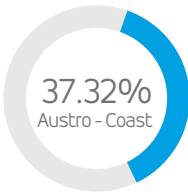


Student Loans

We are aware that education is a fundamental pillar for the progress of our youth and therefore of our society.

In 2016, the Pacifico Student loan was created, with similar characteristics of the loans granted by the Instituto de Fomento al Talento Humano. Through these loans 1,264 people have had access to banking.

Percentage of operations by region:



2019 We Delivered **USD 33.04** Million Benefiting **9,866** students

GRI 413-1



Banca de Oportunidades
(Opportunities Bank)

The Opportunities Bank of Banco del Pacífico has been conceived as a development tool for autonomous merchants of the city of Guayaquil, which is granted through a cooperation agreement between the Office of the Mayor of Guayaquil and Banco del Pacifico. We support the financial inclusion of the sectors that are the most vulnerable, who usually use informal lenders.

This product started on December 6, 2018, and in order to access the credit, the interested parties have to previously sign up for website training, attend the training and have an active savings account in BdP.


The features of the product are:


Minimum amounts USD 300	Maximum amounts USD 1,500	Minimum period 3 months
Maximum period 36 months	Interest Rate 15%	Credit Life Insurance





GRI 413-1


This initiative obtained the following results in 2019:

- 

Trained 42,249 clients and financial users in financial education.
- 

Financed 16,682 clients for new business developments.
- 

172 Ecuadorians who gained access to employment.
- 

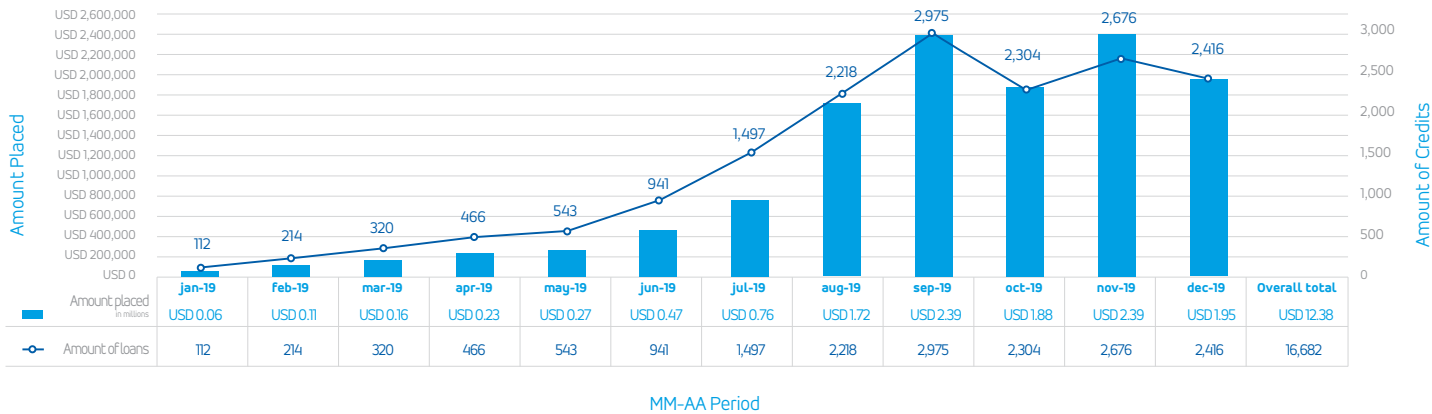
11,624 Ecuadorians are now using the bank.
- 

40,075 savings accounts were opened.

The result of loans placed in the year 2019 is the following:



Opportunities Bank Product from January to December 2019



“ We have been contributing to financial inclusion by offering products and services that allow the development of vulnerable people ”



Milton Ochoa
Microfinance Manager

Responsible Management of Human Talent

GRI 401 (103-2, 103-3)

Organizational health and sustainability have always been crucial at Banco del Pacífico, but in recent years it has become one of the fundamental pillars of the new sustainable strategy of the organization. In the social sphere, lines of intervention have been established to implement and communicate in a timely manner and with good practices in governance transparency, compliance and anti-corruption. In addition to designing and implementing a social action program with impact and institutionalize the financial education of several stakeholders of the Bank.

In terms of responsible management of human talent, Banco del Pacífico has set out to promote the development of its staff for a motivated and quality-oriented performance. While ensuring high occupational health and safety standards for its entire staff.

During 2019, our Bank has continued to invest in its organization and its staff with the aim of maintaining good practices and a leader position nationwide.



Human talent management carried out during this period has allowed us to differentiate ourselves in the market, placing us in third place for workplace according to the international measurement "Great Place to Work 2019",

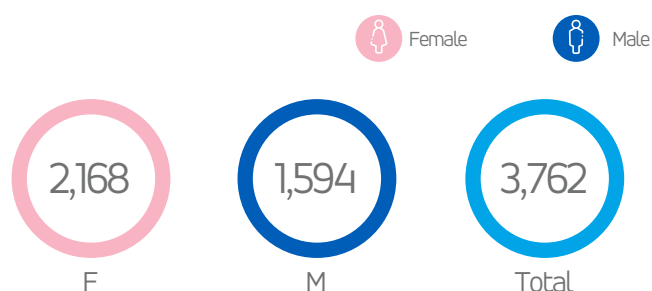
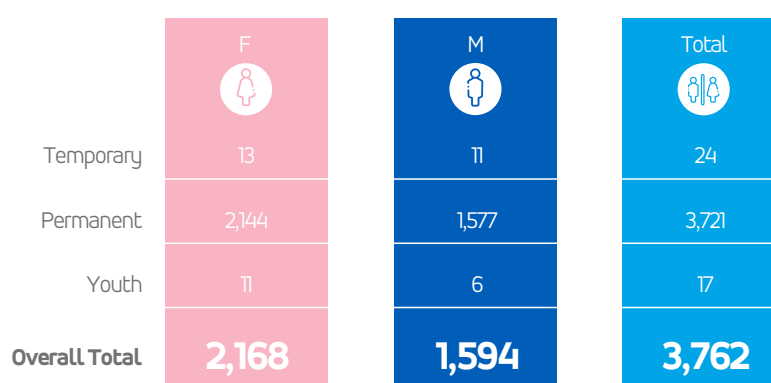
GRI 102-8 / GRI 401-1

In 2019, 260 new employees were hired, maintaining a 0.81% average monthly turnover, which has allowed our workforce to grow from 3,502 to 3,762 people who support the development of our institution every day. This was the composition of our staff and some of the people management results in 2019:

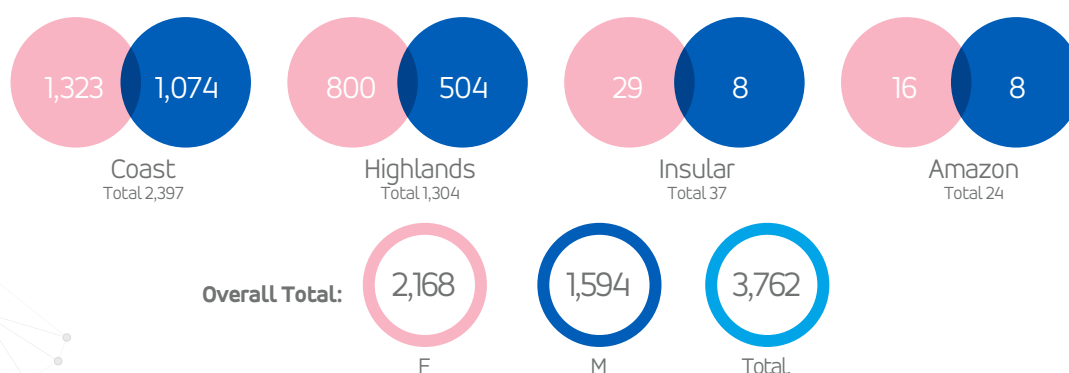


Number of employees by gender

Overall total

Number of employees by contract type¹ labor and gender

Staff size by region and gender:



New recruitments by age group, gender and region

Age	18 to 25		26 to 35		36 to 45		Grand Total
	F	M	F	M	F	M	
Coast	101	80	48	61	8	13	311
Highlands	57	42	47	32	4	2	184
Insular	2	0	0	0	0	0	2
Amazon	0	0	0	1	0	0	1
Total							498

¹GRI 102-8: All mentioned contracts are full time. Subcontract or temporary contract workers were not considered, and there were also no significant variations in the staff during the year. The data presented comes from internal information of the Bank.



Integral Development of People

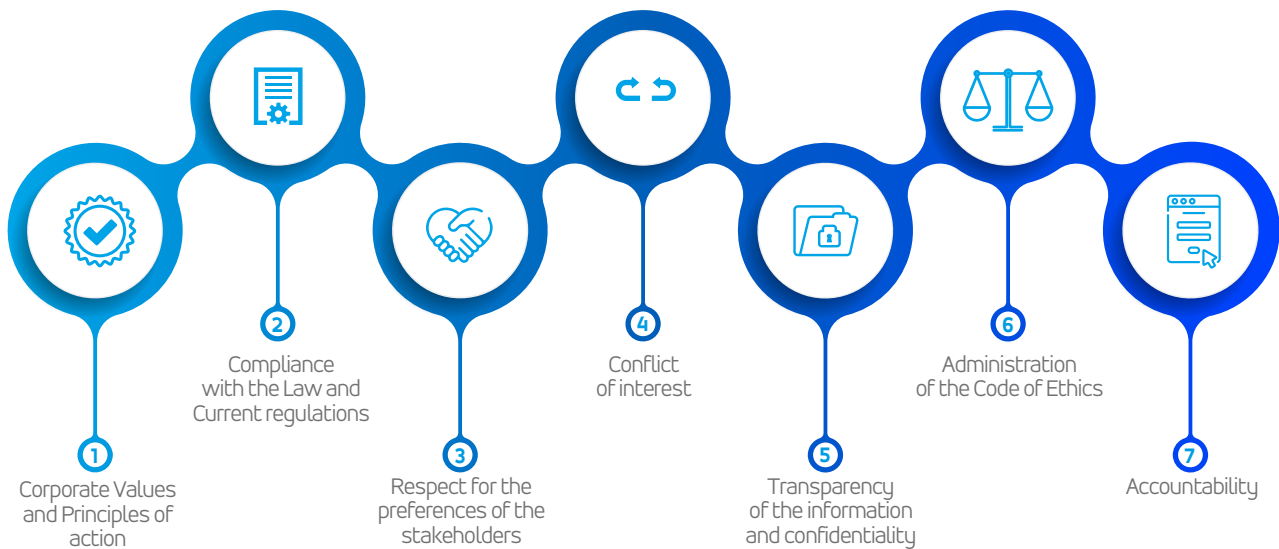


GRI 102-16

Focused on the values of integrity, customer centric, innovation, teamwork and recognition of people, all the people who make up Banco del Pacífico, work to support the institution's objectives. To do this, the bank has multiple actions and initiatives to promote the integral development of its people.

