



BUILDING TOGETHER A  
BETTER FUTURE *for all*

# SUSTAINABILITY REPORT 2022



[www.ficohsasustentabilidad.com](http://www.ficohsasustentabilidad.com)



GRI Standards in accordance With ISO26000,  
SASB Standards, Indicate 2021, Global Compact.



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# About this Report

(GRI 2-1, 2-2, 2-3, 2-4)

At Ficohsa Financial Group (FFG, hereinafter), we continue to make progress with transparency and accountability to our different stakeholders, committed to continuing promoting the strengthening of responsible banking, which ensures the sustainability of the company, together with the loyalty and trust of customers, employees, suppliers, shareholders, and other stakeholders. This year we present our Sustainability Report 2022, which represents our thirteenth edition.

The information presented reports the main results obtained in the FFG during the fiscal year, which runs from January 1 to December 31, 2022, considering the financial results, and our environmental, social, and corporate governance performance (ESG). We continue to report our progress based on the 2021 materiality study, which defined the most important ESG aspects for the business. We also incorporate updated Global Reporting Initiative (GRI) standards and Sustainability Accounting Standards Board (SASB) financial sector standards.

The contents of this report have been validated in the first instance by the Corporate Social Responsibility Committee and Senior Management with the support of all the areas involved. In addition, we rely on external verification by an independent third party, responsible for recording the indicators present in this report through the verification letter.

To deepen the process of identification of material topics and external verification, see the corresponding annexes section.

## Key elements of the report, international sustainability standards



We present qualitative and quantitative data on our extra-financial performance, using the international standards of the Global Reporting Initiative (GRI), with special emphasis on general content related to our organization, activities, governance, strategy, and interest groups.



For the third consecutive year, we incorporate the Sustainability Accounting Standards Board (SASB), for the sectors: Commercial Banks, Consumer Finance, Asset Management Custody Activities, Mortgage Financing, Investment Banking, Stock Exchange, and Insurance. This methodology responds to investors' reporting requirements on ESG issues affecting the company's financial stability.



We report on the main contributions to the UN Sustainable Development Goals since our accession to the UN Global Compact in 2018.

**For the presentation of this report, we adopted the new updates for the Communication of Progress (COP) of the United Nations Global Compact.**

## How to identify the contents of this report:

At the beginning of each section and below the titles we refer to the contents of the GRI Standards and SASB metrics. Likewise, the material issues of our business are highlighted.

The annex section of this report lists the GRI and SASB standards and the SDGs and Global Compact Principles.

**At FFG, we keep an eye on the evolution of the reporting ecosystem for the adoption of International Financial Reporting Standards (IFRS) once published.**

# Figures Outstanding 2022

**E**

**29.64%**

increase in cases of credits assessed at a regional level through the Environmental and Social Risk Analysis System (ESRAS).

**15 projects**

of renewable energy financed to date.

**307,980**

pounds of paper generated in operations were responsibly recycled at the regional level.

**20.4%**

reduction of energy consumption of Ficohsa Honduras.

**4.4%**

reduction of the ecological footprint in Honduras.

**15,300 trees**

planted in buffer zones around La Tigra National Park in the city of Tegucigalpa and El Zapotal village in San Pedro Sula.

**G**

**50% members**

and 50% of external members make up the structure of the Board of Directors.

**99%**

of our employees trained with the Anti-Corruption and Bribery Management System (ABMS).

**100%**

of the members of the Boards of Directors in each country trained in the Environmental and Social Risk Analysis System (ESRAS).

**79%**

of suppliers are domestic.

**S**

**27% growth**

of Entrepreneur Banking's credit portfolio, we support the growth and development of small and medium companies.

**+4,500 Cajas Ficohsa**

in the 18 departments of the country promoting inclusive economic growth in the communities of Honduras.

**+700 women**

entrepreneurs of the Women Forward program trained in different areas to strengthen their skills and promote sustainable business transformation.

**5,470 employees**

regionally.

