

# 50<sup>TH</sup> ANNIVERSARY



**SUSTAINABILITY REPORT 2022**

## Sustainability Memory Index 2022 - 50th Anniversary Edition

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## Message from the Chairman of the Board



It is a privilege to share with you all, our 2022 Sustainability Report, in which we commemorate 50 years of dedication and achievements of our outstanding institution. On April 10th, 1972, the bank opened its doors with 43 employees, and as of December 2022, it has a 2,405 workforce of employees and a network of 10,371 service points in the 24 provinces of the country. This network includes branches, non-banking correspondents, ATMs, virtual centers, and self-service kiosks. Throughout this time, our organization has been a benchmark in private banking and has introduced a true culture of service excellence, as well as concepts such as credit democratization and gender equity, among others. In this report, you will be able to appreciate our tireless effort to generate a positive impact on society and strengthen our commitment to a sustainable future.

Within the global context, starting from the first quarter of 2022, the performance of the Ecuadorian economy was affected by the war between Russia and Ukraine, as well as the rise in commodity prices, which resulted in higher levels of inflation. This led the United States Federal Reserve to periodically increase the interest rate, reaching a year-end rate of 4.25%. Furthermore, the lingering effects of the COVID-19 pandemic and internal social unrest in the country also generated negative impacts at personal, family and business levels. The annual inflation rate stood at 3.74%, while the trade balance decreased by 19%. Additionally, the cost of liabilities in the Ecuadorian financial system reached 3.71% in December 2022, causing financial institutions to offer products at higher interest rates in order to prevent further reduction of their intermediation

margins.

In this complicated and challenging international and local environment, the activities carried out by the Bank's Management were focused on fulfilling the objectives aligned in its Strategic Plan mainly optimizing operational and administrative efficiency on the basis of a business model that allowed for sustainable and profitable growth, without losing focus on providing excellent service to our customers as well as maximizing profitability for Shareholders.

Despite the challenging current environment, the Bank achieved a remarkable recovery in its profitability objective by generating its highest historical profit, placing us among the top two positions in our comparative group. Additionally, we maintained suitable levels of provisions for risk assets and contingencies, in line with best banking practices and financial prudence.

Furthermore, our capital adequacy ratio remains solid and continues to be the best among the largest banks in the country, standing at a healthy 17%. This figure reflects a strong capital base and internal resources to support our operations and face potential contingencies, ensuring long-term performance. This has allowed us to position ourselves among the four banks in the Ecuadorian banking system, with the highest balances of credit portfolios and deposits, both demand and term, which demonstrates the trust and loyalty of our customers.

Today, the bank ranks among the top in profitability, solvency, liquidity, and efficiency in the Ecuadorian financial system. These achievements are supported by a great team of professionals organized under a flexible and adaptable business model that responds to the changing market environment. The Board of Directors is deeply committed to the strategic objectives set by the Bank's Management and to contribute to their achievement in an appropriate governance framework that ensures transparency, ethical conduct, accountability, and consistency with our value proposition of contributing to the sustainable development of the country with social responsibility, generating value for our Shareholder, customers, and other stakeholders.

In conclusion, on behalf of the Board of Directors of Banco del Pacifico, I express my gratitude to our shareholder for their ongoing support, our customers for their loyalty and trust, our employees for their dedication and commitment to the institution, and all other stakeholders. To all of you, I present this report.

*Alexandra Dávila T.*

**CHAIRMAN OF THE BOARD OF DIRECTORS  
OF BANCO DEL PACÍFICO S.A.**



## Message from our Executive President



I am pleased to address you once again, to analyze together the journey of a historic year for Banco del Pacifico. During this period, our institution celebrates 50 years of continuous contribution to the country's economic development and the modernization of the Ecuadorian financial system through technological innovation and the best offering of financial products and services.

Banco del Pacifico successfully concluded its second financial and operational restructuring process, the first being in 2001. This allowed us to regain our leadership in efficiency and profitability, guided by our purpose of promoting economic growth and value generation for our clients.

With the determination to safeguard our credit portfolio, we undertook the cleaning of our loan folder, strengthening the comprehensive management of the collections process, and adhering to the best practices of financial prudence. At the same time, we prioritized loan disbursements based on quality and in line with the pace of our deposits, without increasing the cost of our liabilities.

Aware of the impact of our decisions and actions have on the economy, society, and the environment, we managed to close 2022 with a sustainable and

highly profitable business model, once again establishing ourselves as a reference within the Ecuadorian financial market, as we had set out to do.

### **Driving a sustainable path towards efficiency and profitability**

In 2022, the bank embarked on a set of strategic guidelines established in an action plan that was implemented from the beginning of the year, with the aim of raising the level of efficiency by implementing actions to maintain operational expenses in line with the size of the business. We pursued a commercial strategy focused on sustainable growth, prioritizing the quality of the portfolio, optimizing the financial cost of resource mobilization, and tightly controlling our expenses. This achievement can be seen in the valuable reduction of 18pp in the efficiency indicator, decreasing from 72% in 2021 to 54%, positioning us among the top 3 competitors.

Regarding sustainable growth, it is relevant to highlight that the Ecuadorian financial system, composed of private banks and credit union, faced the expectation of liquidity restrictions, leading to an increase in their passive rates to attract local resources, which resulted in higher financial costs. However, Banco del Pacifico made significant efforts to maintain its 12.3% market share and ensure sustained growth without threatening its intermediation margin and preserving the liquidity level, placing us above 33%, making us the leading bank in this indicator.

Proving our strong commitment to business growth and the comprehensive development of the country, we allocated US\$1.516 million in loans, resulting in our loan portfolio reaching US\$4.246 million, with an annual growth of US\$78 million and a market share of 11.25%.

In another aspect, we have capitalized on business opportunities derived from a comprehensive analysis of the profitability of our product portfolio. As a result, we have significantly improved our service income, reaching US\$192 million. This represents a 14% growth compared to the previous year, demonstrating the effort and commitment of our commercial team in contributing to strengthening the bank's profitability.

The set of initiatives undertaken in 2022 contributed to the historic achievement of Banco del Pacífico's highest profit, surpassing US\$108 million, placing us among the top competitors in terms of profitability on assets, with a robust equity of US\$914 million.

### **Secure and quality financial services, focused on our customers**

Given the increasing importance of technology in the financial industry, we have driven our electronic and digital channels, with a customer-centric approach to provide the best experience and quality, meeting their multiple needs and ensuring the highest level of security in each interaction. As a result, we have experienced a significant increase, surpassing US\$530 million in annual digital and electronic transactions, exceeding our target of 95% in relation to total transactions.

Regarding our geographical coverage, we optimized our network of ATMs, virtual centers, and self-service kiosks to make them more profitable and provide greater functionality and security to our customers. In terms of our Agent banking outlets, we renewed our service model to ensure a better experience, integrating new solutions, and effectively fulfilling our important role in financial inclusion.

### **Consolidating our leadership in the Financial System**

I want to express my sincere gratitude to all our clients for their loyalty and trust, which have been fundamental to our success and growth. We appreciate the relationship we have built over these 50 years and we're committed to provide you an exceptional banking experience. Your well-being and satisfaction are the driving forces behind our constant efforts to improve the quality and security of delivering our products and services.

In 2023, we will focus on further strengthening the Bank's balance sheet and offering innovative and competitive financial products that will drive the country's economy, promoting job creation, and adding value to businesses, ensuring the quality of our loan placements to safeguard the resources of our depositors. Similarly, aware of our role as a significant player in the financial system, we will maintain our policy of attracting resources from people and companies without increasing the cost of liabilities, thus contributing to the economic development of our nation.

I would like to take this opportunity to extend spe-

cial thanks to our shareholders for their trust and support in our management. To our employees, who have made the achievements expressed in this report possible, I am proud of their commitment to institutional objectives. And to all our stakeholders, your support has been fundamental to our ongoing growth.

*Roberto González Müller*

**PRESIDENTE EJECUTIVO  
DE BANCO DEL PACÍFICO S.A.**

A woman with long dark hair, wearing a light-colored blazer over a white top and dark trousers, stands in a modern office. She is smiling slightly and has her hands near her chest. The office has glass partitions, desks, and blue armchairs. The entire scene is overlaid with a blue tint and a subtle geometric pattern of lines and circles.

**CHAPTER**

**1**

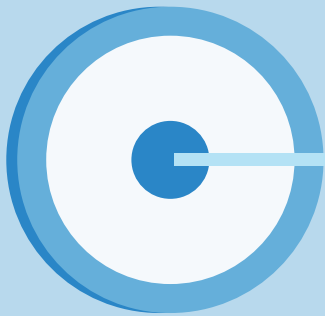
**OUR CORPORATIVE  
PROFILE**



## Overview of our Company at a Glance

With over 50 years of experience, Banco del Pacífico S.A. has established itself as a leading private financial institution in the market, providing the best possible experience to its customers. We have contributed to the development of all economic segments in the Ecuadorian banking industry for over 50 years, thereby creating value for our Shareholder.

### Our vision and strategy



#### Vision

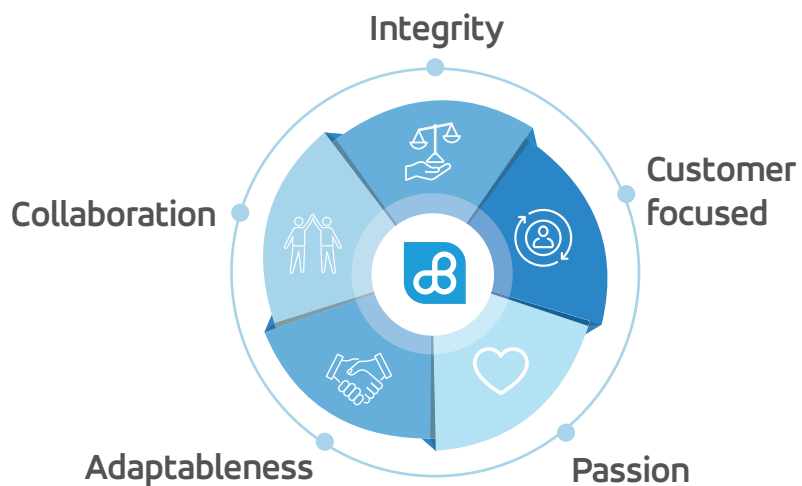
To be an efficient and profitable bank with a sustainable business model and excellence in its service.



#### Mission

To contribute to the development of the country and the financial system with social responsibility, generating value for our customers and shareholder.

### Corporate values

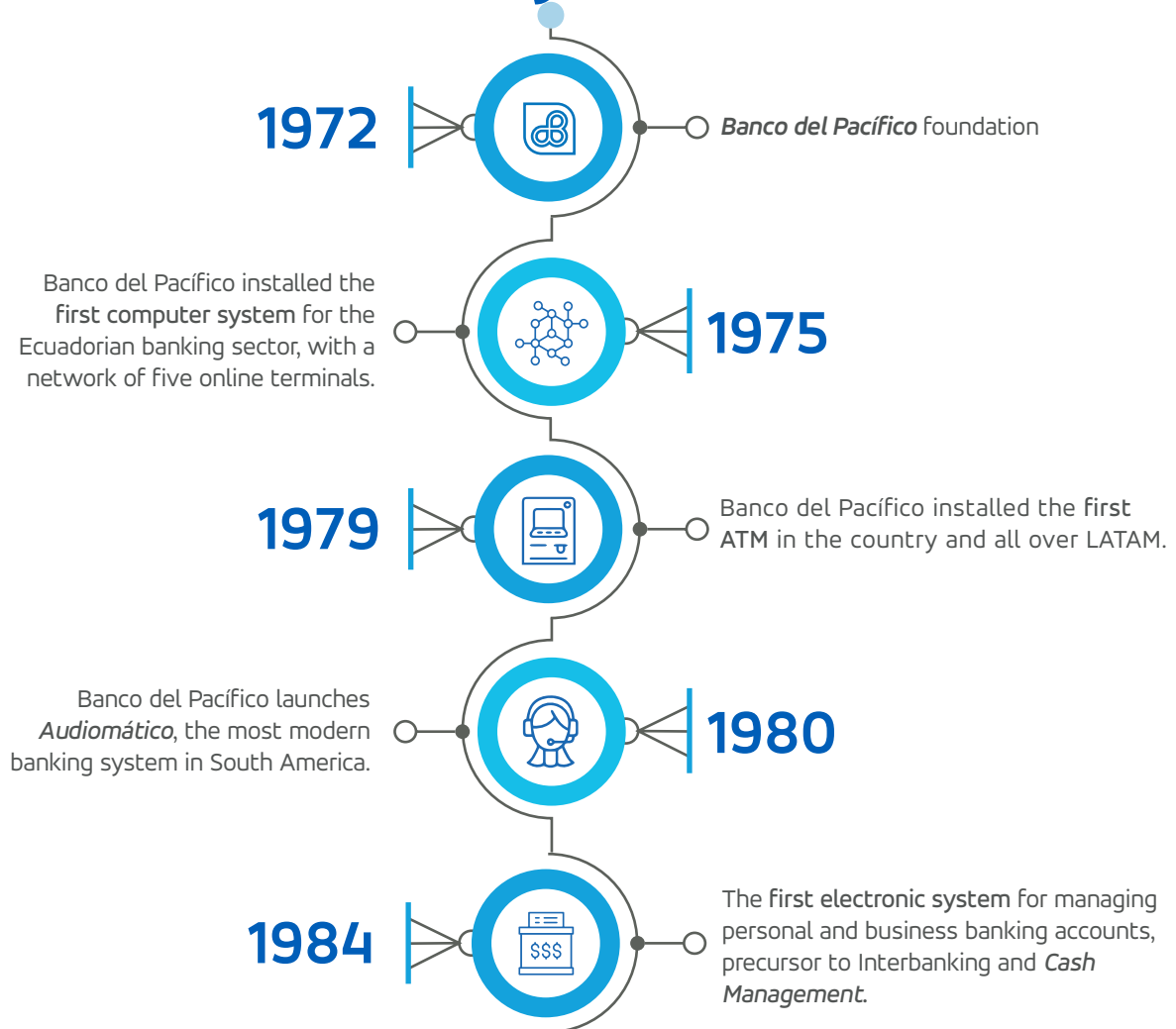


## Our main strategic guidelines

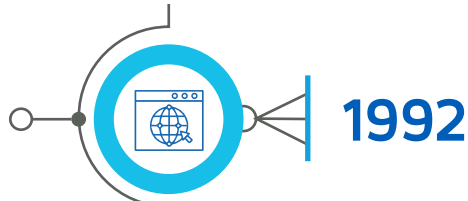
In 2022, we continue working towards three macro-objectives, called strategic guidelines, which we have established based on our vision:



## This is how we have improved the Ecuadorian banking sector over the last 50 years



Banco del Pacífico creates *Ecuonet*, a non-profit company that introduced and freely disseminated the internet in Ecuador.



**1992**

**2000**



*Virtual Banking* launch; thanks to this platform, our clients can carry out transactions from anywhere in the world.

Banco del Pacífico launches *Mobile Banking*, this system allows our clients to make payments and transactions with the agility and convenience of their mobile phones.



**2010**

**2017**



Banco del Pacífico creates “*Sophi*”, the virtual agent through which transactions can be carried out.

Digital initiatives around *Onboard* are launched, *Savings Accounts Term Deposits*, and the bank begins its journey towards digital transformation.



**2018 - 2019**

Banco del Pacífico received recognition as the *Best Commercial Bank of the Year*, awarded by the International Bankers.

**2020**



The initiative “*Reactivar Ecuador*” was conceived, providing loans to small and medium-sized enterprises in order to contribute to the country’s credit flow during the pandemic.

Banco del Pacífico received the “*EDGE*” certification for incorporating ecological criteria during the remodeling of its headquarters building.

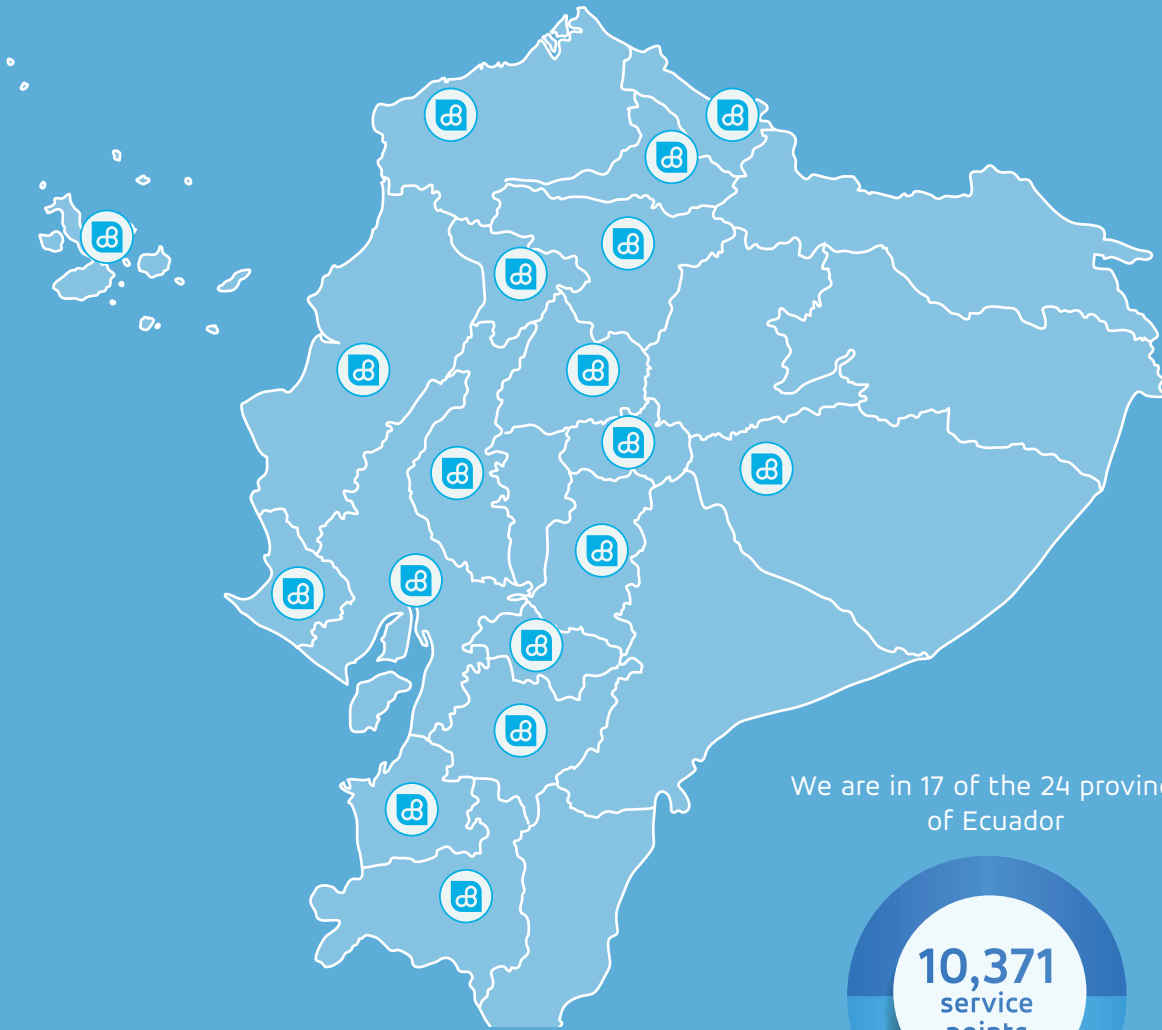
Banco del Pacífico becomes the first financial institution in the country to receive the *Guayaquil Biosafety Certification*, awarded by the M.I. Municipio de Guayaquil.