Living the values

In order to empower employees to live and ensure the Bank's values, mechanisms have been implemented to achieve a proper and respectful work environment:



GRI 404 (103-2)

Training and evaluation

Training

From the moment that employees become part of Banco del Pacifico, we care about their training and development through our training program, which helps them grow on issues related to the organization such are: specialization in the job position, update of policies and procedures, transformation and innovation or various matters such as company and family talks.

Keeping our staff motivated and committed is key to the success of the Bank's operations

GRI 404 (103-2, 103-3)

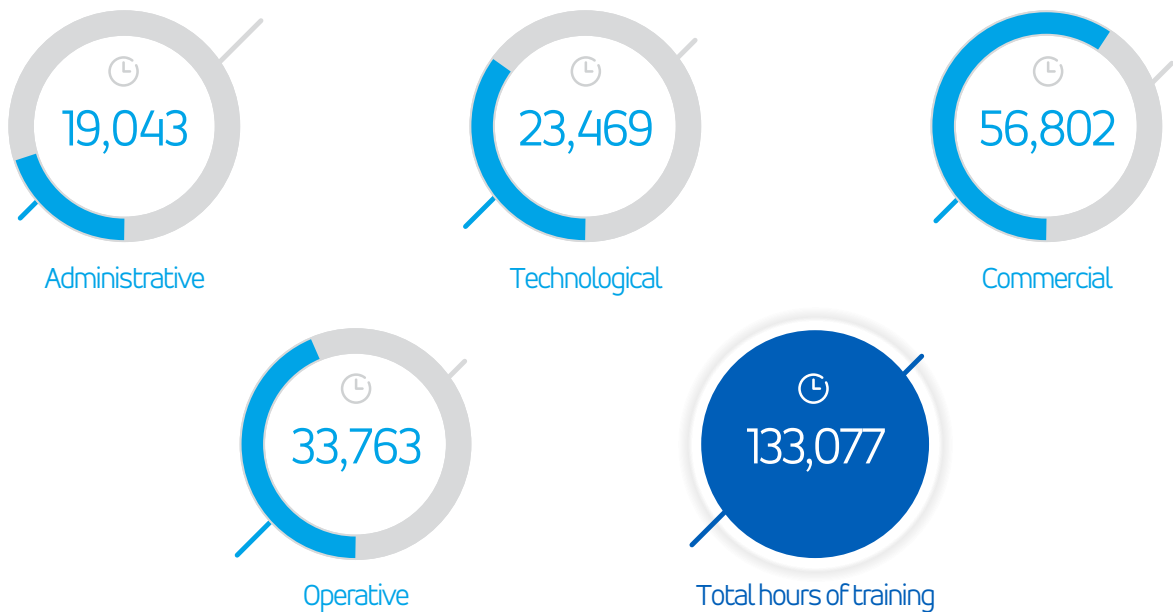
The main objective pursued by Banco del Pacifico, through training, is to provide the means to its employees to obtain the strategic objectives that they want to achieve. In addition, it is intended to enhance the skills and tools necessary to effectively respond to the functions they perform and, to the changes and demands that the current reality implies.

The organization ties up high-impact internal programs with knowledge assessments and results monitoring of the area that they received during training. Staff development is reflected through a performance assessment that clearly displays their progress.

GRI 404-1

As a result, having properly trained employees helps fulfill area indicators, since when the staff is well trained it is easier to achieve the goals set. We evaluate the logistics of internal courses through digital forms in order to have feedback on the perception of the employee.

Training hours by job category¹²



¹²GRI 404-1: Training at Banco del Pacifico is not registered in a gender-segregated manner since it is undertaken according to job title planning and not on the basis of the people themselves.

GRI 404-2 / FS4

Banco el Pacifico stands out for the training it provides to its employees in different areas of its line of business, as well as in different areas in sustainability. The representatives of the institution know that this is a large but valuable investment, which helps its employees to grow in their activities as well as the Bank's activities.

Recurring training and education programs

CLAB 2019

CLEIF 2019

CLAR 2019

Financial Technology and Innovation Conference

Pan American Congress on Money Laundering and Terrorist Financing Risk

International Cybersecurity Congress

Felaban Annual Assembly

HR SUMMIT

Colade

Internal Audit Congress

International Congress of Human Management " Más Ágiles Más Humanos "

Main Formative Programs and Training

Building Productive Team

Certification program in Culturing

Management Development Program

Agile and Scrum Methodologies Principles

BdP Talks

Sign Language (Inclusion Program)

Commercial Programs

Ced Training

Business Schools

Service Schools

Commercial Coaching

Lead

Next Product To Buy

New Customer BdP Segmentation

Commercial Systematics

Institutional Programs

Bank School

Induction to Banco del Pacifico

Normative Programs

Code of Ethics

Prevention of Money Laundering, Terrorist Financing and other crimes

Internal Regulation

Operational Risk and Business Continuity

Occupational Health and Safety

Security of the Information

People management carried out by the organization seeks to effectively and progressively include all its employees so that they receive training through different education methodologies, while contributing to their professional¹⁹ development and consequently to the growth of the institution.

¹⁹GRI 404-2: The training provided by the Bank focuses on what is listed here. At the moment, transition assistance programs are not developed on a regular basis for employees who are retired or who are laid off.

GRI 205-2

One of the regulatory issues that Banco del Pacifico responsibly fulfills is to ensure a good control in the fight against corruption¹⁴ specifically in terms of money laundering, financing of terrorism and other crimes. To do this, it trains its personnel in order to not lose their reason d'être, or their line of business.

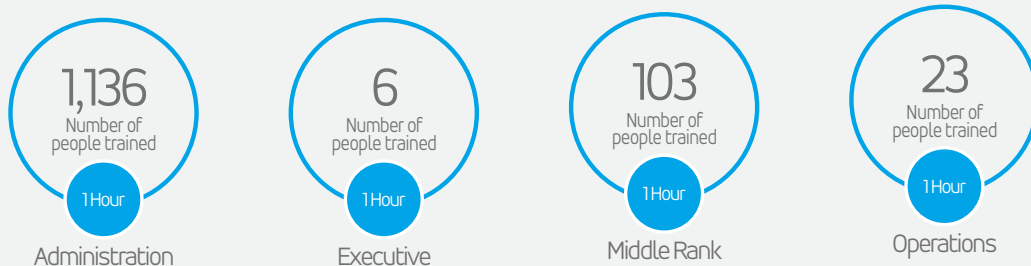
Training in Money Laundering, Financing of Terrorism and Other Crimes (PLAFT)

The annual evaluation of PLAFT aimed at areas of support and the Board¹⁵ was carried out on our Ingenious digital platform, which lasted one hour.



Total hours of training: 5 hours

The annual evaluation of PLAFT aimed at business areas¹⁶ enabled from July 16 to 26, 2019.



Total hours of training: 4 hours

Adding to the goal of excellence in quality of service, the Bank implemented the "School of Banking Services" at a National level aimed at chiefs and assistants.

Aimed to:



¹⁴The areas trained were: Business Banking, Personal Banking, Financial Channels, Collections, Payment Methods, Marketing and Microfinance

¹⁵The training and evaluation of Directors was carried out via email. The process takes approximately one hour per person. The areas trained were: Administration, Legal Advice and General Secretary, Internal Audit, Human Talent, Technological Resources, Integral Operations, Strategic Planning, Executive Presidency, Projects, Comprehensive Risks, Occupational Health and Safety, Banking Security, Treasury and Finance, Transformation into Innovation, Compliance Unit, Corporate Communication and Executive Vice Presidency.

¹⁶The areas trained were: Business Banking, Personal Banking, Financial Channels, Collections, Payment Methods, Marketing and Microfinance.

