

Sustainability Report 2020



Credits

Publication from Banco del Pacífico

Strategic Planning, Corporate Governance and Social Responsibility

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GRI 102-1 / GRI 102-3

BANCO DEL PACÍFICO S.A.

Edif. Banco del Pacífico

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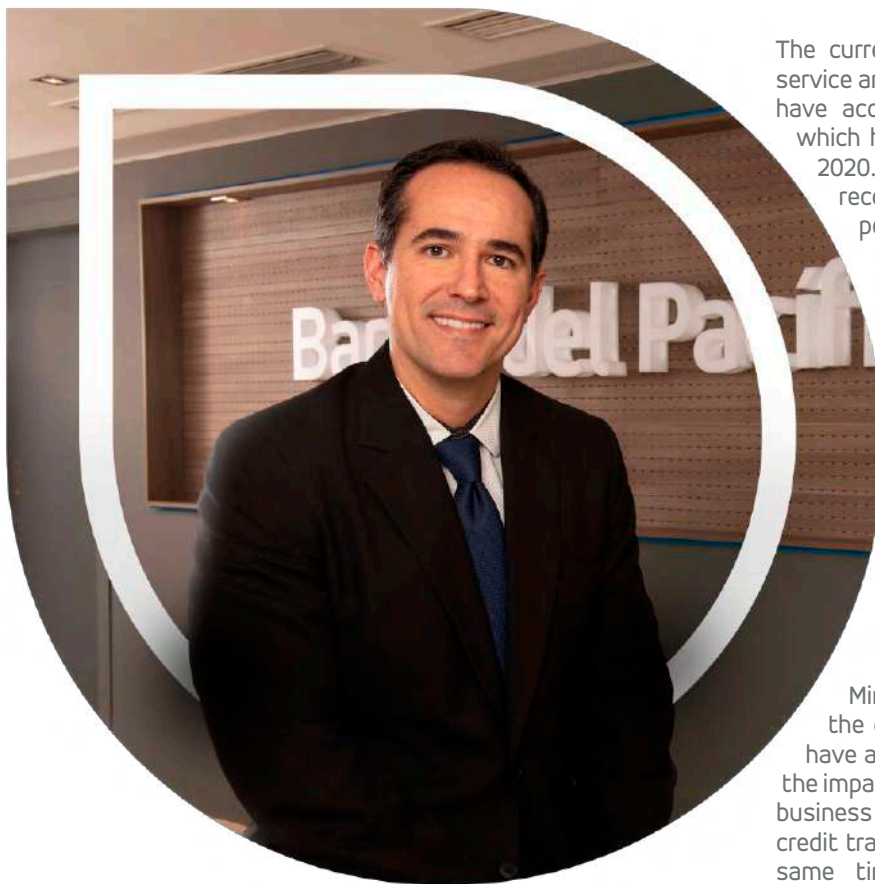
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INDEX

Table of Contents

A message from the Chairman of the Board	4
A message from the Chief Executive Officer	5
Chapter 1: About this Report	7
Report Profile	8
Chapter 2: Banco del Pacífico in 2020	9
Organizational values	10
A responsible business model for all	12
Key Figures 2020	14
Our commitment to Sustainability	15
Materiality 2020	19
Chapter 3: Ethics, transparency and anti-corruption	22
Good Corporate Governance	23
Ethics and integrity	32
Risk management and control	34
Chapter 4: Sustainable financial growth	36
Responsible economic development	37
Inclusive growth	39
Sustainable value chain	40
Chapter 5: Customers as the focus of our business model	43
Innovation, technology and sustainability	44
Customer safety and privacy	51
Information Transparency	52
Fraud prevention	53
Quality management system	54
Building an inclusive bank and creating opportunities	54
Chapter 6: Human Talent Management	62
Comprehensive Human Development	65
Well-being at work and quality of life	69
Diversity and equal opportunities	71
Occupational Health and Safety	73
Chapter 7: Community Development and impact investing	77
Community Action	78
Financial education	80
Chapter 8: Sustainable environmental management	82
Operational eco-efficiency	83
Energy and climate change	86
GRI Content Index	91



A message from the Chairman of the Board

The COVID-19 pandemic unleashed at the beginning of 2020 has caused an economic stagnation and it also became a threat to the financial stability of all countries. Its rapid spread has sunk the world into a health, economic and social crisis, disrupting people's quality of life, their behavior and consumption habits.

In this context, the financial industry evolves to confront these emerging significant challenges. **We started with understanding the consumer's profile and providing solutions and digital banking services for them**, two important aspects that play a leading and pivotal role in an uncertain and volatile world. As a financial institution, it is imperative to provide a dynamic digital ecosystem that is constantly improving the experience of our users, while reducing the need to have face-to-face customer service.

The current expectations of the customers' financial service are high and ever more demanding, therefore, we have accelerated our digital transformation process, which has allowed us to obtain significant results in 2020. The level of digital sales exceeded 50%, recording an overall increase of 28 percentage points compared to the previous year, reflecting a **great reception of our digital products**.

Commercial activities that have been leveraged in terms of data analytics and an efficient commercial system, have enabled the bank to experience a **significant growth** in this COVID-19 environment. Its assets increased to USD 869 millions, making us **-once again-** the second fastest growing financial institution. Consequently, our market share is 14.35%, reflecting a proper administration of our clients' economic resources and the consolidation of our most valued asset, **their trust**.

Mindful of the complex economic situation that the country and our clients are going through, we have adopted different measures in order to mitigate the impact caused by the confinement and the closing of business activities. We extended payment deadlines for credit transactions from different segments and; at the same time, we channeled credits for SMEs and microenterprises under preferential conditions, which allowed them to protect their employed personnel and cover the costs related to their operation.

Our effort and commitment to society has allowed us to be once again recognized by International Bankers as the **Best Commercial Bank of the Year**, becoming a world-renowned financial organization that offers the highest level of customer satisfaction. This distinction reflects on the cultural change that we are experimenting within the organization, which drives us to continue innovating and providing a fast product delivery, aligned with the needs of our clients.

I wish to offer my most sincere thanks to each one of our employees, who throughout this year have contributed all of their commitment and dedication in each activity. I also want to say thank you to those who were part of our institution and that we unfortunately lost during this battle against the pandemic.

Finally, I want to give special thanks to our clients, for their confidence and preference placed in us. You may rest assured that we will continue to improve in order to provide you with the best experience in all of our financial services, in the midst of this new normality.

Mario Paz y Miño

Mario Paz y Miño
CHAIRMAN OF THE BOARD OF BANCO DEL PACÍFICO

A message from the Chief Executive Officer

GRI 102-14, 102-15

The world has always had times of growth and progress, contrasted with others times of crisis and recession, hence, we have lived a strange year filled with emerging and complex situations caused by the pandemic. From the beginning, Banco del Pacífico prioritized the protection, health and well-being of its employees, clients and the community, especially those belonging to the most vulnerable segments of this ever-uncertain scenario.

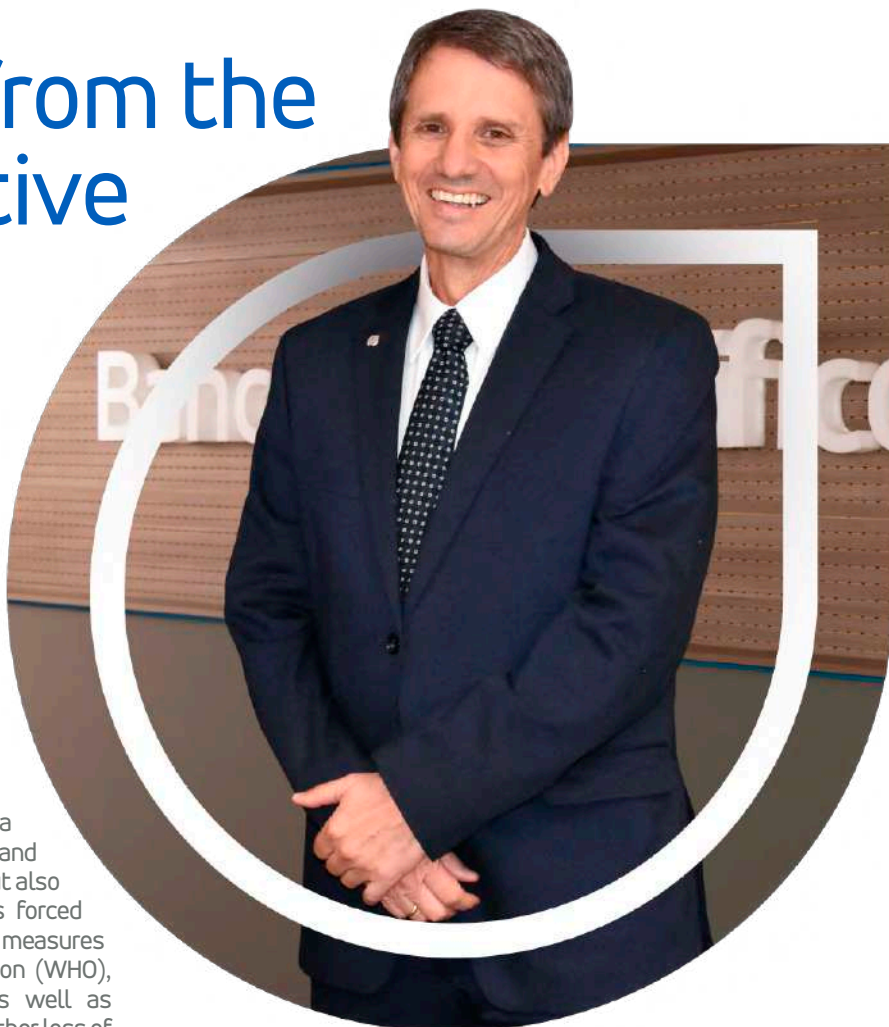
The outbreak of COVID-19 in 2020, caused a serious and unprecedented economic, health and social crisis, not only in our local environment but also internationally. The rapid spread of this virus forced governments to adopt the confinement measures recommended by the World Health Organization (WHO), which allowed infections to slow down, as well as decongesting hospital systems and avoiding further loss of human lives. In our country, these provisions also brought some side-effects, such as a GDP decline of 7.8% and an increase in the unemployment rate to 5%, resulting in a loss of more than 400 thousand jobs.

Health came first, and so did providing a better digital approach

At the beginning of the pandemic, we wanted to minimize its adverse effects, so we let as many of our employees as possible to begin teleworking, and we also shifted our customer service to electronic and digital channels, which increased their activity, resulting in 95.08% of total transactions in 2020 to be performed electronically.

Due to the crisis caused by the pandemic, we had the great opportunity of accelerating our digital transformation in order to benefit our customers, which led our Virtual Bank to have a 103% increase during the year in terms of transaction volume, while our Mobile Bank had an increase of 157%, and we were able to reach 339% of interactions through our chatbot Sophi, while WhatsApp and Facebook were the social networks with the highest impact, exceeding all expectations and resulting in a 30% increase in the number of active clients using digital channels, in comparison with 2019.

In addition, our strongest bet, the Onboard BdP app yielded results by serving our clients during a complex and completely distanced scenario, while easily providing the opening of more than 180 thousand savings accounts, close to 12 thousand investments and issuing approximately 1,400 credit cards, through their mobile phones.



Banco del Pacífico prioritizes welfare and financial relief

In this new reality and complex situation, the bank was able to once again demonstrate why we are the leading bank in terms of human, sustainable and socially responsible banking. Through our network of correspondents, **Tu Banco Banco Aquí (Your Bank Here)**, we were able to manage the program "Together we can feed more people" by the **Diakonia Food Bank**, where we provided essential goods to low-income families affected by the pandemic.

In this respect, and mindful of the complex economic situation experienced by the country and our customers, Banco del Pacífico helped by extending the payment deadlines of 46,648 credit operations from different segments, totaling \$1,371MM. From this amount, \$576MM correspond to deferrals and \$795MM to portfolio restructurings and refinances.

Similarly, and responding to the great demand for liquidity from vulnerable segments of the productive apparatus, we were able to successfully launch the financial program called Restart Ecuador, which was destined to fund the working capital of small and medium-sized enterprises for an amount greater than USD 96MM, with an interest rate of 5%, the lowest in the market and with a payment term of up to 5 years.

In addition, we issued resources for USD 565MM to the Commercial sector with the purpose of reactivating and stimulating the economy. We prioritized the need of liquidity for our clients, by providing an Easy Credit totaling USD 29.4MM through our digital channels, in order for them to solve their urgent needs.

We continue to lead in the student loan's department, by providing USD 10.4MM through our **Créditos de Estudios Pacífico (Pacifico Student Loans)** and **Crédito Educativo Social (Social Student Loans)** products. Thanks to our **Crédito Emprendedor Pacífico (Pacifico Entrepreneur Credit)** product, we were able to contribute a total of USD 5MM while improving the country's entrepreneurship.

In difficult times, our clients' trust grows stronger!

Fortunately, private banks grew in deposits by 11%, which is equivalent to USD 3,850MM, from which, Banco del Pacífico participated with 18% proving once again that even in difficult times, our clients' trust remains the same, by putting a higher volume of their savings with us.

These new monetary intakes allowed the bank to provide something that the country needed the most during this pandemic, strong and leveraged financial resources, in order to help ease the blow on the economy of both companies and individuals. In this sense, the bank provided a total amount of USD 856MM under preferential conditions regarding the terms and interest rates compared to its competition, proving why we are leading the Ecuadorian financial market.

In terms of the financial system's utilities, private banks were significantly affected with a 62% decrease and, even though the bank reached a total amount of USD 30MM, which is less than the previous year, it was a success considering such an adverse environment.

Now more than ever; We are the best place!

We promote sustainability and have a strong commitment with children and the youth. Since its beginnings in 2010, our program **Aprendo con mi Banco Banco (I learn with my Bank)**, has been able to provide training to more than 41 thousand children and teenagers locally, while recently incorporating it to our App "Mi Aula BdP" (My BdP Classroom) so that children can teach themselves about financial issues in an entertaining way. Moreover, with the "Mi Banco Banco me Enseña" program, we were able to train more than 10 thousand adults nationwide by providing online and face-to-face workshops while following all health and distancing standards for areas without access to technology with the support of our corporate volunteers.

In addition, the radio show **Mi Banco Banco me enseña (My Bank teaches me)**, which airs every Saturday, has close to 54 thousand listeners that tune in, allowing the bank to reach different parts of the country through this channel, and educate them about proper financial management in society.

We continue to innovate our website www.educacionfinanciera.com.ec, where the general public can have access to digital stories and digital games, financial blogs, self-assessments, simulators and different financial matters.

Thanks to our vision, the bank was recognized as a **Committed Company to Corporate Social Responsibility in Latin America 2020** as a result of its public and voluntary commitment based on the care and preservation of the environment, business ethics and governance, quality of life in the company and commitment to the community.

We maintain the objective of reducing environmental impacts, therefore, we received the **EDGE** preliminary certificate of **Excellence in Design for Greater Efficiencies** for implementing ecological criteria in remodeling one of our buildings in Guayaquil, optimizing the use of energy, water consumption and use of materials.

On the other hand, we are proud to share with you that we have been acknowledged as the best employer branding in the financial sector after having received the award from the **Employer Branding Ecuador 2020** studio, led by the Ferias 360 digital company. Moreover, in terms of customer experience, we have been recognized by IZO for offering the **Best Customer Experience** in the banking sector, from all the companies assessed in this industry, in both Latin America and Ecuador, within the biggest Benchmark in Customer Experience.

Optimism and hope in this "new reality"

We have to acknowledge the effort and hard work of our highly committed and service-oriented human team, who provide our clients with the best version of Banco del Pacífico through optimism and hope; which enable us to boost economic recovery, fuel the expectations from productive sectors, and light the flame of entrepreneurship and innovation, while promoting new job opportunities in the market.

We will be the light of hope in the darkness of this pandemic, the ship that will trace the path in amidst of the biggest storms and we will not rest until we are sure that we all arrive to a good harbor.

To conclude, we take this opportunity to once again thank each and every one of you: our shareholders, members of the board, customers, collaborators and other stakeholders, who have been part of the best financial institution of the country, by proving each day that aside from these big corporate and monetary interests, it is the common welfare and human well-being that will always prevail. We will continue to be leaders in modern, inclusive and universal banking, which are the pillars of our community's bank.



Econ. Andrés Baquerizo
CHIEF EXECUTIVE OFFICER OF BANCO DEL PACÍFICO



Chapter 1:

About this report

Report Profile

GRI 101, 102-48, 102-49, 102-50, 102-51, 102-52, 102-53, 102-54, 102-56

In this edition, Banco del Pacífico is very eager to present its tenth report, which has been carried out periodically over the last ten years for our stakeholders, highlighting its most relevant information regarding the institution's financial management from January to December 2020, as well as some data from previous periods, such as 2019 (latest version), in order for the readers to compare the information reported.

This document has been developed while taking into consideration the **GRI Standards*** methodology. This report was created in accordance to the Comprehensive option of GRI Standards, while also considering the latest updates of the 2020 standards, and it also includes the results for the sectoral supplement of the GRI G4 Financial Industry.



GRI 101

In addition, this document complies with the 10 principles established by GRI:

- | | |
|-----------------------------|-----------------|
| 1 Stakeholder participation | 6 Comparability |
| 2 Materiality | 7 Accuracy |
| 3 Context of Materiality | 8 Timeliness |
| 4 Completeness | 9 Clarity |
| 5 Balance | 10 Reliability |

GRI 102-56, 102-48, 102-49

This document has not been subject to a specific process of verification by an independent third-party, in relation to the implementation of the GRI standards. In this Report there is a restatement in the emissions' calculation since we used updated conversion factors. The most relevant change among the latest editions is the presentation of the new materiality, which serves as the guideline for the content of this Report.

GRI 102-53

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*GRI (Global Reporting Initiative) Independent institution that created the first world standards for the development of sustainability reports for companies that wish to assess their economic, environmental and social performance.



Chapter 2:

Banco del Pacífico in 2020

GRI 102-16

16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



17 PARTNERSHIPS
FOR THE GOALS



Organizational values:

GRI 102-16



Passion



Collaboration



Inspiration



Integrity



Empathy



Transcend



Wellness



Adaptation



Client-oriented



Learning attitude





Vision

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

Mission

To contribute to the country's development through social responsibility, while generating value for our clients and the community, through inclusive banking and human talent.