**2021**

Banco del Pacífico receives the international recognition of “*Best User Experience*” awarded by IZO and Pacifico Business School, being recognized as the best banking entity among LATAM.

## Our national coverage



**10,371**  
service points

Cobertura	2021	2022
 Agencias	94	77
 Bank Counters	34	34
 Virtual Banking	48	55
 Bank Collection Center	33	33
 Agent Banking Outlet	15,396	9,390
 ATMs	254	247
 ATMs Plus y Xplus	515	535
<b>Total Puntos de Atención</b>	<b>16,374</b>	<b>10,371</b>





## Our credentials Received recognitions and strategic alliances



**Ranked as the third most reputable company**  
In the “Instituciones Financieras” category nationwide, special editions of Revista Vistazo and Ipsos.



**Trusted brand 2021**  
Recognized by iTrust Customer Brands for Ecuador as a trusted brand in the financial institutions sector.



**#1 ranking for large employers**  
Based on the percentage of women in leadership positions according to EKOS Magazine in their special edition “Revista Violeta”.

## Adherence to Pacto Global

Pacto Global Red Ecuador, is an initiative of the United Nations launched in 2000 as a voluntary call to organizations to align their operations and strategies with universally accepted principles and take actions that contribute to achieving the Sustainable Development Goals (SDGs). As Banco del Pacífico, we actively participate in this initiative since 2021.

In 2022, we participated in the Human Rights and Business program organized by Pacto Global Ecuador, directly involving our collaborators from the Risk Compliance Unit, Strategic Planning, and Human Talent areas. Additionally, we took part in the training on “Guiding Principles on Business and Human Rights.”

## Key affiliations

In the same year, with the aim of establishing alliances that allow us to proactively engage with our stakeholders in sustainability and business matters, we continued our affiliations with the following organizations:

Cámara de Comercio de Guayaquil

Cámara de Comercio Ecuatoriano Americana extensión Guayaquil

Miembro del Directorio de la Fundación Huancavilca

Protocolo de Finanzas Sostenibles (ASOBANCA)





# Banco del Pacífico



## CHAPTER

# 2

## CORPORATE GOVERNANCE TRANSPARENCY AND ETHICS



## Governance framework

Corporate Government establishes the relationships between the governing bodies, management, and various stakeholders, along with the guidelines for decision-making in the process, control, and responsible development of the institution and its business operations.

A strong governance framework allows us to establish policies that control decision-making in the bank and ensures compliance with applicable laws and regulations.

We develop effective corporate governance practices with ethics and transparency in our management, which are necessary to maintain the trust of our clients and users of the institution. These practices include effective risk management and protection of the interests of depositors and shareholders.

## Government Structure

### General Shareholder's Meeting

The General Shareholders' Meeting (GSM) of Banco del Pacifico S.A. is the supreme authority of the bank, and the resolutions or recommendations it issues are framed within the mandatory compliance of the legal provisions and the current social bylaws of the institution. From these practices, rules, areas, and responsible parties are derived to manage the ethics, social, and environmental programs, which are to be executed by the institution's officials. Additionally, there is a General Shareholders' Meeting Regulation, which aims to determine the principles of operation.

Since 2012, the sole shareholder of Banco del Pacifico is "Corporación Financiera Nacional" B.P. (CFN), with whom there is a close relationship established by the financial nature of both institutions.





*Left to right: Director MSc. Salvador Patricio Orellana Bajaña, Director MBA. Ruth Noemi Panchana Matamoros, Presidente Ejecutivo. Econ. Roberto Gonzalez Müller, Director MBA. Juan Francisco Jaramillo Castillo, President of the Board MBA. Rosa Antonieta Alexandra Davila Toro.*

## Board of Directors

The Board of Directors is the highest governing body of corporate governance. The members of the Board of Banco del Pacífico S.A. are elected by the General Shareholders' Meeting to serve for a period of two years, with the option of being indefinitely reelected.

Directors are elected based on their personal merits, professional background, and academic preparation in the financial, economic, and social sectors. They have a qualification issued by the regulatory body and their main mission is governance, supervision and evaluation, delegating the day-to-day management of the bank to senior management and other instances. They concentrate their activity on the general functions of oversight and control.

This corporate governance body has its own regulations that govern the operation and organization of the Board, clearly outlining the matters on which it must decide in accordance with the legal regulations governing its actions, the social bylaws, and other internal normative documents.

## Executive President

In a session held on July 21, 2021, the Board of Directors of Banco del Pacifico resolved to appoint the economist Roberto Gonzalez Müller as the Chief Executive Officer for a period of 5 years, with the duties, powers, and attributes stipulated by law and the institution's bylaws.

Economist Roberto Gonzalez Müller was assessed by the regulatory body on July 23, 2021, and he also possesses a recognized professional background in the Bank.

The Executive President is responsible for the legal, judicial, and extrajudicial representation of the Bank. As the administrator of the institution, he assumes all the duties, powers, and authorities to fulfill the purposes and objectives of the organization.



## Senior Management

Banco del Pacifico S.A. is led by the Executive President and strategic direction is centralized at the headquarters located in the city of Guayaquil. For optimal delegation and control processes, the Bank has established a functional-focused hierarchical organizational model.

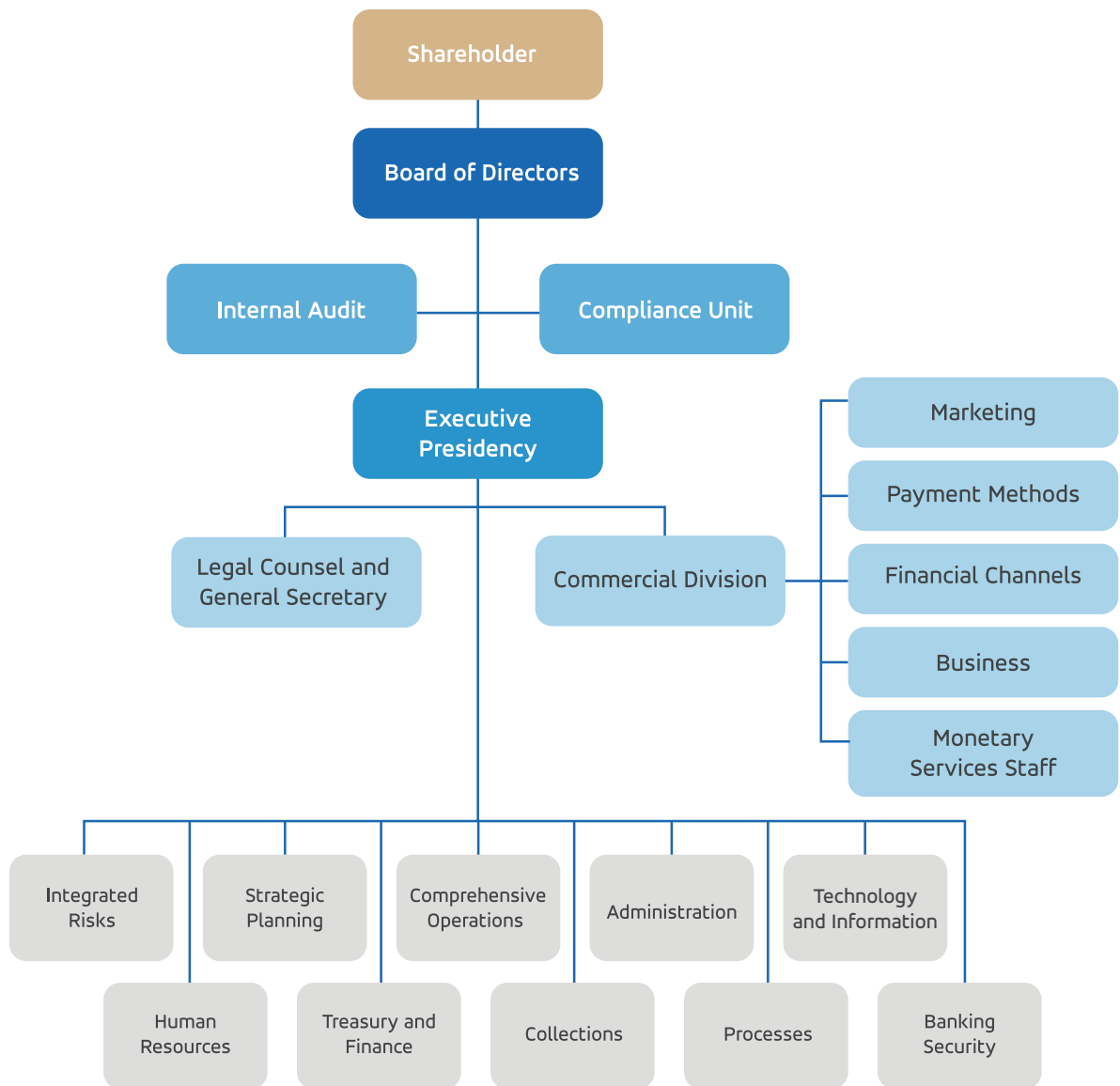


In accordance with the provisions of current regulations by regulatory bodies, the "Internal Audit" and "Compliance Unit" areas report directly and functionally to the Board of Directors.

The Executive President is directly advised by the Legal Advisory and General Secretariat, Integrated Risks, Treasury and Finance, Human Resources, Strategic Planning, Comprehensive Operations, Administration, Processes, Technological Media, Banking Security, Collections, and Commercial Division.

The Commercial Division shapes the bank's business strategy to achieve commercial goals and is supported by the Banking and Monetary Services Staff, Marketing, Business, Payment Methods, and Financial Channels.

# Organizational Structure



## Committees and Commissions







For greater participation in management and better distribution of tasks, Banco del Pacífico S.A. has several committees and commissions that support the functions of the Board of Directors and Senior Management. These Committees' scope encompasses not only business developments but also economic, environmental, social, and control-related activities. This ensures that the governance system is effectively implemented with impartiality, transparency, and timeliness.

The committees are necessary to guarantee efficient and effective management of various aspects of the financial institution. Each committee has a specific responsibility and a set of specialized skills to assess and supervise different areas of the institution, enabling informed and strategic decision-making in key areas.




Through the existing committees, the Board of Directors remains informed about the most relevant aspects of management and the actions undertaken by the institution.

Currently, there are 13 committees, of which nine are normative committees: Audit, Compliance, Integrated Risk Management, Business Continuity, Technology and Information Security, Ethics, Remuneration, Special Committee for Risk Asset Classification, and Occupational Health and Safety.




### Normative Committees

Committees and Commissions	Goals	Periodicity
 <b>Ethics</b>	It establishes the code of ethics and conduct, evaluates and analyzes its application, determining the necessary actions to disseminate and strengthen the highest standards of ethical conduct within Banco del Pacífico and its subsidiaries.	Every four months
 <b>Remuneration</b>	It oversees the remuneration of the Board Members and the executive level of the Bank.	Annual
 <b>Audit</b>	It provides advice to the Board to ensure effective support to the auditing function by all members of the bank, ensures compliance with the objectives of internal controls, and monitors the fulfillment of the institutional mission and goals.	Monthly
 <b>Integrated Risk Management</b>	It designs policies, systems, methodologies, models, and procedures for an efficient integrated risk management and proposes exposure limits to them.	Monthly
 <b>Compliance</b>	It proposes policies and procedures for the management of money laundering and financing of crimes, such as terrorism, in order to prevent the Bank from being used through its operations as a tool to carry out these activities.	Monthly
 <b>Risk Asset Classification</b>	It performs the classification, assessment, and ongoing monitoring of risk assets, based on which the required level of provisions will be determined to protect them against potential losses due to uncollectibility or loss of value.	Every three months



 <b>Occupational Health and Safety</b>	It monitors and supports compliance with the provisions of the current legislation regarding occupational health and safety.	Every two months
 <b>Business Continuity</b>	It establishes a business continuity management process that allows for planning, maintaining, and improving business continuity.	Every three months
 <b>Technology and Information Security</b>	It evaluates and supervises strategic activities of a technological nature and the information security management system.	Every three months

## Non – Regulatory Committees

 <b>Corporate Governance and Sustainability</b>	Recommend to the Board the strategies for the adoption, monitoring, and improvement of corporate governance practices in the Banco del Pacífico financial group.	Every three months
 <b>Assets and Liabilities</b>	Establish, evaluate, apply, and oversee strategies related to the Asset and Liability Management (ALM), observing exposure limits and quotas defined by the Board.	Every week
 <b>Credit</b>	Evaluate and approve credit operations in accordance with the limits established in the approval levels table.	Every week
 <b>Procurement/ Acquisitions</b>	Evaluate and approve the procurement of goods and services, in accordance with the authorized levels determined by the Board.	Every week

## Governing Bodies

In Banco del Pacífico we have a solid Corporate Governance Structure, with special focus on the role and functioning of the General Shareholders’ Meeting and its leadership in the institution’s main policies and strategy. Likewise, Banco del Pacífico’s history shows a progressive strengthening of our governance bodies in managing sustainability and associated risks, in accordance with the highest international standards.

At Banco del Pacífico S.A., we have several corporate governance bodies. The management and administrative bodies, legally and statutorily establish the guidelines for our management and carry out all their actions in pursuit of achieving the local goal.

The governance of the Bank is exercised by the General Shareholders’ Meeting and the Board of Directors, with the administration being delegated to the Executive President, Executive Vice Presidents, National Managers, Department Managers, and other officials. They will have the powers and responsibilities determined by law, bylaws, their appointments and powers, regulations, and the established procedural manual.

## Good Corporate Governance

At Banco del Pacifico, we establish rules and guidelines for the proper performance of our employees, and the governance bodies are responsible for providing the guidelines for the institution to have the necessary tools to ensure the management of its activities.

The Bank has a corporate governance code that governs the General Shareholders' Meeting, the Board of Directors, and the Executive Presidency. Transparency and accountability are the main actions that promote trust, stability, and security for its stakeholders.

## Relevant aspects for the Board

Regarding the adoption of agreements, each director has the right to vote, and resolutions are made by a majority, considering only the directors attending the session. In the event of conflicts of interest, the involved board member will abstain from voting and even participating in the discussion of the matter at hand.

The Board of Directors makes decisions and resolutions in accordance with the law and the company's bylaws, especially regarding the following aspects:



In terms of Corporate Social Responsibility, the focus areas are reported and measured by the Board of Directors as the highest governing body of the bank, in the following order:



## Board of Directors Meeting summons

The Executive President issues the summons for the Board of Directors meetings in accordance with the provisions of the company bylaws, and it is processed by the secretary of the board. The summons can be written or electronic.

The different areas responsible for the topics to be discussed provide the information to the Legal Advisory and General Secretary Department, who forward the information to the board and also monitor the resolutions issued.

## Conflict of interest prevention

It is crucial for the Bank that Shareholders, the Board of Directors, and other employees avoid conflicts between their personal interests and the interests of the institution and/or its customers. To achieve this, we have an Ethical Code of Conduct, a Policy Manual for the Prevention of Conflicts of Interests, and other corporate governance documents that establish relevant aspects to detect, prevent, and manage potential conflicts of interest that may arise from the activities we conduct within Grupo Financiero Banco del Pacífico.

At the bank, we evaluate situations that may potentially create a conflict between personal interests and those of the institution, its clients, and other stakeholders. Therefore, we establish the following guidelines to prevent conflicts of interest:



Additionally, we have established mechanisms for the disclosure and resolution of conflicts of interest and aspects related to the anti-bribery management system.

## Capacity Strengthening

During 2022, the Board of Directors received training in Anti-Money Laundering and Combating the Financing of Terrorism Risk Management.

## Corporate strategy and values

Strategic planning is a fundamental governing process to ensure sustainability, maximization of economic value, and achievement of the institution's strategic goals.

Among the main characteristics of strategic planning, the utilization of information, market and competition improvement opportunities stand out. With these inputs and the guidelines from the Executive Presidency, we formulate the Strategic Plan, which is approved by the Board of Directors and the General Shareholders' Meeting.

For the effective execution of the Strategic Plan, we have established a management model that periodically measures and evaluates compliance with the Bank's strategic guidelines, indicators, and initiatives, designed in collaboration with all areas of the institution.

## Safeguarding ethical behavior

### Ethics and integrity

Ethics and compliance management are pillars of our Corporate Governance within the institution, based on international standards, legal regulations, and the Code of Ethics. This contributes to creating value and satisfying the needs of stakeholders.

In compliance with regulatory requirements, we have an Ethics Committee whose main purpose is to define, promote, and ensure high standards of professional and personal excellence in behavior by all employees.

The Committee meets every four months and establishes the Code of Ethics and conduct to assess and analyze its implementation, addressing issues related to reports received through the bank's intranet mailbox or the designated email address for reporting any unethical behavior:



[etica@pacifico.fin.ec](mailto:etica@pacifico.fin.ec)

During 2022, the Ethics Committee received 9 reports through its mailbox, which were addressed in accordance with the regulations and internal policies of the Bank.



## Code of Ethics and Conduct

The application of the Code of Ethics is mandatory for Board Members, legal representatives, and employees of the Bank and its subsidiary. This code outlines the organizational values and principles of the institution.

The document, updated in July 2021, sets the guidelines for behavior that should be present in internal relationships, as well as in interactions with shareholders, clients, users, suppliers, and other stakeholders. We communicate its contents to all employees and make it available to all stakeholders through the bank's communication channels.

### Structure



## Employee integrity

In order to provide security, trust, and credibility to all stakeholders, one of the most relevant concerns for Banco del Pacifico is to ensure internally that we have employees who are upright, honest, and of high integrity. We promote the embodiment of our organizational values and the application of necessary controls to prevent cases of corruption, specifically in the areas of anti-money laundering and combating the financing of terrorism.

## Compliance

Our compliance unit manages the risk of money laundering and financing of terrorism. Among the products and services offered by the bank, we:



Our Compliance Management is guided by the regulations of the Superintendencia de Bancos, Financial and Economic Analysis Unit, and the Organic Law for the Prevention, Detection, and Eradication of Money Laundering and Financing of Crimes.

The Bank accomplish with relevant regulations, applies international best practices, and has appropriate systems in place to identify, measure, evaluate, monitor, and control the activities of our clients.

And now, we are working on implementing the Compliance Management System 37301 for 2023.