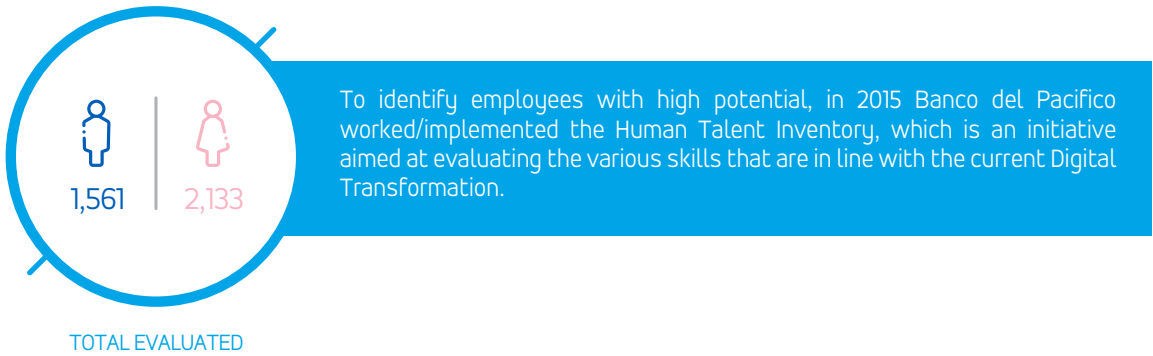
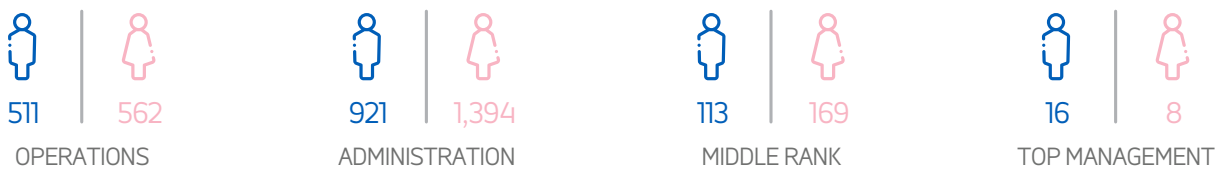
GRI 404-3

Evaluation

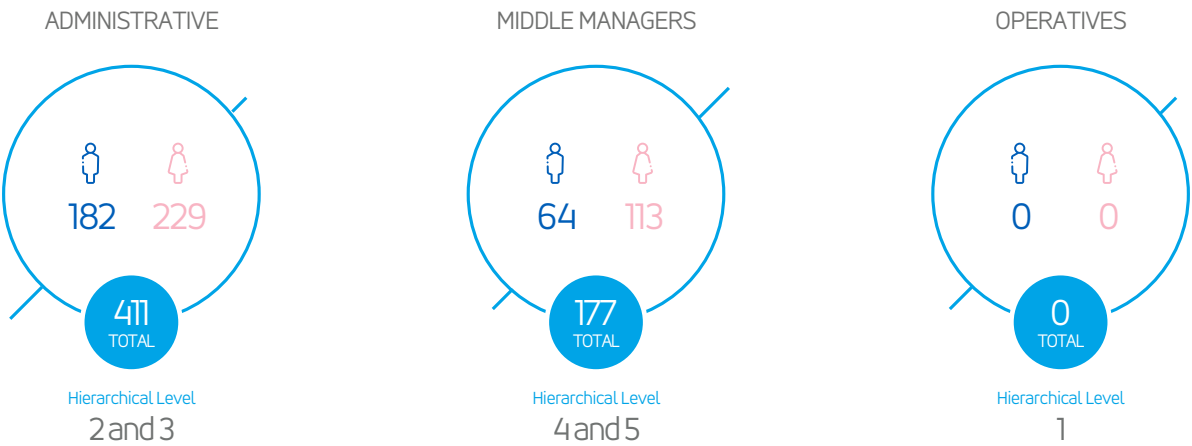
Since it is a process of continuous improvement and monitoring of responsibility at work, our institution evaluates its employees both in their performance at their job position and in their interactions within the organization. Regular performance reviews are conducted on middle and administrative managers in order to ensure the quality of the service and strengthen the organization.

In 2019, 588 employees were evaluated, through the Transversal Program to the BdP Talent Inventory, whose objective is to identify employees with a high-level competence skill through tests, interviews and assessment centers. This allows identifying possible successors to key positions within the organization and, while also focusing on the development of specific skills for the staff, in order to prepare them for future challenges.

Employees with periodic performance evaluation



Employees with possible career plan diagnose and monitoring.



With the Human Talent inventory, Banco del Pacifico will undertake several actions that have the purpose of reducing gaps in soft skills, identified in its employees and in the organization, through plans and projects that are aligned with the development of the business. These actions are brought together and materialized in the career and succession plan that seeks to identify and support the future leaders of the institution.

“Living in constant adaptation to changes in environment and leadership, while trusting the process, will allow us to culturally transform ourselves”



Silvia del Pino
General Manager of Human Talent

GRI 102-35 / GRI 102-36 / GRI 102-37

Compensation and Benefits



Remuneration

The remuneration policy of Banco del Pacifico, from its highest governing body and senior executives, contemplates the rights and obligations that are defined in the Code of Labor, IESS, SRI, Constituent Mandate No.2, Decrees and Official Records that govern the Members of the Board of Directors and the Executive Level.¹⁷

In order to define the BdP remuneration scale, a “Job Position Assessment” mechanism is used while considering internal and market equity. If there are new job positions, we request support from well-known External Consulting Firms in the industry.










¹⁷At the moment, there are no performance criteria in the remuneration policies and the objectives of the highest governance body and of the senior executives on sustainability issues that are specifically defined as such. Currently, the remuneration is established according to a fixed value and another variable for the achievement of various objectives. **GRI 102-38 / GRI 102-39 / GRI 405-2:** For the privacy and security of the positions involved, Banco del Pacifico decided to no report information on salaries, remuneration or similar for this year.

GRI 401-2

Organizational Benefits

All Banco del Pacifico employees receive organizational benefits aimed at providing economic stability and security in access to health care, among other important aspects. This way, we make sure to cover all the needs of our employees. However, there is a certain level of differentiation in the enjoyment of said benefits, which has been established with the purpose of motivating the staff with higher levels of responsibility and exposed to greater risks in decision-making.

The table of benefits to employees by hierarchical levels is presented below:

Category	 Hierarchical Level	 Total	 Uniforms	 National Health Insurance	 International Health Insurance	 Life Insurance	 Vehicle Insurance	 Variable Remunerations	 Other Benefits				
Operative	1	1,076	Provision of Annual Uniforms to the female and male staff	USD 28,000 coverage 100% monthly premium		USD 50,000 coverage 100% monthly premium		3 year salaries	Vacation Bonus: Year Income / 24				
Administrative	2	1,136	Provision of Annual Uniforms to the female and male staff					USD 20,000 coverage 100% monthly premium	USD 3,500,000 coverage 100% monthly premium	USD 80,000 coverage 100% monthly premium	USD 30,000 coverage with no monthly premium 100%	2 year salaries	Food: 80% cost of service subsidy (Headquarters and Main Offices), daily USD 275 (Personal Agencies)
	3	1,219										1,5 year salaries	IESS Personal Contribution, Income Tax: 100% Subsidy
Middle Rank	4	169				USD 140,000 coverage 100% monthly premium	USD 35,000 coverage with no monthly premium 100%						Salary Advance: Salary Advance with no interests for up to 3 salaries within 36 months.
	5	111			USD 205,000 coverage 100% monthly premium	USD 60,000 coverage with no monthly premium 100%		Advance payment of annual bonus: 50% from June					
Top Management	6	24											
Board of Directors	7	3		USD 20,000 coverage 100% monthly premium	USD 3,500,000 coverage 100% monthly premium	USD 205,000 coverage with no monthly premium 100%	USD 60,000 coverage with no monthly premium 100%		Salary Advance: Salary Advance with no interests for up to 3 salaries within 36 months. Advance payment of annual bonus: 50% from June Company-owned vehicle for company-related interactions.				

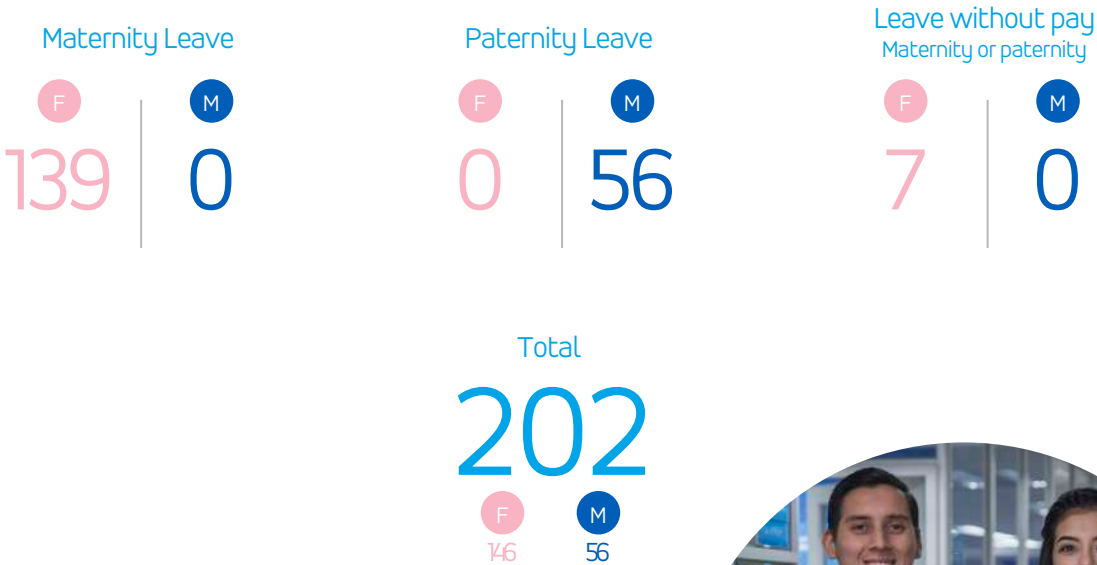
GRI 401-3

Paternity or maternity leave

A legal benefit in Ecuador is to grant paternity or maternity leave, which Banco del Pacífico adheres to. In 2019, 100% of the employees exercising this right were able to benefit from this leave. Therefore, 202 employees enjoyed their right and, only 77% of women willingly went back to work after the maternity leave was over, and 89% of men went back to work once their paternity leave ended.