Strategic purposes:



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



To provide the
**best customer
experience**



To lead
innovation



To reach
**operational and
technological
excellence**



Implement a
**sustainable
and human
business model**

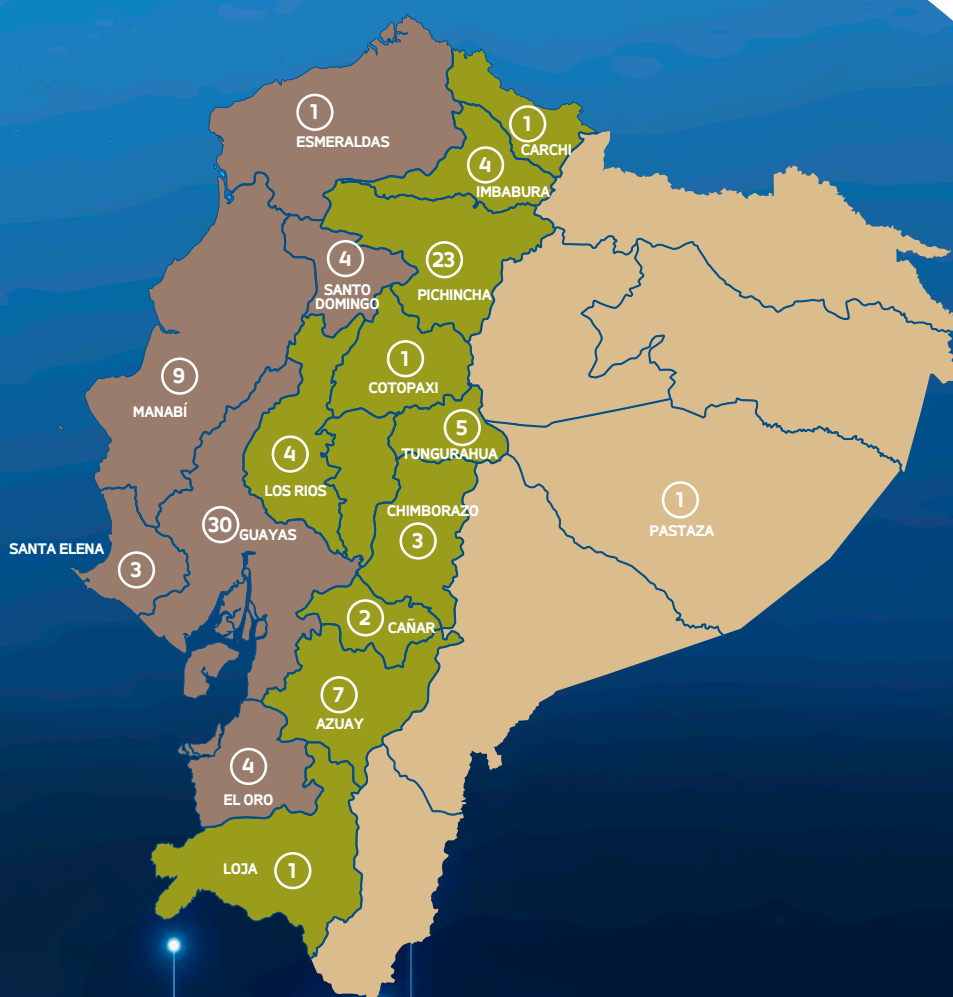


A responsible business model for everyone

GRI 102-4, 102-6

Banco del Pacífico has offices in 18 of the 24 provinces in Ecuador, which represents 75% of the country (106 offices), with the following distribution:

○ NUMBER OF OFFICES



COAST
 HIGHLANDS
 AMAZON
 GALÁPAGOS

GRI 102-4

Service Points:

Coverage	Dec 2019	Dec 2020
Own Network	185	192
Offices	110	107
Extension counters	36	37
Virtual Centers	39	48
Collection centers	33	33
TU BANCO BANCO AQUÍ	15,688	14,733
Automatic Teller Machines	871	864
ATM's	446	385
ATM's Plus and XPlus	425	479

Total service points
15,822

GRI 102-6

Types of Banks

Number of Clients	2020
--------------------------	-------------

Type of Bank	Quantity
---------------------	-----------------

**Personal
Banking**



2.48 MM

**Enterprise
Banking**



30 M



Key Figures of 2020

GRI 102-7, 102-14, 102-15

Magnitudes

2020

Portfolio
Delinquency

2.29%

Net Income/
Total Revenue

4.33%

Return on Assets
(ROA)

0.43%

Return on Equity
(ROE)

3.93%

Total Assets
US\$ 6,951MMTotal Income
US\$ 694MM

Banco del Pacífico contributes to the country's economic and social development by creating

Direct employment to
3,611
employeesIndirect employment to
2,641
suppliersIn addition to granting
USD 856
million in loansand close to
68 thousand
beneficiaries
of social projects and their families



Committed to Sustainability

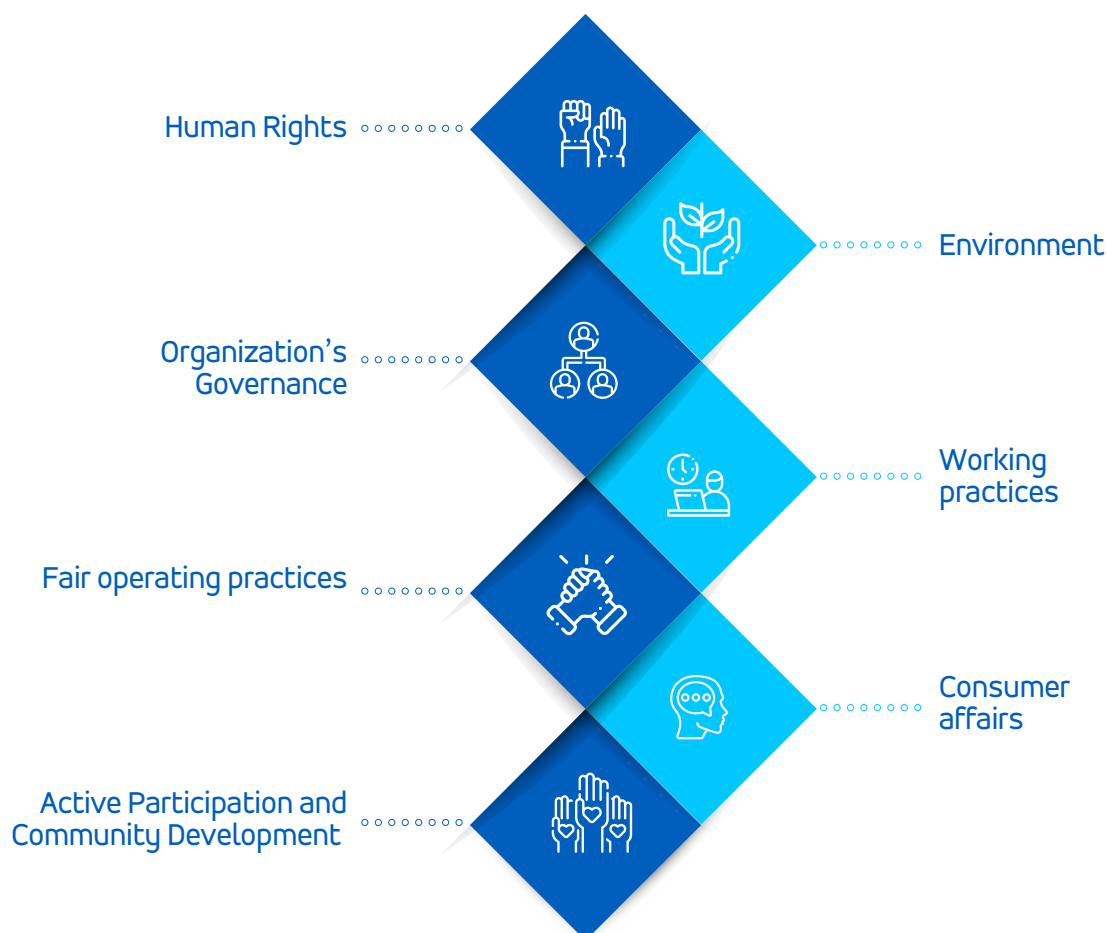
GRI 102-12, 102-13, 102-16, 102-40, 102-42, 102-43, 102-44



Key Sustainability Policies

In order to guarantee the implementation of sustainability, the institution follows the International Standard ISO 26000, which has been used to develop its Social Responsibility Policies that ratify the voluntary commitment with its stakeholders.

The bank has a Policy Manual on Corporate Social Responsibility, with the purpose of having clear guidelines for ethical, economic, social and environmental issues, as well as to adopt best corporate responsibility practices, based on the following fundamental matters:



Additionally, there are different standards that encompass the bank's sustainability management and that are also incorporated in the different areas of the organization. We have adopted international and national standards, both mandatory or voluntary, aside from regulations, codes and internal policies that control the company's activities.

Standards and Guidelines

GRI 102-12, 102-16

Regulations

1. Standard ISO 9001 Quality Management System
2. Standard ISO 45001 Occupational Health and Safety at Work
3. Standard ISO 22301 Business Continuity Management
4. Standard ISO 26000 Social Responsibility
5. Standard ISO 37001 Anti-bribery Management Systems
6. International Financial Reporting Standards
7. Standards issued by the ICC – International Chamber of Commerce
8. PCI-DSS Standards

International and Voluntary

1. Universal Declaration of Human Rights
2. International Covenant on Economic, Social and Cultural Rights
3. United Nations Global Impact
4. Guidelines for an Andean Code of Corporate Governance of the Andean Development Corporation (CAF).
5. Code of Best Practice of Corporate Governance for institutions in the Latin American Financial Sector of FELABAN
6. The Principles issued by the Basel Committee on Banking Supervision in their document "Enhancing Corporate Governance for Banking Organizations".
7. The Principles of Corporate Governance of the Organization for Economic Co-operation and Development (OCDE).

National and Mandatory

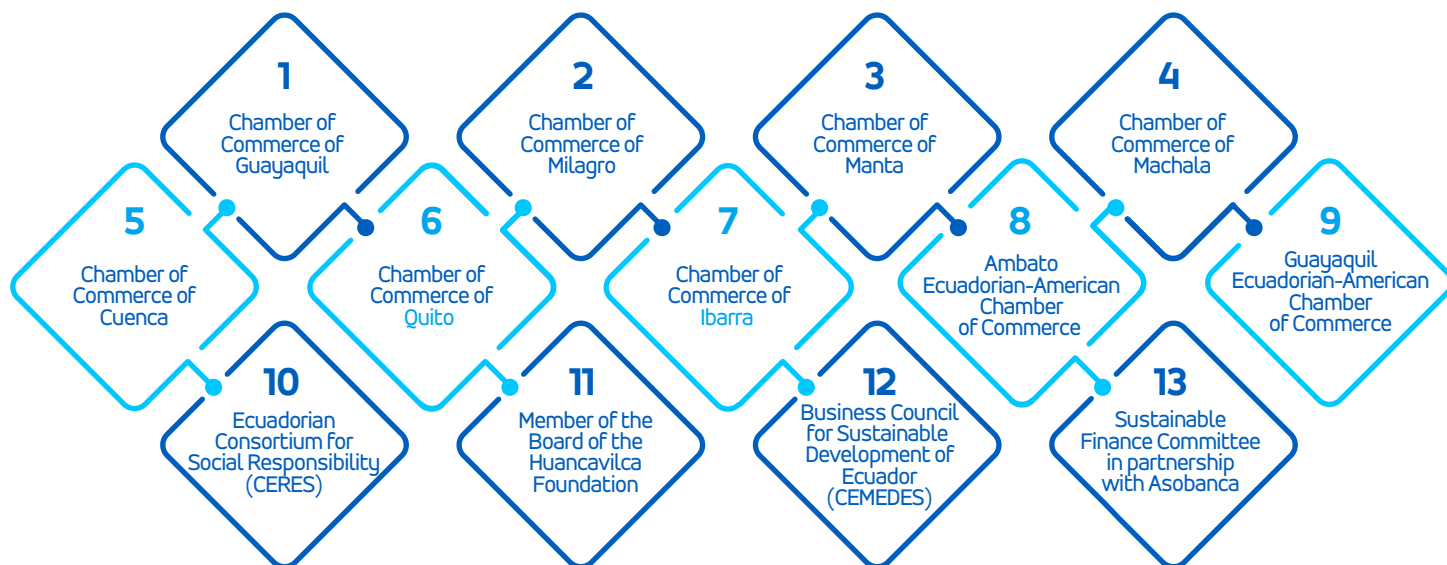
1. . Work Code
2. Regulations and Resolutions of IESS and the Internal Revenue Service (SRI)
3. Principles of Good Corporate Governance issued by the Superintendency of Banks
4. Monetary and Financial Code
5. Organic Law on Prevention, detection and eradication of money laundering and financing of crimes.
6. Codifying the Standards of the Superintendency of Banks.
7. Codification of Monetary, Financial, Securities and Insurance Resolutions of the Board of Monetary and Financial Policies and Regulations

Internal

1. Internal Working Regulations
2. Code of Ethics and Conduct
3. Code of Corporate Governance
4. Credit Policy Manual
5. Policy Manual for Permanent Employment
6. Policy Manual for the Prevention of Conflict of Interest
7. Policy Manual of Corporate Social Responsibility
8. Procedure Manual to Manage the Bank's Environmental Responsibility
9. Asset Laundering Risk Management Manual and Financing of Crimes, such as Terrorism
10. Anti-bribery Management System Manual

GRI 102-13

With the purpose of enhancing our relationship with stakeholders, the bank has the following strategic alliances.



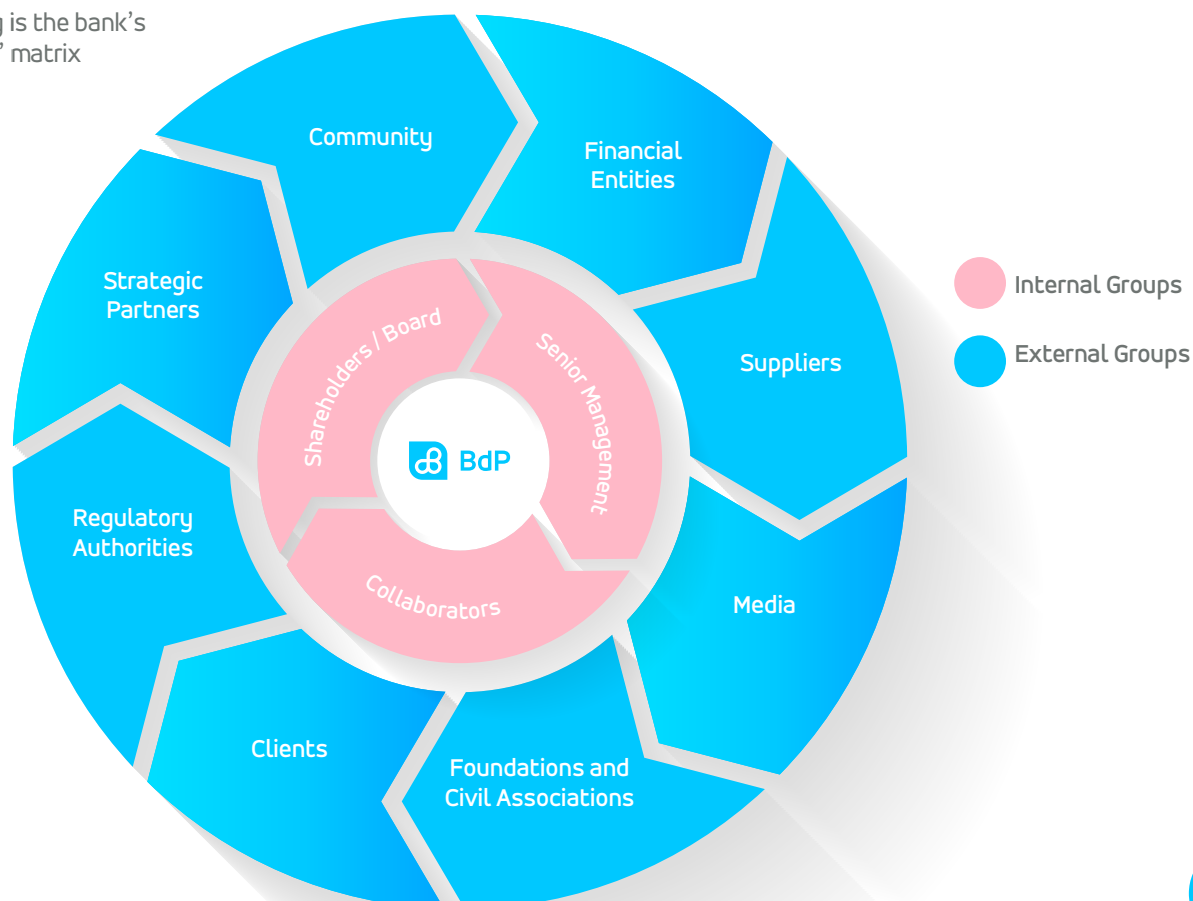
GRI 102-42

Dialogue with stakeholders

During the process of updating the institution's sustainability strategy, the map of stakeholders was also modified. During this development we had the legal advice from Deloitte, in which we applied the stakeholder's assessment methodology.

GRI 102-40

The following is the bank's stakeholders' matrix in 2020:



The following update allows us to improve the strategic management with each stakeholder, therefore, we have a proper system that relates to both the internal and external needs.

GRI 102-43

Interest Group	Channel	Periodicity
Shareholders and Board	<ul style="list-style-type: none"> a) Ordinary General Meeting b) Inter-agency Liaison c) Sessions 	<ul style="list-style-type: none"> a) Annual or extraordinary b,c) Monthly
Senior Management	<ul style="list-style-type: none"> a) Senior Management Meeting (G8) b) Email, calls, meetings and videoconferences c) WhatsApp d) Workplace e) Intranet 	<ul style="list-style-type: none"> a) Monthly b,c,d,e) When required
Regulatory Authorities	<ul style="list-style-type: none"> a) Email 	<ul style="list-style-type: none"> a) Monthly or when required
Clients	<ul style="list-style-type: none"> a) Customer Service b) Contact Center c) Social Networks d) Virtual Agent Sophi e) Lab and research f) Studies and surveys g) Email webadminbp@pacifico.fin.ec o webadminpac@pacifico.fin.ec 	<ul style="list-style-type: none"> a) From Monday through Friday in working hours b,c,d) 24-hour service, 7 days a week e) Weekly service where they analyze product prototypes f) Feasibility study and reputation according to the requirements from different areas g) 24-hour service, 7 days a week
Community	<ul style="list-style-type: none"> a) Email webadminbp@pacifico.fin.ec o webadminpac@pacifico.fin.ec b) Website educacionfinanciera.com.ec c) Face-to-face and virtual training workshops 	<ul style="list-style-type: none"> a,b) 24-hour service, 7 days a week c) Annual programming
Collaborators	<ul style="list-style-type: none"> a) Massive mails b) WhatsApp c) Ethical mailbox d) Participation in Committees e) Workplace f) Intranet 	<ul style="list-style-type: none"> a,b) When required c) Permanent channel to notify complaints against the code of ethics d) Bimonthly and every 4 months of representation in the Ethics and Occupation Health and Safety Committee e,f) When required
Financial Entities	<ul style="list-style-type: none"> a) Telephone communication, email and meetings 	<ul style="list-style-type: none"> a) When inquiries are required
Guilds and Associations	<ul style="list-style-type: none"> a) Telephone communication, email and meetings 	<ul style="list-style-type: none"> a) When inquiries are required
Media	<ul style="list-style-type: none"> a) Telephone communication, email and meetings 	<ul style="list-style-type: none"> a) When inquiries are required
Suppliers	<ul style="list-style-type: none"> a) Dialogue workshops b) Telephone communication, email and meetings 	<ul style="list-style-type: none"> a) When the materiality is released b) When there are inquiries about hired goods and services



Material Issues 2020

GRI 102-44, 102-46, 102-47

For this sustainability report, a new materiality study was carried out by collecting information from stakeholders, while applying the following methodologies: **GRI Standards** (principles of stakeholders' participation and materiality-the complete version-to the customer's criteria) and **Accountability Five Part Test**, through its principles (inclusion, relevancy, responsiveness).