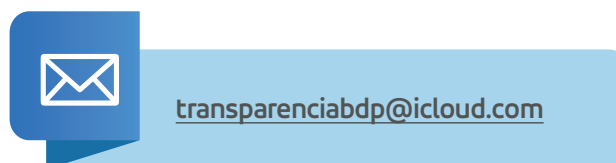
## Anti-bribery Management

At Banco del Pacífico, we have implemented an Anti-Bribery Management System based on ISO 37001:2016. This system establishes measures to prevent bribery practices by our personnel or any related parties. It helps us maintain, implement, and improve existing controls with the rigorous commitment of top management, constant risk assessment with measures to minimize them, training for employees and directors, and internal controls to prevent and detect any improper actions.

The Bank has an anti-bribery policy disseminated to all employees, suppliers, and stakeholders, which states:

“At Banco del Pacífico, the actions of our employees are governed by ethical and behavioral standards when providing our financial products and services, in compliance with applicable anti-bribery regulations. Acts contrary to the Anti-Bribery Management System are not allowed and may result in penalties specified in the internal work regulations. The compliance function will monitor its development and continuous improvement. Employees of Banco del Pacífico and stakeholders are free to express their concerns regarding the implementation of this policy without fear of retaliation.”

To ensure transparency for employees and stakeholders, the institution provides an email address where acts contrary to the anti-bribery policy can be reported, while maintaining the necessary confidentiality and protection of provided information.



## Tax Evasion Prevention – FATCA Law

This United States law, known by its acronym FATCA (Foreign Account Tax Compliance Act), aims to combat tax evasion by U.S. persons who hold investments in foreign accounts.

In compliance with FATCA, we have established policies and procedures to assist the U.S. Government in identifying individuals with U.S. citizenship or tax residency who have accounts and financial assets abroad. This is to ensure that these accounts and income are reported in their tax returns.

The institution collects information on these accounts and regularly reports it to the Internal Revenue Service (IRS), the U.S. tax authority.

## Subsidiaries

Banco del Pacífico S.A. is the head of Financial and Economic Analysis Unit, and we have a subsidiary company named Almagro S.A. Almacenera del Agro S.A. located in the city of Guayaquil.



<b>Name:</b>	Almacenera del Agro Almagro S.A.
<b>Location:</b>	Guayaquil - Ecuador
<b>Type:</b>	Almacenera
<b>Participation:</b>	98.7%

Almagro, since 1976, provides storage services, inventory management, dispatch, and product distribution according to the needs of its clients. It also holds authorization from the National Customs Service of Ecuador (SENAE) to operate as a customs warehouse.

Regulated by the Superintendence of Banks and the SENAE, it abides by the provisions of the Organic Monetary and Financial Code and the Organic Code of Production, Commerce, and Investments, along with its regulations.

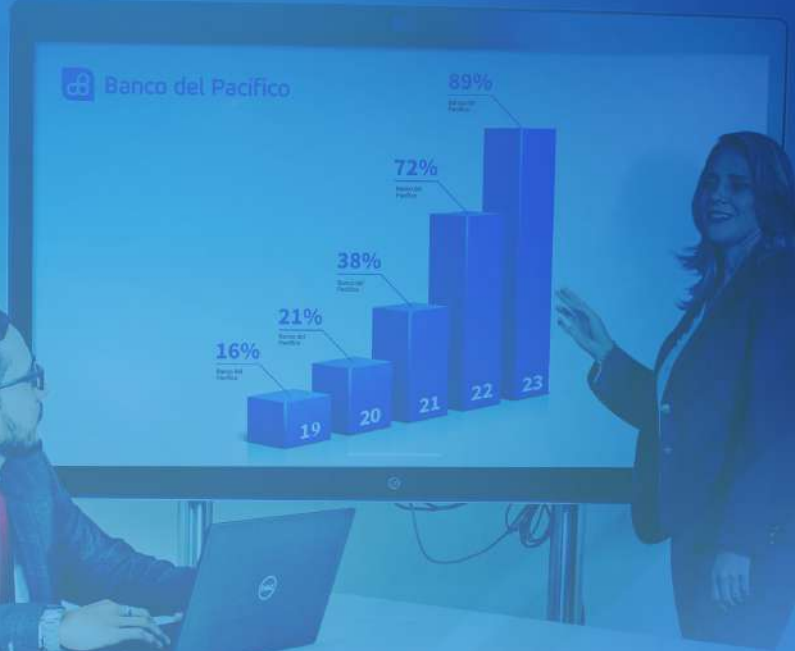
In this context, for shareholder activism purposes, this report includes information solely regarding the interactions between Banco del Pacífico and Almacenera del Agro S.A.

### Composition of the Board of Directors of ALMAGRO

<b>President and First Principal</b>	Econ. Roberto González Müller
<b>Senior Director</b>	Ing. Gloria Mercedes Baquerizo Morales
<b>Senior Director</b>	MBA. Ruth Noemí Panchana Matamoros
<b>Senior Director</b>	MBA. Ivonne Rosa Hacay-Chang León
<b>Senior Director</b>	MBA. Octavio René Molina Vera
<b>Ad-Hoc Secretary</b>	MBA. Ing Andrés Vicente Ollague Alarcón

The Executive President of Banco del Pacífico holds the position of Chairman of the Board of Almacenera del Agro S.A. Based on this, and due to its shareholding participation, Banco del Pacífico consistently provides guidelines to its subsidiary that influence the ethical and sustainable socio-environmental management of the company.

ATION  
ON  
SOPHY  
MEMO  
COMMITME  
RESPECT  
MANAGEMENT  
MANAGER  
ACCESSIBILITY  
GOAL  
COMPANY  
POWER  
TEAMWORK  
SUCCESS



# CHAPTER

# 3

# ECONOMIC AND COMMERCIAL PERFORMANCE

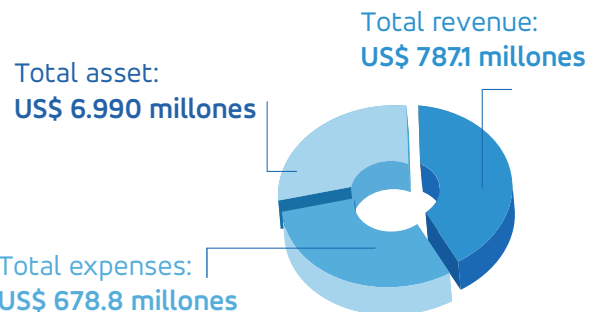
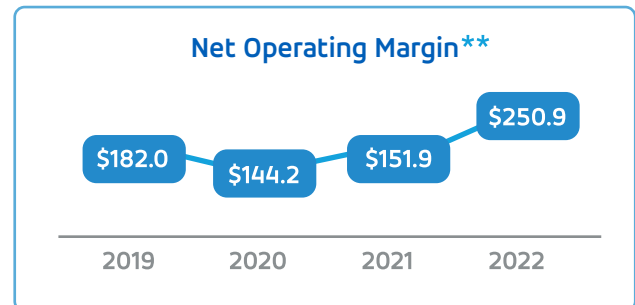
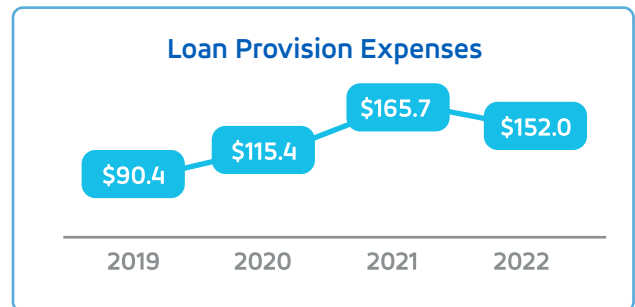
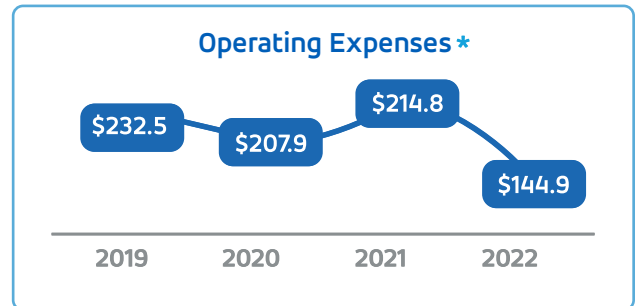
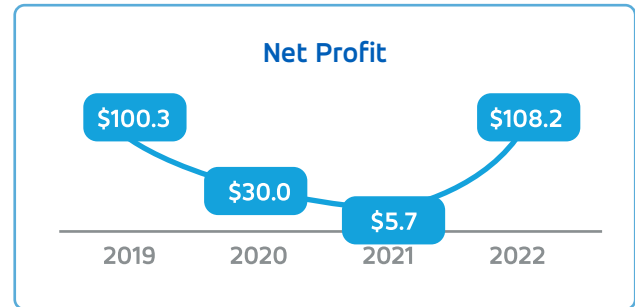
# Efficiency and Profitability

As Banco del Pacífico S.A., we achieved a historic amount of \$296 million (before loan provisions and taxes) at the close of this fiscal year, the highest figure in our 50 years of banking trajectory.

This milestone represents significant growth of 66% compared to 2021. The loan provision expense for 2022 was \$152 million, a year in which we initiated a transformative process of financial and administrative optimization with the sole goal of restoring our bank's leadership in efficiency and profitability within the Ecuadorian Financial System. Out of this amount, \$152 million has been allocated to new loan provisions, which is 2.2 times higher than the pre-COVID-19 pandemic average. This allocation will allow us to strengthen our coverage and reserves for current and future delinquent loans.

As a result, the net profit after provision allocation and tax payment reached an annual value of \$108 million, with our equity standing at \$914 million, the second-highest value among all private banks in Ecuador. The combination of the optimization process implemented in 2021 and the achievement of financial goals set in 2022 enabled us to achieve significant cost savings in operational expenses of \$84 million, which translates to \$230,000 daily savings compared to the years prior to the COVID-19 outbreak. The impact of these actions is reflected in our efficiency, profitability, and solvency indicators, which have significantly improved, positioning our bank among the top three in its comparative group and in first place for equity solvency, with an indicator of 17%, double the requirement of current regulations.

Cumulative figures in US\$ millions



\*Operating expenses excluding depreciation, amortization, taxes, and contributions.  
 \*\*Net operating margin: gross financial margin + other operating income (-) operating expenses (excluding depreciation and amortization).

## Income statement

Cumulative figures in US\$ million

	2021	2022
Financial Income	US\$ 638.8	US\$ 655.07
Earnings in term of interest and discounts	US\$ 4763	US\$ 466.65
Bank's revenues	US\$ 4704	US\$ 51.90
Financial profit	US\$ 8.7	US\$ 13.94
Services rendered	US\$ 110.37	US\$ 12.58
Financial Expenses	US\$ -237.60	US\$ -231.05
Accrued interest	US\$ 192.7	US\$ 184.44
Accrued commissions	US\$ 43.96	US\$ 45.35
Financial losses	US\$ 919.86	US\$ 1.26
Gross Financial Margin	US\$ 401.16	US\$ 424.02
Other Operating Income	US\$ -253.00	US\$ -176.17
Operating Income		
Other operating income	US\$ 12.83	US\$ 18.12
Operating Expenses		
Operational cost	US\$ 262.09	US\$ 191.21
Other operating losses	US\$ 4.73	US\$ 3.09
Net Operating Margin, before Provisions	US\$ 147.16	US\$ 247.85
Provision, Depreciation, Amortization	US\$ -213.89	US\$ -204.96
Provisions	US\$ 185.91	US\$ 166.29
Depreciation	US\$ 13.56	US\$ 13.01
Amortization	US\$ 14.41	US\$ 25.67
Net Operating Margin	US\$ -66.72	US\$ 42.89
Non-operating Income and Expenses	US\$ 72.44	US\$ 65.32
Other income	US\$ 91.60	US\$ 113.86
Other income and losses	US\$ 12.34	US\$ 12.47
Employee participation, net income	US\$ 6.81	US\$ 36.07
<b>FINANCIAL RESULTS 2023</b>	<b>US\$ 5.72</b>	<b>US\$ 108.20</b>

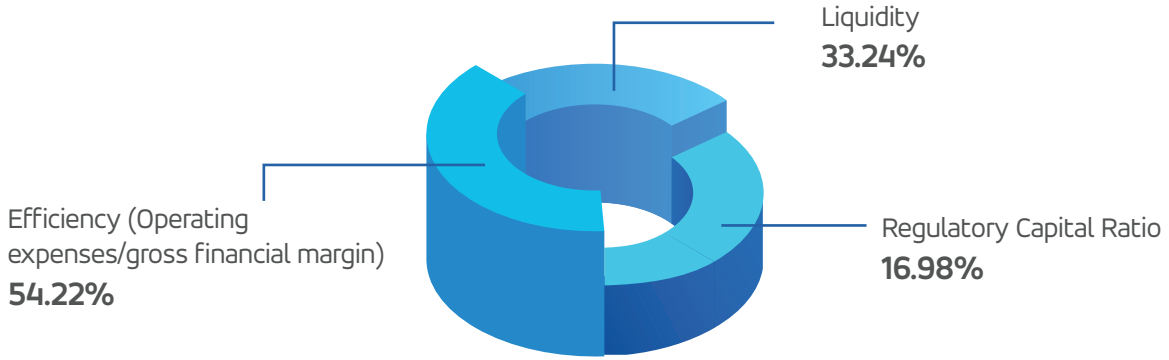


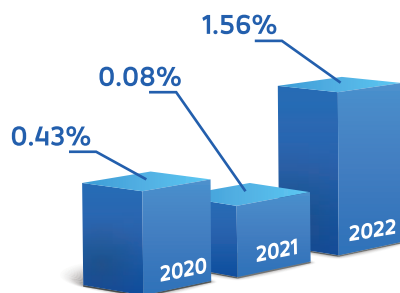


Balance and results in US\$ millions			
	2021	2022	Var. %
Total assets	7.04	6.99	-0.84%
Net Loan portfolio	4.03	4.11	2.02%
Total liabilities	6.23	6.07	-2.48%
Liabilities to the public	5.47	5.34	-2.24%
Total equity	0.81	0.91	11.64%
Gross financial margin	0.40	0.42	5.70%
Profit before taxes	12.5	0.14	1051.27%

## Financial indicators

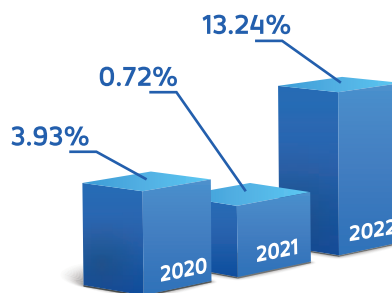
Below we share a set of indicators of the budgetary, financial and equity situation of our entity, Banco del Pacifico S.A., corresponding to 2021 and 2022.





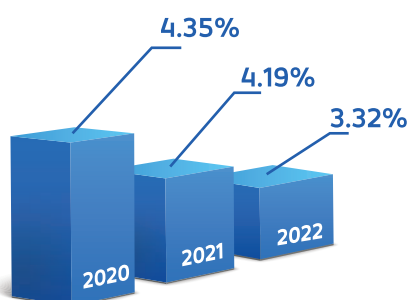
**ROA**

Var. PP. 2022-2021 **1.48**



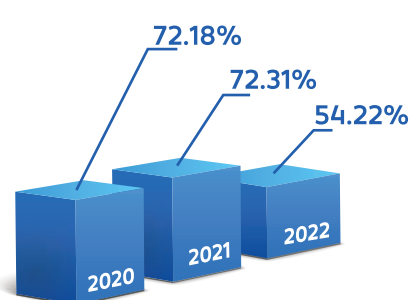
**ROE**

Var. PP. 2022-2021 **12.52**



**Administrative Efficiency<sup>2</sup>**

Var. PP. 2022-2021 **-0.87**



**Efficiency (Operating expense ratio)**

<sup>2</sup> Administrative efficiency is determined by the relationship between operating expenses and average assets.

## Sustainability financial indicators

As Banco del Pacífico, we play an important and positive role in the Ecuadorian economic activity and throughout its value chain. Through paid salaries, purchases of goods and services, and undertaken investments, among other transactions, we contribute to Sustainable Development Goal number 8, “promoting sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work” for all members of Ecuadorian society.

*Cumulative figures in US\$ millions*

	2022	2021
Value Created	US\$ 406.9	US\$ 341.6
Value Distributed	US\$ 298.7	US\$ 335.8
Operational cost	US\$ 108.8	US\$ 139.0
Employees salaries and benefits	US\$ 70.4	US\$ 98.6
Payments to capital providers	US\$ 32.7	US\$ 39.0
Payments to the government	US\$ 78.4	US\$ 51.1
Contributions to the Superintendencia de Bancos	US\$ 8.3	US\$ 8.1
Contributions to the community	US\$ 0.0	US\$ 0.2
Retained economic value	108.2	5.7

## Profitable and efficient commercial growth

Below, we present the main placement amounts. We've placed the values according to their corresponding segment.

Credit Segment	Number of operations	Number of operations
Consumer	5,707	US\$ 57.53
Education	212	US\$ 4.43
Real Estate	1,394	US\$ 121.52
Microcredit	439	US\$ 0,826
Productive	14,009	US\$ 1,330.7
Social interest Housing	7	US\$ 0.416
Public interest Housing	12	US\$ 0.769
<b>Total</b>	<b>21,834</b>	<b>US\$ 1,516.23</b>

\*Amounts placed do not include refinancing's or restructurings.

\*It does include values placed through TJE facility - Business Card.