Use and reintegration due to maternity or paternity leave

Absenteeism:



GRI 201-3

Voluntary retirement and provisions

With regards to the liabilities for pensions and other obligations, as well as the provisions charged for the year for pension funds, Banco del Pacífico¹⁸ by the end of 2019 had

USD 39 million
provisions for retirement of its employees and
USD 9.2 millions
for layoffs.

The institution has a policy for a voluntary early retirement plan, for personnel that meet the amount of labor seniority years and specific age range. In 2019, there were 9 employees that embraced this plan.



¹⁸ The provision of corresponding funds is provided by Banco del Pacífico: There is no plan in which the employee provides funds.



Diversity and Equal Opportunity



GRI 405 (103-2, 103-3)

Clear policies

With regards to diversity and equal opportunities, Banco del Pacífico focuses on fulfilling the guidelines established in its internal policies.

In its Code of Ethics, Banco del Pacífico clearly states that it promotes professional development opportunities. In addition, it also aims at the inclusion of minority groups from the selection process and internal promotion, while only taking into consideration the competence profile for the position.

In this same comprehensive regulation body, since there is no discrimination, respect and value are declared and granted to people's identities and differences. All acts of harassment and discrimination based on race, religion, sex, age, different capacities, sexual orientation, color, gender, nationality or any other political, ideological, social or philosophical reason is completely prohibited.







On the other hand, the Management, Hiring and Rotation Policy promoted inclusive practices with no discrimination towards people who belong to minority groups or vulnerable such as: pregnant women or who are breastfeeding, afro-Ecuadorians, indigenous people, among others; while respecting their cultures and traditions.¹⁹



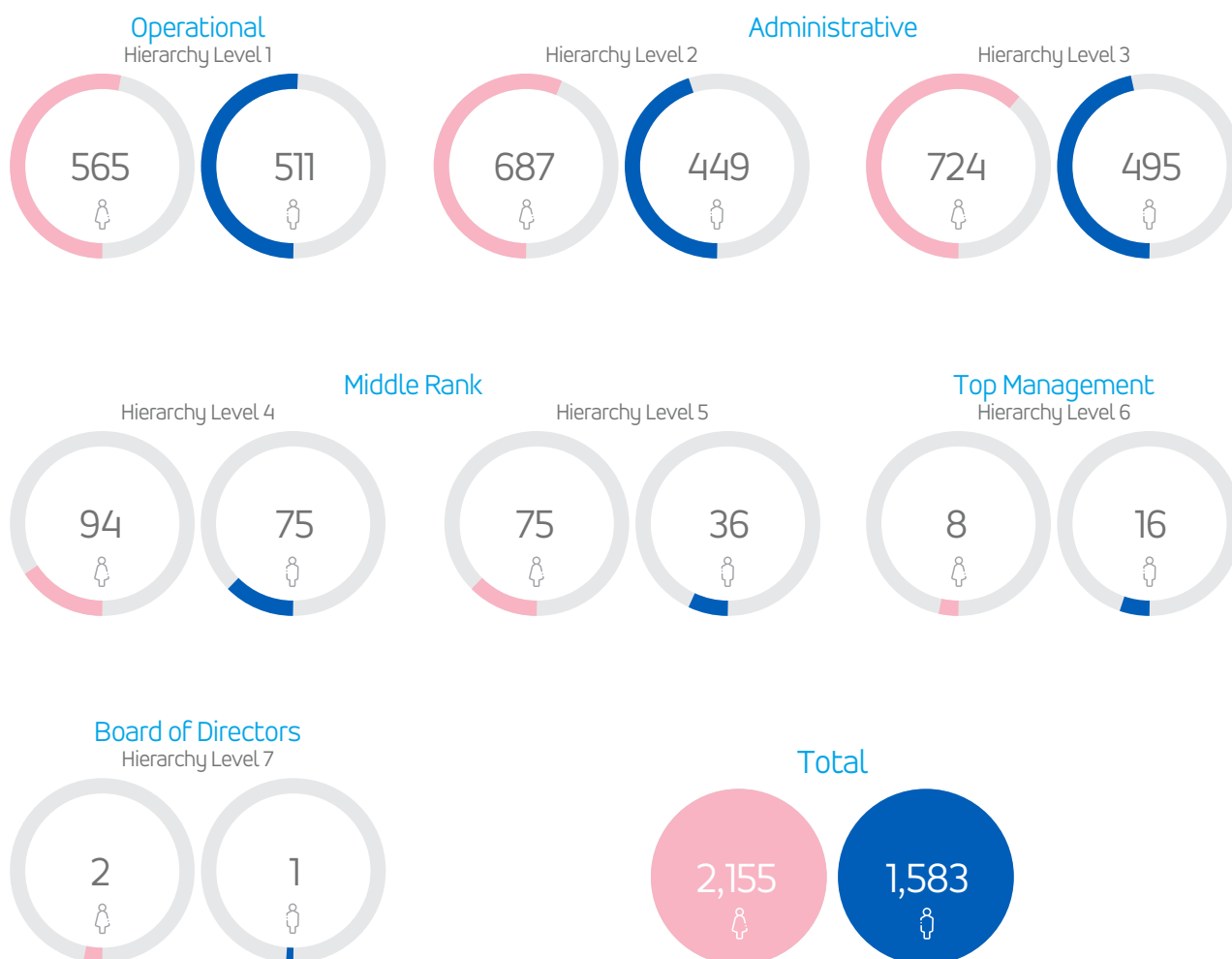
¹⁹ **GRI 405-2:** Banco del Pacífico has decided to not reveal any information related to salaries, income of employees and remuneration for this year due to privacy and security issues.

GRI 405-1

Percentage of employees by age group, sex and region

	From 18 to 25		From 26 to 35		From 36 to 45		TOTAL
							
COAST	221	309	479	570	374	444	2,397
HIGHLAND	108	156	259	458	141	196	1,318
AMAZON	0	2	3	3	1	1	10
INSULAR	0	12	2	11	6	6	37

Division of staff by hierarchy level





Occupational Health and Safety

GRI 403 (103-2)

Care to the people

The Bank encourages wellbeing and promotes a healthy quality of life, through participating in prevention campaigns such as vaccinations to employees and their families, prevention campaigns on sexual health and relaxation in situ, prevention of psychosocial risk factors, organization of “open house” events including the participation of the Occupational Health and Safety Committees.

Through our work, we adhere to the Sustainable Development Objectives of the United Nations – specifically with item 8, since in order to have a world impact in terms of decent jobs for all women and men, it is necessary to have stable employment.

Through its leadership and commitment, Top Management continues to promote a labor risk preventive culture within the organization.

In the year 2019, an initial dialogue and road map were carried out for transferring the existing management system under OHSAS 18001:2007 standard to the requisites of the ISO 45001:2018 standards, including the requirements of the Healthy Organization program. The new high-level structure (HLS) of the 45001:2018 Standards enables integration with other management systems of the Bank.

During 2019, it was decided to include the Healthy Organization program to our Management Systems, since the health of our employees and their wellbeing are key elements for the productivity and sustainability of BdP. For this reason, a diagnosis of the current situation was carried out through a healthy habits survey in which 93% of employees participated. After these results, the road map was defined to be implemented in the upcoming years. Within the occupational risk management, the preventive approach was strengthened, which allowed the transversal integration of all the processes of the Bank, positively impacting the health and wellbeing of the employees.



Occupational Risk Prevention Policy

Furthermore, the Bank has an Organizational Safety, Health and Wellbeing Policy that provides a reference framework to establish the objectives of the management system, signed by the executive president and reported to all stakeholders.

This policy has established 6 commitments, and one of the main principles is to “actively promote and ensure consultation and participation of all employees and the commitment of all departments in the Occupational Safety, Health and Wellbeing Management System; and support the national branch in its preventive management.”

The SSO Management System has 3 objectives that are based on continuous improvement, better communication with stakeholders and promoting the wellbeing of all

employees. We are all responsible for the prevention of occupational risks. The description of these responsibilities can be found in the Security and Health Internal Regulation, functions manual, and the policy manual to administrate the SSO management system.

Commitment number 3 of the Organizational Safety, Health and Wellbeing Policy establishes the following “to provide the management system with the necessary human, economic and technological resources for proper management”. In addition, a follow up and measurement of the performance of all assigned resources for the SSO management.



GRI 403 (103-2) / GRI 403-1 / GRI 403-4

Participation of employees and complaint mechanisms²⁰

According to the legal provisions of the competent authority, the Bank has created a Safety and Health Central Committee in its headquarters in Guayaquil and 33 subcommittees in agencies and locations nationwide.²¹ Every subcommittee gathers monthly and the Central Committee gathers every two months to review and follow up on the requirements of operational areas and, therefore, correct unsafe conditions. This approach, ensures the representation of the Bank’s employees in

controlling and counseling of all occupational safety and health actions.

Within the management system, it is important to have the participation of employees, who have room in joint organisms and delegates on Safety and Health prevention; as well as the option of sending letters to the occupational risk prevention mail box.

Main activities in 2019

Within this framework, and due to the importance, which the Bank has on the physical and emotional health of its employees, in 2019, the migration projects to move from the existing system to the ISO 45001:2018 Standards were launched including all the requirements of the Healthy Organization.

This was achieved through the promotion of health prevention in open houses, the promotion of active breaks and follow ups of the control plan for psychosocial risks.



Psychosocial Risk Training



Vaccination Campaigns



Emergency Brigades

²⁰ **GRI 102-41 / 403-1 / GRI 403-4:** Even though the Bank acknowledges and promotes the right of free association to its employees and the right to collective bargaining, there are no union-type occupational organizations within the organization to date, nor the establishment of collective agreements among them.

²¹ **GRI 403-1:** The percentage of employees that have representation in formal committees on safety and health was 97% in 2019 and, according to the Regulations on Health and Safety for employees and the Improvement of the Working Environment (Executive Decree 2393), there are three members appointed by the employee and three members appointed by the employees, all with their corresponding alternate members.