**57.4%**

Of our payroll are women.

**+100 communities**

beneficiaries of the Mi Tierra program in support of the agricultural sector, collaborating with small and medium farmers in Honduras.

**150,600 boys and girls**

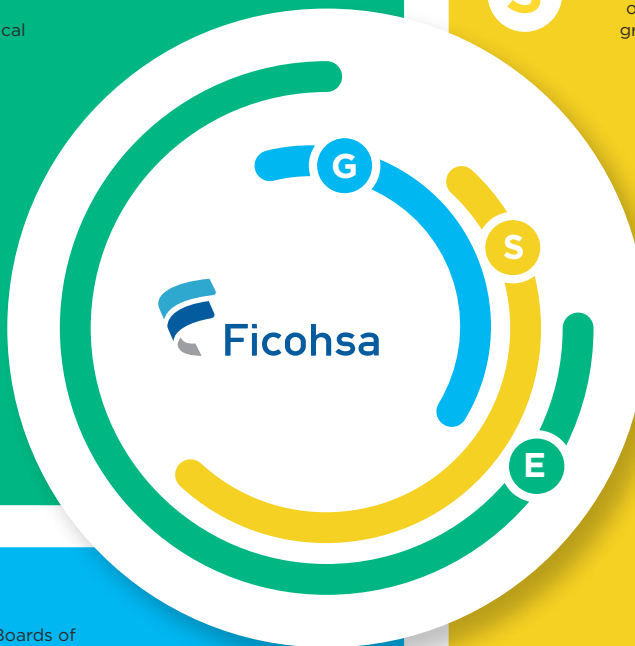
benefited through Ficohsa Foundation in 149 preschool centers served at a regional level.

**192 young people**

Hondurans benefited from Hondufuturo through educational grants to study at the best universities abroad.

**+8.6 million people**

reached through the regional financial education program.



# Recognitions 2022



## LATIN FINANCE MAGAZINE

Bank of the Year 2022 in Honduras



## BEST BANK AWARD

Recognizes Ficohsa as Best Bank of the Year 2022 in Honduras



## INVESTOR AWARDS 2022

Investor magazine awarded Ficohsa in two categories:

- Best Central American Banking Group 2022
- Best Digital Transformation Central America 2022



## FUNDAHRSE 2022

16 16 years recognized for driving sustainable development



## PANAMA 2022 CARBON FOOTPRINT INVENTORY

Identification, calculation, reporting, and verification of the Reduce your Corporate Footprint - Carbon





## Message from the President

Camilo Atala

In Ficohsa Financial Group we are focused on how to contribute to generating opportunities for people's well-being and therefore the relevance we give to having a Sustainability Model that addresses the needs of our employees and their families, clients, suppliers, and communities where we interact.

It is equally fundamental for us to take care of the environment and its surroundings since a successful company is one which protects nature to pass on to future generations.

The Central American region will continue with its growth trend for 2023 estimated at 3.2%, although lower than in 2022, impacted by the challenge of the global economy, we are sure that the enormous obstacles can be overcome with work, unity, and commitment.

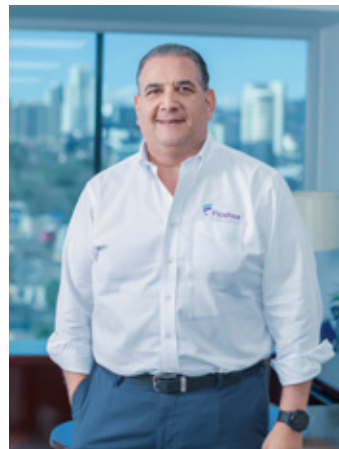
At Ficohsa Financial Group we work with transparency and integrity, two fundamental values that are part of our founding DNA, therefore presenting accountability to our various stakeholders with the Sustainability Report.

We want to be forgers of alliances that jointly allow the development of the Central American region, promoting a collaborative society, where one listens, so that the construction of the sustainability model allows us to grow as a team and company.