## Values placed by economic activity

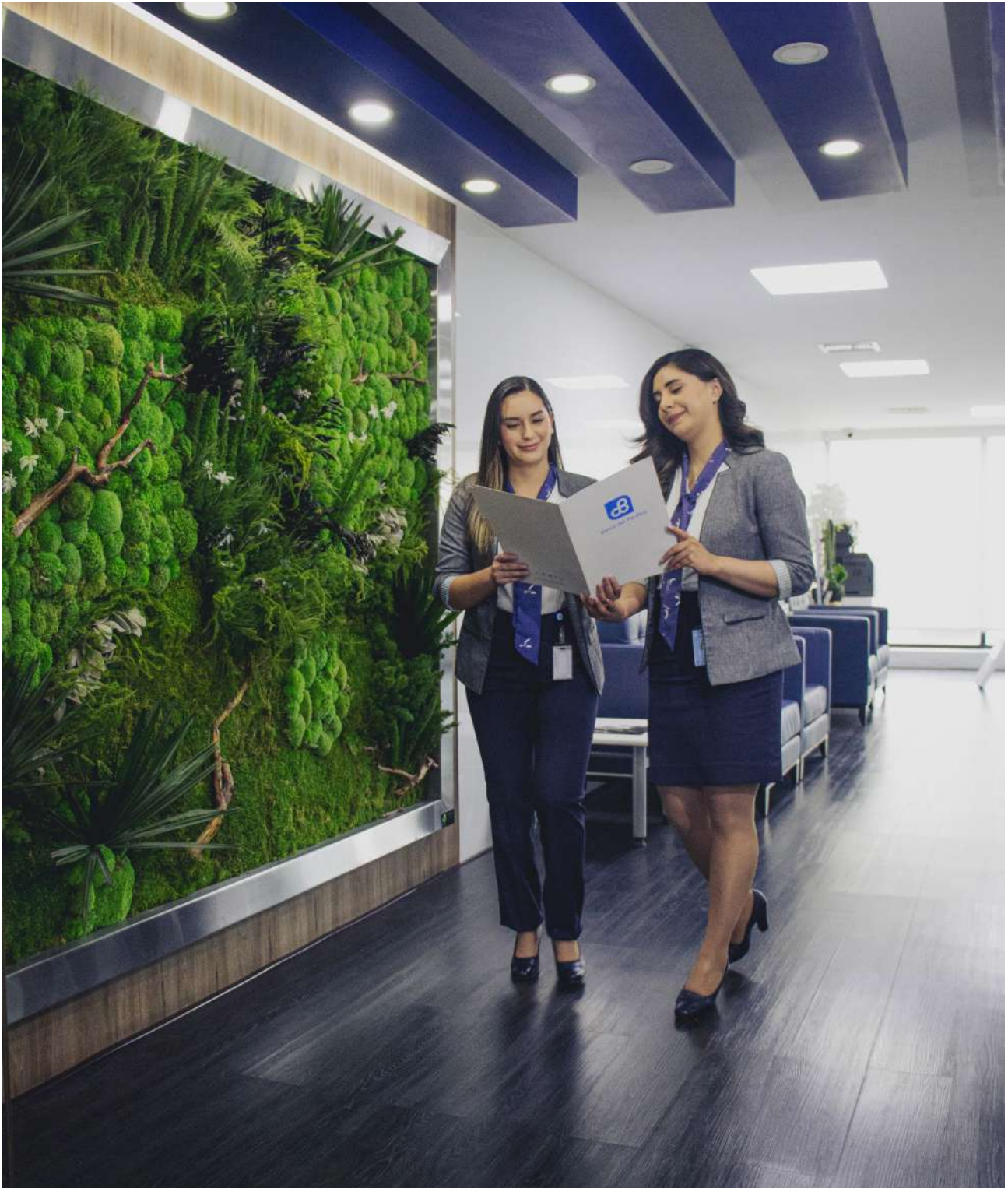
Economic sector	Operation numbers	Amount Placed <i>Cumulative figures in US\$ million</i>
Construction	1,294	305.4
Wholesale and retail trade, repair of vehicles, motor vehicles, and motorcycles	2,865	229.3
Manufacturing industry	5,405	228.1
Activities of deposit acceptance and/or similar activities close to deposits and granting of credits or loans	2,691	208.4
Non- productive sector	1,209	102.9
Financial and insurance activities	62	90.5
Agriculture, livestock, forestry and fishing	165	78.0
Real estate activities	25	73.1
Non – productive consumption	6,232	59.6
Public administration and defense, compulsory social security plans	2	45.3
Other economic activities	1,884	90

*Includes: professional activities, scientific, and technical services, administrative and support services, human health activities and social work activities, education, non-profit educational activities, transportation and storage, supply of electricity, gas, steam, and air conditioning, mining and quarrying, information and communication, accommodation and food services, water supply, sewerage, waste management, and remediation activities, arts, entertainment and recreation, other service activities, other root and tuber crops, sweet potato, melloco, oca, mashua, white carrot, Chinese potato, etc.*



## Loan portfolio and credit cards

Banco del Pacifico's Mortgage		Consumer credit	
N° of operations 2022	Disbursed amount	N° de operations 2022	Disbursed amount
712	US\$ 70 millions	5.116	US\$ 165 millions







**CHAPTER**

**4**

**SUSTAINABILITY  
AND ENVIRONMENTAL  
COMMITMENT**

# Business-focused Sustainability

## Our purpose

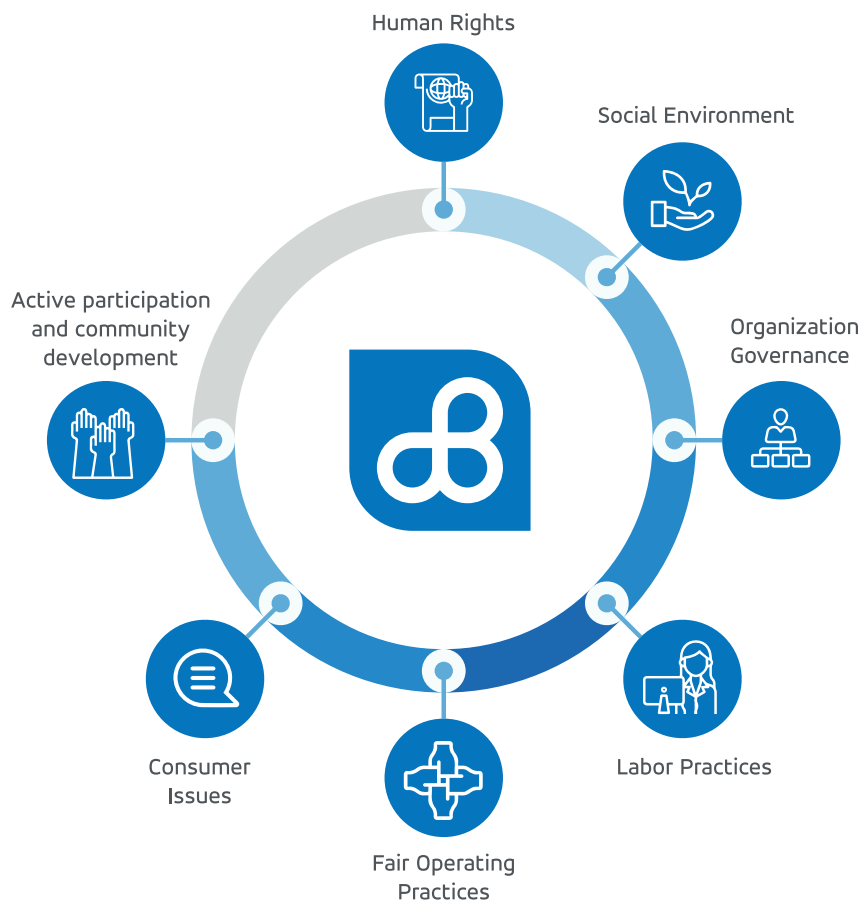
To establish a distinctive aspect that integrates actions along the value chain in the business, generates value for stakeholders, and strengthens customer engagement, aligned with the objectives of sustainable development and other standards used in the sector.



## Key Sustainability Policies

To ensure the establishment of sustainability within the institution, we are guided by the International Standard ISO 26000, upon which we have developed Our Social Responsibility Policies, reaffirming our voluntary commitment to our stakeholders.

We have a Corporate Social Responsibility Policy Manual in place to provide clear guidelines on ethical, economic, social, and environmental matters, as well as to adopt best practices in Corporate Responsibility, based on the following core subjects:



The regulations and guidelines that frame our sustainability management are diverse and cross-cutting, encompassing various areas of responsibility in the organization’s management. We have adopted regulations, both international and national, that are mandatory or voluntary, as well as internal regulations, codes, and policies that regulate the institution’s actions.



## Management Standards for Sustainability



## Stakeholder Groups









## Dialogue management with our aligned stakeholder groups towards



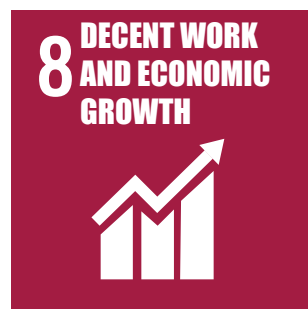
At Banco del Pacifico, we promote communication and closeness as tools for risk prevention and opportunities development with our stakeholders. That’s the reason why we maintain a close relationship with our key groups to identify their trends and concerns, establishing differentiated dialogue mechanisms.

Stakeholders	Canal	Periodicity
 <b>Shareholders and Board of Directors</b>	a. Annual General Meeting b. Interinstitutional Linkage c. Sessions	a. Annual or Extraordinary b. Monthly c. Monthly
 <b>Top management</b>	a. Senior Management Meetings b. Email, Calls, Meetings, and Videoconferences c. WhatsApp d. Intranet	a. Monthly b. As needed c. As needed d. As needed
 <b>Employees</b>	a. Mailing b. WhatsApp c. Ethics mailbox d. Participation in Committees e. Intranet	a. As needed b. As needed c. Permanent channel for reporting complaints against the Code of Ethics and Conduct d. Quarterly and bimonthly in the Ethics Committee and in the Occupational Health and Safety Committee e. As needed
 <b>Regulatory Authorities</b>	a. Mail	a. As needed

 <p><b>Customers</b></p>	<p>a. Customer service                      b. Contact center                      c. Social network                      d. Virtual agent “Sophi”                      e. Market Research and Surveys                      f. Email  <a href="mailto:webadminbp@pacifico.fin.ec">webadminbp@pacifico.fin.ec</a>  <a href="mailto:webadminpac@pacifico.fin.ec">webadminpac@pacifico.fin.ec</a></p>	<p>a. Monday to Friday during business hours                      b. Daily, according to established schedules                      c. Daily, according to established schedules                      d. Daily, 24 hours a day                      e. As required by departments.                      f. Monday to Friday during business hours</p>
 <p><b>Community</b></p>	<p>a. Mail: <a href="mailto:webadminbp@pacifico.fin.ec">webadminbp@pacifico.fin.ec</a>  <a href="mailto:webadminpac@pacifico.fin.ec">webadminpac@pacifico.fin.ec</a>                      b. Website: <a href="http://www.educacionfinanciera.com.ec">www.educacionfinanciera.com.ec</a>                      c. In person or virtual training</p>	<p>a. Monday to Friday during business hours                      b. Daily, 24 hours a day                      c. Semester schedule</p>
 <p><b>Financial Institutions</b></p>	<p>a. Telephone, email and meetings</p>	<p>a. When no consultations are required</p>
 <p><b>Strategic allies</b></p>	<p>a. Telephone, email and meetings</p>	<p>a. As needed</p>
 <p><b>Media</b></p>	<p>a. Telephone, email and meetings</p>	<p>a. When consultations are required</p>
 <p><b>Suppliers</b></p>	<p>a. Workshops                      b. Telephone, email and meetings</p>	<p>a. Before materiality of memory                      b. When consultations are required</p>

## Sustainable Development Goals (ODS).

At Banco del Pacífico, we promote sustainable development to achieve the well-being of our customers and stakeholders. In this regard, we make contributions towards the fulfillment of the United Nations’ 17 Sustainable Development Goals (SDGs), taking into account all internal and external actions and initiatives that have been implemented. We have identified that the institution contributes to the achievement of the following SDGs:



## Impact Materiality

For this sustainability report, we conducted a materiality analysis by identifying sustainability-related topics that could have an impact on stakeholders. We applied the methodologies and principles of the GRI (Global Reporting Initiative) standards, which involve the participation of customers, suppliers, and employees.



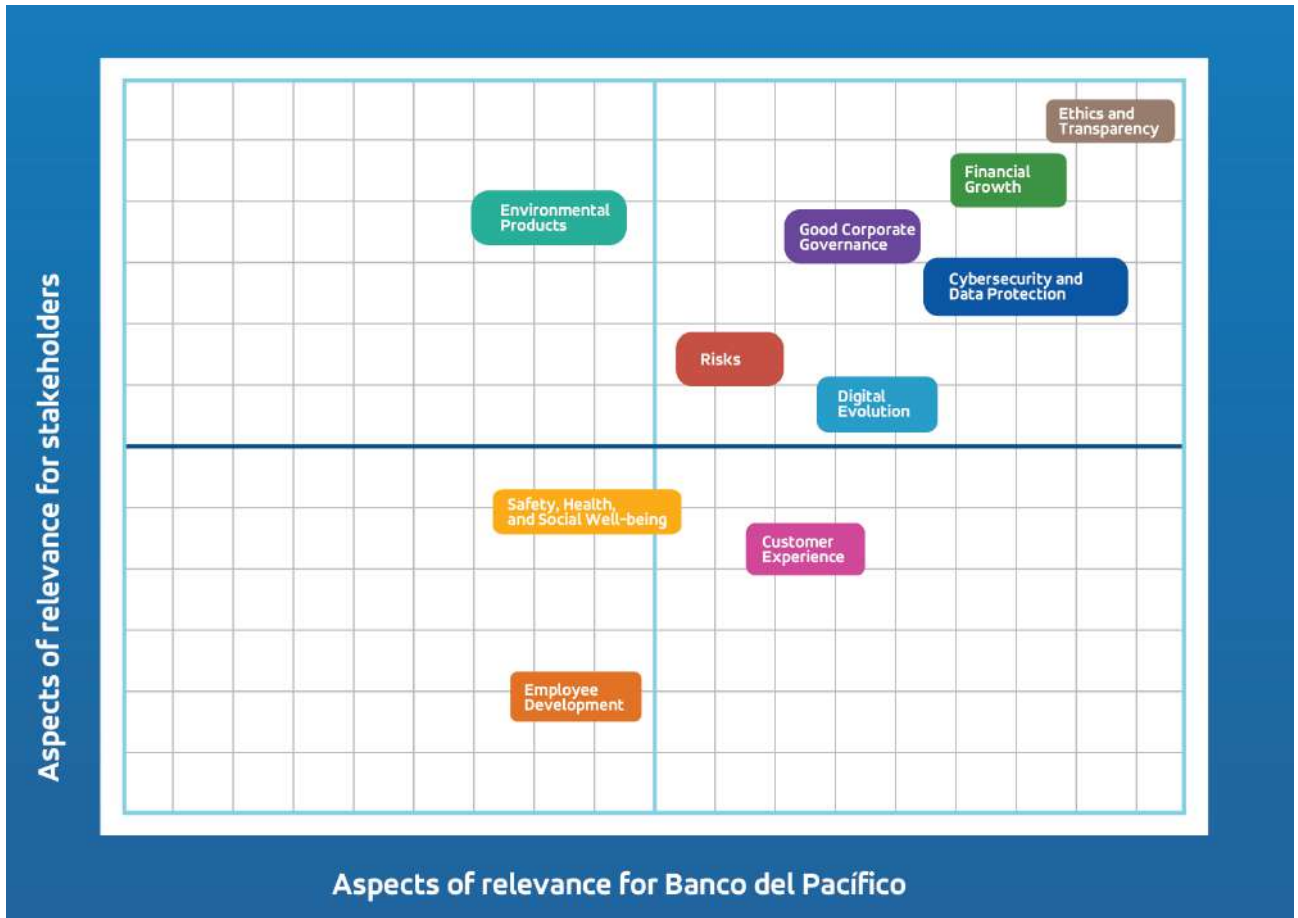
## Prioritization of material issues by stakeholder groups

The prioritization of material issues is done based on the relevance of their economic, environmental, and social impacts on our institution, contrasting with the perception and opinion of stakeholders.

Below, we present the details of the most relevant indicators identified in the materiality matrix:

- 1 Ethics, Transparency, and Anti-corruption
- 2 Sustainable Financial Growth
- 3 Good Corporate Governance
- 4 Cybersecurity and Data Protection
- 5 Digital Evolution and Innovation
- 6 Compliance and Risk Management
- 7 Customer Experience Management
- 8 Safety, Health, Well-being, and Quality of Life at Work
- 9 Environmental Products and Services
- 10 Professional Development of Employees

## Materiality Matrix 2022







## Commitment to society

We play an important role in promoting social and environmental development in our relationship with stakeholders, specially with customers, community and suppliers, We strive to have a positive impact on society.

At the bank, we actively engage and contribute to the well-being of the community and the environment by building strong and lasting relationships with our customers and society in general. This helps to shape responsible and conscious citizens, contributing to a more just, equitable, and sustainable world for everyone.

### Social – focused products and services

We offer products and services with a socio-productive development approach, such as:

#### Aldeas Infantiles SOS, Credit Cards

Through an “affinity card” charging system, this card contributes to the comprehensive development of thousands of children and adolescents who are in a situation of orphanhood, abandonment, or at risk of losing parental protection.

We contribute a percentage of the purchases made with this product, providing food, education, housing, and clothing for the children under the care of this Foundation.

Credit Cards number  
**6.897**



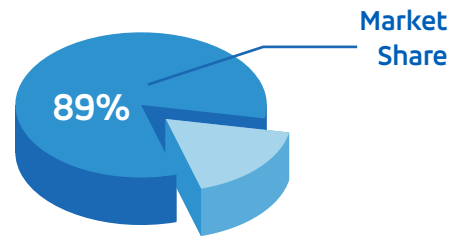
Contributions payments  
**US\$ 53.963**





## Pacífico, Study loans

Convinced that the best way to contribute to the country is by investing in education, we have financed the studies of 212 students.



## Consejo de la Judicatura Savings Account

Another contribution we make as part of our development efforts is to support individuals who benefit from child support payments, a vulnerable segment of society.



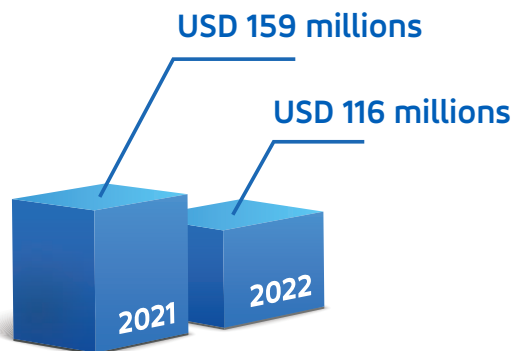
## Responsible Value Chain

Our value chain is relevant and cross-cutting within the institution as it supports the execution of strategic and operational objectives to ensure continuity and smooth operation. Our effective supplier management enables more efficient contracting processes, resulting in positive impacts on project management in various areas of the organization and, consequently, on our consumers.

tion, and maintenance. As for goods, the majority specialize in the sale of stationery supplies, office equipment, money counters, and ATMs.

While there are suppliers for each area that generates requirements for goods and services in the bank, they are managed by the Administration department and recorded in a technological tool that details their information. By the end of the year, the bank's supplier base closed with 3,070 suppliers, of which 92% are of national origin. During this period, we incorporated 197 suppliers into the supply chain, and there were no significant changes in its structure.

### Total monetary value paid to suppliers:



The service providers mainly focus on activities related to IT and software security, consulting, construc-



## Supplier qualification

According to the stipulations of the Superintendencia de Bancos and internal policies, all active suppliers of Banco del Pacífico are annually evaluated by an external specialized company. Currently, the qualification process assesses the following criteria: business profile, operational and commercial capacity, and financial capability. Additionally, it evaluates the social responsibility and business continuity for suppliers defined as “critical” by the risk area.

In 2022, for the supplier management process, we carried out the identification of data processors and data recipients. We progressively implemented a more structured documentation process for contracts to include Data Protection clauses.