This process was carried out according to the following work scheme:



The issues identified as results of this process are listed below, for each of which the following corresponding coverage has been established:

Bank Management Field	Identified Subject	Stakeholders
Strategy / Governance	Ethics, transparency and anti-bribery	Internal and external
	Good Corporate Governance	Internal
	Environmental, social and governance risk management	Internal and external
	Digital transformation and innovation	Internal and external
Economical	Financial sustainable growth	Internal
	Development and investments with impact.	Internal and external
Environmental	Circular Economy	Internal and external
	Eco-efficient operations	Internal
	Management of Climate Change.	Internal
Social	Education, inclusion and financial accessibility	External
	Responsible management of the value chain	External
	Human Rights, diversity and inclusion	Internal and external
	Professional development	Internal
	Occupational wellbeing and quality of life	Internal
Product Responsibility	Management of customer experience	External
	Cyber-risks and cybersecurity	Internal and external
	Sustainable finances	Internal and external

Prioritization of material issues

GRI 102-47

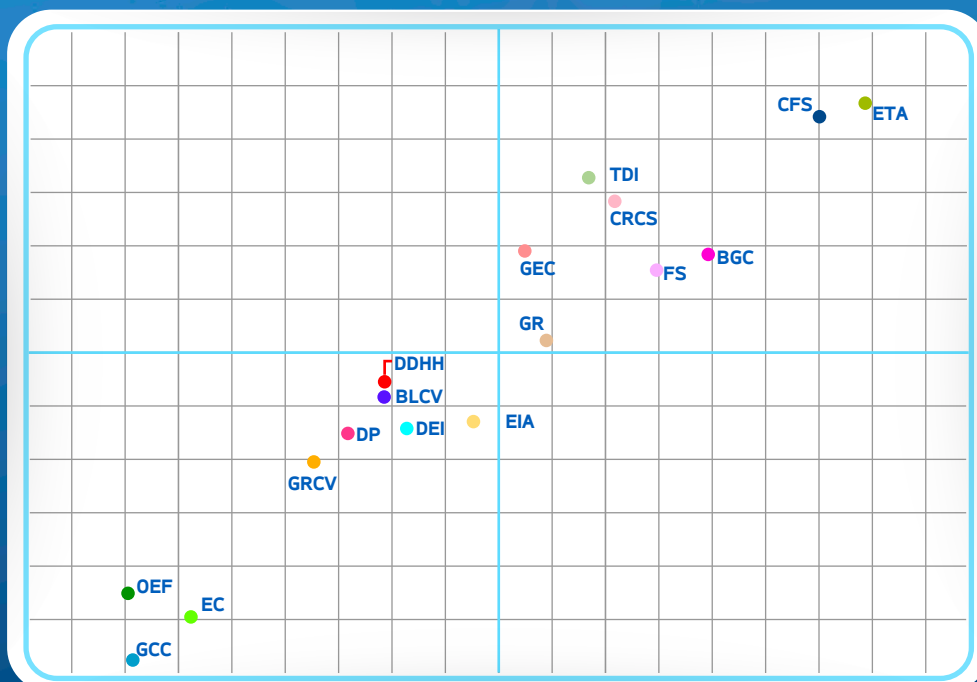
The prioritization of material issues was developed by importance of economic, environmental and social impacts versus influence on the assessments and decisions of the stakeholders:

Below you can find the results obtained:

1	● CFS	Financial sustainable growth
2	● ETA	Ethics, transparency and anti-bribery
3	● BGC	Good Corporate Governance
4	● FS	Sustainable finance
5	● GR	Environmental, social and governance risk management
6	● CRCS	Cyber-risks and cyber-safety
7	● TDI	Digital transformation and innovation
8	● GEC	Customer experience management
9	● DEI	Development and investment with impact
10	● EIA	Financial education, inclusion and accessibility
11	● GRCV	Responsible management of value chain
12	● DDHH	Human rights, diversity and inclusion
13	● DP	Professional development
14	● BLCV	Occupational well-being and quality of life
15	● EC	Circular economy
16	● OEF	Eco-efficient operations
17	● GCC	Climate change management

Materiality Matrix Banco del Pacífico

Influence in assessments and decisions of stakeholders



Importance of economic, environmental and social impacts



GRI 102 - 44

Prioritization of material issues by stakeholders

Shareholders, Board of Directors and Senior Management

1. Ethics, transparency and anti-bribery
2. Sustainable financial growth
3. Digital transformation and innovation

Collaborators

1. Ethics, transparency and anti-bribery
2. Sustainable financial growth
3. Good corporate governance

Community

1. Ethics, transparency and anti-bribery
2. Sustainable financial growth
3. Good corporate governance

Clients

1. Ethics, transparency and anti-bribery
2. Sustainable financial growth
3. Sustainable finance

Media

1. Ethics, transparency and anti-bribery
2. Sustainable financial growth
3. Cyber-risks and cyber-safety

Suppliers

1. Ethics, transparency and anti-bribery
2. Sustainable financial growth
3. Good corporate governance



Chapter 3:

Ethics, transparency and anti-bribery

103 ENF2, GRI 102-1



GRI 103-1, 103-2, 103-3

Banco del Pacífico is an institution that is known for applying ethics, transparency and anti-bribery in every process, with the purpose of providing safety, trust and credibility to all stakeholders. Giving priority to the correct implementation of policies and following up on them. The Ethics Committee is in charge of ensuring the dissemination of values, principles and policies to the entire organization.

In the year 2020, the bank became one again certified by the ISO 37001:2016 standard, Antibribery and business ethics. A zero-tolerance policy was applied for cases that go against the principles and policies of the bank.

The bank provides training and assessment workshops on the Code of Ethics to its collaborators every year. In addition, new employees must comply with this requirement. As part of this certification process of standard ISO 37001, the bank is subject to annual audits.



Good Corporate Governance

103 ENF3, GRI 102-3, 102-5, 102-10, 102-18, 102-19, 102-20, 102-21, 102-22, 102-23, 102-24, 102-25, 102-26, 102-28, 102-29, 102-31, 102-32, 102-33, 405-1, FS5, FS11

A Good Corporate Governance establishes the rules, leads by example and ensures proper functioning. The governing bodies are in charge of providing the guidelines for the bank to have the necessary tools for a proper administration of their activities.

The bank has a Corporate Governance Code that rules the General Meeting of Shareholders, the Board of Directors and the Executive Presidency. Transparency and accountability are one of the main actions that creates trust, stability and safety for stakeholders.

These government bodies have annual assessments where they take into consideration the bank's results, based on the **Institutional Balance Score Card**.

Governing Bodies

Banco del Pacífico has been consolidating and enhancing its Corporate Governance, particularly focused on the role and functioning of the General Meeting of Shareholders and its leadership on the main policies and strategies of the institution. In addition, the bank's track record shows a progressive strengthening of 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 on the matter.

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

The Bank's Governance is executed by the General Meeting of Shareholders, and its administration is carried out by the Board, the Chief Executive, Executive Vice-Presidents, Vice-Presidents, Managers, Sub-Managers and other officials, who have the power and responsibility as determined by the Law, the Statute, its appointments, powers, regulations and the procedures manual enforced.

General Meeting of Shareholders

GRI 102-5, 102-10

Since 2012, the only shareholder of Banco del Pacífico has been the National Financial Corporation (CFN), with whom it shares a close relationship due to the financial nature of both organizations. In 2020, there were no modifications to the structure of the bank's property.

The General Meeting of Shareholders 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 General Meeting of Shareholders are based on the mandatory compliance of all legal provisions and the current social statute of the Institution. From these provisions, we establish the rules, areas and authorities, which 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 their Regulations, which aims at determining its operating principles.

Board of Directors

GRI 102-23, 102-24

The Board is the highest governing body of Banco del Pacífico's Corporate Governance. Its members are independent professional and they are in no way affiliated to any social group; and they are elected by the General Meeting of Shareholders in order to execute their duties for a period of two years, and they can be re-elected indefinitely.

Directors are chosen based on their personal achievements, professional career, and academic preparation in the financial, economic and social sector. In addition, they have the qualifications issued by the Control Body.

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

This Corporate Governance body has its own regulations, which governs the performance and organization of the Board, in addition to clearly establishing the issues on which they have to make decisions, according to the provisions of the legal framework that governs its actions, the Social Statute, and other internal policy documents.



Main Directors:

GRI 102-22, 405-1

- Econ. Galo Mario Paz y Miño Phillips, President of the Board
- Ing. Abel Gabriel León Muñoz
- Ing. Oscar Enrique Scheel Carrión
- Econ. Hugo Javier Ramírez Luzuriaga

The following is the average term of tenure for Directors, as of the date of appointment from the General Meeting of Shareholders.



During the average tenure assessment, Lcda. Alexandra Dávila Toro was not included since the control body assessed her in January of 2021.

Performance Assessment of the Board

GRI 102-28

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 measurement components: the first one focuses on the main results of the financial 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 in relation to the following aspects:



In 2020, the assessment of the Board and its president exceeded 90%, which shows the adequate performance of management, which is in part due to the members' highest expertise, stability, and continuity of its.

Relevant aspects for the Board's information and resolution

FS5

With regards to the adoption of resolutions, each Director has the right to vote and resolutions are adopted by the majority of votes from the directors who attended the session. In the event of a conflict of interest, the Board member involved will abstain from voting and will not be allowed to participate in the debate on the matter at hand.

The Board of Directors adopts decisions and resolutions in accordance with the Law and the Social Statute, especially on the following aspects:

- ☐ Strategic Plan and Business Plan of Banco del Pacífico.
- ☐ Work reports and plans issued by the Legal Representative, Top Management, Committees and Commissions.
- ☐ Approval of policies, procedures, methodologies and internal measurement systems, codes, regulations, among other things.
- ☐ Issues related with the Comprehensive Risk Management, the Asset Laundering and Terrorism Financing Risk Administration, as well as the Financial Education Program.

GRI 102-29, 102-31, 102-34

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

The economic axis

> the Treasury and Finance presented at the end of each month, which gives a comparison of the key figures and balances through its report.

The ethics axis

> is annually reported by the Ethics Committee, providing the guidelines for the prevention of conflicts of interest, the management performed and the fulfillment of the Code of Ethics and Conduct.

The social and environmental axes

> are presented semi-annually by the Strategic Planning area, and annually by the Corporate Governance and Sustainability Committee, where they report relevant issues that impact the society and the environment. The legal, environmental and social risk department, performs the environmental and social risk assessment of the commercial loan portfolio. There are no consultations nor participation from stakeholders in the risk identification stage.

GRI 102-32

The Sustainability Report is developed by the Corporate Governance and Social Responsibility department, who collect the information and conduct its review and layout along with the Corporate Communication department. Once it has been developed, it is then reviewed by the team assigned by the Strategic Planning Management to be then approved by the Executive President. This year the Deloitte Company accompanied the bank during this process.

Meeting sessions of the Board

GRI 102-33

The meeting sessions of the Board 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 collegiate body, and they can be issued by written correspondence or email.

The areas that have the different issues to be addressed, present the information to the Legal Advisory and General Secretariat department, who channel the information provided to the Board and, who also monitor the decisions taken.

Conflict of Interest

GRI 102-25

For Banco del Pacífico it is important that its shareholders, members of the Board and employees avoid their personal interests to come into conflict with the interests of the institution and/or its clients. Therefore, it has a Code of Ethics and Conduct, a Manual on Prevention of Conflict of Interest Policies and other Corporate Governance documents that establish relevant aspects that can identify, prevent and manage the possible conflicts 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:



In addition, mechanisms for the disclosure and resolution of conflicts of interest have been established, as well as aspects related with the Anti-bribery Management System.

Executive Presidency

The Board of Banco del Pacífico held a meeting on July 13 of 2020, where they decided to assign Econ. Andrés Baquerizo Barriga as Executive President for a period of five years, with his powers, duties and attributions established by the Law and the Social Statute of the company. His task is to represent the bank legally, judicially and extrajudicially.

Econ. Andrés Baquerizo Barriga was qualified by the control Organism on July 22 of 2020. Additionally, he has a long and well-known professional career of over 30 years in the bank.

Top Management and Structure of the organization

GRI 102-20

Banco del Pacífico is led by the Executive Presidency, and its strategic management is implemented at its Headquarters in the city of Guayaquil.

In order to have an optimal delegation and control process, the Bank has established a pyramidal organization model with a functional approach that is divided into five major groups:

- Executive Presidency is directly advised by the following areas and departments: Legal Advice and General Secretariat, Comprehensive Risks, Human Talent, Strategic Planning, Transformation and Innovation, Projects, Corporate Communication, Occupational Safety and Health; and Microfinances.
- Vice-presidencies lead the Divisions' department, which group specialized areas:
 - Commercial Division, in charge of implementing the business strategy of the bank, with the purpose of achieving the intended goals. In order to achieve this, it relies on six areas: Marketing, Payment Methods, Financial Channels, Personal Banking, Corporate Banking and Collection.
 - Financial and Operating Division, comprised of functional areas and departments that provide support to the value chain of the Bank: Treasury and Finance, Comprehensive Operations, Administration; and Strategic and Operational Efficiency.
 - The Technology and Safety Division, has the main purpose of achieving competitive advantages for the bank in the financial sector through the design of agile processes, delivery of products and services through a vast technology platform and safeguarding the physical integrity and information of the customer. For this, it combines four areas: Processes, Data Architecture and Governance, Technological Means, and Banking Security.
- According to the provisions of the current regulation, the Internal Audit areas and the Regulatory Compliance Unit report directly and functionally to the Board.

In addition, in its organizational scheme, the bank has an Environmental and Social Risk department whose mission is to identify, understand, evaluate and monitor the possible social and environmental risks and their consequences derived from the operations of the clients, with the purpose of implementing measures focused on reducing their exposure to these types of risks.

Committees and Commissions of the Organization

GRI 102-18, 102-21, 102-24

For a greater involvement in management and better task distribution, Banco del Pacífico has several committees and commissions that support the functions of the Board and Top Management, whose scope not only covers the development of the business, but also the economic, environmental, social and control activities. This is aimed at ensuring an efficient, impartial, transparent and appropriate governance system. Through these current Committees, the Board is informed on the most relevant aspects regarding the management of this institution.

Currently, there are thirteen Committees, nine of these committees are of regulatory nature and they are established by the Law. The other four committees (non-regulatory) are created by taking into consideration the subject matter and establishes that the members are individuals with experience and extensive knowledge in methodologies and procedures, and they are approved by the Board.

Additionally, with the purpose of strengthening the entity's sustainability, Top Management established a Sustainability Advisory Council, whose purpose is to promote the bank's responsible management through the implementation of sustainable criteria (economic, social and environmental) in its strategy and organization.

Advisory Committees

Committees	Members	Objectives	Periodicity
Ethics Committee	<ul style="list-style-type: none"> • 2 representatives from the Shareholder. • A representative from the Board's Delegated Administration. • A representative from Top Management's Delegated Administration. • 2 representative from employees. • A responsible official from the Human Talent Department. 	Establishes the Code of Ethics and Conduct of Grupo Financiero Banco del Pacífico (GFBP); evaluates and analyzes its 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. Defines, promotes and governs an excellent professional and personal behavior, coherent with the philosophy and values of GFBP, in such a way that it responds to our clients' trust.	Every four months
Remuneration Committee	<ul style="list-style-type: none"> • 1 representative assigned by the General Meeting of Shareholders. • 2 members of the Board. • A legal representative. • A responsible official from the Human Talent department. 	Controls the remuneration of the members of the Board and the Executive Board of the Bank.	Annually
Audit Committee	<ul style="list-style-type: none"> • 1 member of the Board. • 2 independent professionals. • A responsible official of the Internal Audit department. 	Advice and consultation unit of the Board that 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 institution's mission and objectives.	Monthly
Comprehensive Risk Management Committee	<ul style="list-style-type: none"> • Member of the Board, that is not a Member of the Audit Committee. • Legal representative. • 2 responsible officials from the Comprehensive Risks department. 	Designs the policies, systems, methodologies, models and procedures for an efficient comprehensive risk management; and proposes the exposure limits to these risks. The committee provides advice in terms of comprehensive risk management and administration to the Board and the Chief Executive of the Bank.	Monthly
Compliance Committee	<ul style="list-style-type: none"> • 1 member of the Board. • Legal representative. • 2 responsible officials from the Financial and Operational Division. • Responsible official in: Internal Audit department, Comprehensive Risks department. • Compliance Officer and Legal Advice and General Secretariat department. 	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.	Monthly

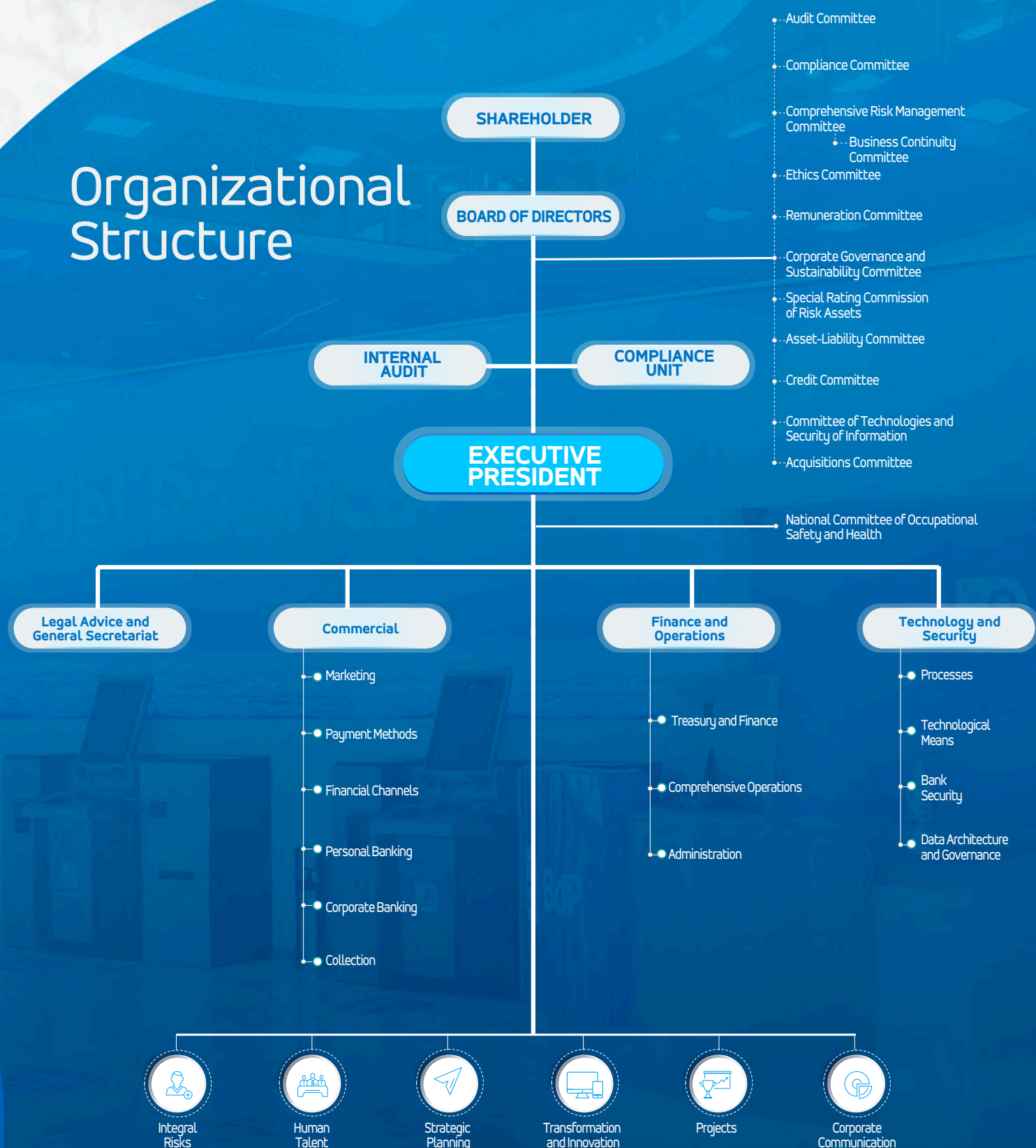
Advisory Committees

Committees	Members	Objectives	Periodicity
Special Rating Commission of Risk Assets	<ul style="list-style-type: none"> 1 member of the Board Responsible official from: Financial and Operational Division, Comprehensive Risks area and the Credit Risk Management department. 	Carries out the rating, assessment and permanent monitoring of 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.	Every three months
National Committee and Occupational Safety and Health Subcommittees	<ul style="list-style-type: none"> 3 representatives from employees. 3 representatives from employer. 	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.	Monthly
Business Continuity Committee	<ul style="list-style-type: none"> Legal representative. 1 responsible official from: the Financial and Operational Division, Comprehensive Risks, Business Division, Technology and Safety Division, Operational-Continuity Risk Department of Business and Human Talent. 	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.	Every 3 months
Committee of Technology and Security of Information	<ul style="list-style-type: none"> 1 member of the Board. A legal representative. 1 responsible official from: The Financial and Operational Division, Technology and Safety Division, Comprehensive Risks, Operational Risk Department, Technological Means department, Bank Security department. 	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.	Every 4 months

Non-Regulatory Committees

Committees	Members	Objectives	Periodicity
Corporate Governance and Sustainability Committee	<ul style="list-style-type: none"> President of the Board. Legal representative. Responsible official from: The Financial and Operational Division, Business Division, Legal Advisory and General Secretariat department, and Corporate Governance and Social Responsibility department. 	Recommends the Board on the strategies to adopt, monitor and improve the Corporate Governance practices in Grupo Financiero Banco del Pacífico.	Every 6 months
Asset-Liability Committee	<ul style="list-style-type: none"> Legal representative. Responsible official from: The Financial and Operational Division, Business Division, the Treasury department. 	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.	Weekly
Credit Committee	<ul style="list-style-type: none"> Legal representative. Responsible official from: The Financial and Operational Division, Business Division, Collection department, and the Credit Risk department. 	Evaluates and approves 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.	Weekly
Acquisitions Committee	<ul style="list-style-type: none"> Legal representative. Responsible official from: The Financial and Operational Division, Business Division, the management department. 	Evaluates and approves the "Acquisitions" that according to the levels authorized by the Board for this report, it has the responsibility to approve, while complying with the policies and procedures established for this process.	Weekly

Organizational Structure



Banco del Pacífico has 21 national management departments and Women's participation ascends to 43%



The role of governing bodies in strategies, values and objectives

GRI 102-26

The Strategic Planning process consists of a governing process, whose main purpose is to ensure sustainability, maximize the economic value, reach the strategic goals of the institution and make sure that it has an inclusive growth, in order for more Ecuadorians to benefit from the different products and services provided by the bank.