For us as a regional group, working together with our employees in the community is of special importance, because listening to them allows us to achieve great success together, even in difficult times like today.

It is our goal and it would be a source of pride that our sustainability work has a long-term vision, where our values of transparency and integrity, together with responsible, balanced, and transparent decision-making, as well as solid growth, make us a benchmark for the region's financial sector.

I want to thank in particular the thousands of employees of the Ficohsa Financial Group in the region, since they provided the means to make this Sustainability Memory possible, with the tens of thousands of hours that they have contributed and rewarded society.



## Message from the Vice-President

Luis Atala

It is enormously satisfying to share as an organization the Sustainability Report that includes all our actions, efforts, and achievements that we, at Grupo Financiero Ficohsa, made throughout the year.

Ficohsa Financial Group aligned its business objectives with sustainability goals and environmental, social, and governance criteria in order to adopt a model in line with global business trends.

The commitment was born with us, since the beginning of our foundation, and is accentuated when we decided to link these efforts to the Sustainable Development Goals (SDGs) of the 2030 Agenda and the principles of the Global Compact of the United Nations.

Through our Sustainability Pillars, we have created a culture of awareness and commitment among partners regarding the important role of the Ficohsa Financial Group in sustainability.

In that sense, sustainability is an extension of Corporate Social Responsibility, in which we work shoulder to shoulder with our stakeholders, where the Group's commitment is to generate economic, social, and environmental value in the communities where we operate, confirming the idea that working together builds well-being for all.

It is exciting to see when we impact the quality of life of Hondurans, as well as other countries where we operate as a group, as it allows our daily work to transcend a financial operation or an insurance or pension service.

As an organization we understand that times have changed and therefore we evolve, making sure to establish ourselves as a responsible and sustainable financial group with the environment and society of the communities where we operate.

Hence, we show our pride to act with a long-term vision of sustainability, with transparency and integrity, two values that identify our group, so that responsible, transparent, and balanced decisions are made, in order to continue growing solidly, becoming a reference for the Central American financial sector.



## Our Company

We promote sustainable development through inclusive, responsible, and transparent economic growth to continue it, generating the well-being of all in the region.



# 1 Profile and Context

## 1.1 Company Profile

(GRI 2-1, 2-2, 2-6, FS6)

### Purpose and Values

We are a regional financial group with 28 years in the financial market that provides quality products and services, with a permanent commitment to people, that materializes in the purpose of "Facilitate solutions that transform lives". We promote sustainable development through inclusive, responsible, transparent economic growth and management aligned with the criteria of Environment, Society, and Governance (ESG).

The Group's performance is based on principles and values, always betting on ethical, integral, and excellent management that supports our organizational culture, which provides confidence to our customers and other stakeholders.