GRI 403 (103-3) / FS9

Follow-up and evaluation

In order to perform a detailed follow up, like the one that requires the wellbeing of the people that are part of our Bank, the Occupational Health and Safety Committee provides the appropriate guidance to the Chief Executive of the Institution. All work or workplaces are subject to control by the Bank, as established by the rules that govern the Bank.

The Occupational Safety and Health Management System has allowed to managed the risks in a proactive way, achieving a significant decrease in the number of accidents during 2019.

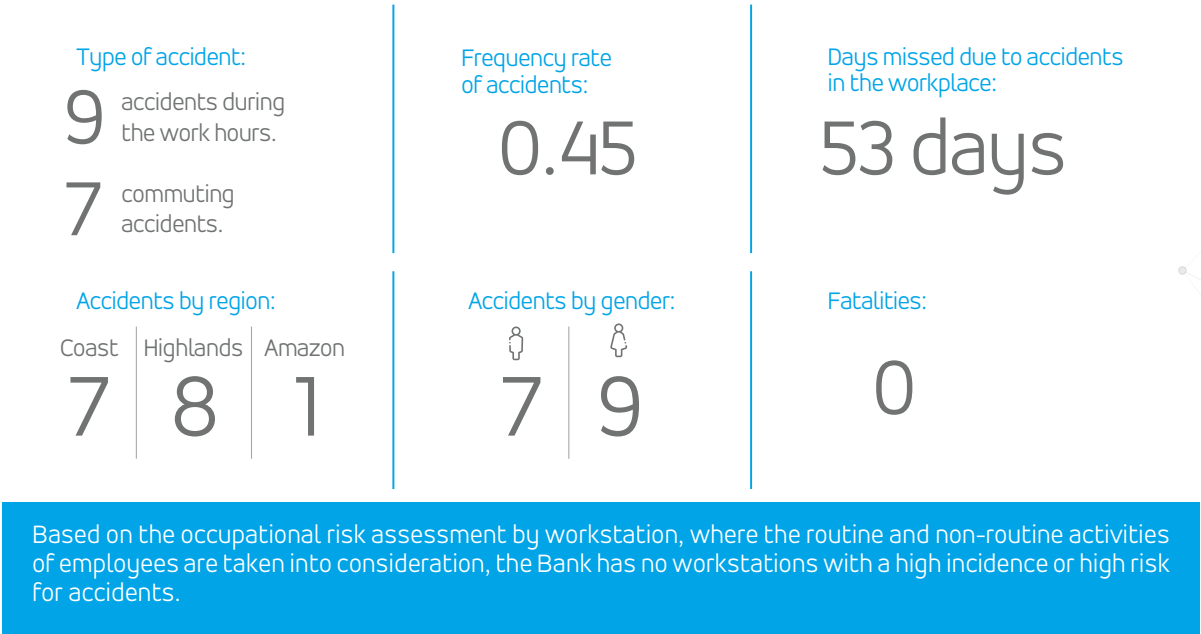
Within the management system, the legal requirements that can be applied to the organization in terms of safety and health aspects are taken into consideration for their implementation. All this within the annual planification of activities, with the purpose of maintain safe and healthy work spaces. Therefore, there is a decrease in the number of work-related accidents and diseases.

GRI 403 -2 / GRI 403-3

2019 Results

In 2019, there were no reports on occupational diseases and, consequently, there were no absenteeism due to occupational diseases.

Nevertheless, the following accidents were reported and managed:



Ongoing actions

Looking forward into the future and with the purpose of always wanting to improve, in 2019, the management system “Review by the Board” was held. In this meeting, it was established to transition from the OHSAS 18001 standard to the ISO 45001 standard, based on a diagnosis and while also considering that the management system certification is currently in force until 2019.

This change will include the parameters to be implemented in the Healthy Organization Program of the Bank, considering that the health, security and the wellbeing of the employees have a crucial importance for its employees and its relatives. It also important for the production, competitiveness and sustainability of the Bank.


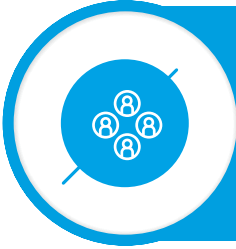

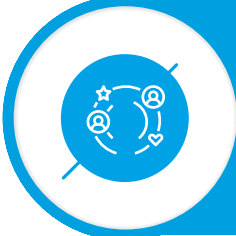
Social Commitment

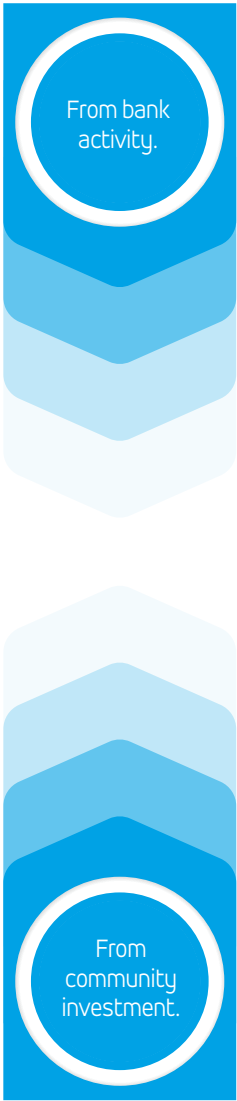
Banco del Pacífico creates value in its environment. First, by its way of “providing bank services” through practices developed for its activities to have long-term benefits for all, including the most neglected segments of the system. Second, as complement of its own business and through its Corporate Social Responsibility department, the Bank develops social action programs that seek to cover the basic needs of the population and contribute to improve their living conditions.

On this matter, there are clear objectives that have been defined to achieve the implementation of the Social Action Plan of the Bank.



Objectives of the management approach in the community:

	<p>Direct access to the bank by citizens from remote populations.</p>	<p>Include local communities in the national productive apparatus, particularly the most remote ones that have no access to financial services, through accessible and safe points of care, as well as product and services suited to their needs; in such a way that they can improve their quality of life.</p>
	<p>Informed, responsible customers that are aware of their economic-financial management.</p>	<p>Ensure informed clients for decision making, while being responsible and formal in terms of managing their shares and financial transactions and savings, through a solid and permanent education system.</p>
	<p>Environmental balance.</p>	<p>Reduce the carbon footprint of the Bank, directly and indirectly generated by its processes, while seeking efficient, innovative and sustainable alternatives.</p>
	<p>Quality of life for society.</p>	<p>Reflect among its stakeholders, the economic, social and environmental performance in order to provide a tangible quality of life.</p>





Community action



GRI 201 (103-2) / 413-2

Throughout the years, Banco del Pacífico has maintained a consistent action through its plans with the community and its stakeholders in general. These plans are part of the Social Responsibility department and they are also linked to the normal course of business of the Bank.



The centerline of the plans consists in providing a proper response, for both the expectations and the rights of the stakeholders associated with the business of the entity. These activities are integrated to the management systems of the company and, consequently, to the budget of the different commercial, management areas, among others.

GRI 201 (103-2), GRI 201-1 / 413-1

More specifically, and following the line of transparency that each year grows through the Sustainability Report, it is reported that the budget managed by the Social Responsibility department during 2019 was USD 325,928.50, from which close to USD 206,839 were invested in social action projects, while distributing the budget in a balanced manner among the six intervention areas prioritized by said department²².

There are 6 areas in which Banco del Pacífico has provided support to the community over time:



Financial Education Programs

Learning with my Bank and My Bank Teaches me.

Investment of USD 505,688,12



Rural and community development

Social investment programs in rural areas.

Investment of USD 158,521



Environmental improvement

Neutral Carbon Program, emission compensation, environmental license, beach cleanups and plantation of trees.

Investment of USD 67,907



Home Construction

Hogar de Cristo and Techo Foundations (home and logistics for construction)

10 houses or beneficiary families.

Investment of USD 44,634



Other social programs

Programs for the prevention of child abuse, Christmas campaigns.

Investment of USD 3,683



Volunteering

Training for volunteers of the Bank, award for the best volunteer.

1,732 hours donated by 209 volunteers.

Investment of USD 55,898

²² There were no donations during 2019. The difference between the budget of the area and the resources invested in the community, corresponds to support service payments, communication and relationships services for the corresponding management.



Financial Education



FS15

Since the beginning of its financial education programs in 2010, Banco del Pacífico has trained more than 45 thousand people around the country. This way, it fulfills its obligation and commitment with its customers, community and public in general.

Nevertheless, the Bank has decided in the last few years to complement face-to-face education, by investing in appropriate innovative digital tools in order to provide financial education to more places.