These evaluations align with the organizational values of the institution and ensure compliance with responsible business best practices. Among the criteria assessed in the Social Responsibility module, the following are highlighted:

1 Certification SA 8000	6 Discrimination
2 Child Labor	7 Disciplinary Actions
3 Forced Labor	8 Remuneration
4 Health and Safety at Work	9 Supplier Evaluation
5 Freedom of Association and Collective Bargaining	10 Obligations with the Social Security Institute (IESS)



## Formal mechanisms for complaints and claims

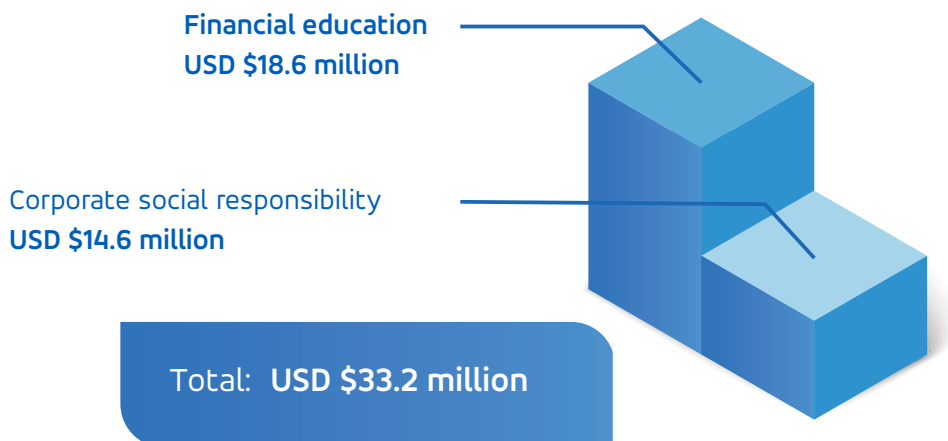
Communications can be made in the contracts and suppliers’ mailbox to report any updates regarding acquisition processes.

 [transparenciabdp@icloud.com](mailto:transparenciabdp@icloud.com)

## Community action

At Banco del Pacífico, being consistent with our mission to contribute to the country's development with social responsibility, we drive and promote programs and activities based on creating awareness and citizen commitment, particularly in responsible financial management and promoting a culture of savings through our Financial Education Program. By doing that, we ensure the institution's sustainability and the well-being of our customers and the community.

### Social investment



### Corporate volunteering



The volunteers of “Pacífico deja huella” participated as instructors in the Financial Education Workshops the Bank provided for children, youth, and adults. We had the participation of 71 volunteers who contributed a total of 216 hours of unpaid work, offering their skills and knowledge to serve customers and the community.

We conducted appropriate training processes for those who are part of the Bank's corporate volunteering program, which includes training in the content of the Financial Education program, as well as the development of competencies and soft skills for the instructors, with the aim of efficiently conducting the workshops scheduled for the year.

### Financial education

The objective of Financial Education is to help people understand how money works, how to manage it, and how they can develop a savings culture that allows them to be more proactive and prepared for the future. This way, individuals can make informed decisions about their finances and enhance their capacity to achieve their long-term financial goals.

We have been developing a Financial Education Program since 2010, and we have trained more than 70 thousand individuals and raised awareness among over 3.9 million people.

Our programs are:

- **Aprendo con mi Banco Banco**  
(For kids and youth)



- **Mi Banco Banco me enseña**  
(For adults)



## Aprendo con mi Banco Banco



We provide training to 2,208 children and 1,630 youth in 50 educational units in Guayaquil, Quito, Machala, Babahoyo, Esmeraldas, Ambato, Cuenca, Loja, Latacunga, Santa Lucía, Nobol, Lomas de Sargentillo, Chone, and Durán. This year, at the institutions' request, we resumed almost all of the in-person workshops with interactive and playful learning methodologies. Additionally, we formed a partnership with the Quito Scouts Association to train a significant group of children and youth from this organization.

As part of the Financial Education Program, we also disseminate digital tools from the website, such as videos, stories, interactive games, and a blog for the young ones.



Find more information at:  
[www.educacionfinanciera.com.ec](http://www.educacionfinanciera.com.ec)



## Mi Banco Banco me enseña Financial Education for Businesses



We trained 6,262 adults through 120 Financial Education workshops in both in-person and virtual formats. These workshops were targeted at our Bank's corporate clients, institutions, and our employees. The workshops for corporate clients were conducted in coordination with the

Commercial Areas, promoting better relationships, providing added value as a Bank, and equipping their employees with useful financial information.

The adult training sessions were conducted in various locations across the provinces of Guayaquil, Quito, Durán, Posorja, Ibarra, Ambato, Manta, Portoviejo, Santo Domingo, Esmeraldas, Cuenca, Milagro, and La Libertad.

The main topics covered in the workshops are:



**Use of Financial Services**

- Financial products and services for users
- Responsible credit management
- Proper handling of credit cards



**Financial Planning**

- Responsible money management
- Intelligent money investment
- Financial security tips



**Household Finance**

- Budgeting
- Proper resource management
- Healthy debt management
- Finance for Entrepreneurs



**Financial planning for entrepreneurs**

- Efficient financial management in the business
- Identifying investment opportunities
- Financial Education for University Students



**Financial education for university students**

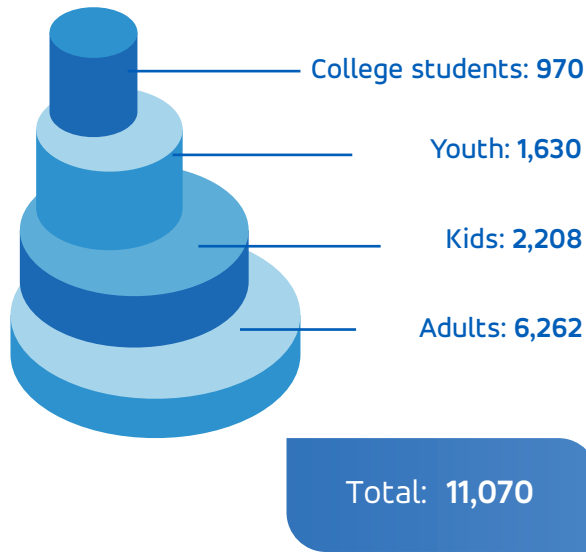
Within the adult audience being trained, a significant group consists of university students. The goal is to teach them to be responsible with their money and make informed financial decisions, providing them with the necessary tools to successfully manage their finances in the long term. In total, we've trained 970 university students.

We conducted workshops with the Faculty of Arts and Humanities of the Universidad Católica Santiago de Guayaquil (UCSG) and the Faculty of Social and Human Sciences of Espol.

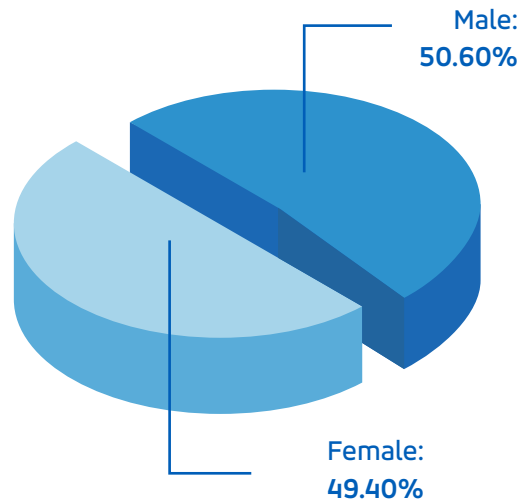
Additionally, for the second consecutive year, we organized the Money Day, in partnership with the Tecnológico Espíritu Santo, where experts from the Bank participated as speakers on topics such as personal finances, finances for businesses, and how to invest and manage money securely in the digital world.



Trained participants 2022



Trained by gender



## Commitment to the environment

### Sustainable environmental management

At Banco del Pacífico, we aim to balance environmental conservation with the use of natural resources to meet the current and future needs of individuals and businesses in their daily activities. This management involves adopting practices and technologies that reduce the environmental impact, such as energy, water, paper usage, and proper disposal and recycling of waste.

We have a manual of Social Responsibility Policies that promotes the acquisition of materials with environmental requirements and certifications, involving sustainable processes in the sourcing of raw materials, product manufacturing, and operational logistics until delivery by the bank. Additionally, we have procedures in place for the management of regular solid waste and hazardous residues.

At Banco del Pacífico, we maintain a strong commitment to the environment, with the primary goal of reducing the environmental footprint in all our operations.

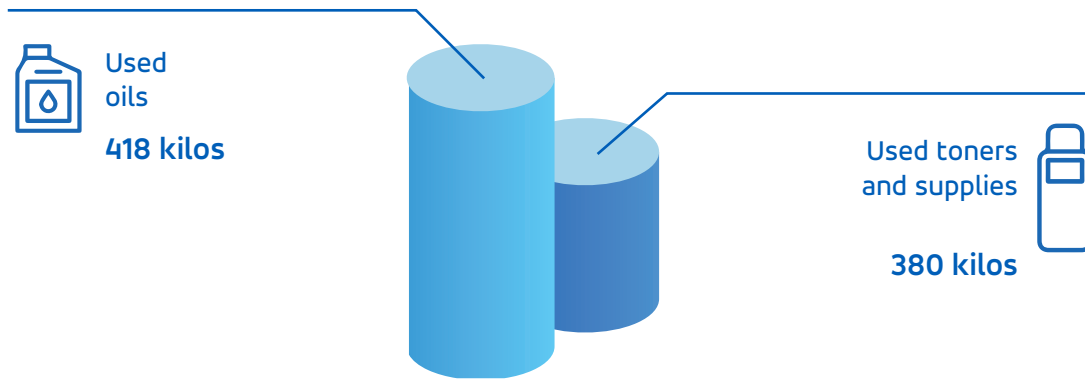
### Materials and waste management

We practice rational and efficient use of materials, through a comprehensive approach that encompasses all our activities. Due to the nature of our business, stationery and packaging materials are of utmost importance and critical in the development of our activities, with a specific impact on paper and cardboard usage. The use of IT equipment and printer toners is also significant in our administrative support operations.

On the other hand, the material resulting from remodeling or adaptations, such as furniture, partitions, aluminum, ferrous scrap, etc., is reused or recycled.

The procedure for managing used toners and supplies involves the supplier collecting all materials. Through an environmental manager, these materials are transported to their plants, where they are fragmented and separated according to their composition (foam or metal) and reprocessed for reuse or converted into raw materials for other industries.




Moreover, hazardous wastes such as used oils, vehicle batteries, generators, or lighting fixtures, are handed over to duly authorized environmental managers for proper disposal, following environmental regulations.



## Recycling program

We make efforts to minimize waste generation, and as part of these actions, we recycle 14,988 kg of materials, including paper, cardboard, and scrap, generating income for the organization.

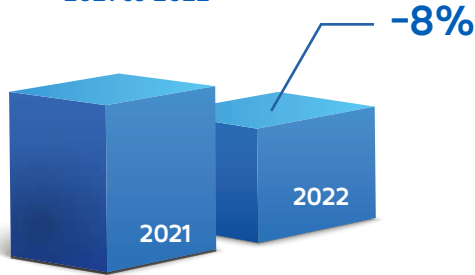
This money is used to cover expenses related to the management of special and hazardous waste, as well as the efforts to maintain our Environmental License from the Galapagos Agency.

	Material in Kg	Income in US\$
	752 Kg of cardboard	US\$ 94.26
	14,236 Kg of paper	US\$ 1,762.94
	1 lot of scrap	US\$ 200
		<b>Total: US\$ 2,057.20</b>

## Reduction of paper printing

This measure is taken to reduce the environmental impact of paper production and consumption. Paper is a natural resource that comes from tree felling, and its production requires large amounts of water and energy.

Printing reductions from 2021 to 2022



1.5 million fewer paper sheets



Now we are going to show some strategies that we implemented at the Bank to reduce paper printing, which resulted in an 8% reduction in paper printing compared to 2021.



Document digitization, storing documents electronically instead of printing them, making them easier to share and search.



Double-sided printing, configuring devices to print double-sided and reducing paper usage by half.



Selective printing, only printing the necessary pages of a document instead of the entire document.



Promoting the use of online electronic documents through digital tools.

## Sustainable Construction in Annex Building

We have EDGE Certification (Excellence in Design for Greater Efficiencies) for our Annex building, located in Guayaquil next to the Main building. EDGE is a green building certification system that focuses on making buildings more efficient and has been created by the International Finance Corporation (IFC), a member of the World Bank Group.

EDGE allows us to optimize construction designs in a measurable way, resulting in a sustainable real estate product and a better investment for the institution, generating a significant impact on energy and water savings.

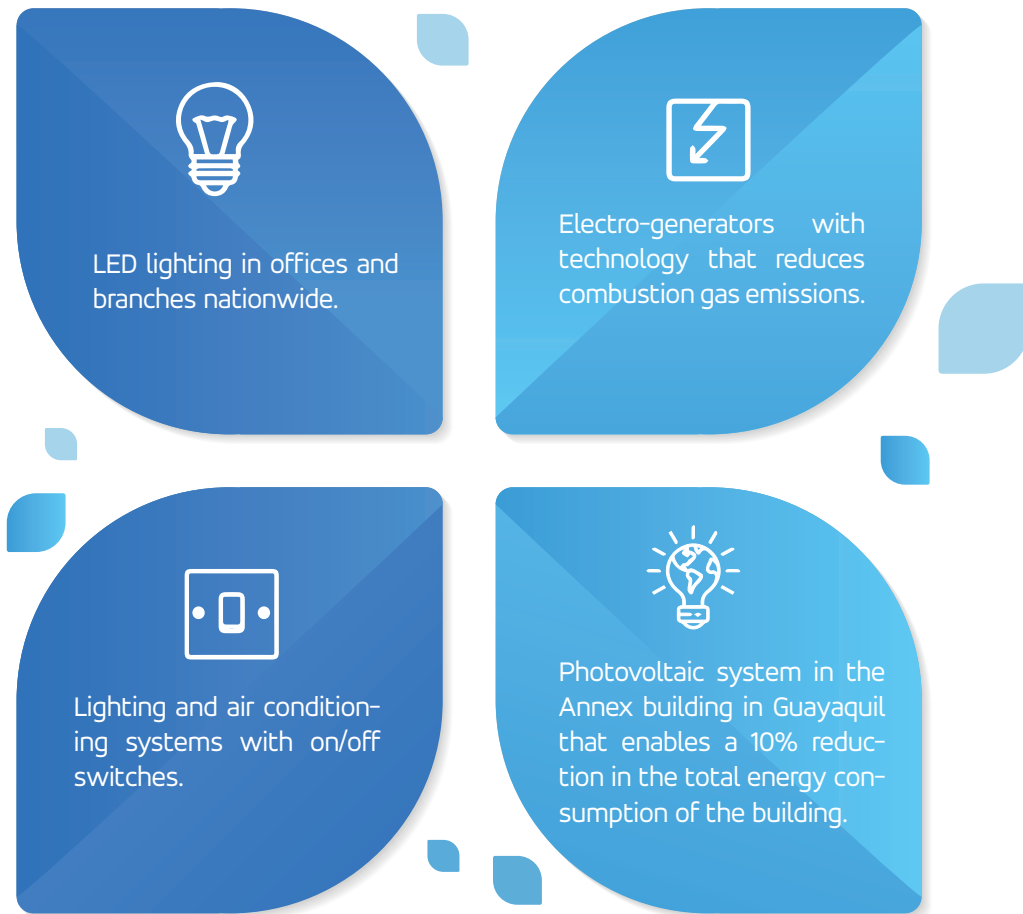
## Environmental Management in Galapagos Agency

In the Galapagos Islands, we have a Category II environmental license for the Santa Cruz agency, which is granted by the environmental authority for projects, works, or activities with low environmental impacts or risks. In this location, we maintain an Environmental Management Plan that strictly complies with local legislation and measures for the protection of species in the area. This plan is monitored and verified through biannual technical visits by the competent environmental authority in the insular region.



## Energy Consumption

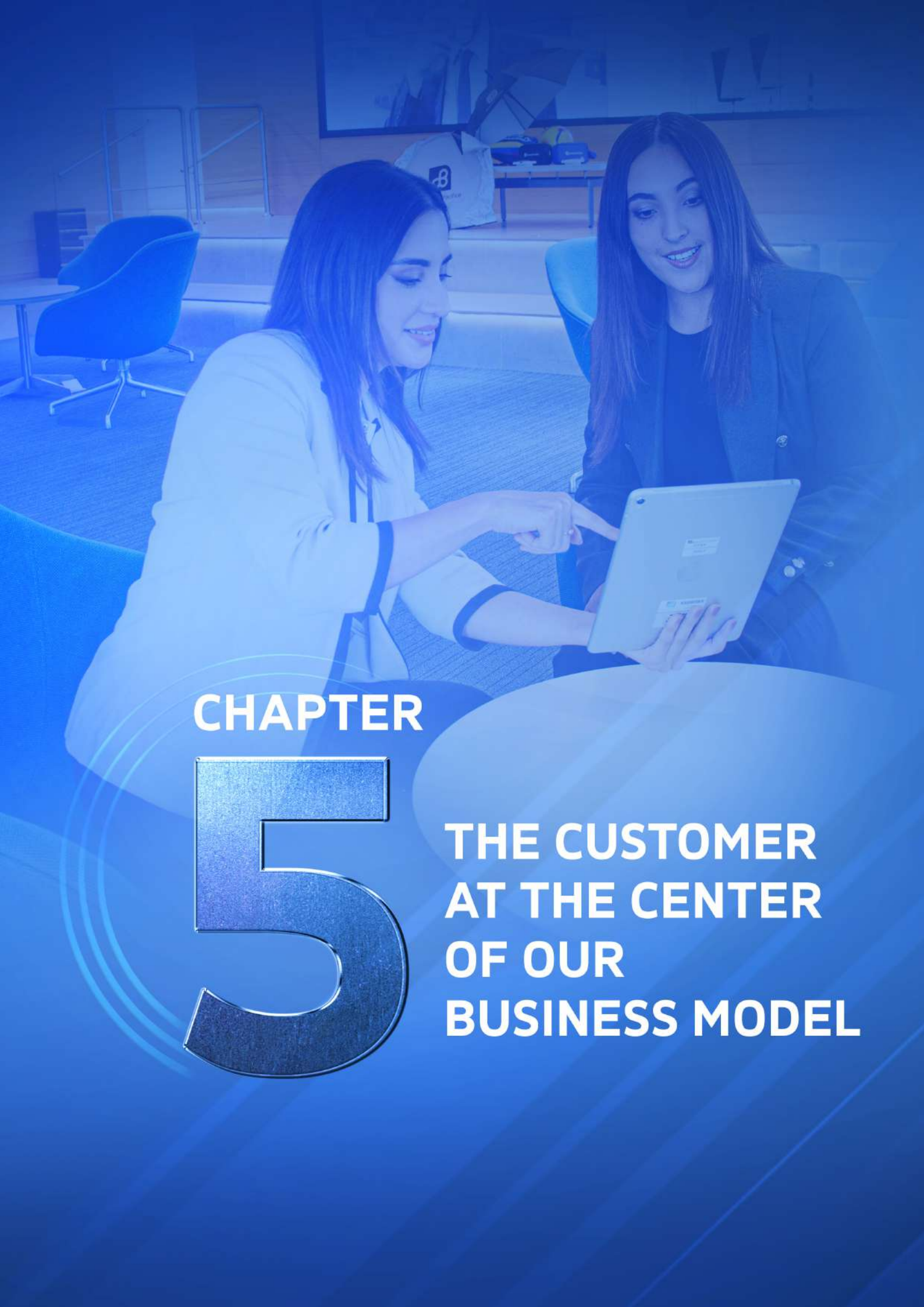
We are committed to reducing our impact on the environment, and therefore, we stay at the forefront and implement innovative technologies for renewable energy production and consumption reduction, as this is our main source of emissions.