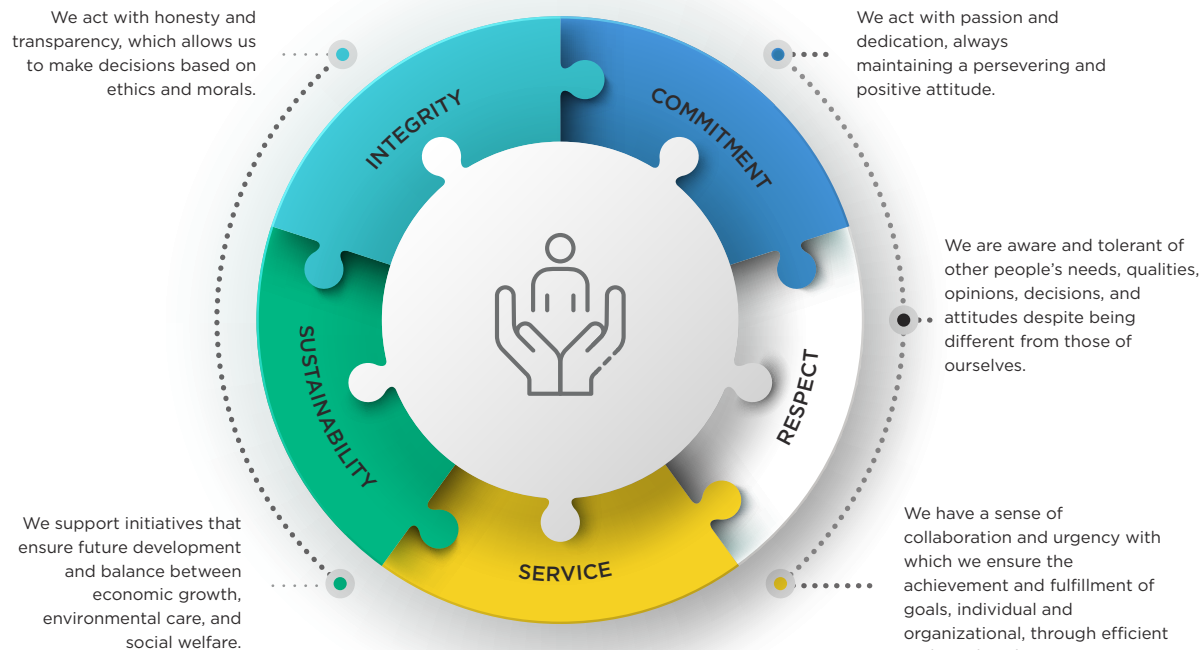
### Mission

Provide the most innovative financial products and services with high-quality standards and the best technology, provided by a qualified human resource; generating security and satisfaction in those who have given us their trust, always committed to being a socially responsible company.

### Vision

Ficohsa will be recognized as a solid and reliable group committed to the development of the countries where we are present, where our clients will find effective, agile, and innovative financial solutions.

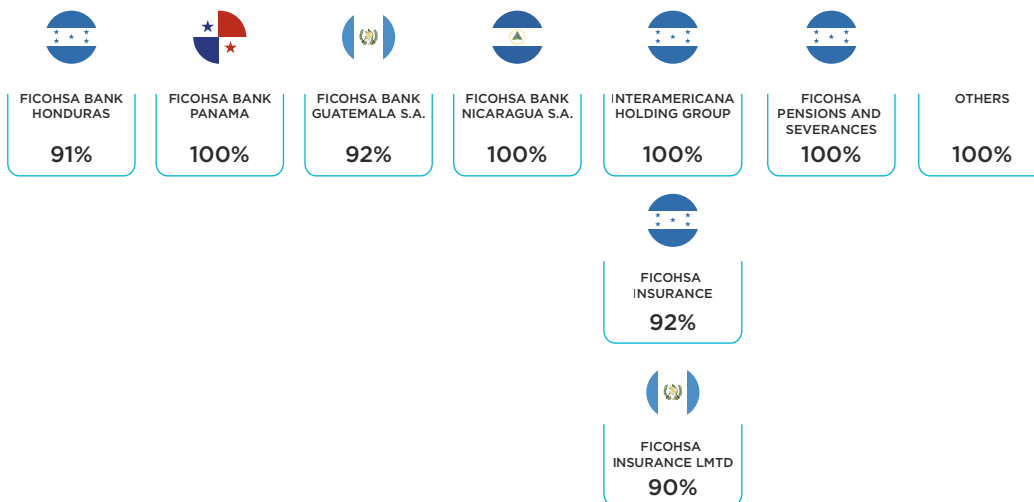
## Ficohsa Values





# Corporate Structure

FICOHSA FINANCIAL GROUP is a limited company with 100% Honduran capital. The registered office is in Panama City (Panama) and the Holding Company is in Tegucigalpa (Honduras). We have operations in both countries, as well as in Guatemala, Nicaragua, and the United States. We operate under an organizational structure led by Corporate Governance that promotes the efficiency and specialization of teams by service and country.