“Learning with My Bank”

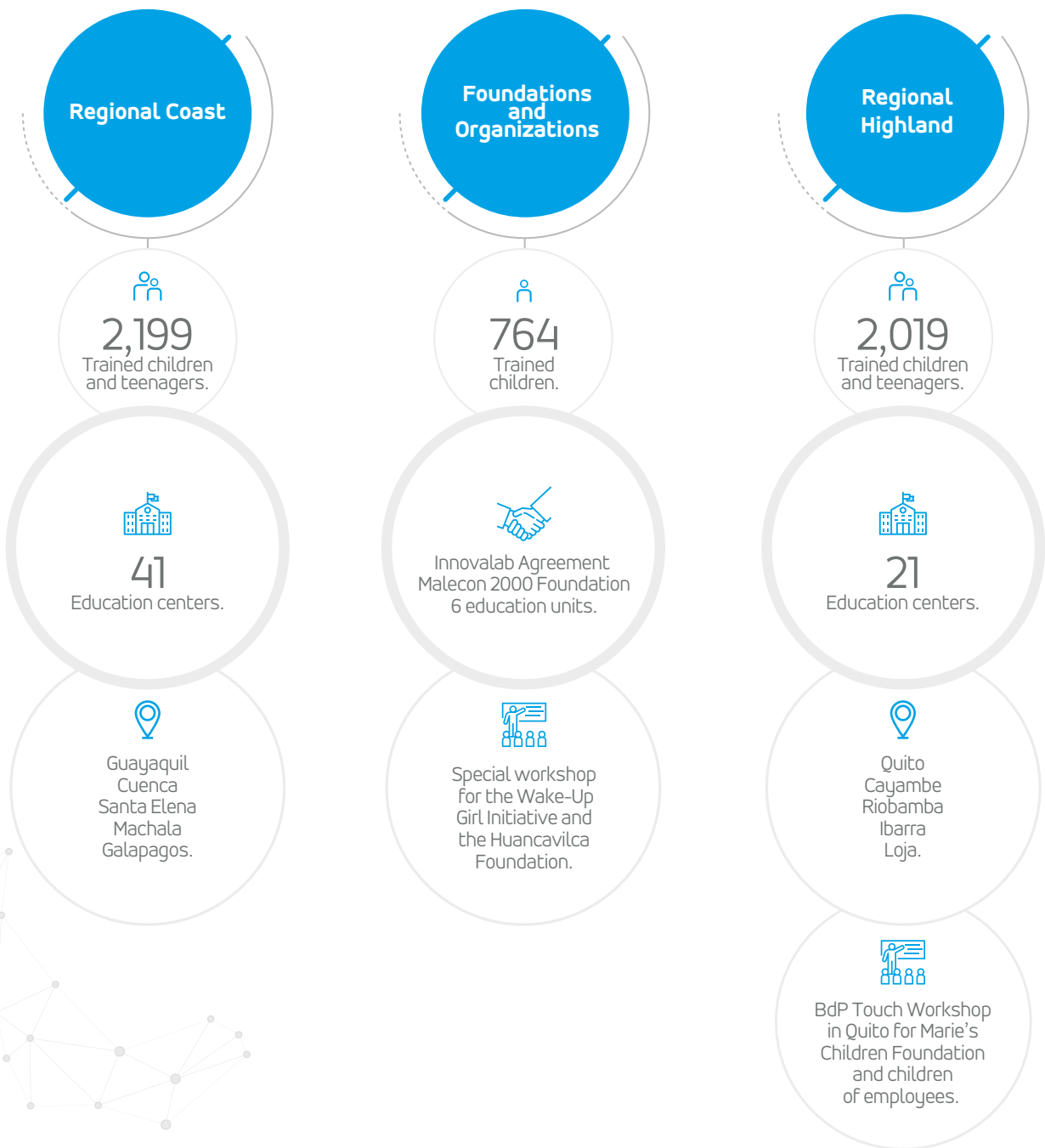
In 2019, the Bank continued to promote its “Learning with my Bank” program for children and teenagers, providing workshops to 10 cities in Ecuador, promoting awareness from an early age about the history of money, the importance of saving and budgeting; and for teenagers, the importance on saving and entrepreneurship.

The program, which is for children in 5th and 6th grade and to senior students in high school, was carried out for the first time in Galapagos and Loja. In addition, it is important to emphasize that the program was also provided for foundations and nonprofit organizations such as: Malecon 2000 Foundation, Maria’s Children Foundation, the Wake-Up Girl Initiative and Huancavilca Foundation.



FS15

In general, these were our actions during 2019:



FS15

Since 2010, the Bank has trained:

32,616 children and 7,121 teenagers

420 education centers

Cities
Guayaquil, Cuenca, Galapagos, Milagro, Salinas, La Libertad, Loja, Portoviejo, Manta, Machala, Babahoyo, Quito, Ambato, Latacunga, Ibarra, Riobamba and Cayambe.

"My Life Project" initiative was carried out together with Humane School of Business and the Superintendency of Companies, by providing training in financial skills, innovation, leadership and entrepreneurship to more than 500 teenagers of 20 high schools in Guayaquil and La Libertad.

Bringing innovation to financial education:

Three new digital interactive tales were developed for children older than 6 years of age.
This can be verified in the financial education website:

www.educacionfinanciera.com.ec



Similarly, monthly episodes of the program were developed

Mi Banco Banco TV (My Bank TV)

In which children educate other children on financial subjects in a fun, entertaining and practical way.
This program can be accessed through our YouTube channel:

[@bancopacifico.ec](https://www.instagram.com/bancopacifico.ec)

www.educacionfinanciera.com.ec



FS15

With a responsible and inclusive approach aligned with the provisions of the Transparency Code and User Rights of the Superintendency of Banks, Banco del Pacífico provides its clients, users and general public with its Financial Education Program for adults.

My Bank Teaches Me

The program educates and provides knowledge that allow people to have useful tools that improve its personal finances. Also, it helps make accurate and timely financial decisions.



Inclusive Financial Education:

As part of the financial education program, we held the first gathering called “Learn and Re-Start” for 60 micro entrepreneurs and social entrepreneurs, in which financial tools were given their business growth.

The event was successful for all attendees, since it provided concrete answers to the main questions that most entrepreneurs commonly have in our country.

FS15

In 2019, we had the following scope



75

face-to-face
workshops

were held on responsible over-indebtedness and entrepreneurship

where 1,893 people from Guayaquil, Quito, Cuenca, Milagro, Azogues, Tulcán, Santa Elena, Machala, Ambato and Latacunga were trained. This was thanks to alliances such as: Fundación Educate, Youth Secretariat, MIPRO, MIES, Fadelech Industries, Codana, Holcim, Guayaquil Welfare Board, Catholic University of Guayaquil, and the Jacinta and Francisco Foundation.



30

financial education radio programs

were broadcasted from May to December on Saturdays from 8:00 AM to 9:00 AM in 55 radio channels with national coverage, thanks to the agreement signed with AER Nacional, and with the participation of Managers and special guests from the Bank that talked about personal, family and business financial education. An average of 67,000 radio listeners were reached each week.²³



The financial education E-Learning Program was launched,

which trained 3,073 bank employees in a first module on "Sustainable Economy". The following year we expect to provide E-Learning workshops with customers and the public.



With the Opportunities Bank product, we have trained 42,249 customers and financial users in financial education.

²³ Data until August of 2019.

Sustainable Environmental Management

Banco del Pacífico has a strong commitment with the environment and the fight against climate change, with the main goal of trying to reduce the environmental footprint in its operations nationwide.

For this reason, we strictly monitor our environmental footprint by using three indicator categories: i) consumption (of energy and natural resources); ii) waste generation (mainly paper and carton) and; iii) greenhouse gas emissions (GHG).



Material and Waste Management

GRI 301 (103-2, 103-3)

Banco del Pacífico provides financial services and, due to its line of business, it does not perform production or transformation activities²⁴. Consequently, paper is the main material used in the development of its activities. The use of computer equipment and printer toners are also frequently used, since they are part of the administrative activities that provide support to the operations. In addition, the material resulting from remodeling or making improvements such as furniture, divisions, aluminum, ferrous scrap, etc., are reused or recycled to avoid throwing away materials that can be useful.

The waste that are considered dangerous such as: used oils, batteries from UPS, vehicles, generators and lamps, among others, are given to the proper environmental managers that are qualified for this purpose.

During this period, we did not have a formal policy regarding this material issue.

GRI 301-1

Material management

Even though the Bank does not keep track, we do have a record of the weight and volume of the materials used for the proper operation of the Bank, and if it acquires materials and services they all have recognized certifications that are supported internationally and that help reduce our impact on the environment while adopting better practices.



²⁴ **GRI 301-2 / GRI 301-3:** Due to the line of business of the Bank, its operation does not foresee reusing materials for the design of its products or services, nor the use of recycled inputs.

GRI 306 (103-2, 103-3)

Waste Management

We strive to minimize waste management and manage them properly throughout our value chain. This is why, in 2019 we launched the “Pacific Planet” waste management internal campaign, and we installed recycling stations at the headquarters and the Annex building in Guayaquil and the main office in Quito.

By the end of 2019, we did not have an assessment methodology or mechanism for this management approach for offices in the continental territory. Nevertheless, there is a good practice to manage hazard and non-hazard waste.

In Galapagos, we have a category II environmental license for the Santa Cruz office, which is assigned by the environmental authority for projects, works or activities whose environmental impact or risks have a low impact, where we have an environmental management plan that fully complies with the

local legislation and protection measures towards the species of the area.

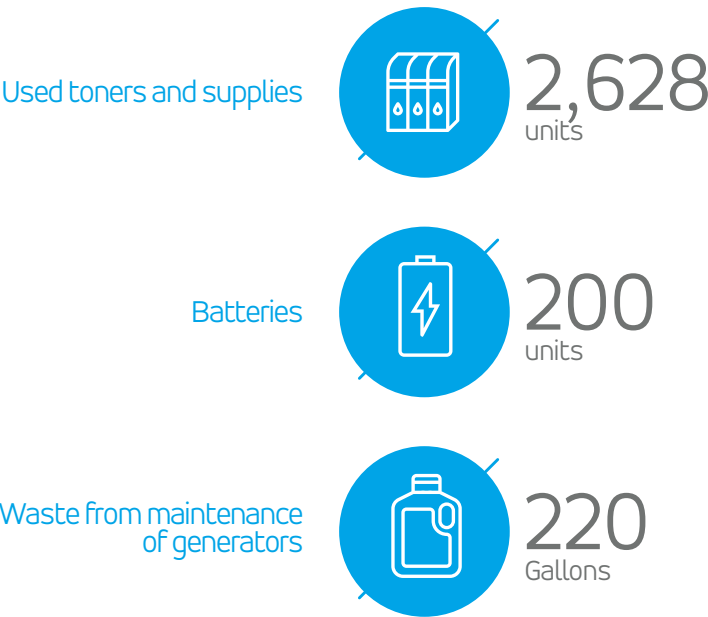
Among the non-dangerous waste are paper, carton and plastic, which are intended for recycling processes through environmental managers. In the case of print toners, once they are empty they are sent back to our supplier for proper handling.