The strategy includes the development of plans in order to achieve the objectives, therefore, the Strategic Planning is the pattern or the plan that integrates the main goals and guidelines, while also establishing a coherent sequence of the actions to be taken that allows for objectives to materialize. To develop the Strategic Plan, business agility methodologies were applied, as well as multidisciplinary equipment (of vertical and transversal value) which allow us to have a fast collaborative process that is also focused on creating value for the client. This new process ensures a competitive position, and makes the most out of the existing capabilities of the institution and guarantees an alignment between the strategy and implementation, through an easy development in terms of value flows.

The general guidelines to develop the Strategic Plan come from the Shareholders, the Board and the Executive Presidency. The plan is updated while taking into consideration the changes in the economic and banking environment, and new players within the financial system and the appearance of more informed and demanding users, with new consumer trends that are changing customer service.

One of the main characteristics of the Strategic Plan is that it can be measured and assessed periodically by the Executive President and the Board of the bank, in order to monitor the fulfillment of the Strategic Purposes.

Once the Strategic Plan has been established, which contains the overall strategy (Vision, Mission, Values and Strategic Purposes), the competitive strategy, actions and goals, are presented to the Board and Shareholders for their review and approval.



Ethics and Integrity

GRI 205-2, 205-3, 419-1

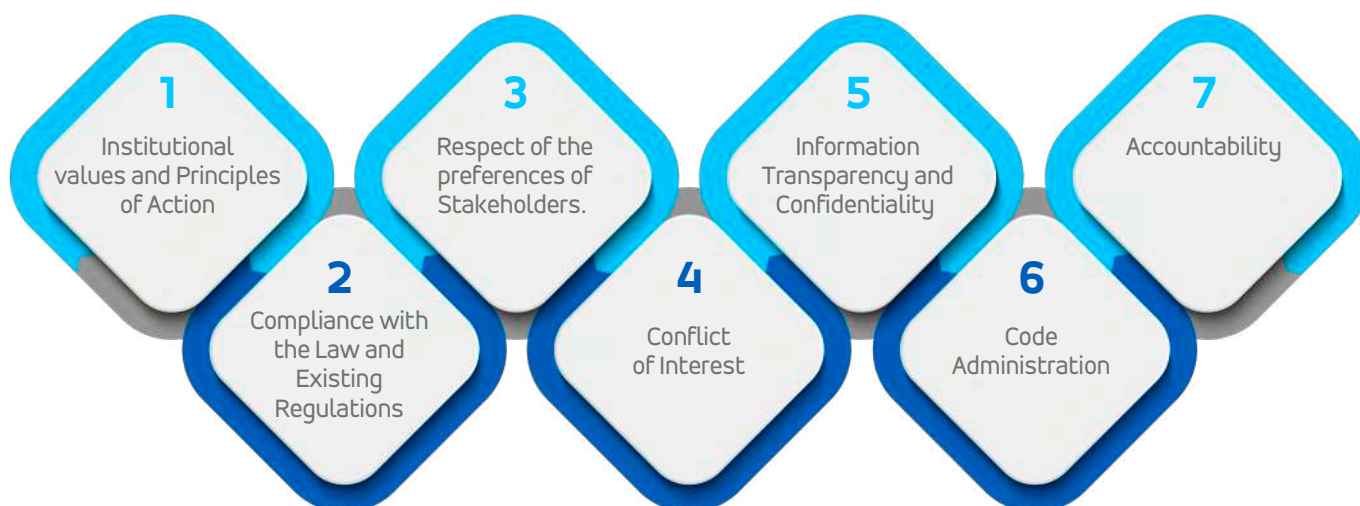
Code of Ethics

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 establishes the corporate values and principles of the Organization.

It also sets the guidelines for action that need to be applied in all internal relationships, as well as in those linked to shareholders, customers, users, suppliers and other officials. Its content is disseminated to all the employees continuously, and it is available for all stakeholders through all the dissemination channels of the Bank. Every year, an assessment on the code of ethics is conducted for all employees.



Structure of the Code of Ethics and Conduct



Prevention of Corruption

GRI 205-2, 205-3

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 *raison d'être* and line of business. In 2020, the bank did not have any internal corruption cases, not even with associated stakeholders.

As institution, we are convinced that an adequate risk control system, cross-sectional management systems and trainings on the subject are the path towards ensuring the safety of our employees, customers and other stakeholders associated with the bank. In order to avoid corruption, the bank carried out trainings on its policies, starting with the Board, who received training during the month of October.

Category	Hierarchical Level	Total	Percentage
Operational	1	984	27.01%
Administrative	2	1126	30.91%
	3	1229	33.74%
Middle Rank	4	164	4.50%
	5	113	3.10%
Top Management	6	25	0.68%
Board of Directors	7	2	0.05%

Anti-Bribery Management System

Banco del Pacífico in its commitment towards integrity and transparency with its clients and society, once again obtained the Anti-Bribery Management System certification, based on the ISO 37001 standard, performed by the Ecuadorian SGS rating company.

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.



Anti-bribery Policy

At Banco del Pacífico, the actions of its collaborators fall under the standards of ethics and conduct by providing its financial products and services and fulfilling all applicable Anti-bribery Policy regulations. No acts contrary to those established by the antibribery management system are allowed, failure to comply incurs in those penalties established in the internal work regulation. The compliance function will oversee its development and continuous improvement. Banco del Pacífico's employees and stakeholders, are allowed to express themselves on the implementation of this policy without any risks of retaliation.

The bank's whistleblower channel **transparenciabdp@icloud.com**, allows employees and stakeholders to express themselves on acts contrary to the Anti-bribery Policy. The bank has the proper discretion and confidentiality of information.

This is another sign of how the bank contributes to the industry and applies the best international practices to fight against corruption.



Socio-economic fulfillment

GRI 419-1

The Legal Advice Department, 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 subsidiaries of Grupo Financiero Banco del Pacífico. Through the interpretation and proper application of the rules, as well as the adequate structure of the documents to be signed, the Bank guarantees complete and absolute safety in all aspects related to its activity. This commitment is reflected on the results obtained in 2020, where Banco del Pacífico did not cause any breaches, or complaints, non-monetary sanctions or warnings on behalf of the supervisory authorities.

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



Risk Control and Management

103 ENF5, GRI 102-11, 102-30, 201-2, FS1, FS2, FS3, FS5, FS9

The bank has a 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; who also reports back to the Board every month.

For the bank, the comprehensive management of its most relevant risks, in terms of credit, liquidity, market, legal, environmental and social risks, as well as operational and 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 guarantees the stability of the institution in the long run.

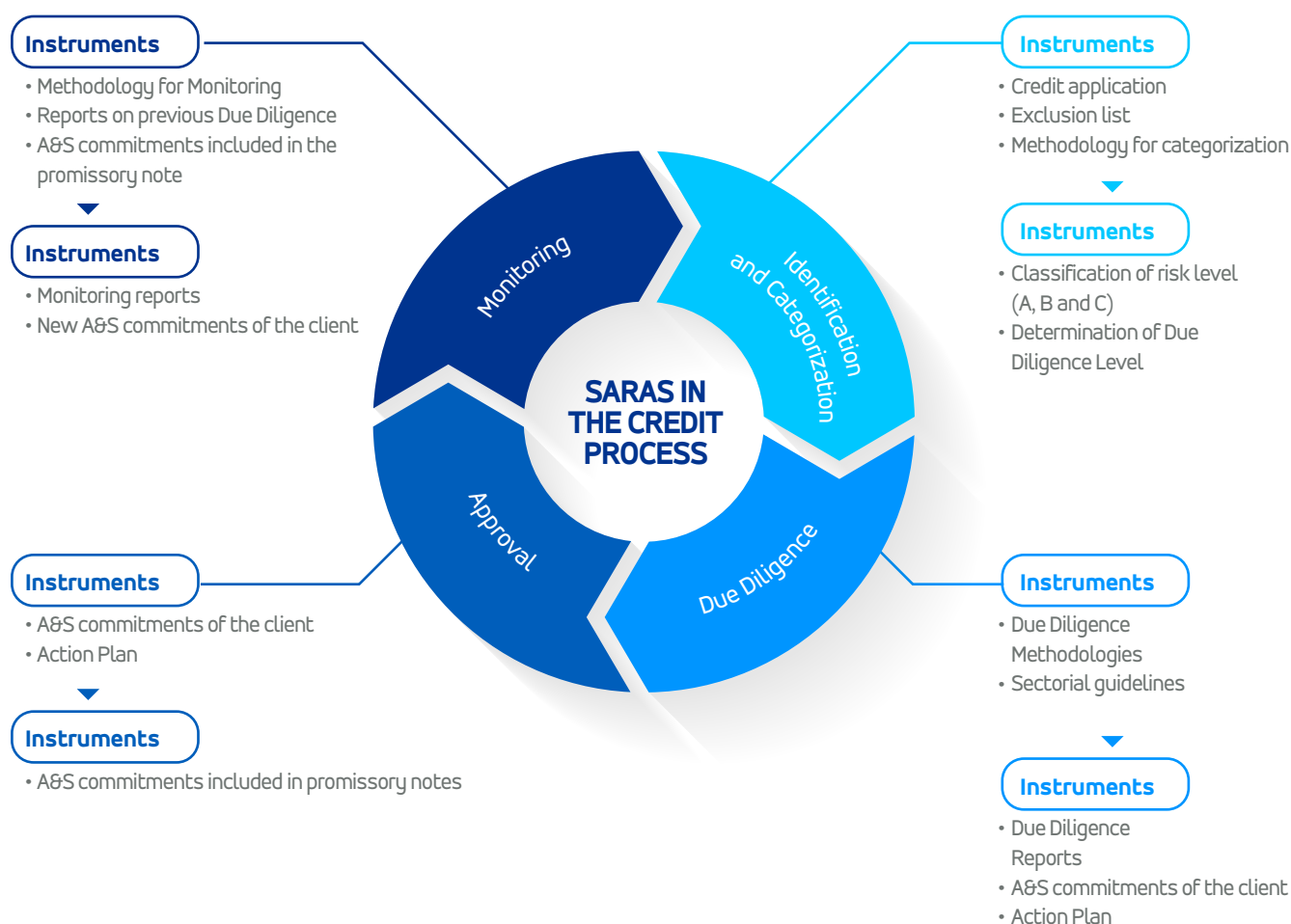
In addition, as part of the comprehensive risk management process, the Bank has a Business Continuity Administration program, which takes the ISO 22301 standard as reference and focuses on safeguarding the integrity of its employees and assets in the event of unforeseen disruptions.

Finally, mindful of the environmental impact that certain business activities cause, Banco del Pacífico has established the activities of higher risk of pollution for the environment within its credit policies; and, as a mandatory component within its credit application, 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**” product, which has policies that consider environmental and social aspects; based on the principles of sustainability defined by the institution for an efficient management of the business.

Banco del Pacífico has an environmental and social risk analysis system (SARAS), which is applied in all commercial credit operations higher than USD 350,000 of individual risk or accumulated by the client. The policies, procedures and methodology used for the Environmental and Social Risk management are documented and approved by the Board.

The SARAS system is comprised by the following phases:



Based on the analyses performed, during the SARAS' due diligence stage, we establish the commitments on environmental or social issues that the client must fulfill, which are included in the credit promissory note.

The bank monitors the environmental and social commitments established in SARAS, for which it has a formal process and several instruments that provide support during this stage.



Chapter 4:

Sustainable financial growth

GRI 103 ENF1

1 NO POVERTY



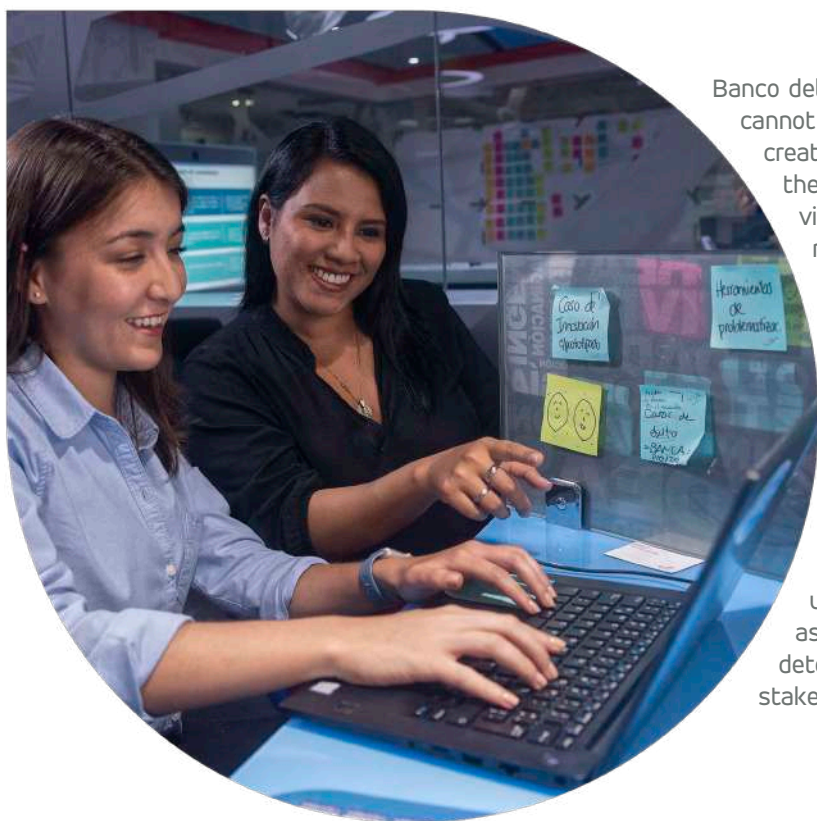
8 GOOD JOBS AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



GRI 103-1, 103-2, 103-3



Banco del Pacífico is aware that the economic growth cannot be by itself, it must be accompanied by a creation of value by stakeholders and respect for the environment. The bank has integrated its vision on sustainability in its core and it is reflected on the actions towards its stakeholders.

The bank has invested resources in order to create a sustainability scheme, which is driven by the business strategy. In addition, we have made a commitment to develop actions that allows us to reach Sustainable Development Objectives.

For the organization, it is important to understand the indicators that create value, aside from these financial indicators, in order to determine the impact of our actions in the lives of stakeholders and the environmental protection.



Responsible Economic Performance

GRI 102-7, 102-10, 102-45, 201-1, 201-4, FS6

In 2020, Banco del Pacífico continued with the deployment of the 2018-2022 Strategic Plan, which will enable the fulfillment of the strategic objectives.



During the first quarter of 2020, the Covid-19 pandemic has plunged the world into a sanitary, economic and social crisis. This caused the bank to adjust its metrics, and proceeded to apply a series of measurements tending to reduce the impact in our results and in our clients. Consistent with the above, we extended payment times of different credit operations from different segments, providing a financial relief to society.

With this economic and health situation, the bank has continued to execute actions that contribute to the development of the country with social responsibility, generating value for the clients, through high quality of service, innovative and timely products.

GRI 102-45

Banco del Pacífico carries out the consolidation of its financial statements as "Grupo" (Group) along with subsidiaries from Almacenera del Agro S.A. (Almagro) and Banco Continental Overseas N.V. (BCO), the latter being inactive.

Balance and results (in millions of USD)

GRI 102-7

Stakeholders	2019	2020	Variation (%)
Total Assets	6,082	6,952	14.30%
Credit portfolio (net)	4,089	4,075	-0.34%
Total Liability	5,315	6,158	15.86%
Obligations with the public	4,453	5,151	15.68%
Patrimony	767	794	3.47%
Gross Margin	433	381	-11.97%
Pre-tax earnings	134	41	-69.61%

GRI 102-10

During December of 2020, a capitalization was performed as part of the results from 2019 for USD 85.25 MM.

Rates (%)

GRI 201-1

	2019	2020	Percentage Points
Portfolio Delinquency	3.28%	2.29%	-0.99
Coverage of problematic portfolio	127.00%	216.02%	89.02
Return on Assets (ROA)	1.65%	0.43%	-1.22
Return on Equity (ROE)	15.03%	3.93%	-11.10
Administrative Efficiency	5.08%	4.35%	-0.73

GRI 201-4

In 2020, the bank drove its strategy to contribute to the stability of the country and Ecuadorians during this pandemic, offering credits with better rates and preferential conditions.

Its allocation of resources in the economy reached a significant amount of USD 856 millions in resources, through credits directed to multiple sectors in the economy. Banco del Pacifico does not receive any type of aid from the Ecuadorian State.

Allocations in 2020



Credit for Companies
USD 675 MM



Credit for People
USD 181 MM

Total
USD 856 MM

Inclusive growth

In keeping with our mission of contributing to the development of the country while creating value for society, in 2020, we implemented actions to channel resources to several geographic locations of the population, promoting access to financial services. USD 856 MM have been placed.

Region	Placements 2020
Coast	USD 437 MM
Highlands	USD 412 MM
Amazon	USD 2 MM
Insular	USD 5 MM
TOTAL	USD 856 MM



Significant Sustainable Indicators

(in millions of USD)

GRI 201-1

	2019	2020	Variation (%)
Economic Value Generated	465.70	369.90	-20.58%
Distributed Economic Value	365.40	339.90	-6.99%
Operational Costs	144.70	138.10	-4.53%
Salary for Employees and Benefits	104.70	89.40	-14.61%
Payments to Capital Suppliers	39.10	53.90	37.77%
Payments to the State	69.40	50.90	-26.63%
Contributions to the Superintendency of Banks	6.60	7.30	9.96%
Contributions to the Community	0.90	0.20	-76.71%
Retained Economic Value	100.30	30.00	-70.07%

A Responsible Value Chain

GRI 102-9, 102-10, 204-1, 414-1, 414-2

Banco del Pacífico carries out its operations with a responsible 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 for purchasing, bidding, negotiations and selection of suppliers.

In 2020, there were no significant changes in relation to 2019 with regards to the structure of the supply chain of the bank or in the relationships it maintains with its suppliers.



By the end of 2020, 435 new suppliers were incorporated. The supplier's database of the bank closed as follows:

GRI 204-1

	Number of suppliers	Percentage	Paid monetary value
Local	2,429	92%	USD 178 MM
Foreign	212	8%	USD 15 MM
TOTAL	2,641	100%	USD 193 MM

Our overseas suppliers are from different parts such as 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.

To a greater extent, there are suppliers from different 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 selling of supplies, sales of office equipment and ATMs.