The infographic consists of four blue rounded squares arranged in a 2x2 grid, each containing an icon and a text description of an energy-saving initiative. The squares are decorated with smaller, semi-transparent blue shapes around them.

- Top Left:** Icon of a lightbulb. Text: "LED lighting in offices and branches nationwide."
- Top Right:** Icon of a lightning bolt inside a square. Text: "Electro-generators with technology that reduces combustion gas emissions."
- Bottom Left:** Icon of a light switch. Text: "Lighting and air conditioning systems with on/off switches."
- Bottom Right:** Icon of a lightbulb with a globe inside. Text: "Photovoltaic system in the Annex building in Guayaquil that enables a 10% reduction in the total energy consumption of the building."

Our efforts to reduce our energy consumption are essential to promote sustainability and mitigate environmental impact. In this way, we contribute reducing greenhouse gas emissions and encourage the adoption of cleaner and renewable technologies.

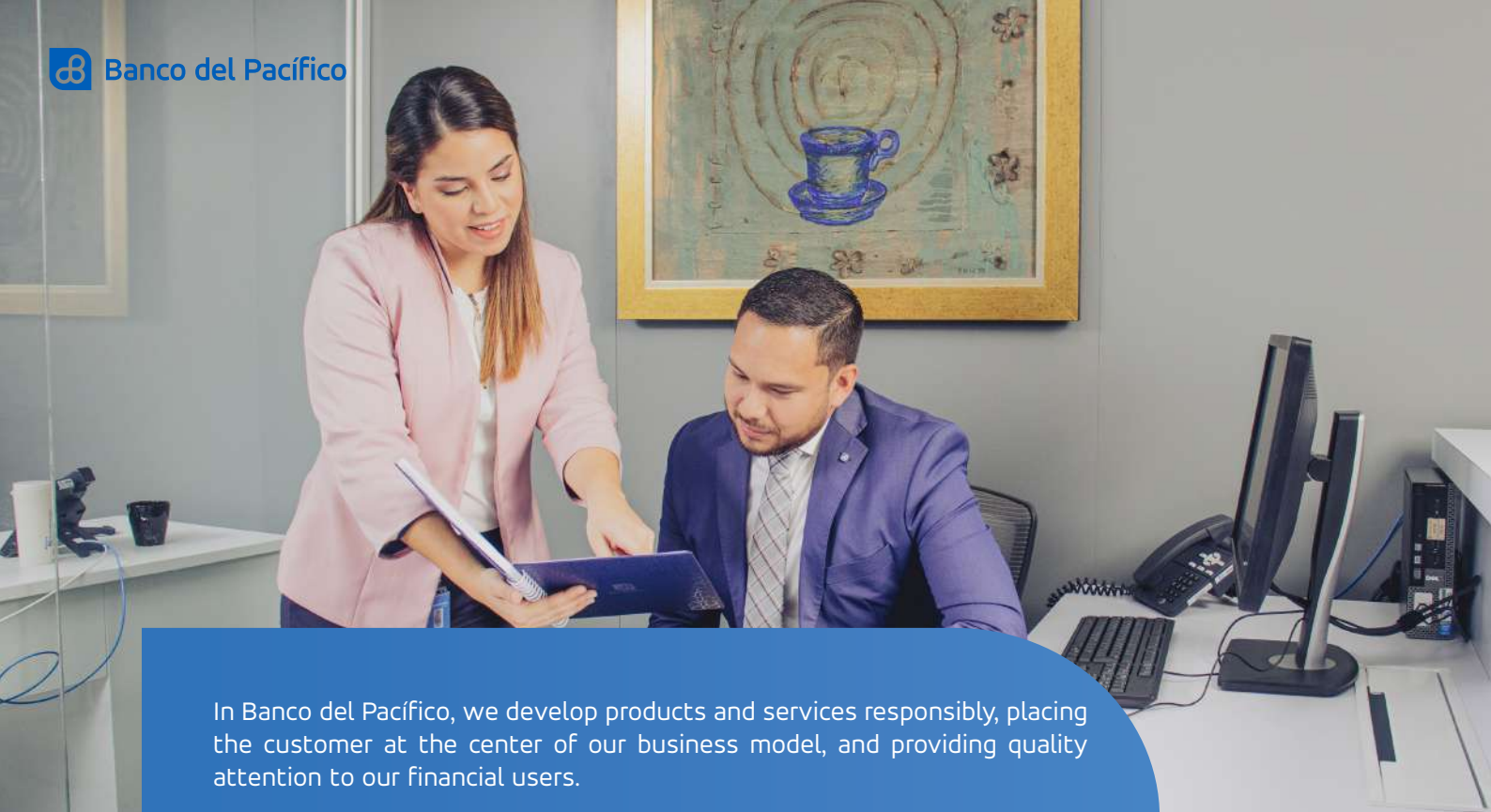


**CHAPTER**

**5**

**THE CUSTOMER  
AT THE CENTER  
OF OUR  
BUSINESS MODEL**



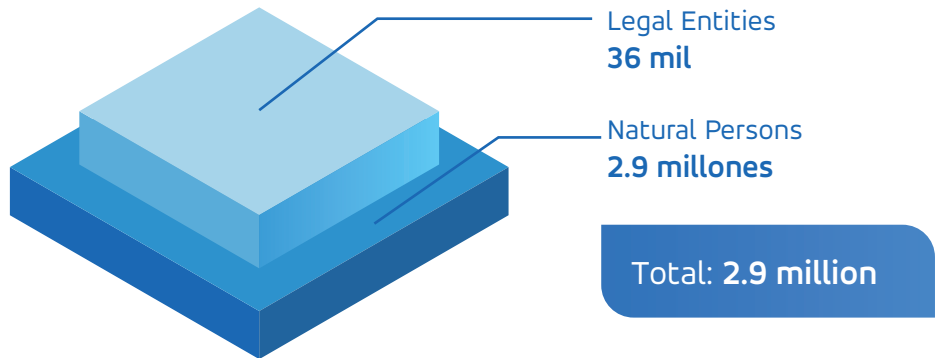


In Banco del Pacífico, we develop products and services responsibly, placing the customer at the center of our business model, and providing quality attention to our financial users.

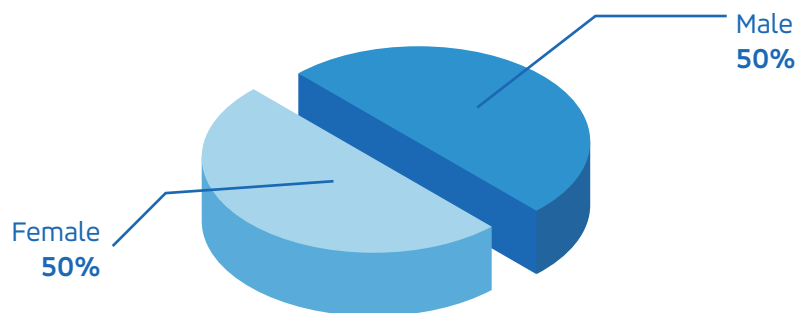
In 2022, we continued to improve the customer experience through the updating and incorporation of new functionalities in digital and electronic channels, making them more friendly and secure.

## Customer profile

### Client Types:



### Clients gender





## Transactional Channels

### Transactional Channels for Customers

### Mobile Banking

In 2022, through the Banca Móvil app, we reaffirmed our commitment to keeping our customers informed about the available benefits and functionalities, with the purpose of facilitating their transactions securely and from the comfort of their homes.

By the end of 2022, we recorded a total of 172 million transactions, with 30% of them conducted digitally.

We closed the year with over 309 thousand customers using the digital channel, reaching a total of 15.9 million transactions in this period, with December being the month with the highest number of transactions throughout the year.



**172 million**  
transactions



**30%**  
Digital transactions

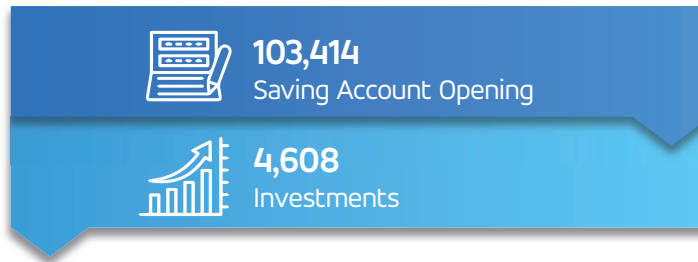


**309 thousand**  
customers

## Migration of Onboard Functionalities to Mobile Banking

All our customers and non-customers can access these functionalities without having to download additional apps, which promotes the banking inclusion of more customers and encourages digital culture by providing our clients with facilities to obtain Bank products quickly and securely.

In 2022, the following were carried out:

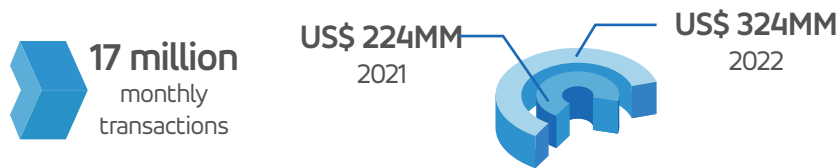


## Virtual banking (Intermático)

“Intermático” Virtual Banking is the preferred digital channel for our retail banking customers to carry out their financial transactions, reaching over 600 thousand users in 2022, surpassing the 572 thousand users in 2021.

The most commonly used transactions were:

- Interbank transfers.
- Transfers between Banco del Pacífico accounts.
- Credit card payments.
- Payment of basic services.
- Cardless withdrawals and tax payments.



We constantly make improvements to the functionalities and incorporate new self-service options and product sales with the aim of providing the best customer experience.

This year, we included the PaciFiCard credit card application, a transaction available to current Banco del Pacífico customers who do not have a primary credit card. Additionally, we improved the functionality of international transfers, which can now be sent to accounts with SWIFT, IBAN, and ABA codes.”

In 2022, we developed the Savings Account Opening functionality, offering both customers and non-customers of Banco del Pacífico an additional channel to open an account without the need to visit the bank.

## ATMs, virtual centers, self-service kiosk



### ATM transactions

With the aim of providing better service to our users and guiding them towards self-service, 69% of our ATMs allow Cash In transactions, such as cash deposits and checks, payment of basic services, PacifiCard credit card payments, among others.



**61.5 million** transactions

### Virtual Centers

With the goal of maintaining coverage for our users, we expanded with Virtual Centers in: El Puyo, Cayambe, Tulcán and Durán.



### Self-service kiosks

We have 143 self-service kiosks, with a total accumulated of 2 million transactions, resulting in a 21% increase in transactions compared to the year 2021.



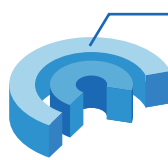
## Remittances

This service is aimed at migrants who send and trust Banco del Pacifico to deliver remittances to their loved ones. Currently, we have partnerships with the four most important remittance companies: Western Union, Luca Giros, Latin Travel, and Smallworld; each of them having strategic alliances with money transmitters worldwide.

In 2022, there were 59,468 transactions, growing by 1.05% compared to the year 2021, with a transactional amount of US\$33,288,571, showing a growth of 1.08% compared to 2021.



**59.5 thousand**  
transactions



**US\$ 33.3 million**  
2022



**1.08%**  
growth



### Virtual Agent Chatbot Sophi

In 2022, the virtual agent Sophi experienced a 16.87% increase in chats/customers and a 19.24% increase in interactions compared to the year 2021. By the end of the year, it had served 459,023 customers, generating 3,034,873 interactions, with balance inquiries being the most frequently performed transaction.



**459,023**  
clients



**3.0 million**  
interactions

### “Tu Banco aquí” (payment and collection channel)

#### Growth of our own network of Agents banking outlets:

In the current period, we consolidated the creation of our own network “Tu Banco Aquí,” closing with 7,461 service points and approximately US\$2 million in transactions.



**1.9 million**  
transactions

#### We increased our participation in Financial Services:

In 2022, Banco del Pacifico’s own financial transactions, such as deposits, withdrawals, PaciFicard credit card payments, balance inquiries, credit for Studies, and PaciFicard cash advances, increased by 14%.





## Cash Management



We launched the new Cash Management with improvements in work-flows, design, and repositioning of options to make it more intuitive, including 16 new functionalities. Among the most important ones are:

- ▶ Digital contracting
- ▶ Multibank transfers
- ▶ Investment requests
- ▶ Mass savings account opening
- ▶ Bulk loading for service payments
- ▶ Payment scheduling up to 365 days
- ▶ Payment through credit cards for services
- ▶ Digital authorization for collections

Among this year, we carried out 39.5 million transactions, compared to the 34.5 million recorded in 2021. We had 7,962 (22.07%) active customers using the channel, compared to 6,766 (20.52%) in 2021.



**39.5 million**  
transactions



**22,07%**  
active customers

## Main Products and Services

As a financial institution committed to the development of society, we offer various savings and credit products for our customers, which allows us to stimulate the Ecuadorian economy and boost the business ecosystem.



## Deposit

### Saving Account

Product that allows easy and secure payments, inquiries, withdrawals, and transfers: Digital Savings Account or Digital Checking Account.

### Long-term deposits

Investment products that increase the profitability of clients' money, according to the established amount and term.

### Checking Account

Product that allows managing funds in an account through checks or with the use of PaciFi-Card Debit card.

## Loans

### Pacificard credit card

A credit line that allows making both domestic and international purchases, with benefits such as: mileage accumulation, cash advances, online shopping, flexible installment plans, and assistance abroad.

### Pacífico Mortgage

A credit that allows you to buy a home with the best market conditions in terms of interest rate and term.

### Pacifico Credit






Product that covers 100% consumer financing and can be used for household goods, travel, and health services.

### Commercial Credit

Product that provides access to financing for working capital, purchase of fixed assets, or any project that the client implements.

## Acquiring/Compsumptions

Through our partners, we facilitate credit - debit card payments for businesses. We have 155,000 affiliated establishments nationwide where PaciFiCard customers can make their purchases and defer payments. Additionally, in response to market challenges, we provide new and affiliated businesses with tools for easy and agile adoption of payment methods. Currently, we have 12,000 merchants with enabled payment buttons and links. Among them are:

-  Datafast
-  Aligenet
-  Kushki
-  Paymentez
-  Redypago

DataFast is a leading company in in-person and digital credit and debit card payment solutions, with Banco del Pacifico holding 33.33% of the shares, while the remaining stake is equally divided between two major banks in the peer group.

## Information transparency

That's the core of our bank's actions. We strive to provide customers and users with clear and precise information about our product offerings and channels, as well as ensuring compliance with their orders and instructions.

We deliver accurate and reliable information to our users for each of the products and services we offer. The contracts our customers sign contain terms, interest rates, fees, duties, responsibilities, and other relevant information essential for making informed decisions when acquiring goods. Additionally, our advertising includes the necessary conditions for the products or services being offered.

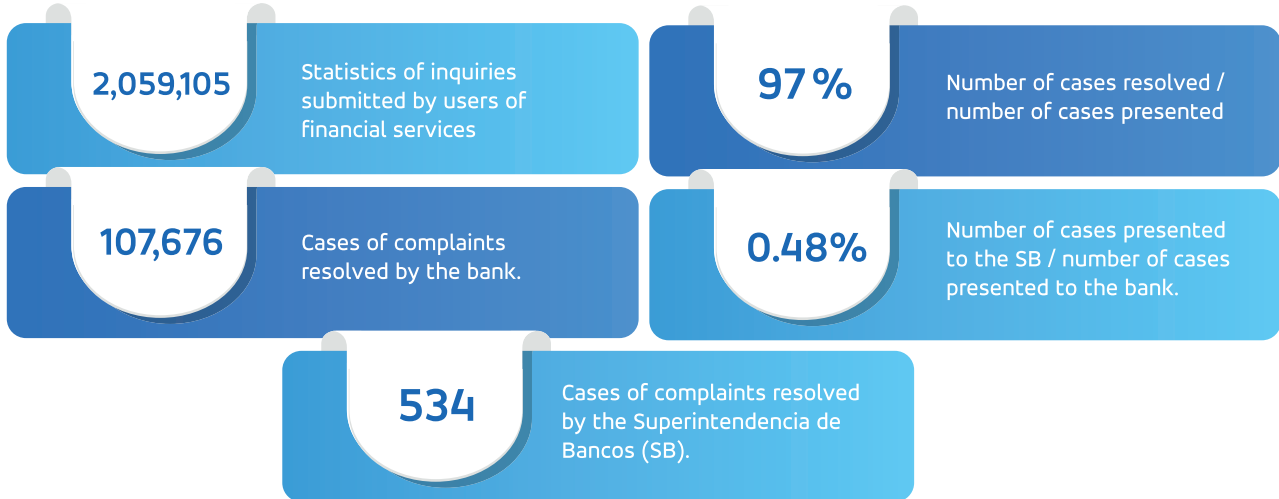
To address the needs of our customers and users, we provide multiple channels or means through which they can submit any inquiries or concerns that arise.

 <p><b>Credit Officers</b></p>	 <p><b>Banking Services</b></p>
 <p><b>Contact Center</b> webadminbp@pacifico.fin.ec 3731500</p>	 <p><b>Virtual Agent Sophi</b> 0967723442</p>
 <p><b>Social Media</b> @BancoPacíficoEC</p>	 <p><b>Website</b> www.bancodelpacifico.com</p>

## Inquiries and Complaint Resolution

We have different channels for managing complaints, with the goal of addressing them online and in the best possible way, while complying with policies and regulatory requirements. These channels include the website, social media, credit officers, contact center (3731500), virtual agent Sophi, among others.

In 2022, always striving for the best experience for our customers, the following indicators were achieved regarding the attention and resolution of inquiries and complaints:



## Risk Management

Comprehensive risk management is an integral part of the institutional strategy and decision-making process, with main goal of preventing economic losses and ensuring the institution’s stability over time.

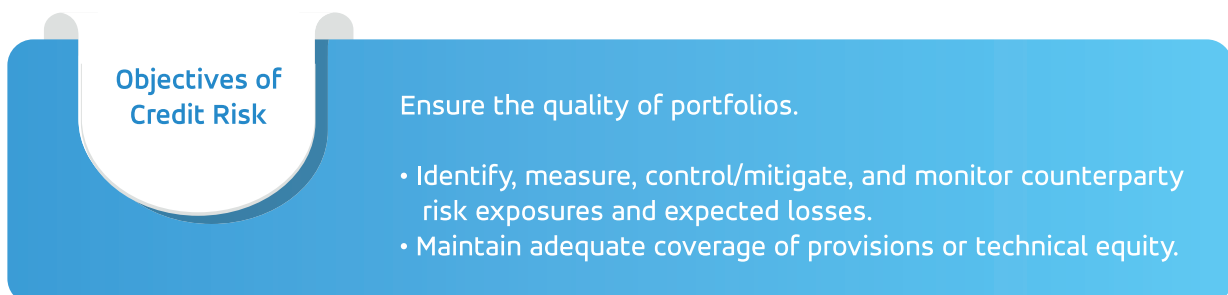
Banco del Pacífico has a Comprehensive Risk Department, an independent area separate from the commercial and operational areas, reporting directly to the Executive Presidency.