Due to the frequent improvement of our offices, aluminum and ferrous scrap is recycled in order to be sold in batches to managers who are in charge of providing the best treatment for these materials.

Finally, through our service providers we manage special and hazardous residues such as: batteries from UPS equipment, oils from generators for the proper management and final disposal of said waste.

GRI 306-2 / GRI 306-4

In 2019, the waste and residue considered as hazardous by the Ministry of Environment have been disposed by qualified managers for this purpose.



GRI 306-2/ GRI 306-4

Among the non-hazardous residues, the Bank promoted during 2019 the recycling of the following waste:



(*) In addition to the kilos reported by recycling ferrous scrap, 10 batches of scrap were sold, from which we were not able to obtain its weight. We also did not recycle technological equipment during 2019.

All hazardous residue reported in this report are stored and sent to authorized managers that have the proper certification issued by the Ministry of Environment.











Energy and Climate Change

GRI 302 (103-2)

Energy Efficiency

As an entity that wants to be part of reducing greenhouse gas emissions, Banco del Pacífico renews equipment and implements innovative technologies that reduce the environmental impact in terms of energy, especially since it is its main source of emission.





The following are the actions implemented to improve the energy efficiency of the Bank's facilities:

- a)  Replacement of all LED lamps and wall lights.
- b)  Installation of marquees and signs with LED technology nationwide.
- c)  Electro-generators with TIER IV technology that reduces combustion gases, because when turned on the gas turns it into liquid and does not contaminate. These can be found installed in all agencies nationwide.
- d)  Implementation system of switching lights on and off and air-conditioning equipment at the head office, Urdesa, Centenario, Alborada, Santa Cruz, Principal Quito, Amazonas, El Inca and La Prensa.
- e)  Change of elevators in main building in Quito, with technology that helps reduce energy consumption.
- f)  Implementation of photovoltaic systems at the Annex building in Guayaquil, which allows to save 15% of the total consumption of energy in the building and, in the 24 de Mayo agency in Manta where energy savings supplies 100% of the agency throughout 8 hours of work.

During the reported period, we did not have a formal policy for this material issue.

GRI 302 (103-3)

The following are the actions used to evaluate and have a continuous improvement in energy efficiency:

- a)  Implementation of a comprehensive energy management platform that allows to control the electrical charges from the Bank's transformers, which has been useful to change them, aside from the main air-conditioning units and change in elevators.
- b)  Establish consumption patterns, energy balances and assessment on indicators to energetically improve its offices.
- c)  Identify failures and make improvements to achieve significant savings.
- d)  Evaluate and provide for the preventive maintenance of electric equipment and the electrical infrastructure of the different agencies.



GRI 302-1 / GRI 302-3 / 302-4

Within the operations of the organization, the following are the sources of energy that are being used:



Public electricity supply



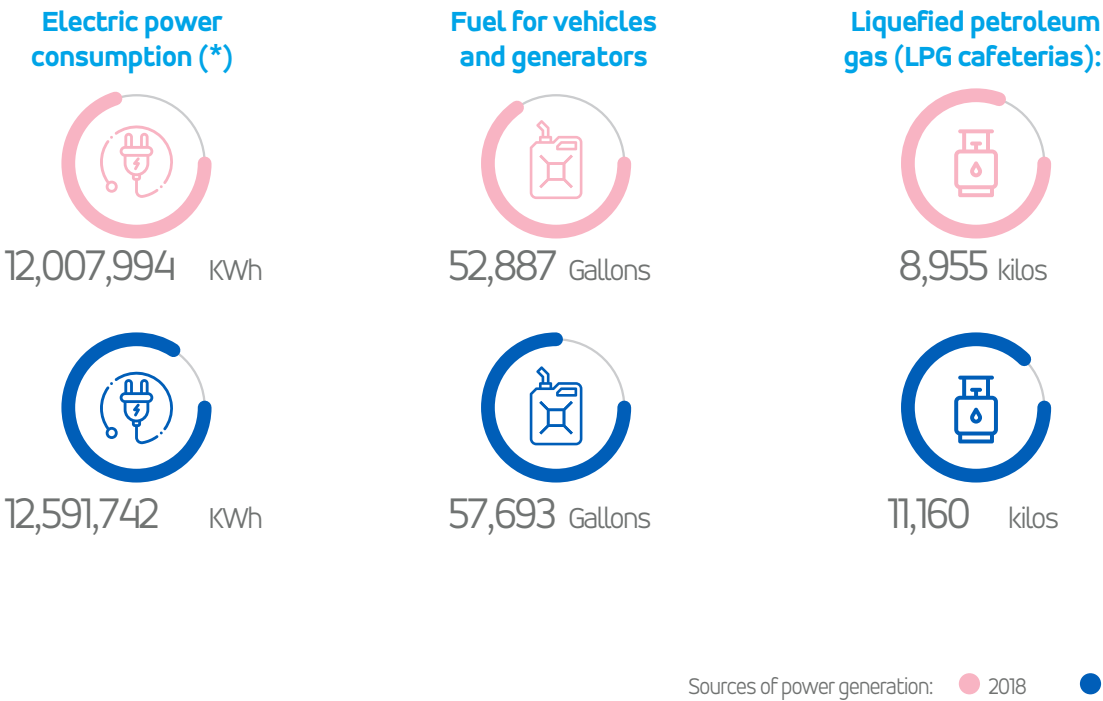
Fuels used by the vehicle parking of the Bank



Liquefied petroleum gas (LPG), used only at cafeterias of the Bank

GRI 302-1/GRI 302-3/302-4

The following are the corresponding consumptions²⁵:



*The increase in energy consumption is due to the expansion of customer service locations nationwide.
**Corresponds to the consumption at cafeterias in Guayaquil and Quito.

GRI 302-1/GRI 302-3/ GRI 302-4

In terms of energy intensity, it was established in 2019 at 3,310 KWh by person that compared to the 2018 record, had a 3% decrease despite the increase of 302 employees.

In order to compare the energy intensity of 2019 vs 2018, only the number of employees was considered.

In 2019, the electric power consumption at Banco del Pacífico S.A. offices nationwide, was 12,591.742 KWh. This excludes the ATM energy consumption.

*Electric Power Consumption in KWh per year



*Information taken from the electric power bills, considering the total monthly consumption.

²⁵ **GRI 302-2/ GRI 302-5:** Banco del Pacífico measures energy consumption through its own operation, without having established the corresponding consumption related to the activities performed outside of the organization, downward and upward power. It also does not do measures with regards to the relationship of the energy requirements of its products and services.

GRI 305 (103-2, 103-3)

Emission Management

As part of its environmental management, Banco del Pacífico has its **Carbon Neutral** certification that wants to quantify the greenhouse gas emissions, reduce and compensate them. This management translates into an annual reduction of the carbon footprint of the Bank, continuous improvement and operational excellence, proving its commitment with the global fight against climate change.

The management and renovation process of Carbon Natural Declaration is constantly evaluated, with the purpose of measuring and implementing strategies for continuous improvement and reduce CO2 emissions. In addition, both internal and external audits for this process, allow us to determine improvement opportunities and plan preventive and corrective actions, as well as establishing a budget for proper implementation.



GRI 305-1 / GRI 305-2

Since 2012, the Bank measures its carbon footprint by identifying the main equivalent sources of CO2 emissions within its structure and the corresponding opportunities for improvement. It is about a partial measure of the carbon footprint that does not encompasses the total operations of the Bank, but a representative sample of them.

The established scope has eleven offices:



Guayaquil:
Headquarters,
Alborada Office,
Urdesa Office,
Centenario Office



Quito:
Main Building,
Amazonas Office,
El Inca Office,
La Prensa Office



Manta:
Main Office



Cuenca:
Main Office



Galapagos:
Santa Cruz Office

GRI 305-1/ GRI 305-2

The greenhouse gas emissions considered are those generated by internal processes²⁶ that the organization has complete control over:



Refrigerant gas from air-conditioning units



Electric power



Biological waste



Vehicle fuel

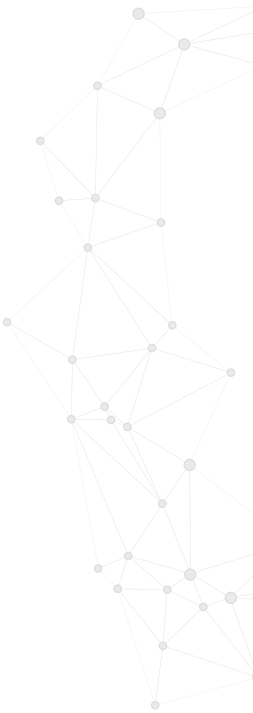


GLP and waste from cafeterias in Guayaquil and Quito



In order to measure the carbon footprint of the Bank, the following sources of emission were established:

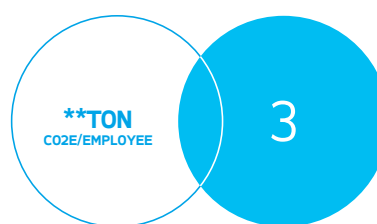
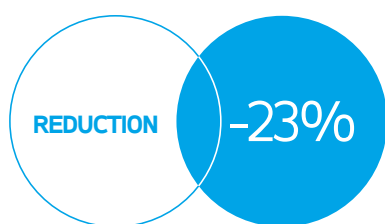
Type	Source of emission	
Direct		Fuel: Super/extra/diesel/eco
Direct		Refrigerant gas A/A
Direct		GLP Kitchen
Direct		Biological Waste
Direct		Waste from cafeterias
Indirect		Power



²⁶ **GRI 305-2 / GRI 305-3:** Excluded from the inventory of greenhouse gas emissions are the indirect emissions of scope 3, since the ISO 14064-3 standard allows to select those considered within the limits established by the organization.