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, and financial capacity. In addition, they are also evaluated on subjects such as Social Responsibility and Business Continuity.

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



Within this qualification process, we seek to ensure that our suppliers and contractors are in harmony with our organizational values in terms of conduct and social responsibility in order to promote a responsible business practice within the supply chain. The following are the criteria that are evaluated in the Social Responsibility module:



During 2020, from 1,049 active suppliers of the Bank, 729 had to undergo the required qualification process. This represents 69.49% of them:



GRI 414-1

From new suppliers, 94.5% (411) were rated in 2020, and approximately 28 failed to qualify since they did not deliver the regulatory documents, which are related to the compliance of all legal documents that make their company official.

The requalification process is activated immediately either by the rating company or by the Bank. For this, the supplier is notified in a document known as file, with the results of the previous audit, to identify the items that have to be amended. Additionally, the supplier is assessed via email by the rating company, who lists the points that need to be corrected in order to approve the requalification process.



GRI 414-2

From 411 suppliers qualified in 2020, they all were assessed in relation to social impacts, and none of them obtained significant negative results. Usually, suppliers do not fail due to these issues.

According to the provisions established in the internal policies of the bank, every supplier that wishes to start operations must participate in a qualification process and each year this qualification must be updated.



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.



Chapter 5:

The client at the center of our business model

103 ENF8, GRI 103-1, 103-2, 103-3



Improving the customer experience is one of the main objectives of Banco del Pacífico. The bank has created a department that is in charge of listening to our clients with the purpose of designing the products and services that respond to this need and expectations.

The institution has implemented a constant design system in order to have a clear objective and channel the efforts in the best way possible, while increasing the impact on clients. In 2020, there were several changes made to the process of customer service in order to improve their experience based on the new needs caused by COVID-19, while always providing information transparency. The Organization will focus on sharing the **design methodology with the client as the main focus**, for experts in these products to improve in a more independent and easy way.

The bank is in constant training to reinforce customer service in the internal culture of employees. This is measured by satisfaction, recommendation and transaction indicators.

As established in the Policy Manual for the Development of Products and Services, every product development and/or service must comply with the review, approval, certification and validation authorities of the areas involved in the development of products/services, while ensuring customer satisfaction, as well as reducing the different risks that may rise in order to implement them.



Innovation, technology and sustainability

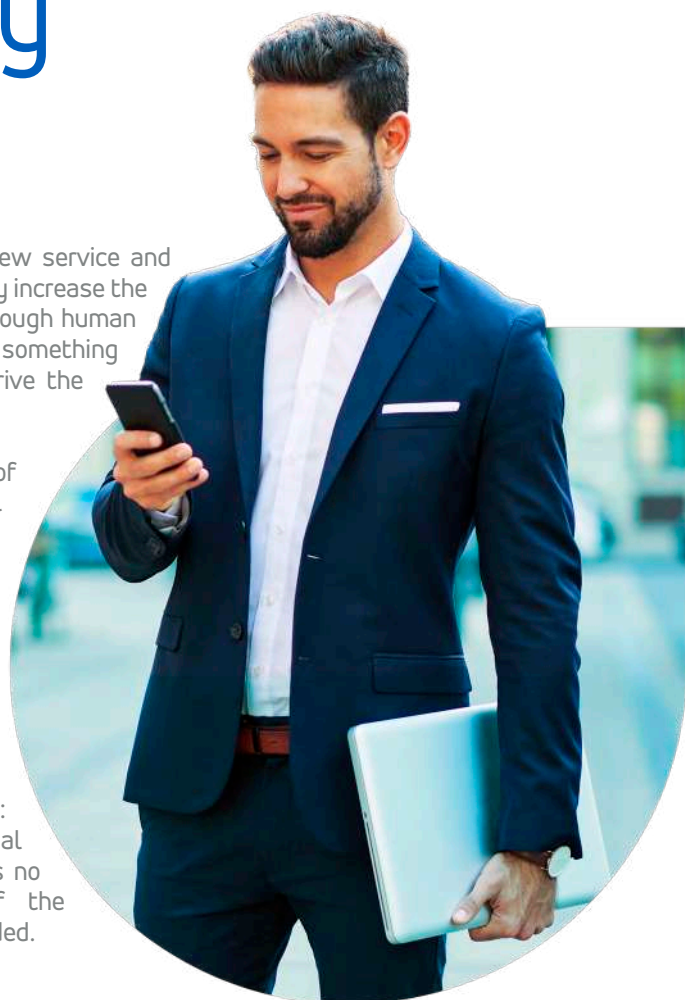
103 ENF7, GRI 102-2, 103-1, 103-2, 103-3

Digital transformation and innovation help the bank to develop new service and product models focused on the needs of the client. Furthermore, they increase the bank's efficiency with the purpose of adding value to the client through human capital. Currently, digital transformation and innovation is not something optional, is what stakeholders ask for, and the results shown drive the institution's management on this matter.

The digital transformation and innovation department is in charge of listening to stakeholders and develop proper solutions. The digital tools used are the means to transform the information provided from stakeholders for a better experience for all.

The indicators used to manage the processes are divided into two main areas: satisfaction and experience indicators and transactional indicators in relation to the fulfillment of the Annual Operational Plans.

Banco del Pacífico makes available to its clients and users a variety of channels for them to access its products and services such as: agencies, ATMs, telephone bank, internet bank, mobile bank, social networks and non-banking correspondents. Banco del Pacífico has no restricted products, since it adheres to the guidelines of the Superintendency of Banks, therefore, this information was not included.





Innovative ATM

Banco del Pacífico is the first financial entity in launching “The first multifunction ATM”; especially designed for drive through service. The AutoBanco modern service is located in the Urdesa Agency.

In this ATM you can do financial transactions such as: cash withdrawals, cash and check deposits, payment of basic services and the PacifiCard credit card, among others.



Growth in Virtual Centers

Since 2014, Banco del Pacífico decided to promote a new 24/7 self-service space for its clients and non-clients inside and outside of its agencies, in order for them to make use of the different financial and non-financial services that the Bank offers.

There are 48 virtual centers that represent an increase of 9 virtual centers compared to last year, with a presence in 10 provinces: from which there are 23 in agencies and 25 outside of the agencies.

In these centers you can do every financial and non-financial transaction such as: cash withdrawals, cash and check deposits, payment of basic services and debits from your account, printing of certificates or cashing checks.



New experience in all ATMs

Banco del Pacífico is making several significant changes in its ATM network, a 360-degree transformation in customer experience when performing transactions in an easy, fast and quality way, while adding proposals towards a more digital approach and 100% touch.

In 2020, we worked on implementing this new experience in all ATM models.





Growth in deposit and payment transactions in ATMs

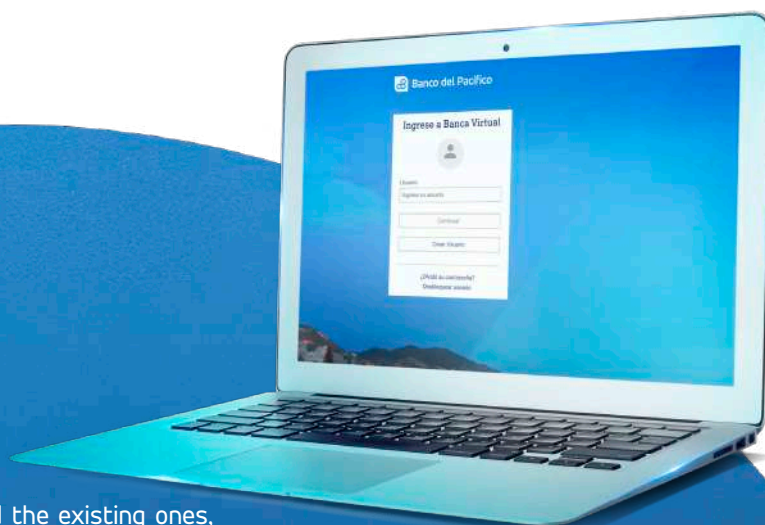
Percentage growth

Deposits
18.04%
Variation 2020/2019

Payments
3.53%
Variation 2020/2019



Virtual Bank



We incorporated new functions and enhanced the existing ones, among the most important ones you can find the following: make a claim, request passwords for credit cards, travel notifications, create users for Virtual Bank, defer credit card consumption.



This year, more than

191 MM

transactions were made



with

556 M

active clients



Reaching a record number of

21.6 MM

of transactions during the month of December of 2020,



with a

103%

growth in transactions compared to last year.



Onboard BdP

Wherever you are, all clients can use their Onboard BdP app to open savings accounts, make investments and request a PacifiCard in a matter of minutes, which promotes banking usage to more clients and encourages digital culture by providing clients with an easy way to obtain bank products in a fast and safe way.

During 2020 the following transactions were made:



Mobile Banking

In 2020, digital channels played a significant role, and through the Mobile Bank you can see a considerable increase in active users, downloads and transactions.



We are constantly keeping our clients informed about the benefits and available functions in their BdP app, in order for them to make transactions in a safe way and from the comfort of their home. The Mobile Bank has functions such as internal and interbank wire transfers, payment of PacifiCard credit cards and other local banks, payment of basic services, vehicle registration, mobile payment order, among others.

BdP Keyboard

While thinking about customer satisfaction and how to improve their experience through their mobile phone, this year we focused on building a new interface, with more simple and intuitive flows. By the end of the month of August, we launched a controlled pilot where close to 200 officials from Banco del Pacífico participated, and they were able to provide 23 functionalities from the 36 existing ones in Mobile Bank and they also included 3 new functions such as contracting a channel, recovering your user and payment of PacifiCard online.





Security of Transactions with PacificID

Making transactions is safer than ever with PacificID!

It generates transaction keys with this mobile app in order to manage all your payments and charges in a more easy and safe way. Clients can use these passwords that are created each minute from this app, and it does not need an internet connection in:

CASH
MANAGEMENT



Virtual Bank



Mobile Bank









CASH
MANAGEMENT

Is a financial platform that is aimed at companies, which provides an efficient and safe management of their accounts payable and receivables.

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 you to 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.

The available functions are:

-  Check your balance and transactions and credit card.
-  Interbank debits.
-  Pagomático (Instant Payment) (Virtual Accounts).
-  Payment of services, customs, payroll and suppliers.
-  Collection of Several Services and Education Centers.
-  Interbank and foreign wire transfers.



We are always innovating and improving the Cash Management tool, during 2020 we implemented new functions that contribute to time optimization in terms of process for our business clients such as:

- Check credit receipts and deposits that have not been credited.
- Personalization of Corporate Card amounts
- Payment of services with Credit Card in Cash Management (Cnt and Cisnergia).
- Adding charges and payment services in Cash Management.
- Massive load for payment of services (Cnt, vehicle registration and Cisnergia)
- Check, individual and massive payment of Corporate Card.

The flow of transactions performed through Cash Management during 2020, was 13% higher in comparison with the amount recorded in 2019.



Virtual Agent Sophi

In the year 2020, the Virtual Agent Sophi had an increase of 16 million interactions compared to the year 2019.

WhatsApp Sophi has the most interactions with an

86%

It closed with

3.55MM
of clients

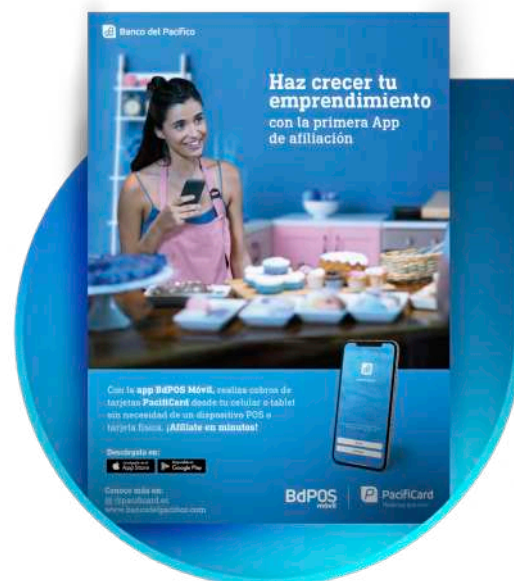
The most inquired transaction was balance check.



BdPos Móvil (Mobile BdPos)

BdPos Mobile is a solution aimed at **entrepreneurs, SMES and businesses** with RISE ro Ruc of a natural person, where businesses that are in no capacity to acquire a physical point of sale, can have a new charging method.

From now on, you can make charges 24/7 by interacting with BdP Wallet, while achieving a 100% digital journey from one end to the other for the client and the business.



Mi Ahorro Cuenta / My Savings Account

My Savings Account is the application that helps you save in Banco del Pacífico in an instant and fun way based on your lifestyle: you can create your goal and save, whether for a vacation or a new car or even for unforeseen events.

With a total of



7,474
active clients

Remesas Pacífico / Pacifico Remittances

Currently, Banco del Pacífico has alliances with remittance companies that are well known around the world, that allow you to send money to family members in Ecuador, who thanks to the broad coverage and safety, can receive their money in real time at BdP counters or through direct accreditation to the beneficiaries' account.





Security and privacy of customers

103 ENF6, GRI 418-1, 103-1, 103-2, 103-3

The bank handles cyber-risks through the implementation of a cyber-security strategy that protects the information and security of our clients, intangibles and operation of services. This is why we have adopted specific safety measures to avoid alteration, loss, or access that is not authorized and ensure the client's integrity of information.

At the same time, we promote a culture of safety with collaborators with the objective of applying technological controls that are necessary for business processes.

The institution has an Information Security department that defines the policies, procedures, international standards and controls in order to manage the safety of our clients' data, as well as the encrypted transmission of information under a safe connection. For this, the Information Security department has their own indicators to measure their management periodically.



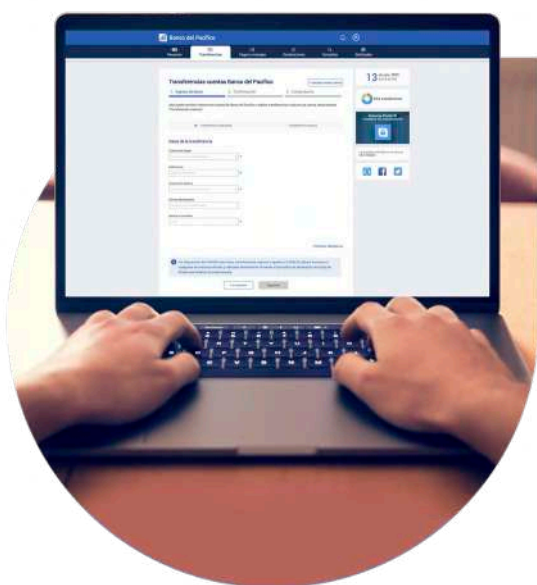
In 2020, Banco del Pacífico was not subject to any breaches, coming from privacy violations or loss of data from any of our clients, that may have incurred in fines, non-monetary sanctions or warnings from regulatory authorities.

Information Transparency

GRI 417-1, 417-2, 417-3

Actions are focused on increasing the level of transparency and clarity of information provided for our clients and users, for the commercial offer that is available in each product and channel, as well as the fulfillment of orders and instructions of these products and channels.

In this sense, we seek to permanently guarantee:



1

Clients' understanding of the nature and risks of the financial products offered to them.

2

Product adequacy to the client's profile.

3

Fairness and clarity of the bank's information, including advertisements.

Banco del Pacífico provides a clear, accurate and precise information to its financial users, for each of its products and services provided. The contracts signed by our clients have payment term conditions, interest rates, expenses, duties, responsibilities and other relevant information that enables timely and relevant decisions to be made when acquiring any good. In addition, marketing is derived from the necessary conditions of the product or services that are being provided.

There are different ways to manage complaints and claims, with the purpose of treating them properly in line with the policies and fulfilling the corresponding regulatory requirements. For this, we provide our clients and users with several channels and means for them to make a complaint:



Credit
Officials



Bank
Services



Contact center
webadminbp@pacifico.fin.ec
3731500



Virtual Agent
Sophi
0967723442



Social networks
@BancoPacificoEC



Website
www.bancodelpacifico.com

Treated cases by the Client's Ombudsman during 2020

The Client's Ombudsman treated a total of 862 cases, from which:

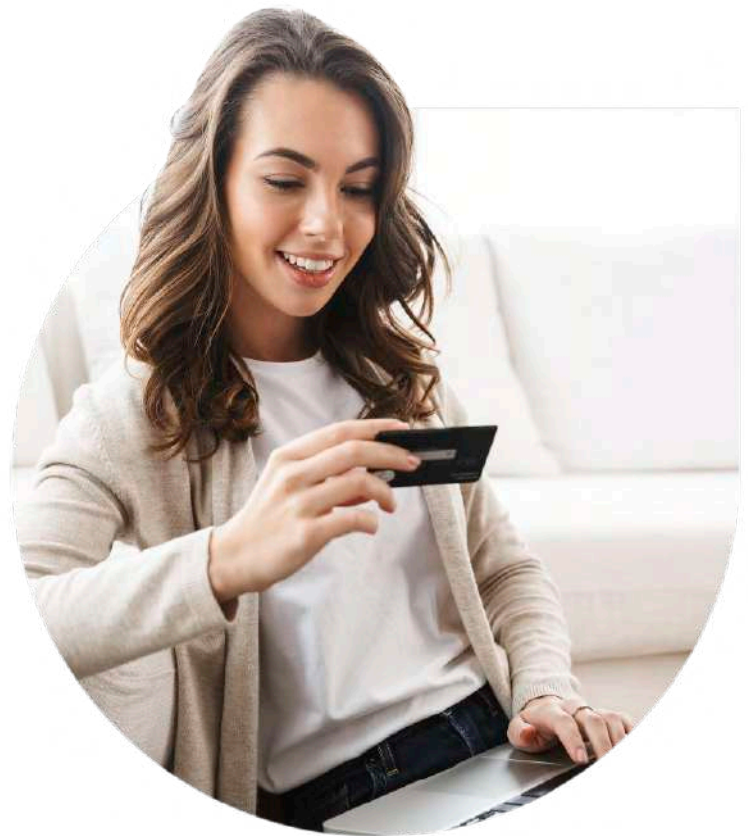


In 2020, Banco del Pacífico has complied with the voluntary regulation or code with regards to information, product and service labeling, marketing communication, publicity, promotion or sponsorship.

Fraud Prevention

Transactional fraud monitoring is performed in all service channels and payment methods that the bank provides for its clients.

In 2020, the numbers were the following:



Payment methods/ Channels	Total Fraud (in millions of USD)	Possible Fraud (millions of USD)	Given as loss (millions of USD)
Credit card	1.28	19.85	0.08
Debit card	0.03	0.08	0.00
Channels	1.42	1.47	0.38
Total	2.73	21.40	0.46



Quality Management System

Banco del Pacífico has adopted the ISO 9001 standard as part of the continuous improvement of its processes and to improve customer satisfaction. For this, it focused its scope in the following processes: emission and management of credit and debit cards, payments and services of cardholders and ATM operations for Guayaquil's headquarters and its main office in Quito. Both the internal and external audits of the Quality Management System are carried out once a year.



Building an inclusive bank and creating opportunities

103 ENF4, FS7, FS13, FS14, GRI 103-1, 103-2, 103-3



One of the objectives of Banco del Pacífico is to promote inclusion and the country's economic and social growth. In order to fulfill these objectives, the bank has created products and services that contribute to a sustainable development and the environment. Proposed solutions allow clients to access the financial system while offering a safe, easy, fast and available service.

In 2020, the bank promoted the implementation of green credits and microcredits. In addition, we have increased our efforts to reach communities with poor access to financial systems through our network of ATMs, non-banking correspondents and agencies.

Indicators used to measure this procedure are the amounts placed by type of credit, impacted segment, portfolio growth percentage, increase in opened accounts, number of transactions by city. The objective of understanding this information is to properly address the resources of those groups which are most in need.