## 1.2 Context of the Sector

### Economic Context of the Region

During 2022 the world economy faced major challenges, one of which was a generalized slowdown and more pronounced than expected, with the highest inflation recorded in several decades. The Russian invasion of Ukraine and the persistence of the COVID-19 pandemic had a significant impact on prospects. World growth is forecast to decelerate from 6.0% in 2021 to 3.2% in 2022 and 2.7% in 2023.

According to the Economic Commission for Latin America and the Caribbean (ECLAC), it estimated that in 2022 the economies of Central America and the Dominican Republic (CADR) had a weighted growth of 4.5%, slightly lower than the 4.9% projected at the beginning of the year. According to these estimates, Honduras grew 3.5%, Guatemala 3.7%, Nicaragua 3.5%, and Panama 7.4% respectively.



### Progress in Sustainable Development

According to the report presented by the United Nations at the close of 2022, with the pandemic of COVID-19 in its third year and the war in Ukraine increased the food, energy, humanitarian, and refugee crisis, all this in the context of a climate emergency. This undoubtedly becomes a threat to the fulfillment of the 2030 Agenda for Sustainable Development.

The health and safety crises have led to a setback in the progress of the SDGs. Performance on SDG 1 (End poverty) and SDG 8 (Decent work and economic growth) remains below pre-pandemic levels in many low-income countries (SCIs) and low-middle-income countries (LMICs).

In June 2022, the Network of Solutions for Sustainable Development in partnership with the University of Cambridge published the Sustainable Development Report 2021, a document that year after year through an index of positions, publicizes the most significant advances that the regions and countries of the world have made to the Sustainable Development Goals (SDGs).

Despite the unfavorable economic and social context that exists at the regional and global level, LatAm maintains progress of sustained contribution, only below the economies of the European countries and members of the OECD (Organization for Economic Cooperation and Development).

As for the countries in which Ficohsa Financial Group has operations, Nicaragua is the country with the best ranking, ranking 92 out of 163 and with a compliance score of 67.1. Then the position and score for the other countries:

Panama:	Honduras:	Guatemala:
<b>105 (64.0)</b>	<b>112 (63.1)</b>	<b>117 (61.0)</b>

Finally, according to Sustainable Development Report 2022, it has identified eight investment priorities, areas that need major social transformations to achieve the Sustainable Development Goals (SDGs).



# Our Financial Services

Our products and services offer innovative financial solutions of the highest quality, according to the needs of both people and micro, small, medium, and large companies to achieve the loyalty and trust of our clients in the countries where we operate.



## Financial Services

Personal Banking  
Private Banking  
Mortgage Banking  
Corporate and Business Banking  
Entrepreneur Banking  
Ficohsa Express  
Mujeres Adelante  
Tengo/Cajas Ficohsa  
Trust