Banco del Pacífico also manages Credit Risk, Liquidity and Market Risk, Operational Risk, Technological Risk, Legal Risk, Environmental and Social Risk and risk models.

Banco del Pacífico has formal processes for comprehensive risk management, which allows for the identification, measurement, control/mitigation, and monitoring of risks.

### Credit Risk

It is the possibility of loss due to the borrower’s default on direct or indirect operations, leading to non-payment, partial payment, or untimely payment of the agreed obligations.



## Liquidity Risk

Liquidity risk is understood as the situation where the institution faces a shortage of funds to meet its obligations and, as a result, needs to obtain alternative resources or sell assets under unfavorable conditions. This may involve incurring high financial costs or a high discount rate, resulting in depreciation losses.

### Objectives of Liquidity Risk

Ensure reasonable levels of liquidity to efficiently meet obligations with the public and other financial liabilities that the institution incurs within the scope of its business, under various alternative scenarios.

## Market Risk

Market risk is the contingency of incurring losses due to fluctuations in the market price of a financial asset, resulting from positions held on and off the balance sheet.

### Objective

To safeguard the optimal financial performance of the bank.

## Operational Risk

It is the possibility of an event occurring that may generate economic losses to the institution.

### Objectives

- Achieving Business Objectives.
- Meeting productivity and efficiency standards in the delivery of products and services.
- Reducing costs.
- Having an appropriate work environment.
- Ensuring the institution's long-term stability.

## Technological Risk

Technological risk is the possibility of an adverse event occurring that threatens the organization's assets or causes harm..

### Objectives

- Identify threats, vulnerabilities, and consequences.
- Minimize economic losses.
- Have reliable, stable, and available information technology.



## Business Continuity

Is the ability of an institution to continue delivering its products and services in the event of a disruptive event.

Objectives

Ensure the continuity of operations and the resumption of critical sub-processes within acceptable time frames during a disruptive event.

## Environmental and Social Risk

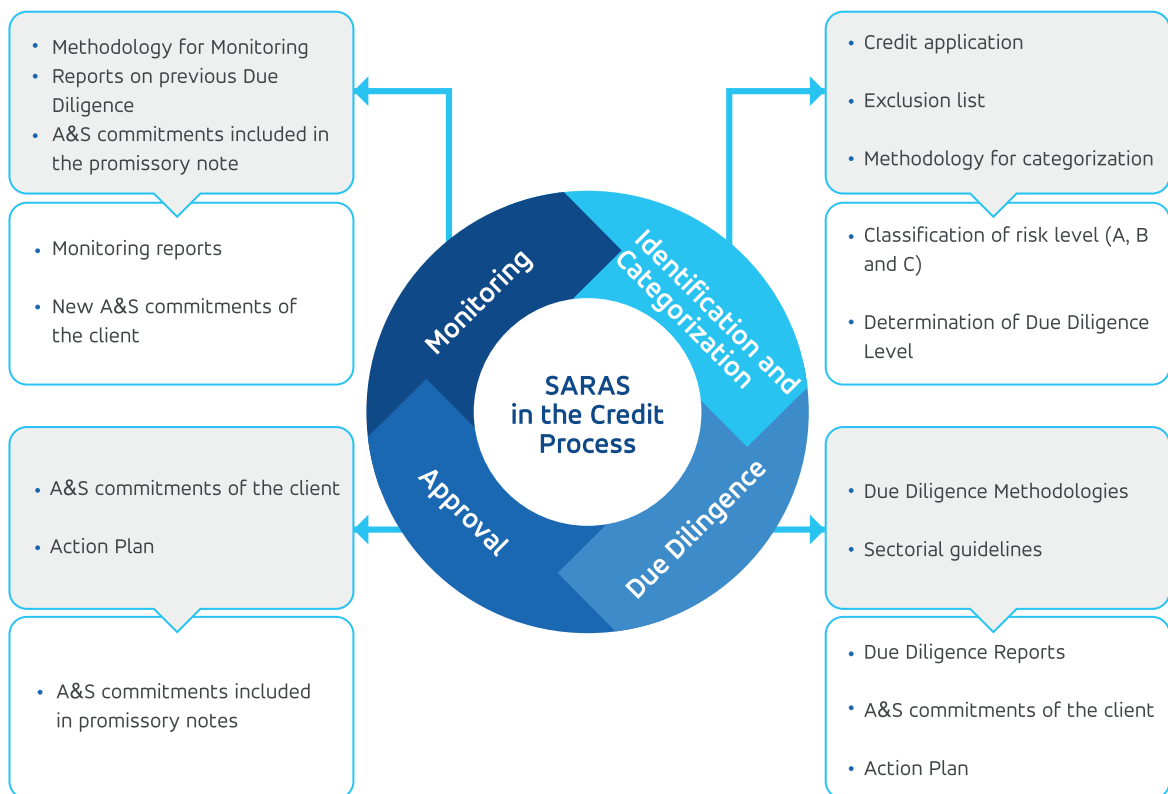
Environmental and Social Risk is the possibility of losses due to events or contingencies related to social and environmental issues concerning the development of projects and/or economic activities that may significantly impact the economic, social, or environmental system in which they operate.

Objectives

- Allocate financial resources responsibly, avoiding financing projects and/or activities that have a negative impact on society and the environment.
- Minimize the chances of the bank assuming costs transferred by these risks in the role of financiers.

### SARAS

The Environmental and Social Risk System (SARAS) is integrated into the credit placement process, which allows timely information to be provided to credit approval authorities regarding the positive and/or negative impacts generated by the projects and/or activities of the clients being financed. This contributes to making informed decisions.



## Bank security

In compliance with the regulatory authority, we continuously inform our customers about the security measures to be considered when conducting transactions through electronic channels or with payment cards.



### Physical Security:

In compliance with Resolution SB-2020-0551, we successfully renewed 100% of the security certifications for our branches nationwide, ensuring that we have secure offices that comply with the requirements of legal regulations.



### Security Governance

The Security Governance strategy is aimed at defining policies and procedures aligned with local regulations, the Organic Law on Personal Data Protection, and the standard for Payment Card Security. This is to implement essential security measures that reduce the risks of alteration, loss, unauthorized processing, or access to customer and employee information, ensuring its confidentiality, availability, and integrity.

At the same time, we promote a culture of security among the employees with the aim of instilling at all times the necessary principles and controls to ensure the proper management of information within the different business processes.



### Cybersecurity

We maintain and manage the implementation of general-level security mechanisms, emphasizing those required by regulatory authorities and applicable to transactions through electronic channels and payment cards.

We fulfill the objective of ensuring confidentiality, integrity, and availability in electronic channels and card transactions through continuous improvement to maintain implemented security controls based on international standards, best practices, regulations, and local laws. This makes us one of the most reliable institutions in terms of cybersecurity.



### Fraud Prevention

We implement fraud prevention strategies to timely and preventively detect fraudulent transactions, minimizing such events in the future and promptly addressing customer complaints. We comply with established international brand requirements and regulatory bodies, thus avoiding reputational damage and financial losses for customers.

During the year 2022, our Fraud Prevention team detected potential fraud amounting to USD \$11 million, with a total fraud value of USD \$1.2 million. Additionally, for credit and debit cards, potential fraud reached USD \$53 million, with a total fraud value of USD \$2 million. We attended a total of 3,285 customer complaints related to fraud cases.

At the bank, we have Artificial Intelligence-powered Fraud Franchise tools that fight transactional card fraud in real-time without impacting the customer. These tools have prevented significant losses for users, with a retained value of USD \$4.1 million during this year.

The main fraud monitoring tool, Sentinel NG, provides a comprehensive view of customer behavior, reducing financial losses caused by fraud, with a retained value of USD \$936 thousand.

Additionally, the institution utilizes a lost income recovery tool, which is a collaborative network between banks and merchants that enhances the cardholder experience by recovering fraudulent transactions and reducing operational costs.

Annually, we conduct the measurement of the management satisfaction index through technological platforms that allow us to obtain feedback from internal clients regarding the handling of physical security in the institution. This enables us to take corrective and timely actions to mitigate the risk.



**Physical Security and Transportation of Assets**

With the aim of guaranteeing the security of our clients, employees, visitors, and assets, Banco del Pacífico maintains a system comprising Electronic Security, Security Console, and Physical Security, as fundamental pillars for the prevention, mitigation, and correction of the risks to which the banking business is exposed. We keep personnel alert 24/7 to provide peace of mind to our stakeholders.



**Privacy of Customer Information**

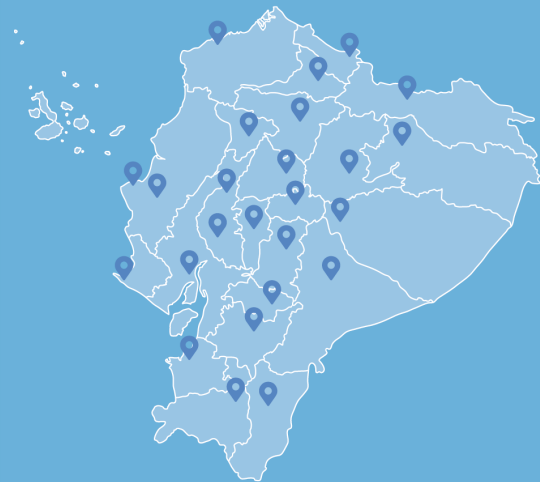
We have signed confidentiality agreements with suppliers to ensure the secrecy of confidential information of internal and external clients, as well as the information processed within the bank. In 2022, we did not experience any breaches resulting from violations of privacy or loss of customer data, leading to fines, non-monetary sanctions, or admonitions by regulatory authorities.

## Early Warning, Timely Response

In 2022, according to the statistical data from the National Police, there were 20 reported attacks on ATMs nationwide, with 8 attempted robberies directed at the bank. Thanks to the timely and coordinated actions between our Security Console, Physical Security Supervisors, and installed preventive Electronic Security measures on the ATMs, we successfully avoided a loss of USD \$687,520 for the bank.



There's one ATM for every 100.000 people.  
Population as of 2022: 17.888 million people



Source: Policía Nacional  
**33 events registered nationwide**





Banco del Pacífico

**CHAPTER**

**6**

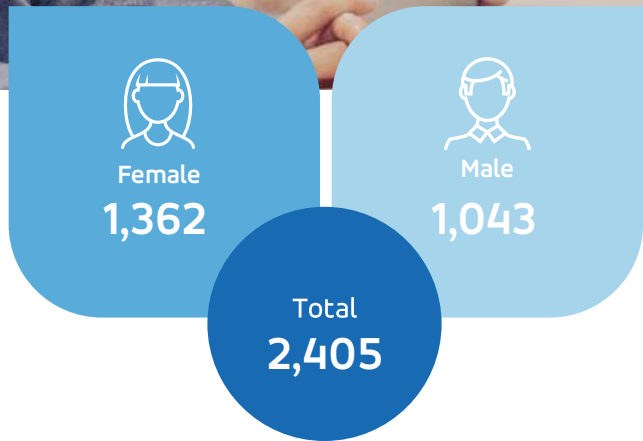
**OUR  
HUMAN TALENT**







## Our Work Team







Our employees are a fundamental pillar within the bank's growth, and to responsibly manage human talent, we ensure high health and safety standards for them, promoting their development, well-being, and enhancing their performance.









## Distribution of our workforce

Number of employees by hierarchical level and gender			
Category	Hierarchy		
Top Management	7	2	0
	6	7	6
Administrative	5	56	24
	4	56	39
Operative	3	496	360
	2	423	311
Subtotal	1	322	303
<b>Total</b>		<b>1,362</b>	<b>1,043</b>



Number of collaborators by age and region							
Age	18 a 30		31 a 50		+51		Total
Region							
Coast	334	269	503	374	59	75	1,614
Insular	7	1	13	3	1	2	27
Highlands	170	129	256	171	19	19	764
<b>Total</b>	<b>511</b>	<b>399</b>	<b>772</b>	<b>548</b>	<b>79</b>	<b>96</b>	<b>2,405</b>

## New hirings

Age	18 a 30		31 a 50		+51		Total
Region							
Coast	65	61	7	10	0	0	143
Insular	26	27	1	0	0	0	54
Highlands	0	2	0	0	0	0	2
<b>Total</b>	<b>91</b>	<b>90</b>	<b>8</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>199</b>

In the year 2022, our turnover rate decreased to 2.07% compared to the year 2021, where our average monthly turnover rate was 3.13%.

Overall Turnover								
Area	Total General December 2021	Total General December 2022	Difference	EM Factor	Income and Expenses	Accumulated Turnover	Incomes	Expenses
Turnover Rate	2,608	2,405	203	3810.5	612	24.81%	199	413
Average Monthly Turnover Rate						2.07%		

## Personal development

In Banco del Pacifico, the comprehensive and personal development of our employees is an essential factor in achieving our goals and forms part of the fundamental pillars of Sustainable Development (SDG) within our business scope.

## Training



At the bank, we prioritize the training and development of our employees from the moment they join the institution, through training sessions that strengthen their skills and knowledge. This practice sets us apart in our segment.

Since 2022, we have prioritized training as a tool to ensure the smooth functioning of the business. By continuously training our employees, we promote the achievement of set indicators, providing them with the necessary knowledge and skills to reach our goals, enhancing their abilities and knowledge. Only in this way can we effectively respond to overall management, external changes, and current demands.

During 2022, the bank provided training focused on the following topics:

- Business Programs
- Regulatory Programs
- Operational Programs

### Training hours and topics covered

Category	Hierarchy	Training Hours
Operative	1	7,199
Administrative	2	9,623
	3	12,568
Medium Management	4	1,157
	5	1,193
Top Management	6	103
Directives	7	13

## Compensation/Retribution

Our Remuneration Policy considers the rights and obligations specified in the Labor Code, IESS, SRI, Mandato Constitucional No.2, Decrees, and Official Records that apply to members of the Board of Directors and hierarchical levels of the organization.

To define the remuneration level for the employees in our bank, we use a job evaluation as a tool, considering internal and market equity. In the case of new positions, external benchmarks are consulted to determine the remuneration.

## Occupational well-being and quality of life

Our employees receive organizational benefits strategically designed to ensure their financial stability and access to important needs such as healthcare, housing, among others.



## Employee's Benefits



Category	Hierarchical level	Total	National Health Insurance	International Health Insurance	Life Insurance	Variable Compensation	Others	Other benefits
Operational	1	625	USD 28,000 coverage 100% monthly premium		USD 60,000 coverage 100% premium	3 Annual Salary		<b>Vacation bonus:</b> year income /24  <b>Food:</b> 80% cost of service subsidy (Head Office and Main Offices), daily USD 340 (Personal Agencies)  <b>IESS Personal Contribution,</b> Income tax: 100% subsidy
	2	734				2 Annual Salary		
Administrative	3	856	USD 20,000 coverage 100% monthly premium	USD 3,500.00 coverage 100% monthly premium	USD 150,000 coverage 100% monthly premium	1,5 Annual Salary	Parking and mobile phone	<b>Salary Advance:</b> with no interests for up to 3 salaries within 36 months.  <b>Advance payment of annual bonus:</b> 50% from junio.
	4	95						
Middle Management	5	80	USD 20,000 coverage 100% monthly premium	USD 3,500.00 coverage 100% monthly premium	USD 150,000 coverage 100% monthly premium	1,5 Annual Salary	Parking and mobile phone	<b>Salary Advance:</b> with no interests for up to 3 salaries within 36 months.  <b>Advance payment of annual bonus:</b> 50% from junio.
	6	13						
Top Management	6	13	USD 20,000 with no monthly premium	USD 3,500.00 with no monthly premium	USD 220,000 with no monthly premium 100%	1 Annual Salary	Parking and mobile phone	<b>Salary Advance:</b> with no interests for up to 3 salaries within 36 months.  <b>Advance payment of annual bonus:</b> 50% from junio.  Company-owned vehicle for company-related interactions
Directory	7	2						

Regarding the liabilities for Pension Funds and other obligations, as well as the provisions charged to results for Pension Funds, as of the closing of 2022, Banco del Pacífico has set aside US\$ 23.3 million for the employer’s retirement benefits for our employees, and an additional US\$ 3.6 million for severance payments.

## Employee Insurance

Employee Insurance			
Hierarchy Level	National Health Insurance	International Health Insurance	Life Insurance
1	Coverage of US\$ 28,000 with 100% monthly premium subsidy		Coverage US\$ 60,000
2			100% monthly premium subsidy
3			
4	Coverage of US\$ 28,000 with 100% monthly premium subsidy	Coverage US\$ 3,500,000.00 Monthly premium subsidy 100%	Coverage US\$ 90,000
5			100% monthly premium subsidy
6			Coverage US\$ 150,000
			100% monthly premium subsidy
7	Coverage US\$ 20,000 Without monthly premium subsidy	Coverage US\$ 3,500,000.00 Without monthly premium subsidy	Coverage US\$ 220,000 Without monthly premium subsidy

## Maternity / Paternity Benefits

Employees who took maternity/paternity leave			
Absenteeism			
Maternity leave	59	0	
Paternity leave	0	41	
<b>Total</b>	<b>59</b>	<b>41</b>	<b>100</b>





Employees who returned to work after finishing their leave			
Absenteeism			
Maternity leave	37	0	
Paternity leave	0	40	
<b>Total</b>	<b>37</b>	<b>40</b>	<b>77</b>

\* 62% of women returned to work after maternity leave, and 98% of men did the same

### Lactation rooms

We have 3 lactation rooms nationwide, located in the main buildings in Guayaquil, Quito, and Ibarra. During 2022, a total of 11 lactating female employees were identified who could use these rooms for 20 minutes every 2 hours, in compliance with current legal regulations.

### Lactation Talk

On September 22, 2022, we held a Lactation Talk for pregnant colleagues, lactating employees, and colleagues whose partners were in the lactation or pregnancy period. The event took place at the main building in Quito and was conducted by the Head Nurse of the Women’s Clinic, an expert in these matters.

### Daycare Services

Caring for the well-being of all our employees, the Bank offers nationwide daycare services to all female employees with children between 3 months and 11 months old. This benefit is fully covered by the institution, aiming to promote the participation of our women in the workforce while their children are cared for in daycare centers in partnership with our organization.

66 babies (sons and daughters) of employees attend the daycare centers.



We have daycare centers in the following agencies:

- Machala
- Loja
- Ambato
- Ibarra
- Santo Domingo
- Portoviejo
- Quito
- Cuenca
- Guayaquil









## Diversity and equal opportunities

In our Code of Ethics, we promote equal opportunities for professional development and focus on meeting the guidelines defined in our internal policy. We also aim for the inclusion of minority groups in our selection and internal promotion processes, prioritizing competency and aptitude profiles for the positions.