“Tu Banco Banco Aquí” the first Payment and Collection channel

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



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

- ☐ To avoid long drives to carry out bank transactions.
- ☐ Affiliated businesses that are well-known nationwide.
- ☐ Safety while carrying out their transactions.
- ☐ Wide coverage of service points to carry out transactions such as cash withdrawals, cash deposits, credit card cash advances, PacifiCard payments, basic services payments, Judicial council, human development bonus and taxes.
- ☐ Flexibility in customer service hours thanks to the extended schedule of the Tu Banco Banco Aquí networks.

The non-banking correspondent channel reached:

40% in participation of payment and collection transactions during 2020

with a total of
11.5 MM
of transactions in 2020.

Increase in deposit transactions through the non-banking correspondents' network

Cash deposit transactions in savings and checking accounts of Banco del Pacífico had a 167% increase in 2020 compared to the previous year through the **Tu Banco Banco Aquí (Your Bank Here)** channel. Reaching a participation of 39% from the total financial transactions through this channel.





Partnership with Diakonía Food Bank and Tía Stores

Through its network of non-banking correspondents “Tu Banco Banco Aquí”, Banco del Pacífico joined the Together we Nurture more people program from the Diakonía Food Bank, with the purpose of helping low-resources families with the minimum consumption during the health emergency crisis.

Through this payment transaction, we were able to provide 3,706 essential products for donation until the end of 2020, while supporting the great effort of the Food Bank.



Products with social approach



Credit Cards ALDEAS Children SOS

We maintained our relationship 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 youth 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.



10,105
cards



Contribution of
USD 52,387
by the end of 2020

Mobile Bank

The bank has a Mobile Bank service that needs no internet, and therefore, it can be used anywhere.

The Mobile Bank allows you to:

- Open basic accounts.
- Check your balance and transactions.
- Payment of basic services.
- Internal and interbank transfers.
- Access to credits (Retail Bank).

You can access this channel by dialing:

***8444#** | ***844#**
Movistar/Claro and Tuenti | CNT

This year



More than

119 M

transactions were made



and more than

3.7 M

accounts were opened.



Savings Account

With the purpose of providing bank services to more Ecuadorians and promoting money savings, Banco del Pacífico improved the access conditions to its savings account platform.

It made it possible to open a savings account with no need for an initial deposit.

Number of opened accounts in 2020



248 M



Pacífico Entrepreneur

This product is aimed at clients and non-clients looking to fund entrepreneurship, innovation and expansion projects.

The characteristics of the products are:

- An interest rate of 8.5%
- Funding of up to 7 years for fixed assets
- Coverage from the National Fund For Credit Guarantees of the National Finance Corporation (CFN)
- A capital grace period of up to 1 year

The 2020 results are as follows:

Amount disbursed:

USD 5 MM



Reactivate Ecuador (Bounce Back Ecuador)

This product was launched in May of 2020. It is aimed at clients and non-clients with preferential conditions in order to support micro, small and medium enterprises for a productive reactivation and employment protection of those that were affected by the health sanitary crisis.

The characteristics of the product are:

- 5% rate
- Funding of up to 36 months
- Coverage from the National Fund of CFN
- A capital grace period of up to 6 months

The 2020 results are:

Number of disbursements:

2,140

Amount disbursed:

USD 96 MM





Student Loans

We are aware that education is an essential part for the progress amongst young people and, therefore, of our society.

Banco del Pacífico offers its clients and users the Pacífico Student Loan, with similar characteristics to the loans offered by the Instituto de Fomento al Talento Humano.

The 2020 results are:



Public Housing Loans

This product is provided in two ways:

1

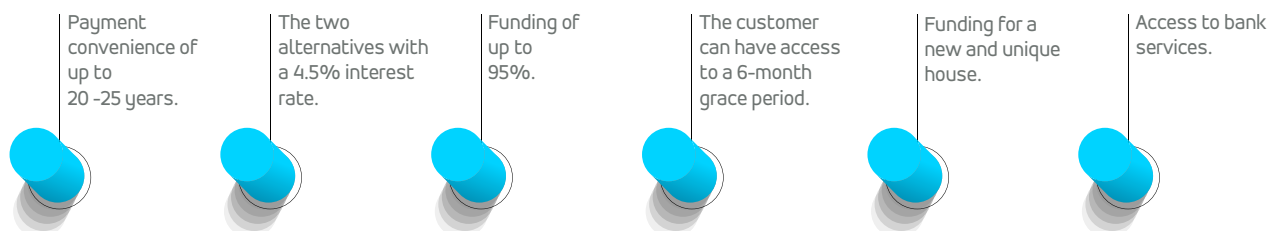
“Tu Casa Pacífico” (My Pacífico House)
From USD 23 thousand to USD 91 thousand

2

“Mi Primera Casa Pacífico” (My First Pacífico House)
From USD 14 thousand to USD 27 thousand.



The characteristics of both products are:



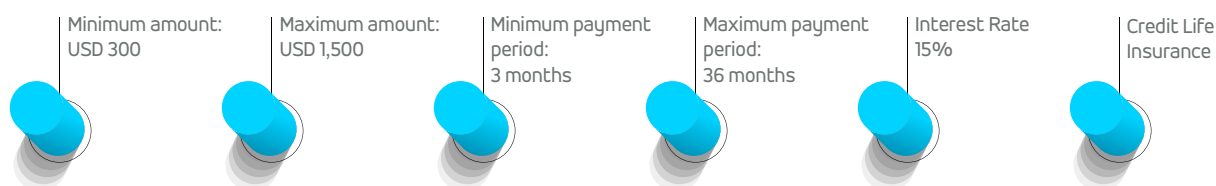
The 2020 results are:



Banca de Oportunidades (Opportunities Bank)

The Opportunities Bank of Banco del Pacífico was created as a development tool for autonomous merchants of the city of Guayaquil, which is given through a cooperation agreement along with Guayaquil's Municipality. This way, we support the financial inclusion of the most vulnerable city sectors, who usually use informal lenders.

The characteristics of the product are:



The following were the 2020 results:



with
55.38%
given to women

Green Credit

Banco del Pacífico in keeping with its strategic vision of being a sustainable and human bank, continues to promote the "Green Credit" product, which provides preferential financing to those projects that choose to use good environmental practices, including environmentally clean technologies and low impact alternative green energies; as well as initiatives based on sustainable use and added value of renewable resources.

The product is aimed at bank clients from SMES, business and big companies, that belong to the following sectors: agriculture, forest, fishing, aquaculture, livestock, tourism, industrial and services.

The **Ecobusiness Fund** granted US\$ 25 MM in funds to place credits that have sustainability certifications endorsed by said international organism.



Acknowledgments

Thanks to the support of all of our collaborators, in 2020 Banco del Pacífico obtained the following acknowledgements:



The 2020 International Banker Awards gave Banco del Pacífico the award for Best Commercial Bank of the year.

These awards seek to acknowledge first-class individuals and organizations in the entire banking sector.



For third consecutive year, Banco del Pacífico won the “Premio País” (Country Award) award in the Channel Innovation 2020 category, with the Platinum acknowledgement granted by the platform that specializes in banking innovation, Fintech Americas.



Banco del Pacífico, obtained the acknowledgement for Company Committed to Corporate Social Responsibility in Latin America 2020 by the Mexican Center for Philanthropy A.C., (Cemefi), the Alliance for Corporate Social Responsibility in Mexico (AliaRSE), due to its public and voluntary commitment of implementing a socially responsible management.



Banco del Pacífico was acknowledged as best Employer Brand in the financial sector, after having received the Employer Branding Ecuador 2020 award lead by the Ferias 360 digital company. The entity is located among the 10 best employing companies at national level, ranking in sixth position.



Chapter 6:

Responsible Management of Human Talent

GRI 102-8, 401-1





Organizational health and sustainability have always been crucial at Banco del Pacífico, and 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 action have been established to implement and communicate in a timely manner and with transparency good governance, compliance and anti-corruption practices. In addition to designing and implementing a social action program with impact and to 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 to promote and enhance the quality-oriented performance of all of its officials. While ensuring high occupational health and safety standards for its entire staff.



This was the staff's composition and some results from people's management in 2020:

Number of employees by contract type labor and gender

Region	Temporary		Indefinite		TOTAL
	Female	Male	Female	Male	
Coast	2	2	1,305	1,076	2,385
Highlands	0	0	725	453	1,178
Insular	1	0	28	8	37
Amazon	0	0	6	5	11
Overall Total	3	2	2,064	1,542	3,611

Number of employees by contract type, type of working day, and gender

GRI 102-8







Type of Session	Temporary		Indefinite		TOTAL
	Female	Male	Female	Male	
Full-Time	3	2	2,064	1,542	3,611
Part-Time	0	0	0	0	0
Overall Total	3	2	2,064	1,542	3,611

GRI 102-41

¹ Employees have no collective bargaining agreement.







New employees by region, age group, and gender

GRI 102-8

Age	18 to 30 Years old		31 to 50 Years old		51 years old and over	
Region						
Coast	26	45	6	11	0	1
Highlands	11	5	4	2	0	0
Insular	1	1	0	0	0	0
Amazon	0	1	0	0	0	0
Overall Total	38	52	10	13	0	1

Turnover rate by region, age group and gender

GRI 401-1

Age	18 to 30 Years old		31 to 50 Years old		51 years old and over	
Region						
Coast	592	496	633	480	82	102
Highlands	373	226	327	193	25	34
Insular	12	2	17	3	3	0
Amazon	4	4	2	1	0	0
Overall Total	981	728	979	677	110	136

The annual turnover
percentage of Banco del Pacífico
employees was

9.71%



Integral Development of People

GRI 102-16, 404-1, 404-2, 404-3, FS4

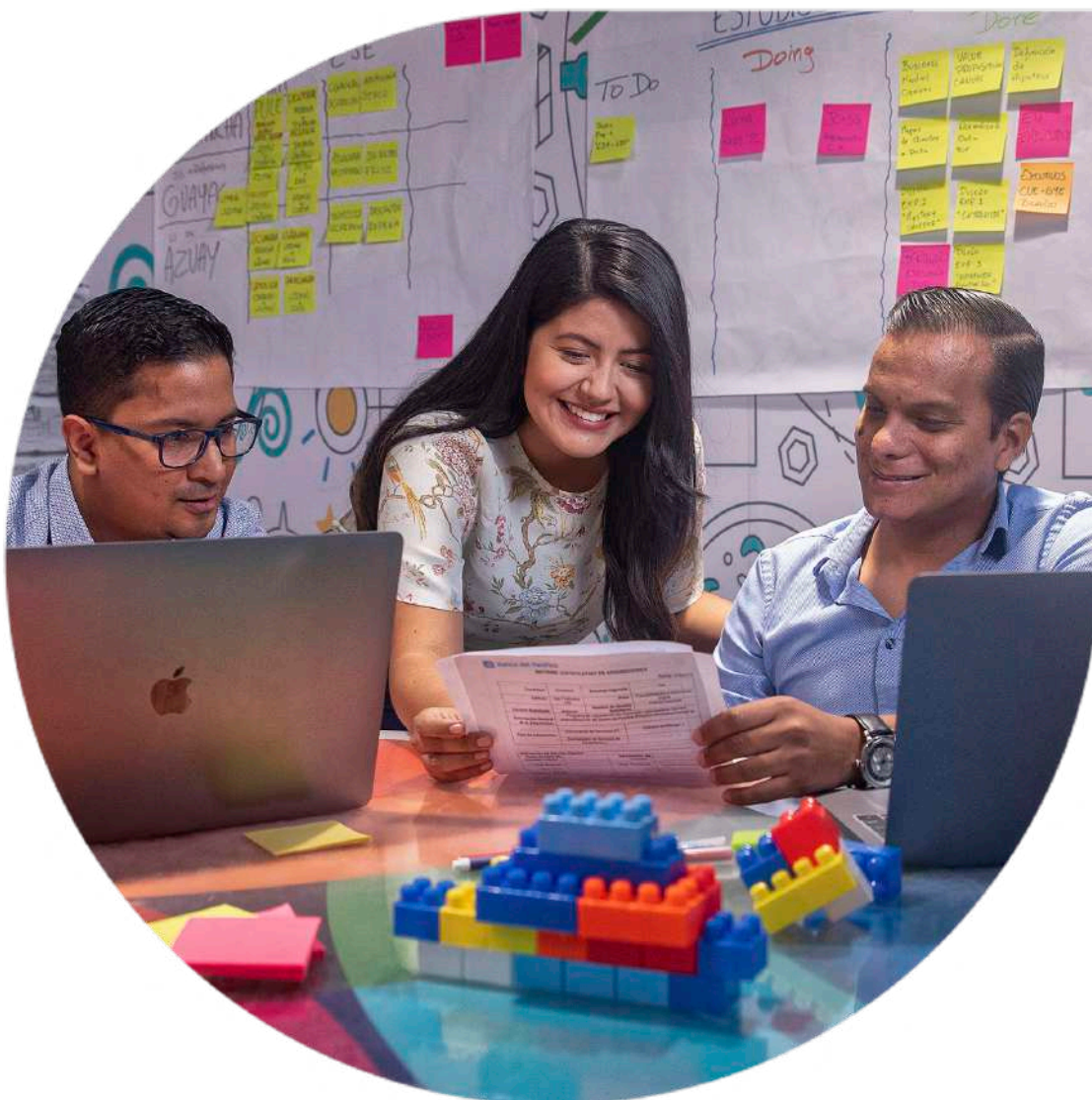
Focused on corporate values, all the people who make up Banco del Pacífico, work to support the institution's objectives. To do this, the bank has multiple actions and initiatives to promote the integral development of its employees.

With the purpose of achieving a good work environment with mutual respect, the Code of Ethics has been established for employees to adhere to the said guidelines.

Cultural Transformation

Banco del Pacífico aspires to be a leading bank in all market segments, by developing innovating products and services, providing the best customer experience and fulfilling the client's needs.

This is why, there is a need to implement a new organizational culture focused on facilitating the development of the Digital Transformation strategy.



Training

From the moment in which employees become part of Banco del Pacifico, we care about their training and development in order for them to leverage the objectives and goals of the Institution through their capabilities and knowledge. In 2020, an atypical year for everyone, we were forced to prioritize the learning management to specific topics, based on cultural and digital transformation.

In addition, it also enhances their skills and necessary tools to effectively respond to the functions we perform and, to the changes and demands that this new reality implies. Having properly trained collaborators helps fulfill the indicators of the area, when the staff is well-trained it is easier to achieve the established goals. The logistics of the trainings is assessed by digital forms, with the purpose of listening to the opinion of the employees and continuously improving this management.

Banco del Pacifico's training program is established by ranks, instead of dividing it by gender.



Training hours by job position

GRI 404-1

Job Category	Hierarchical Level	Hours of training
Operative	1	10,491
Administrative	2	17,270
	3	27,272
Middle Ranks	4	4,319
	5	4,787
Top Management	6	630
Board of Directors	7	29
Total hours of training		64,798

Banco del 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.

Main Strategic Programs	Main Operational Programs	Regulatory Programs
Big data with workshop	Financial analysis	Good practices post COVID 19
Mentoring certification	CELAES 2020	Code of Ethics and Conduct
Certified scrum master	Unfair competition	Induction to Banco del Pacífico
Strategic digital creativity in social media	Compliance officer and corporate management risk	Asset laundering prevention and funding of crimes such as terrorism
Data science and big data analytics	World summit on political communication	Internal work regulations
Diploma in data science for businesses	Technical development HTML5	Internal regulation on hygiene and safety
Certificate in development and innovation management	Cashier school	Operational risk and business continuity
The leader game	School of banking services	Information security
Employer branding CX	Launching the ATM industry into a new era	Anti-bribery management system
Product owner school	Data management and Python reporting	Quality system management
Implementing safe 5.0	Modeling with Bizagi modeler	
Agility Foundations	High impact presentations	
Lead	Business continuity program	
Strategic planning in human resources	KAM online program: building relationships with strategic clients	
Safe product owner/ product manager	Process re-engineering	
Sprint planning		
Easy and lean principles workshop to optimize processes		
Titan: Leadership and commercial productivity		
Digital transformation applied to human resources		
Youleader		



In 2020, along with CORPEI, Ecuadorian Center for Resource Efficiency (CEER) and Ecobusiness Fund, we trained officials in the business area from different places, as well as the risk personnel on issues such as: sustainability, environmental and social risks. In addition, biosafety issues for the agricultural, fishing and processed food sectors.

Evaluation

Since it is a process of continuous improvement and monitoring, when it comes to 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 in order to ensure the quality of service and strengthen the organization.

Employees with periodic performance evaluation by gender and job position

GRI 404-3

Job Category							Total	
	Number	Average	Percentage	Number	Average	Percentage	Total Number	Total Average
Administrative	1,384	94.32	68.04%	946	94.47	62.40%	2,330	94.38
Top Management	9	96.81	0.44%	16	96.24	1.06%	25	96.44
Middle ranks	163	96.33	8.01%	110	96.36	7.26%	273	96.34
Operational	476	92.04	23.40%	444	93.90	29.29%	920	92.94
Board of Directors	2	97.94	0.10%	0	0.00	0	2	97.94
Overall Total	2,034	93.96	100.00%	1,516	94.46	100.00%	3,550	94.17

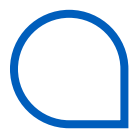


Remuneration

GRI 102-36

The remuneration policy of Banco del Pacifico, considers 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 hierarchical levels of the organization.

In order to define the bank's 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.













Occupational well-being and quality of life

GRI 401-2, 401-3, 201-3

All of Banco del Pacífico employees receive organizational benefits aimed at providing economic stability and security in access to health care, among other important aspects. Therefore, 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.

Due to the 2020 pandemic, some benefits such as uniforms and variable remuneration we temporarily suspended.

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	 Other Benefits			
Operative	1	949	Provision of Uniforms to the staff every two years	Provision of Uniforms to the staff every two years	USD 28 M coverage 100% monthly premium		USD 60 M coverage 100% monthly premium		3-year salaries		Vacation Bonus			
Administrative	2	1,110											2-year salaries	Food: 80% cost of service subsidy (Headquarters and Main Offices), daily USD 2.75 (Personal Agencies)
	3	1,252												
Middle Rank	4	158			USD 20 M coverage 100% monthly premium	USD 3,5 MM coverage 100% monthly premium	USD 90 M coverage 100% monthly premium	USD 30 M coverage with no monthly premium 100%	1.5 year salaries	Parking	IESS Personal Contribution, Income Tax: 100% Subsidy			
	5	115					USD 150 M coverage 100% monthly premium	USD 35 M coverage with no monthly premium 100%			Salary Advance: for up to 3 salaries within 36 months.			
Top Management	6	25						USD 220 M coverage 100% monthly premium				USD 60 M coverage with monthly premium 100%	1 year salary	Advance payment of annual bonus: 50% from June
Board of Directors	7	2			USD 20 M without coverage 100% monthly premium	USD 3,5 MM coverage 100% monthly premium	USD 220 M coverage with no monthly premium 100%	USD 60 M coverage with no monthly premium 100%		Parking	Salary Advance for up to 3 salaries within 36 months. Advance payment of annual bonus: 50% from June Company-owned vehicle for company-related interactions.			

A legal benefit in Ecuador is to grant paternity or maternity leave, which Banco del Pacífico adheres to. In 2020, 100% of the employees exercising this right were able to benefit from this leave: 77% women and 100% men, once the maternity/paternity leave was over, everyone went back to work.





Employees with maternity or paternity leave by gender

Leave			TOTAL
Maternity	128	0	128
Paternity	0	55	55
With no maternity or paternity salary	3	0	3
Total	131	55	186

Employees that returned to work after their leave was over

GRI 401-3

Leave			TOTAL
Maternity	128	0	128
Paternity	0	55	55
With no maternity or paternity salary	3	0	3
Total	131	55	186

All employees that returned to work, after 12 months continue working at the bank.

Voluntary retirement and provisions

GRI 201-3

With regards to the liabilities for pensions and other obligations, as well as the provisions charged for the year in term of pension funds, Banco del Pacífico provided USD 31.6 million for retirement of its employees and USD 9 millions for layoffs. The employees do not contribute to pension funds from their salaries, since the company gives 100%.