GRI 305-1/ GRI 305-2

Type	Source of Emission	2016 (base year)	2019
Scope 2 (indirect):	*Power	4,754	3,579
Scope 1 (indirect):	Fuel	440	426
	Refrigerant Gas A/A	215	134
	GLP Kitchen	28	35
	Biological Waste	53	54
	Waste	5	24
TOTAL EMISSIONS		5,495	4,252



*In order to calculate the energy emissions, we considered the 2018 emission factor, since this report was created before the CENACE report was issued.

*Only the number of employees that are within the scope of certification were considered.

GRI 305-1 / GRI 305-2 / 305-4 / GRI 305-5

In 2019, the scope 2 emissions (indirect emissions created by electric power consumption) were the most significant, with 84% of the total inventory on emissions. The scope 1 emissions (direct emissions, which represent 16% of generated emissions) are in second place.

When comparing the greenhouse gas emissions between 2019 and the base year (2016), a significant reduction of 23% in CO₂ was established. This shows the Bank's management concern on reducing its impact on the environment.

In addition, an emission index was established per employee. When analyzing the base year, the emission index per employee was 4 Ton CO₂/employee. In 2019, it dropped to 3 Ton CO₂/employee. The emission measurement of each GHG (CO₂ – carbon dioxide –, CH₄ – methane –, N₂O – nitrous oxide –, etc.) is expressed in CO₂ Tons equivalent per year (CO₂e Ton/year).

GRI Content Index

GRI 102-55

For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report.

“The service was performed on the Spanish version of the report.”



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GRI 102-55

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	102-26 Role of highest governance body in setting purpose, values, and strategy	3	33	
	102-27 Collective knowledge of highest governance body	3	35	
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	102-29 Identifying and managing economic, environmental, and social impacts	3	34	
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	102-39 Percentage increase in annual total compensation ratio	6	77	
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	103-3 Evaluation of the management approach	4	46	

GRI STANDARDS	CONTENT	CHAPTER	PAGE NUMBER	OMISSION
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	4	49	
	201-1 Additional qualitative sectorial data of investment in the community	7	88	
	201-2 Financial implications and other risks and opportunities due to climate change	3	41	
	201-3 Defined benefit plan obligations and other retirement plans	6	79	
	201-4 Financial assistance received from government	4	45	
GRI 205: ANTICORRUPTION 2016				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	3	39-40	
	103-3 Evaluation of the management approach	3	39-40	
GRI 205: Anticorruption 2016	205-1 Operations assessed for risks related to corruption	3	39, 40	
	205-2 Communication and training about anti-corruption policies and procedures	6	75	
	205-3 Confirmed incidents of corruption and actions taken	3	39-40	
GRI 300: Environmental Standards				
GRI 301: MATERIALS 2016				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	8	95	
	103-3 Evaluation of the management approach	8	95	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	8	95	
	301-2 Recycled input materials used	8	95	
	301-3 Reclaimed products and their packaging materials	8	95	
GRI 302: ENERGY 2016				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	8	98	
	103-3 Evaluation of the management approach	8	99	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	8	99-100	
	302-2 Energy consumption outside of the organization	8	100	
	302-3 Energy intensity	8	99-100	
	302-4 Reduction of energy consumption	8	99-100	
	302-5 Reductions in energy requirements of products and services	8	100	
GRI 305: EMISSIONS 2016				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	8	101	
	103-3 Evaluation of the management approach	8	101	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	8	101-103	
	305-2 Energy indirect (Scope 2) GHG emissions	8	101-103	
	305-2 Additional and independent sectorial report on greenhouse gas emissions that result from business travels of the organization	8	102	
	305-3 Other indirect (Scope 3) GHG emissions	8	102	
	305-3 Additional and independent sectorial report on financing portfolio of the organization	8	102	

GRI STANDARDS	CONTENT	CHAPTER	PAGE NUMBER	OMISSION
GRI 305: Emissions 2016	305-4 GHG emissions intensity	8	103	
	305-5 Reduction of GHG emissions	8	103	
	305-6 Emissions of ozone-depleting substances (ODS)	-		Not applicable: The Bank does not generate significant emissions of this kind.
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	-		Not applicable: The Bank does not generate these types of emissions
GRI 306: EFFLUENTS AND WASTE 2016				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	8	96	
	103-3 Evaluation of the management approach	8	96	
GRI 306: Effluents and Waste 2016	306-1 Water discharge by quality and destination	-		Not applicable: The Bank does not discharge domestic wastewater.
	306-2 Waste by type and disposal method	8	96	
	306-2 Independent Report on specific paper residue or waste and computer products	8	96	
	306-3 Significant spills	-		Not applicable: The Bank does not manage materials that are subject to spill.
	306-4 Transport of hazardous waste	8	96	
	306-5 Water bodies affected by water discharges and/or runoff	8	-	Not applicable: The Bank does not discharge domestic wastewater in the public sewer.
GRI 400: SOCIAL STANDARDS				
GRI 401: EMPLOYMENT 2016				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	6	70	
	103-3 Evaluation of the management approach	6	70	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	6	71	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	6	78	
	401-3 Parental leave	6	79	
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2016				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	6	82-83	
	103-2 Sectorial comment on the labor management approach to support employees in terms of threats and violence in the workplace.	6	82-83	
	103-3 Evaluation of the management approach	6	83-84	
GRI 403: Occupational Health and Safety 2016	403-1 Occupational health and safety management system	6	83	
	403-2 Hazard identification, risk assessment, and incident investigation	6	84	
	403-3 Occupational health services	6	84	
	403-4 Worker participation, consultation, and communication on occupational health and safety	6	83	
GRI 404: TRAINING AND EDUCATION 2016				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	6	73	
	103-3 Evaluation of the management approach	6	73	

GRI STANDARDS	CONTENT	CHAPTER	PAGE NUMBER	OMISSION
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	6	73	
	404-2 Programs for upgrading employee skills and transition assistance programs	6	74	
	404-3 Percentage of employees receiving regular performance and career development reviews	6	76	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	6	80	
	103-3 Evaluation of the management approach	6	80	
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	6	81	
	405-2 Ratio of basic salary and remuneration of women to men	6	77, 80	Confidentiality problems: due to the privacy and safety of the positions involved, the Bank decides to not provide information on compensations this year.
GRI 413: LOCAL COMMUNITIES 2016				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	5	63	
	103-3 Evaluation of the management approach	5	63	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	5,7	68-69; 88	
	413-2 Operations with significant actual and potential negative impacts on local communities	7	87	
	FS13 Access points in low-populated or economically disadvantaged areas by type	5	63-64	
	FS14 Initiatives to improve access to financial services for disadvantaged people	5	63-64	
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	4	51-52	
	103-3 Evaluation of the management approach	4	51-52	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	4	52	
	414-2 Negative social impacts in the supply chain and actions taken	4	52	
GRI 416: CUSTOMER HEALTH AND SAFETY 2016				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	5	62	
	103-3 Evaluation of the management approach	5	62	
GRI 416: Customer Health And Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	5	62	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	5	62	
GRI 417: MARKETING AND LABELING 2016				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	5	60-62	
	103-3 Evaluation of the management approach	5	60-62	

GRI STANDARDS	CONTENT	CHAPTER	PAGE NUMBER	OMISSION
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	5	60-61	
	417-2 Incidents of non-compliance concerning product and service information and labeling	5	62	
	417-3 Incidents of non-compliance concerning marketing communications	5	62	
	FS15 Initiatives to improve literacy and financial education according to the type of beneficiary	7	89-93	
	FS16 Description of policies for proper design and offer of financial services and products	5	60, 61	
GRI 418: CUSTOMER PRIVACY 2016				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	5	62	
	103-3 Evaluation of the management approach	5	62	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	5	62	
GRI 419: SOCIOECONOMIC COMPLIANCE 2016				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	2	25	
	103-3 Evaluation of the management approach	2	25	
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	3	39-40	
MATERIAL TOPIC: PRODUCT PORTFOLIO				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	5	54	
	103-3 Evaluation of the management approach	5	54	
Material Topic: Product Portfolio	FS1 Policies on specific environmental and social aspects	3	42	
	FS2 Procedures to evaluate and control social and environmental risks in lines of business – SARAS	3	42	
	FS3 Processes to control the implementation on behalf of customers on social and environmental requirements included in contracts or transactions.	-	-	Does not apply: The Bank does not have processes to control said implementation from its clients
	FS4 Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	6	74	
	FS5 Interactions with clients/investees/business partners regarding environmental and social risks and opportunities.	3	38	
	FS6 Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/ large) and by sector.	4	48	
	FS7 Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	5	65-68	
	FS8 Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	5	54-59	

GRI STANDARDS	CONTENT	CHAPTER	PAGE NUMBER	OMISSION
MATERIAL TOPIC: AUDIT				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	3	42	
	103-3 Evaluation of the management approach	3	42	
Material Topic: Audit	FS9 Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	3, 6	42; 84	
MATERIAL TOPIC: SHAREHOLDER ACTIVISM				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	1	11 a la 15	
	103-2 The management approach and its components	3	38	
	103-3 Evaluation of the management approach	3	38	
Material Topic: Shareholder Activism	FS10 Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues.	3	38	
	FS11 Percentage of assets subject to positive and negative environmental or social screening.	3	38	
	FS12 Voting polic(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting.	3	38	



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