By encompassing a non-discriminatory approach, our internal normative body declares respect and value for individual's identities and differences. We forbid any act of harassment and discrimination based on race, creed, gender, age, abilities, sexual orientation, color, nationality, or any other political, ideological, social, or philosophical reason. Additionally, our Policy on Management, Hiring, and Rotation promotes inclusive and non-discriminatory practices towards individuals belonging to minority or vulnerable groups, such as pregnant or lactating women, Afro-Ecuadorians, indigenous people, among others, while respecting their cultures and traditions.



Employees belonging to a vulnerable group based on age, gender, and condition.							
Condition	18 a 30 years		31 a 50 years		+51 years		Total
							
Age					5	13	18
Pre-existing Conditions	10	6	46	26	7	15	110
Pregnancy	25	-	16	-	-	-	41
Maternity leave Absenteeism	3	-	3	-	-	-	6
People with disabilities	6	7	48	24	2	7	94
Lactancy	15	15	21	-	-	-	36
<b>Total</b>	<b>59</b>	<b>13</b>	<b>134</b>	<b>50</b>	<b>14</b>	<b>35</b>	<b>305</b>

## Employee’s safety

We guarantee the compliance with human rights in our operations, promoting respect for the dignity of our employees in line with our values and principles. We actively seek opportunities to positively impact the entire value chain while considering our various stakeholders. As an institution, we contribute to the promotion and respect of human rights by planning, designing, implementing, and evaluating our operations, processes, and strategic alliances.

Having a culture of prevention regarding discrimination is very important to us. Thus, in the months of August and September, we conducted training and talks on workplace harassment and violence prevention, as well as preventing harassment and violence against women, among others. These sessions had a high attendance rate of 97% (August) and 98% (September).

## Occupational safety and health



Our action plan for 2022 includes activities focused on occupational risk prevention, the well-being of our employees, and their interests. This plan includes operational controls to reduce the risk of exposure to SARS-CoV-2 and monkeypox, as well as the implementation of psychosocial risk programs to care for the mental and emotional health of our human talent.

In our Health and Occupational Safety Management System, the participation of our employees through the Central Committee, National Subcommittees, and the commitment of Senior Management are of utmost importance. With these tools, we implement measures to prevent injuries and health deterioration, ensuring the continuity of all our operations.

We have reinforced our Communication Plan through our institution's channels to strengthen preventive measures for controlling the risks identified in the HIRA (Hazard Identification and Risk Assessment).

During 2022, our Occupational Health area continued to monitor the health of our employees, conducting COVID-19 and Influenza vaccination management at different locations nationwide. In October of the same year, we conducted open health events where several topics were addressed, including HIV prevention, sexual and reproductive health, nutrition, and prevention of alcohol, tobacco, and other drug use.

Additionally, we have implemented a telemedicine service, specially designed for those employees who present respiratory symptoms.

Within the components of our health and safety management, we have:

#### **Policies**

Our bank has an organizational policy for security, health, and well-being, which provides a framework for establishing the objectives of the management system. This policy is signed by senior management and communicated to all stakeholders

#### **Commitments**

In this policy, six commitments are established, and among the main ones are: "Actively promote and ensure consultation and participation for all employees and the commitment of all areas to the Occupational Health and Well-being Management System," as well as "Implement a culture of well-being that reaches our stakeholders through the promotion of a healthy lifestyle and commitment to our community."

#### **Objectives and Goals**

Our Occupational Health and Safety Management System has an objective based on improving Financial profitability through cost/benefit in the implementation of the OHS management system.

#### **Responsibilities**

We are all responsible for the prevention of occupational risks, and the description of these responsibilities can be found in the Internal Regulation of Safety and Health, Job Function Manuals, Policies Manuals, and Procedures Manuals to manage the Occupational Health and Safety Management System.

#### **Resources**

In commitment number three of our Safety, Health, and Organizational Well-being Policy, it is established to "Provide the necessary resources to fulfill the objectives of the Management System." Additionally, the budget assigned for the Occupational Health and Safety management is monitored.

#### **Formal complaint and/or claim mechanisms**

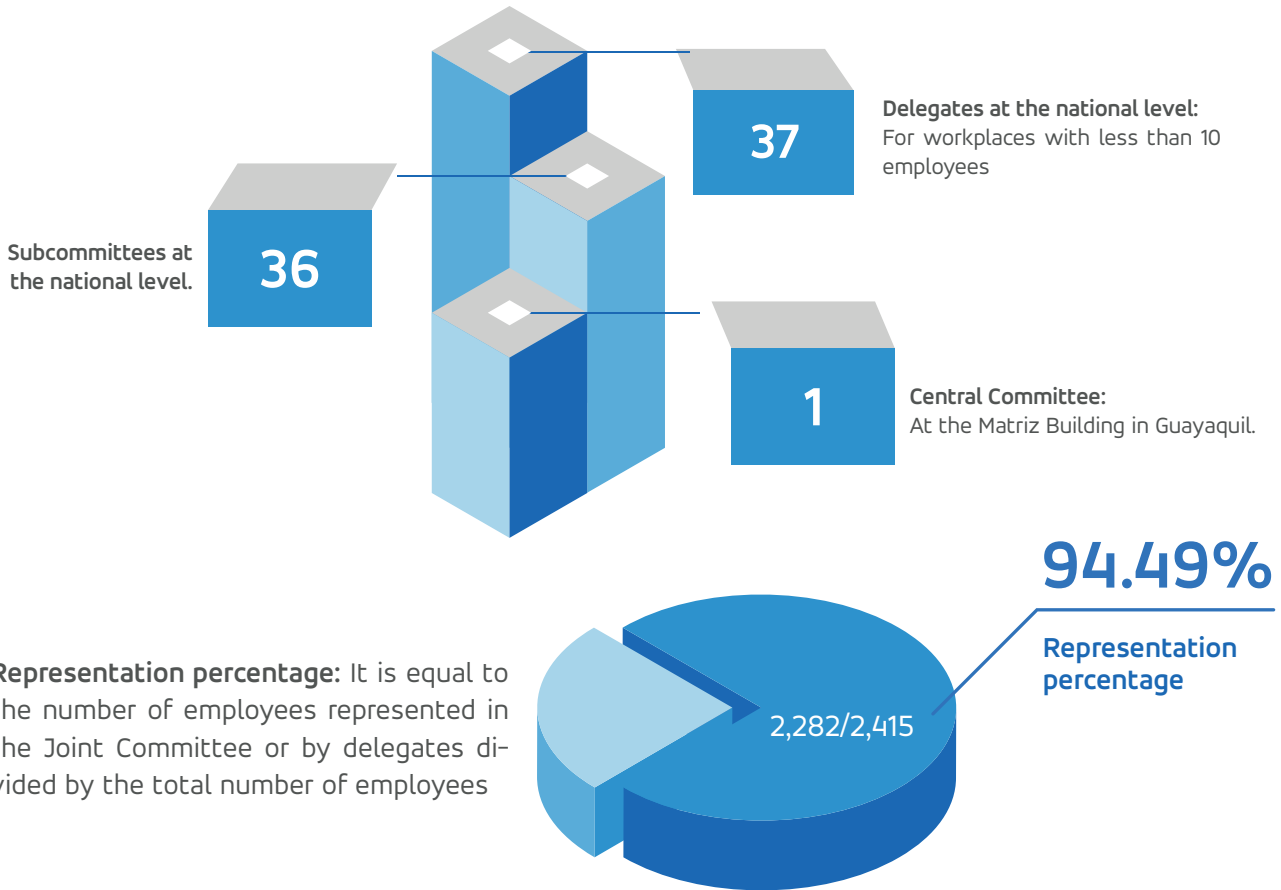
Within our management system, the participation of our employees is of utmost importance. They have spaces in the joint bodies and delegates for Occupational Health and Safety, as well as digital channels that allow us to communicate with our employees and external stakeholders.



**Specific actions, such as processes, projects, programs, and initiatives**

Were carried out based on the implementation phases of the Occupational Health and Safety Management System. During 2022, we kept our Management System aligned with the requirements of ISO 45001:2018, continuously improving all our processes.

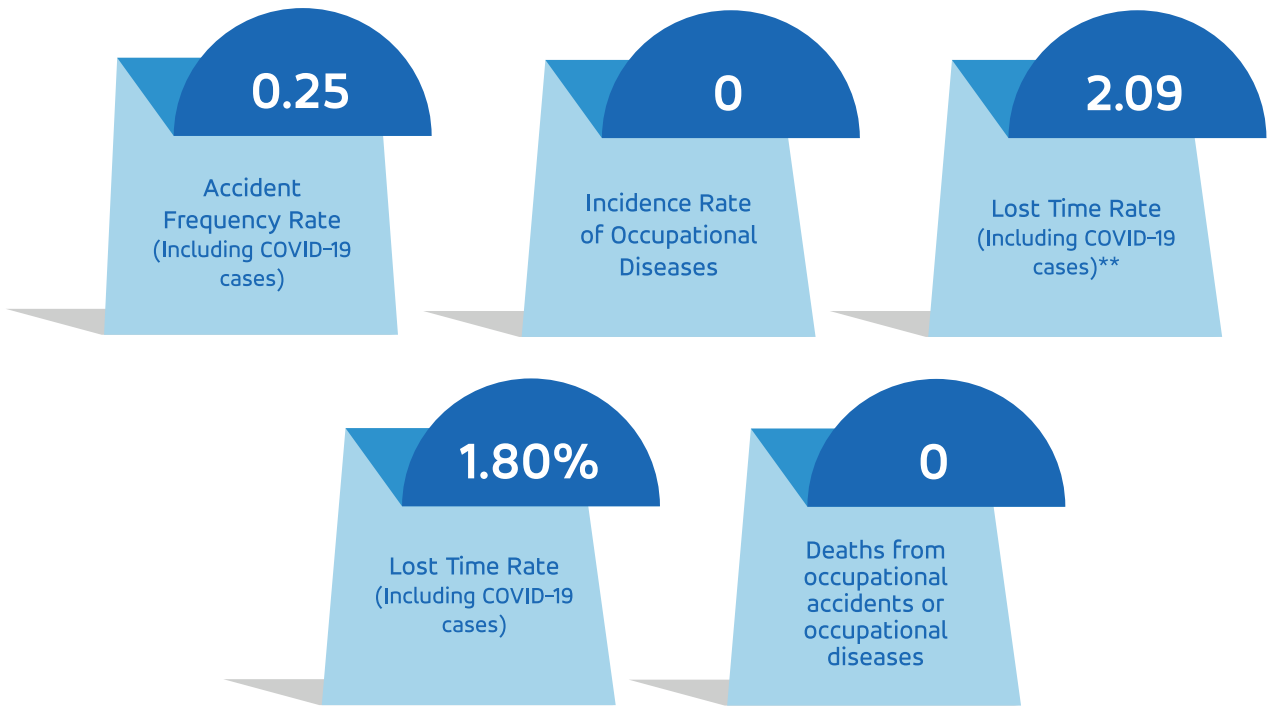
**Representation of workers in the Joint Committee for Safety and Health**



**Workplace health and safety**

Accident Statistics				
Type of Accident	On Duty	Commuting	COVID 19*	Total
By region				
Coast	3	4	1	14
Highland	3	3	1	
By gender:				
Male	2	1	0	14
Female	3	6	1	

\*Guide for the Medical and Technical Qualification of COVID-19 as a Work Accident under Occupational Hazards of Instituto Ecuatoriano de Seguridad Social (IESS).



\*\*Based on the identification of occupational hazards and risk assessment, our organization does not have job positions categorized under significant or intolerable risks.

## Actions focused on employees' health

### COVID-19 Communication Campaign

We carried out the following actions focused on health and prevention:

-  We updated our guideline for the action and management of COVID-19.
-  Periodic communication campaign.
-  5-minute talks and inspections of biosecurity measures.
-  Cleaning and disinfection of bank areas.
-  Epidemiological health surveillance.
-  Provision of personal protective equipment.
-  Vaccination management.
-  Weekly OSH (Occupational Safety and Health) Survey.

## COVID-19 and Influenza vaccination

We conducted vaccination campaigns against COVID-19 and Influenza in the months of May, June, and July at our branches and main buildings in the cities of Guayaquil and Quito.



## Health Open House

Our Occupational Health area conducted an open house in the month of October, where topics of preventive health were addressed under the slogan “Love yourself enough to lead a healthy lifestyle”



## Active Breaks Campaign

As part of our health risk prevention initiative, we continue promoting active breaks in our various agencies and branches, thereby implementing operational controls for ergonomic risks.





## Profile of the Sustainability Report

For the twelfth consecutive year, we present Banco del Pacífico's Sustainability Report. This statement has been prepared in accordance with GRI Standards, as well as ISO 26000 guidelines and Pacto Global Principles.

The document covers the institution's management for the year 2022 (from January 1st to December 31st) and includes the activities developed by the Financial Group in the country, as well as the commitments made to our various stakeholders.

This document has not undergone a specific verification process by an independent third party concerning the application of GRI standards. There are no re-expressions of information in this report.

## Contacts

Any communication regarding the 2022 Sustainability Report should be directed to Banco del Pacífico's Strategic Planning Management.

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## Credits

Preparation of the Sustainability Report: Strategic Planning Area

Photography: Hsiulin Wong, collaborator of the Human Resources Department of Banco del Pacífico

Design: Sheep Studio Creative



## GRI Context Index

<b>Statement of use</b>	Banco del Pacífico has reported the information cited in this GRI content index for the period from January 1 to December 31, 2022 with reference to the GRI Standards.
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### GRI 1: Fundamentals 2021

GRI Standards	Content	Page	SDG	Gobal Pact	Omission
<b>GRI 2: General Disclosures 2022</b>	<b>2-1</b> Organization details	9			
	<b>2-2</b> Entities included in the organization's sustainability reporting	30			
	<b>2-3</b> Reporting period, frequency and contact point	79			
	<b>2-4</b> Restatements of information	6			
	<b>2-5</b> External assurance	6			
	<b>2-6</b> Activities, value chain and othe business relationships	59, 44			
	<b>2-7</b> Employees	67	8		
	<b>2-9</b> Governance structure and composition	16, 26	16		
	<b>2-10</b> Nomination and selection of the highest governance body	16			
	<b>2-11</b> Chair of the highest governance body	17			
	<b>2-12</b> Role of the highest governance body in overseeing the management of impacts	16, 61	12		
	<b>2-13</b> Delegation of responsibility for managind impacts	16, 61			



GRI Standards	Content	Page	SDG	Global Pact	Omission
GRI 2: General Disclosures 2022	2-14 Role of the highest governance body in sustainability reporting	81			
	2-15 Conflicts of interest	23	16		
	2-16 Communication of critical concerns	24			
	2-17 Collective knowledge of the highest governance body	16		10	
	2-18 Evaluation of the performance of the highest governance body	17			
	2-22 Statement on sustainable development strategy	6			
	2-23 Policy commitments	25, 36		1, 2, 4, 6, 7, 10	
	2-24 Embedding policy commitments	25, 36		1, 2, 4, 6, 7, 10	
	2-25 Processes to remediate negative impacts	25		1, 2	
	2-26 Mechanisms for seeking advice and raising concerns	25		1, 2, 10	
	2-27 Compliance with laws and regulations	16	16		
	2-28 Membership associations	14		3	
	2-29 Approach to stakeholder engagement	37			
	2-30 Collective bargaining agreements	N/A			We do not have collective bargaining agreements.
GRI 3: Material Topics 2016	3-1 Process to determine material topics	40			
	3-2 List of material topics	40			
	3-3 Management of material topics	40			

GRI Standards	Content	Page	SDG	Global Pact	Omission
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	30	8		
	201-2 Financial implications and other risks and opportunities due to climate change	63	13	7	
	201-3 Defined benefit plan obligations and other retirement plans	69			
GRI 205: Anti- corruption 2016	205-1 Operations assessed for risks related to corruption	26		10	
	205-2 Communication and training about anti-corruption policies and procedures	26	16	10	
	205-3 Confirmed incidents of corruption and actions taken	25	16	10	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	48	8, 12	7, 8, 9	
	301-2 Recycled input materials used	48	8, 12		
	301-3 Reclaimed products and their packaging materials	49			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	51	7, 8, 12, 13	7, 8, 9	
	302-2 Energy consumption outside of the organization	49	7, 8, 12, 13	7, 8, 9	
	302-3 Energy intensity				
	302-4 Reduction of energy consumption	51	7, 8, 12, 13	7, 8, 9	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	50, 51	3, 12, 13 14, 15	7, 8, 9	
	305-2 Energy indirect (Scope 2) GHG emissions	50, 51	3, 12, 13 14, 15	7, 8, 9	
	305-5 Reduction of GHG emissions	50, 51	13, 14, 15	7, 8, 9	
GRI 306: Waste 2016	306-3 Waste generated	48, 49	3, 6, 12, 14, 15		
	306-4 Waste diverted from disposal	48, 49	3, 12		

GRI Standards	Content	Page	SDG	Global Pact	Omission
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	68	5, 8, 10	4, 5, 6	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	71	3, 5, 8	4, 5, 6	
	401-3 Parental leave	73	5, 8	4, 5, 6	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	74	8		
	403-2 Hazard identification, risk assessment, and incident investigation	74, 75	8		
	403-3 Occupational health services	74, 75	8	3	
	403-4 Worker participation, consultation, and communication on occupational health and safety	76	8, 16		
	403-5 Worker training on occupational health and safety	69	3		
	403-6 Promotion of worker health	77, 78	3		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	77, 78	3		
	403-8 Workers covered by an occupational health and safety management system	N/A			
	403-9 Work-related injuries	74	3, 8, 16		
	403-10 Work-related ill health	74			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	69	4, 5, 8, 10		
	404-2 Programs for upgrading employees skills and transition assistance programs	69	8		
	404-3 Percentage of employees receiving regular performance and career development reviews	N/A			

GRI Standards	Content	Page	SDG	Global Pact	Omission
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	74	5, 8	1, 2	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	44	5, 8, 16	2, 4, 5, 6	
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	60	12		
	417-2 Incidents of non-compliance concerning product and service information and labeling	60	6	10	No cases of non-compliance were detected.
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data				There were no substantiated claims related to violations of customer privacy or data loss.

### GRI Sectorial Standards Financial Sector

GRI Standards	Content	Page	SDG	Global Pact	Omission
FS2	Procedures for the assessment and control of social and environmental risks in business lines.	63			
FS3	Processes to monitor the implementation and compliance with environmental and social requirements included in agreements and transactions with clients.	63			



GRI Standards	Content	Page	ODS	Pacto Global	Omission
FS6	Percentage of the portfolio for each business line, broken down by regions, size (large, PYME, and microenterprise), and sector of activity.	33	9		
FS9	Coverage and frequency of audits to assess the implementation of environmental and social policies and risk assessment procedures.	63			
FS13	Access points by type in sparsely populated or economically disadvantaged areas	57			
FS14	Initiatives to improve access to financial services for disadvantaged individuals.	42			
FS16	Initiatives to enhance financial literacy and education based on beneficiary type.	45			