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 2020, there were 38 employees that embraced this plan.

Home Office

Thanks to the bank's vision and preparation, we were able to have the necessary basis to manage and apply Home Office to more than 50% of our collaborators.

During 2020, this method grew stronger due to the health emergency crisis.



Diversity and Equal Opportunity

GRI 405-1







With regards to diversity respect 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.







Within this 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 or vulnerable groups such as: pregnant women or women breastfeeding, Afro-Ecuadorians, indigenous people, among others; while respecting their cultures and traditions.

Job Category	Hierarchical Level	From 18 to 30 years old		From 31 to 50 years old		From 51 and over		TOTAL
								
Operational	1	464	329	25	94	0	37	949
Administrative	2	358	258	296	153	17	28	1,110
	3	159	138	539	346	34	36	1,252
Middle Rank	4	0	2	63	55	22	16	158
	5	0	1	53	21	26	14	115
Top Management	6	0	0	3	8	6	8	25
Board of Directors	7	0	0	0	0	2	0	2
Overall Total		981	728	979	677	107	139	3,611

Collaborators that belong to a vulnerable group by age and gender

Group	From 18 to 30 years old		From 31 to 50 years old		From 51 and over		TOTAL
							
Disabled people	12	14	50	25	3	5	109
Seniors					12	13	25
Pregnancy	45		32				77
Existing illness	19	19	76	43	17	28	202
Breastfeeding	38		38				76
Maternity leave	13		12				25
Overall Total	127	33	208	68	32	46	514



Occupational Health and Safety

GRI 403-1, 403-3, 403-4, 403-6, 403-9, 403-10

The occupational risk management has a preventive and systemic approach, this is why whenever we have defined the activities to take care of the health of employees and maintain a business continuity, we have also strengthened the management system based on the guidelines of the ISO 45001 standard:

Occupational Health and Safety Management System and the Healthy Organization Management System.

Everyone at Banco del Pacífico is responsible for occupational risk prevention, and the description of these responsibilities can be found in the Internal Health and Safety Regulation, the procedures manuals and the policy manual in order to administer the Occupational Health and Safety Management System.

During 2020 we launched the Mental Health program, fulfilling the goal of promoting emotional health at work.

The Occupational Health and Safety department is in charge of performing the Annual Operational Planning (AOP), aligned with the bank's sustainability, which includes the occupational risk prevention and legal requirements, as well as other applicable requirements.

The assessment on the effectiveness of the Occupational Health and Safety is carried out by a computer tool, which allows you to follow up and obtain a Dashboard with compliance indicators. In 2020, even though we had several changes due to the pandemic, we were able to fulfill the main planned activities achieving the expected results.



Occupational Risk Prevention Policy

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 the main ones are:

- To implement a well-being culture that reaches our stakeholders through the promotion of a healthy lifestyle and a commitment with our community
- 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 Occupational Health and Safety Management System has 3 objectives that are based on:



Participation of employees and complaint mechanisms

GRI 403-4

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. 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.

In 2020, the percentage of employees that formed part of the health and safety committees was 96.9% and, according to the Occupational Health and Safety Regulations and Improvement of Working Environment (Executive Decree 2393), they are made up of three members assigned by the employer and three members assigned by the employees, with their respective alternate members.

Within the management system, it is important to have the participation of employees, who have room in organisms of high priority and delegates on Occupational Safety and Health prevention; as well as digital channels that allows for employees to communicate with external stakeholders.

2020 Results

GRI 403-9, 403-10



In 2020, there were no reports on occupational diseases, nor deaths by accident or occupational illnesses. The following was reported and managed:

Type of accidents by region and gender

By region

	In the workplace	In Itinere	COVID 19	TOTAL
Coast	2	1	16	57
Highlands	2	0	36	

By gender

	In the workplace	In Itinere	COVID 19	TOTAL
	2	1	19	57
	2	0	33	

Average accident frequency

1.60

(Including COVID-19 cases)

Average number of missed days

32.47

(Including COVID-19 cases)

Rata of occupational absenteeism

2.02%

In response to the pandemic

The bank provided activities that along with the leadership and commitment of Top Management, the Crisis Committee and the Project Return bureau, helped safeguard the health of our employees and maintain the business continuity, since the bank was part of the strategic sectors that did not stop their activities during the pandemic.

The activities provided in the Occupational Health and Safety plan were for the prevention, dissemination, information and control against this pandemic.



The preventive management focused on two working modalities: employees on-site and employees teleworking.

For the staff that due to their customer service activities had to keep working on-site, we prioritized on the collective and individual protection with entry protocols and tenure provided in the Post COVID-19 Manual. The Manual and Protocols were permanently disseminated through the bank's traditional and digital information and communication channels for the employees and the clients, in order to preserve the health and business continuity during this pandemic.

With regards to employees working from home, we developed a management technique with hazard identification and risk assessment in this working modality, in order to apply controls with the support of the areas involved.

In Itinere: Is the usual and habitual route used by the employee to travel from home to the workplace and vice versa.

Health and well-being program

GRI 403-3, 403-6

Health monitoring has also been one of the most important actions taken during this pandemic, which is why during the months of April until June we performed a total of 3,586 rapid test on our on-site personnel to detect probable cases of COVID-19, with the purpose of preserving their health. This allowed us to identify and confine those infected, which allowed us to continue performing our activities.

The medical department continued working non-stop, providing face-to-face and telemedicine medical care to our employees and their families. We also supported our employees infected with COVID-19 by providing medicine and oxygen tanks.



For our bank, the physical and emotional health of our employees is important, which is why we launched the Mental Health – BdP Wellbeing Program in 2020, where we carried out 3 activities:

- 1 Psychological telemedicine service since the month of November
- 2 Socialization of the Banco del Pacífico Mental Health and Well-Being Program to all employees nationwide.
- 3 Conducting a Well-Being Survey, in order to evaluate the incidence of the COVID-19 pandemic in the mental health of our employees, by applying an instrument that measured several parameters such as: post-traumatic stress, depression, anxiety, psychosocial risks related to teleworking, internal and external on-site work, family violence.



Chapter 7:

Community development and investments with impact



Action in the Community

GRI 203-1

Banco del Pacífico creates value in its environment, through good practices that allow for the development of activities that benefit the most neglected segments of the system. As a complement to this, through its own Corporate Governance and Social Responsibility department, the Bank also develops social action programs that seek to cover the basic needs of the population and contribute to improve their living conditions.



Objectives of the management approach in the community:



Direct access to the bank for citizens from remote populations:

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.



Informed, responsible customers that are aware of their economic-financial management:

Ensure the communication of information through permanent training sessions in order for clients to make responsible decisions, to manage their financial and saving transactions.



Environmental balance:

To reduce the carbon footprint of the Bank, directly and indirectly generated by its processes, while seeking efficient, innovative and sustainable alternatives.



Quality of life for society

Reflect among its stakeholders, the economic, social and environmental performance in order to provide a tangible quality of life

The centerline of the plans consists on providing an adequate response, for both the expectations, as well as the rights of stakeholders in relation to the business of the entity. Increasingly, these activities are integrated to the management systems of the company and, consequently, to the budgets of the different commercial, administration and other areas.

GRI 203-1

Moreover, and following the line of transparency that each year grows in this Sustainability Report, it is reported that the budget handled by the Corporate Governance and Social Responsibility department during 2020 was **USD 238,865**. The following are the main social responsibility issues that the bank has worked on:



Issue	Description
Financial Education	Learning with my Bank and My Bank Teaches me.
Rural and community development	Social investment programs in rural areas.
Environmental improvement	Neutral Carbon Program, environmental license in Galapagos, waste management, printing management and EDGE preliminary certification.
Home Construction	Hogar de Cristo and Techo Foundations (home and logistics for construction).
Other social programs	Programs for the prevention of child abuse and Christmas campaigns.
Volunteering	Training and acknowledgement for volunteers of the Bank.

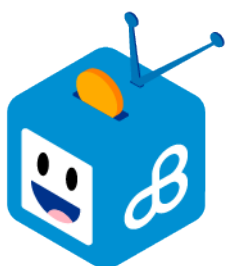
The health and economic crisis in 2020 caused for some Social Responsibility actions to be delayed, others were executed, and others went from face-to-face to digital modality, and in some other cases such as the building of houses, we were not able to carry it out; decreasing the number of corporate volunteering hours to 80%, compared to 2019.



Financial Education

FS15

In 2020, the financial education program turned 10 years old, which started with workshops for children and later grew to train different segments, while introducing digital tools for the public, and providing financial education to its clients, community and the public general since its inception.



Aprendo con mi Banco Banco “Learning with My Bank”

This year, even though the context was challenging, we were able to train 1,745 children and 343 teenagers of 41 public education centers, religious and private schools in Cuenca, Salinas, Manta, Galapagos, Milagro, Quito and Guayaquil.

The biggest challenge was to adapt to the virtual challenge, in order to continue teaching students through workshops and the dissemination of digital tools on financial education.

- We offered webinars for students from 6th and 7th grade on issues such as the history of money, savings and budgets in Guayaquil, Quito, Galapagos, Cuenca, Milagro, Manta and Salinas.
- We socialized with schools in Guayaquil and Quito through the app “Mi Aula BdP” (My BdP Classroom), in website and mobile version, which is a tool that enables children to learn about financial education while playing in an interactive way.
- For the second year in a row, we continued with the initiative “Mi Proyecto de Vida” (My Life’s Project), along with Humane Business School and the Superintendency of Companies, while providing training on financial skills based on innovation, leadership, and entrepreneurship to teenagers in their senior year of high school in Guayaquil, this time through virtual interactive room where students received talks and worked on teams.
- The episodes of the second season of the “Mi Banco Banco TV” (My TV Bank) program were released on YouTube, where children teach other children about financial education through fun activities. The main characters were children from our employees that taught from their home.

Since it’s beginnings in 2010 until today, we have trained more than 41 thousand children and teenagers nationwide.



Mi Banco Banco me enseña “My Bank Teaches Me”



With a responsible and inclusive approach, while adhering to the provisions of the Code on Transparency and User Rights of the Superintendency of Banks, Banco del Pacífico offers its clients, users and the general public the Financial Education Program for adults “Mi Banco Banco me enseña” (My Bank Teaches me). This year, we mainly focused on financial tips for the home, personal finances and finance for entrepreneur, in the middle of a complicated situation created by COVID-19.

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.

In 2020, we trained a total of 5,111 adults from different segments: entrepreneurs, teachers, college students, public and private companies, foundations, NGOs, suppliers, clients and the public in general through webinar and face-to-face workshops, live talks through social networks, digital tools and e-learning workshops.

Since its inception in 2014 until today, we have trained over 10 thousand adults.



Radio Show

The bank broadcasted its show in 55 radio channels with national coverage, a total of 12 radio shows on financial education during September to November, on Saturdays from 8:00 AM to 9:00 AM. This activity was executed thanks to the support of the Ecuadorian Association of Broadcasting (AER), and we had the participation of corporate volunteers, managers and special guests from the Bank that talked about issues such as: financial planning for families and business, bank safety, rights and obligations of the financial user, among other things. An average of 54,244 radio listeners were reached each week.



Chapter 8:

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).

The institution is planning on implementing the Environmental Management System based on the ISO 14001 standard, where we will define mechanisms to evaluate environmental issues that are significant for the bank.

In 2020, Banco del Pacífico obtained the EDGE preliminary certificate and started a strict auditing process, where the design options for the headquarters' building in Guayaquil were reviewed. These design options predict a 25% in energy savings, 68% in water savings and 73% of less embodied energy in materials. Surpassing the 20% in savings established by the EDGE standard. We are the First financial Institution in Guayaquil to obtain the EDGE preliminary certificate (Excellence in Design for Greater Efficiencies).

The Santa Cruz agency, located in the insular region of Galapagos has an environmental license, which is appointed by the environmental authority for projects, works or activities whose environmental impacts or risks are low-impact, in compliance with the local legislation and protection of species in the area.



Eco-efficient operations

GRI 301-1, 301-2, 306-3, 306-4

For Banco del Pacífico, implementing eco-efficient operations means to manage, measure and reduce the consumption of materials, water, energy, disposal of waste and promoting a sustainable construction of new buildings or renovations.



GRI 301-2

Material management

Due to its line of business, the bank does not transform materials to manufacture products, therefore, it acquires them in their final stage. Nevertheless, it has a Social Responsibility's Manual that promotes the acquisition of materials and consumables with environmental requirements and certifications that include sustainable processes in obtaining their raw materials, product manufacturing and operational logistics until its delivery to the bank.

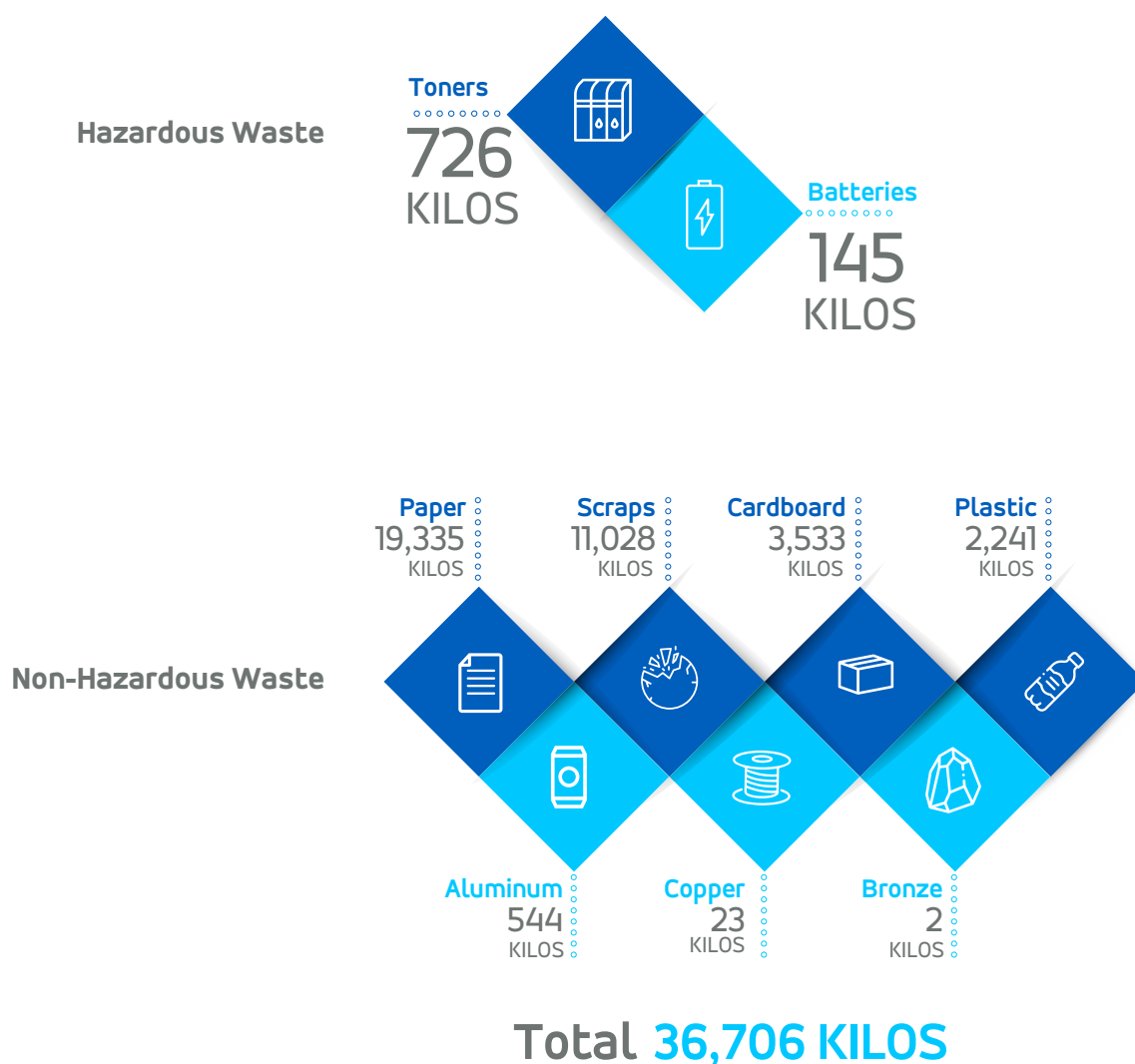
This way, we seek to reduce environmental impact and to adopt the best practices in product acquisition

GRI 306-3

Waste Management

In compliance with the provisions established in the environment chapter of the Social Responsibility Policies, it sets out to minimize waste management and manage them correctly.

The Bank generates the following waste:



The residues and waste classified as hazardous by the Ministry of Environment, such as batteries of electronic equipment, oil from generators, luminaries, among other, are transported and disposed by authorized waste managers that have the proper license issued by the Ministry of Environment. In the case of printer cartridges, once empty they're returned to the supplier for proper treatment.

The solid waste generated by the organization is handled according to the provisions of the corresponding procedures manual, which establishes the actions to be taken for classification and management.

In addition, the Procedures Manual for Normal Solid Waste Management and Similar to Urban Waste establishes the proper treatment of used masks by our employees in the office due to COVID-19.

Recycle and reuse

The bank generates non-hazardous waste such as paper, cardboard and plastic, which are intended for recycling processes through environmental managers.

We have also implemented controls in the use of paper. Every month we monitor the volume of prints, as well as the use and location of printers. With the purpose of optimizing costs and reducing consumption.

On the other hand, the resulting material of renovations or modifications performed on furniture, separations, aluminum, ferrous scrap, among others, are reused within the bank or sold in batches to waste managers in charge of recycling to avoid wasting potential useful material.

Despite of the pandemic and having most of our employees working from home, we were able to strengthen the Pacífico Planeta campaign to organize and clean file warehouses, and recycle the material that is not used or that is not indispensable.



During 2020,
36,706 kilos
of materials were recycled

This was
71 %
more than 2019,
where we recycled 21.43 kilos

Through this management we avoided
the emission of
50 tons
of CO₂e

Energy and Climate Change

GRI 302-1, 302-2, 302-3, 302-4, 305-1, 305-2, 305-3, 305-5

Energy

As an entity committed to reducing its impact on the environment, Banco del Pacífico is at the forefront and implements innovative technologies to produce renewable energy and reduce its consumption, especially since it is its main source of emission.

In that regard, it applies what is established in the Environment section of the Social Responsibility Policy Manual: "Implement efficiency measures in resources to reduce water and energy consumption, and other resources through efficiency systems".

The main measure implemented in 2020 was to install the building's electric power automation system next to bank's headquarters, allowing the control of internal and external illumination, as well as climatization of the building.

This system controls the unnecessary power on of equipment and illumination, applying technical performance criteria and user's needs. Another characteristic of the system is that it allows you to monitor the power consumption of the building by establishing alarms by increase in operations. With these measures we save on power consumption and reduction of CO₂e emissions.



Other energy efficiency measures implemented in previous years:

a

Installation of LED lamps.



b

Electro-generators that reduces combustion gases.



c

Implementation system of switching lights on and off and air-conditioning equipment.



d

Change of elevators in main building in Quito, with technology that helps reduce energy consumption.



e

Implementation of photovoltaic systems:



a

Annex building in Guayaquil: 10% savings

b

24 de Mayo agency in Manta: 100% in energy savings and supply of during the 8 work hours.

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

a

Implementation of a comprehensive energy management platform: allows to control the electrical charges from the Bank's transformers, the main air-conditioning units and change in elevators.

b

- Establish consumption patterns, energy balances and assessment on indicators to energetically improve its offices.
- Identify failures and make improvements to achieve significant savings.
- Evaluate and provide for the preventive maintenance of electric equipment and the electrical infrastructure of the different agencies.



Due to the pandemic, energy consumption was reduced in comparison with 2019, since several offices were closed during the quarantine. Most of our employees are doing home office, coffee shops in main building reduced their service for employees and vehicles reduced their traveling times.