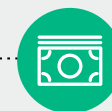
## Ficohsa Insurance

Individual Insurance  
Auto Insurance  
Damage Insurance



## Ficohsa Pensions and Severances




Pension Fund  
Business Fund  
Guaranteed Loan







## Ficohsa Brokerage



Purchase of Securities Values

# Business Detail

Type of business	Segment served	Sector/Activity	Products and services we offer	Countries we serve
<b>Personal Banking</b> 	<p>We are known for being an innovative bank, able to offer services according to the needs of individuals, through channels increasingly accessible.</p> <p>We serve:</p> <ul style="list-style-type: none"> <li>Banking + (= &gt;USD\$2.5M)</li> <li>Customer Remittance</li> <li>Client Payroll</li> <li>Mass Customer</li> </ul>	<ul style="list-style-type: none"> <li>Natural persons</li> <li>Employees of private or public enterprises</li> </ul>	<ul style="list-style-type: none"> <li>Accounts and deposits</li> <li>Remittances</li> <li>Savings accounts</li> <li>Checking accounts</li> <li>Credit and debit cards</li> <li>Loans</li> <li>Insurance banking</li> <li>Digital services (Mobile Banking, Interbanca, ESRM, FICOTICKET, Ficohsa App)</li> <li>Term deposit certificates</li> </ul>	Honduras, Guatemala, Nicaragua and Panama
<b>Private Banking</b> 	<p>Specially designed to offer integral financial solutions to our customers. To be part of this segment, you must have liabilities at Ficohsa Bank of USD\$5,000 - USD\$75,000 or its equivalent in lempiras and excellent credit behavior.</p>	<ul style="list-style-type: none"> <li>Natural persons</li> </ul>	<ul style="list-style-type: none"> <li>Savings accounts</li> <li>Deposit certificates</li> <li>Insurance</li> <li>Credit and debit cards</li> <li>Assigned financial adviser</li> <li>Checking accounts</li> <li>Loans</li> <li>Digital services</li> </ul>	Honduras, Guatemala, Nicaragua and Panama
<b>Mortgage Banking</b> 	<p>We provide the best housing financing options and facilitate access to decent housing for the population in the region.</p> <p>We serve:</p> <ul style="list-style-type: none"> <li>Natural persons</li> <li>Legal entities</li> </ul>	<ul style="list-style-type: none"> <li>Natural persons</li> <li>Legal entities</li> <li>Institutional clients</li> </ul>	<ul style="list-style-type: none"> <li>Housing Loans</li> <li>Contingent assets</li> </ul>	Honduras, Nicaragua and Panama

Type of business	Segment served	Sector/Activity	Products and services we offer	Countries we serve
<p><b>Corporate and Business Banking</b></p> 	<p>We are focused on providing financial support and advice to companies with sales <math>\geq</math> \$2.2 M, offering products and services developed specifically for this segment.</p> <p>We serve:</p> <ul style="list-style-type: none"> <li>• Large Corporate</li> <li>• Corporate</li> <li>• Business</li> <li>• Institutional</li> </ul>	<ul style="list-style-type: none"> <li>• Legal entities</li> <li>• Institutional clients</li> </ul>	<ul style="list-style-type: none"> <li>• Treasury (Savings and Checking accounts, Trusts, Investments, Cash Management)</li> <li>• Credit Solutions (Corporate and Business Credit, Factoring, Financial Leasing, Bank Guarantees)</li> <li>• Payment Solutions (Suppliers and/or Third Parties, Credit Cards, Checks Confirmed, Services, Taxes)</li> <li>• Collection Solutions (FicoPOS, Securities Collection, Corporate Tellers, Collections, Effective Payroll)</li> <li>• International Services (Foreign Exchange Buying and Selling, International Transfers, Sending SWIFT Statements, Factoring International/Local, Foreign Trade)</li> <li>• Integration Solutions (Host to Host, Swift to Host)</li> <li>• Digital Services</li> </ul>	<p>Honduras, Guatemala, Nicaragua and Panama</p>
<p><b>Entrepreneur Banking</b></p> 	<p>We have a wide portfolio of financial products and services for companies with annual sales of up to USD\$2.04M</p> <ul style="list-style-type: none"> <li>• Small and Medium-sized Enterprises (SMEs)</li> </ul>	<ul style="list-style-type: none"> <li>• Individual</li> <li>• Legal entities</li> </ul>	<ul style="list-style-type: none"> <li>• Savings and Checking Accounts</li> <li>• Savings Account Ficohsa Small Entrepreneur</li> <li>• Credit Card Entrepreneur</li> <li>• Credit Lines</li> <li>• Letters of Credit</li> <li>• Loans for Fixed Investments, Machinery, Vehicle Fleets.</li> <li>• Securities Collection</li> <li>• Payroll Payment/Suppliers</li> <li>• Tax Payment</li> <li>• International Transfers</li> <li>• Buying and Selling of Foreign Exchange</li> <li>• Collections</li> <li>• Ficocheque Confirmed</li> <li>• Programmed Savings</li> <li>• Ficointegra Software</li> <li>• Automatic Disbursement under credit Line through Interbanca</li> <li>• Medical Assistance Entrepreneur/Multiassistance Entrepreneur</li> <li>• Ficomall/Catracha Store</li> </ul>	<p>Honduras and Nicaragua</p>