Amount of energy consumed by type of source

GRI 302-1, 302-3, 302-4

Source of power generation ²	Unit	2019	2020	Variation 2020-2019
Electric power consumption (*)	KWh	12,591,742	10,362,644	-18%
Solar energy from annex building (**)	KWh	8,528	75,920	790%
Fuel for vehicles and generators	Gallons	57,693	50,083	-13%
Liquefied petroleum gas (LPG cafeterias***)	Kilos	11,160	4,155	-63%

*Energy consumption coming from the country's public network.

**Renewable energy that comes from the photovoltaic system installed in the annex building to the Guayaquil headquarters.

***Corresponds to the consumption at cafeterias in Guayaquil and Quito.

In terms of energy intensity, in 2020 we calculated 2,814 KWh per person per year, which compared to 2019³, represented a 15% reduction.

GRI 302-2

² No energy consumption is registered outside of the Organization during the reported period of this report.

³ In order to compare the energy intensity in 2020 vs 2019, we considered the energy consumption from non-renewable sources for the number of employees

Emissions

As part of its environmental management, Banco del Pacífico has its Carbon Neutral certification. 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.

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 encompass the total operations of the Bank, but a representative sample of them that comprises 11 offices:

Guayaquil

- Headquarters
- Alborada Office
- Urdesa Office
- Centenario Office

Quito

- Main Building,
- Amazonas Office,
- El Inca Office,
- La Prensa Office

Manta

- Main Office

Cuenca

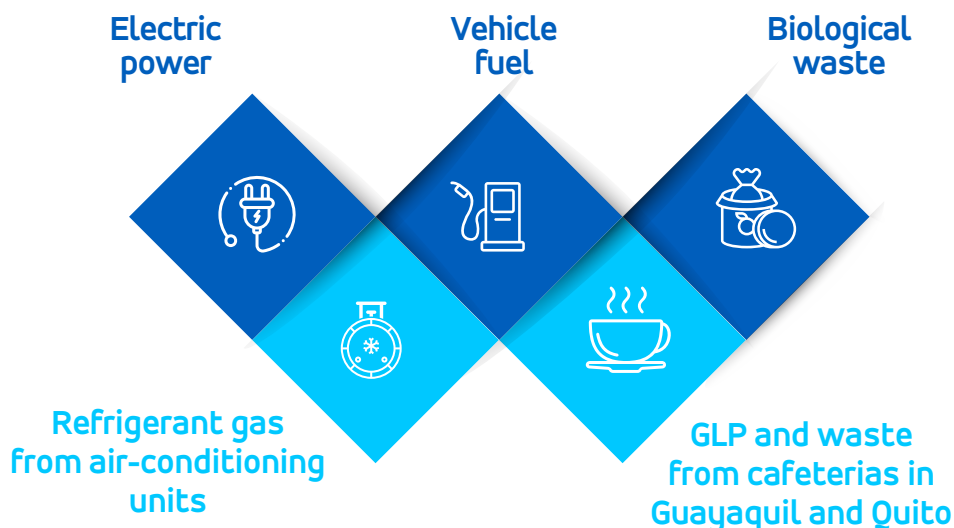
- Main Office

Galapagos

- Santa Cruz Office



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



To measure the emissions expressed in tons of CO₂e per year, we used methods and tools created and approved by experts, such as:

In 2020, the global warming potential factors were updated for the following greenhouse gases according to the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the fifth assessment report of IPCC⁵ AR5:

- Methane (CH₄): decomposition of organic waste, fossil fuel combustion.
- Nitrous oxide (N₂O): decomposition of organic waste, fossil fuel combustion.
- Hydrofluorocarbons (HFC): for refrigerant consumption.

GHG Protocol Standards of World Resources Institute (WRI), is the greenhouse gas emissions protocol and its guide is being used to elaborate an inventory on greenhouse gas emissions.

National Center for Energy Control (CENACE): the CO₂e emission factor by electric power is 0.4509.

The calculations and methodologies for measuring the carbon footprint and its results are constantly updated and assessed, with the purpose of measuring and implementing strategies of continuous improvement and plan preventive actions, and the budget for their proper implementation.

It is worth mentioning that during 2020, due to the pandemic and prioritization of expenses, there were no audits, compensation, nor certification of the GHGs emissions inventory.



GRI 305-1, 304-2, 305-4, 305-5

The following chart shows the evolution of GHGs emissions in tons of CO₂e per year in the last 4 years. It shows the effort and commitment of the bank in reducing its carbon footprint to reduce the impact on the environment.

Type	Source of Emission	2016 (Benchmark year)	2017	2018	2019	2020
Scope 2 (Indirect)	Electricity	4,754	3,280	3,303	3,005	2,926
Scope 1 (Indirect)	Fuel	439	435	386	425	312
	Refrigerant Gas A/A	209	344	211	127	158
	GLP Kitchen	28	24	27	35	12
	Biological waste	53	58	57	59	56
	Waste	5	3	42	24	7
TOTAL		5,488	4,144	4,026	3,675	3,471
Reduction 2020-2016		-37%				
Reduction 2020-2017		-16%				
Reduction 2020-2018		-14%				
Reduction 2020-2019		-6%				
Ton CO ₂ e/Worker ⁴		3				

GRI 305-3

Excluded from this GHG emissions inventory are the indirect emissions of scope 3. Currently, the bank is adapting a new version of ISO 14064 for which the emissions of scope 3 will be included in the following sustainability report.

⁴ The ratio was calculated based on the 11 agencies that can be measured.

⁵ The IPCC is the Climate Change Intergovernmental Panel, an organism that defines the methodology and guideline for calculating the greenhouse gas emissions.



During 2020, the following emissions were generated:



GRI content index

For the Content Index Service, GRI Services has confirmed that the GRI content index in this report is clear, and that the references for all disclosures included are aligned with the appropriate sections in the body of the report.

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



GRI 102-55

GRI STANDARDS	CONTENT	REQUIREMENT	PAGE	ODS	ODS GOAL	GLOBAL PACT	ISO 26000	OMISSIIONS	VERIFICATION
CONTEXT INDEX GRI									
GRI 101: Foundation 2016			8						No

GRI 102: GENERAL CONTENT 2106

GRI 102: General Content 2106	102-1	Name of the organization	2				7.4.2		No
	102-2	Activities, brands, products & services	44-50						No
	102-3	Location of headquarters	2						No
	102-4	Location of operations	12-13						No
	102-5	Ownership and legal form	24						No
	102-6	Markets served	12-13						No
	102-7	Scale of the organization	14, 37, 38						No
	102-8	Information on employees and other workers	62 y 64	8	8.5	3			No
	102-9	Supply chain	40						No
	102-10	Significant changes to the organization and its supply chain	23-24, 37, 38, 40				6.4.1, 6.4.12, 6.4.4, 6.8.5		No
	102-11	Precautionary principle or approach	34		7, 8, 9				No
	102-12	External initiatives	15-16						No
	102-13	Membership of associations	15, 17						No
	102-14	Statement from the most senior-decision makers	5-6				6.2		No
	102-15	Main impacts, risks and opportunities	5-6						No
	102-16	Values, principles, standards and norms of behavior	9-11, 15-16, 65	16	16.3	10	6.6		No
	102-17	Advice mechanisms and ethical concerns		16	16.3	2, 10		Info not available. We are open to provide responsible management and the receipt of information and additional actions to be taken to get solutions. This will be conducted throughout 2021.	No
	102-18	Governance structure	23, 28-30						No
	102-19	Delegating authority	23						No
	102-20	Executive-level responsibility for economic, environmental, and social topics	23, 27			6.6.4			No
	102-21	Consulting stakeholders on economic, environmental, and social topics	23, 28-30	16	16.7				No

GRI STANDARDS	CONTENT	REQUIREMENT	PAGE	ODS	ODS GOAL	GLOBAL PACT	ISO 26000	OMISSIOMS	VERIFICATION
GRI 102: GENERAL CONTENT 2106									
GRI 102: General Content 2106	102-22	Composition of the highest governance body and its committees	23, 25	5, 16	5.5, 16.7				No
	102-23		23-24	16	16.6				No
	102-24	Nominating and selecting the highest governance body	23-24, 28-30	16	16.7				No
	102-25	Conflicts of interest	27	16	16.6	10			No
	102-26	Role of highest governance body in setting purpose, values, and strategy	23, 31						No
	102-27	Collective knowledge of highest governance body						Info not available. We are identifying the responsible department, and the sources of information and additional actions to be taken to get said data. This will be conducted through 2023.	No
	102-28	Evaluating the highest governance body's performance	23, 25						No
	102-29	Identifying and managing economic, environmental, and social impacts	23, 26	16	16.7				No
	102-30	Effectiveness of risk management processes	34						No
	102-31	Review of economic, environmental, and social topics	23, 26						No
	102-32	Highest governance body's role in sustainability reporting	23, 26						No
	102-33	Communicating critical concerns	23, 26						No
	102-34	Nature and total number of critical concerns	26			4, 6			No
	102-35	Remuneration policies						Confidentiality issues. Sensitive information since it is not available to the public.	No
	102-36	Process for determining remuneration	68			4, 6		Confidentiality issues. Sensitive information since it is not available to the public.	No
	102-37	Stakeholders' involvement in remuneration						Confidentiality issues. Sensitive information since it is not available to the public.	No
	102-38	Annual total compensation ratio						Confidentiality issues. Sensitive information since it is not available to the public.	No
	102-39	Percentage increase in annual total compensation ratio						Confidentiality issues. Sensitive information since it is not available to the public.	No
	102-40	List of stakeholder groups	17			3, 4			No
	102-41	Collective bargaining agreements	63	8	8.8				No
	102-42	Identifying and selecting stakeholders	17						No
	102-43	Approach to stakeholder engagement	18						No
	102-44	Key topics and concerns raised	19						No
	102-45	Entities included in the consolidated financial statements	38						No
	102-46	Defining report content and topic boundaries	19						No
	102-47	List of material topics	20						No
	102-48	Restatements of information	8						No
	102-49	Changes in reporting	8						No
	102-50	Reporting period	8						No
	102-51	Date of most recent report	8						No
	102-52	Reporting cycle	8						No
	102-53	Contact point for questions regarding the report	8						No
	102-54	Claims of reporting in accordance with the GRI Standards	8						No
	102-55	GRI content index	91						No
	102-56	External assurance	8			10			No

GRI STANDARDS	CONTENT	REQUIREMENT	PAGE	ODS	ODS GOAL	GLOBAL PACT	ISO 26000	OMESIONS	VERIFICATION
MATERIAL SUBJECT ENF1: Sustainable financial growth (GRI 201: ECONOMIC PERFORMANCE 2016, GRI 1014: Acquisition Practices 2016, GRI 414: Supplier Social Assessment 2016; Financial Services Sector Supplement GRI G4 2014)									
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	23, 37, 44, 51, 54						No
	103-2	The management approach and its components	23, 37, 44, 51, 54						No
	103-3	Evaluation of the management approach	23, 37, 44, 51, 54						No
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	38	8, 9	8.1, 8.2, 9.1, 9.4, 9.5,	6			No
	201-3	Defined benefit plan obligations and other retirement plans	69-70			6			No
	201-4	Financial assistance received from government	39						No
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	41	8	8.3				No
GRI 414: Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	40, 42	5, 8, 16	5.2, 8.8, 16.1	2, 4, 5, 6			No
	414-2	Negative social impacts in the supply chain and actions taken	40, 42	5, 8, 16	5.2, 8.8, 16.1	2, 4, 5, 6			No
GRI G4 2014 Financial Services Sector Supplement	FS13	Access points in low-populated or economically disadvantaged areas by type	54						No
	FS14	Initiatives to improve access to financial services of financial products and services	54						No

MATERIAL SUBJECT ENF2: Ethics, transparency and anti-corruption (GRI 205: Anti-corruption 2016, GRI 419 Socioeconomic compliance 2016)									
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	23, 37, 44, 51 y 54						No
	103-2	The management approach and its components	23, 37, 44, 51 y 54						No
	103-3	Evaluation of the management approach	23, 37, 44 y 51						No
GRI 205: Anticorruption 2016	205-1	Operations assessed for risk related corruption						Info not available. We are identifying the responsible department and the means of information and additional actions to be taken to get evidence. This will be conducted throughout 2021.	No
	205-2	Communication and training about anti-corruption policies and procedures	32-33	16	16.5	10			No
	205-3	Confirmed incidents of corruption and actions taken	33	16	16.5	10			No
GRI 419 Socioeconomic Compliance 2016	419-1	Non-Compliance with laws and regulations in the social and economic area	34	16	16.3	10			No

MATERIAL ISSUE ENF3: Good Corporate Governance (GRI 405: Diversity and Equal Opportunity 2016)									
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	23, 37, 44, 51, 54						No
	103-2	The management approach and its components	23, 37, 44, 51, 54						No
	103-3	Evaluation of the management approach	23, 37, 44, 51 y 54						No
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	25, 71-72	5, 8	5.1, 5.5, 8.5,				No
	405-2	Ratio of basic salary and remuneration of women to men						Confidentiality issues. Sensitive information since it is not available to the public.	No

GRI STANDARDS	CONTENT	REQUIREMENT	PAGE	ODS	ODS GOAL	GLOBAL PACT	ISO 26000	OMISSIOMS	VERIFICATION
MATERIAL SUBJECT ENF4: Sustainable Finances (Financial Services Sector Supplement GRI G4 2014)									
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	23, 37, 44, 51, 54						No
	103-2	The management approach and its components	23, 37, 44, 51, 54						No
	103-3	Evaluation of the management approach	23, 37, 44, 51 y 54						No
GRI G4 2014 Financial Services Sector Supplement	FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/ large) and by sector.	37						No
	FS3	Processes to control the implementation on behalf of customers on social and environmental requirements included in contracts or transactions.	34						No
	FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	67						No
	FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	54						
	FS11	Percentage of assets subject to positive and negative environmental or social screening.	23						
MATERIAL SUBJECT ENF5: Environmental, social and governance risk management (GRI 201: Economic performance 2016, Financial Services Sector Supplement GRI G4 2014)									
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	23, 37, 44, 51 y 54						No
	103-2	The management approach and its components	23, 37, 44, 51 y 54						No
	103-3	Evaluation of the management approach	23, 37, 44, 51 y 54						No
GRI 201: Economic performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	34			7, 8, 9	4		No
GRI G4 2014 Financial Services Sector Supplement	FS1	Policies on specific environmental and social aspects	34						No
	FS2	Procedures to evaluate and control social and environmental risks in lines of business – SARAS	34						No
	FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities	26						No
MATERIAL ISSUE ENF6: Cyber-risks and cyber-security									
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	23, 37, 44, 51 y 54						No
	103-2	The management approach and its components	23, 37, 44, 51 y 54						No
	103-3	Evaluation of the management approach	23, 37, 44, 51 y 54						No
MATERIAL ISSUE ENF7: Digital Transformation and Innovation (GRI 203: Indirect economic impact 2016)									
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	23, 37, 44, 51 y 54						No
	103-2	The management approach and its components	23, 37, 44, 51 y 54						No
	103-3	Evaluation of the management approach	23, 37, 44, 51 y 54						No
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported.	78-79	1, 5, 9, 11	5.4, 9.1, 9.4, 11.2	6	7		No
	203-2	Significant indirect economic impacts						Info not available. We are identifying the responsible department and the sources of information and additional resources to be able to get said data. This will be conducted throughout 2020.	No
MATERIAL SUBJECT ENF8: Customer experience management (GRI 416: Customer Health and Safety 2016, GRI 417: Marketing and Labeling 2016, GRI 418: Customer Privacy 2016, Financial Services Sector Supplement)									
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	23, 37, 44, 51 y 54						No
	103-2	The management approach and its components	23, 37, 44, 51 y 54						No
	103-3	Evaluation of the management approach	23, 37, 44, 51 y 54						No

GRI STANDARDS	CONTENT	REQUIREMENT	PAGE	ODS	ODS GOAL	GLOBAL PACT	ISO 26000	OMESIONS	VERIFICATION
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	52	12	12.8				No
	417-2	Incidents of non-compliance concerning product and service information and labeling	52	16	16.3	10			No
	417-3	Incidents of non-compliance concerning marketing communications	52	16	16.3	10			No
Gri 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	51	16	16.3, 16.10	10			No
GRI G4 2014 Financial Services Sector Supplement	FS15	Initiatives to improve literacy and financial education according to the type of beneficiary	80						No
	FS16	Description of policies for proper design and offer of financial services and products	44						No

NON-MATERIAL SUBJECTS: (GRI 301: Materials 2016, GRI 302: Energy 2016, GRI 305: Emissions 2016, GRI 306: Waste 2020, GRI 401: Employment 2016, GRI 403: Occupational Health and Safety 2018, GRI 404: Training and Education 2020)

Gri 301: Materials 2016	301-1	Materials used by weight or volume.	83	8, 12	8.4, 12.2	7, 8, 9	4		No
	301-2	Recycled input materials used.	83-84	8, 12	8.4, 12.2, 12.5		4		No
Gri 303: Energy 2016	302-1	Energy consumption within the organization	86-87	7, 8, 12, 13	7.3, 8.4, 12.2, 13.1	7, 8, 9	4		No
	302-2	Energy consumption outside of the organization	87	7, 8, 12, 13	7.2, 7.3, 8.4, 12.2, 13.1				No
	302-3	Energy intensity	87	7, 8, 12, 13	7.3, 8.4, 12.2, 13.1	7, 8, 9	4		No
	302-4	Reduction of energy consumption	87	7, 8, 12, 13	7.3, 8.4, 12.2, 13.1	7, 8, 9	4		No
Gri 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	89	3, 12, 13, 14, 15	3.9, 12.4, 13.1, 14.3, 15.2	7, 8, 9	4		No
	305-2	Energy indirect (Scope 2) GHG emissions	86	3, 12, 13, 14, 15	3.9, 12.4, 13.1, 14.3, 15.2	7, 8, 9	4		No
	305-3	Other indirect (Scope 3) GHG emissions	89	3, 12, 13, 14, 15	3.9, 12.4, 13.1, 14.3, 15.2	7, 8, 9	4		No
	305-4	GHG emissions intensity	89	13, 14, 15	13.1, 14.3, 15.2	7, 8, 9	4		No
	305-5	Reduction of GHG emissions	89	13, 14, 15	13.1, 14.3, 15.2	7, 8, 9	4		No
Gri 306: Waste 2016	306-3	Significant spills	84	3, 6, 12, 14, 15	3.9, 6.3, 6.6, 12.4, 14.1, 15.1				No
	306-4	Transport of hazardous waste	85	3, 12	3.9, 12.4				No
Gri 401: Employment 2016	401-1	New employee hires and employee turnover	64	5, 8, 10	5.1, 8.5, 8.6, 10.3	4, 5, 6			No
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	69	3, 5, 8	3.2, 5.4, 8.5	4, 5, 6			No
	401-3	Parental leave	70	5, 8	5.1, 5.4, 8.5	4, 5, 6			No
Gri 403: Occupational Health And Safety 2018	403-1	Occupational health and safety management system	73	8	8.8				No
	403-3	Occupational health services	76	8	8.8	3	3		No
	403-4	Worker participation, consultation, and communication on occupational health and safety	74	8, 16	8.8, 16.7				No
	403-6	Promotion of worker health	73, 76	3	3.7, 3.8				No
	403-9	Work-related injuries	75	3, 8, 16	3.6, 3.9, 8.8, 16.1				No
	403-10	Work-related ill health	75						No
Gri 404: Training And Education 2016	404-1	Average hours of training per year per employee	65-66	4, 5, 8, 10	4.3, 4.4, 4.5, 5.1, 8.2, 8.5, 10.3				No
	404-2	Programs for upgrading employee skills and transition assistance programs	65, 67	8	8.2, 8.5				No
	404-3	Percentage of employees receiving regular performance and career development reviews	68	5, 8, 10	5.1, 8.5, 10.3				No