Type of business	Segment served	Sector/Activity	Products and services we offer	Countries we serve
<p><b>Mujeres Adelante</b></p> 	<p>In 2022, we launched a value proposition aimed at the economic and personal improvement and welfare of women.</p> <p>We serve:</p> <ul style="list-style-type: none"> <li>• Small and Medium-sized Enterprises (SMEs)</li> <li>• Large Businesses</li> <li>• Independent Professionals</li> <li>• Executives</li> </ul>	<ul style="list-style-type: none"> <li>• Natural persons</li> <li>• Legal entities</li> </ul>	<ul style="list-style-type: none"> <li>• Savings Account Disfruta+</li> <li>• Consumer loan/ Consolidation of debts</li> <li>• Ficoauto</li> <li>• Mortgage loan</li> <li>• Entrepreneur banking</li> <li>• Acquisitions services</li> <li>• Pension fund</li> <li>• Insurance</li> <li>• Non-financial services (recognition, education, access to information, and networking spaces)</li> </ul>	<p>Honduras, Guatemala</p>
<p><b>Ficohsa Insurance</b></p> 	<p>In 2022 we celebrated 65 years of experience in the insurance sector, providing the best solutions and supporting both the personal and material well-being of people who trust us.</p> <p>We serve</p> <ul style="list-style-type: none"> <li>• Natural clients</li> <li>• Micro, Small and Medium-sized Enterprises (MSMEs)</li> <li>• Large Businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Natural persons</li> <li>• Legal entities</li> <li>• Institutional clients</li> </ul>	<p><b>PEOPLE INSURANCE</b></p> <ul style="list-style-type: none"> <li>• Medical Expenses Insurance</li> <li>• Life Insurance</li> <li>• Individual Insurance</li> <li>• Personal Accident Insurance (individual or collective)</li> </ul> <p><b>AUTO INSURANCE</b></p> <ul style="list-style-type: none"> <li>• Individual</li> <li>• Collective</li> <li>• Civil Liability</li> <li>• Bicycle Insurance</li> </ul> <p><b>DAMAGE INSURANCEÑOS</b></p> <ul style="list-style-type: none"> <li>• All fire and/or lightning risk Civil Liability</li> <li>• Maritime Hull</li> <li>• Aviation</li> <li>• Pet Insurance</li> </ul>	<p>Honduras, Guatemala</p>

Type of business	Segment served	Sector/Activity	Products and services we offer	Countries we serve
<p><b>Ficohsa Brokerage House</b></p> 	<p>A member of FFG, it has been active in the Honduran stock market since 1993.</p> <p>We serve:</p> <ul style="list-style-type: none"> <li>• Large Businesses</li> <li>• Legal Clients</li> </ul>	<ul style="list-style-type: none"> <li>• Legal Entities</li> <li>• Institutional Clients</li> </ul>	<ul style="list-style-type: none"> <li>• Advise and intermediation in the purchase of securities (primary and secondary markets)</li> <li>• Subscription of Emissions</li> <li>• Design, structuring and Registration of Emissions</li> </ul>	<p>Honduras</p>
<p><b>Ficohsa Pensions and Severances</b></p> 	<p>We started operations in 2015 with the purpose of promoting a culture of savings for retirement that helps ensure a better quality of life.</p> <p>We serve:</p> <ul style="list-style-type: none"> <li>• Natural Clients</li> <li>• Legal Clients</li> </ul>	<ul style="list-style-type: none"> <li>• Natural persons</li> <li>• Legal entities</li> <li>• Institutional Clients</li> </ul>	<ul style="list-style-type: none"> <li>• Individual Pension Fund</li> <li>• Business Pension Fund</li> <li>• Integral Protection Plan</li> <li>• Business Layoff</li> <li>• Loans with Guarantee</li> <li>• Credit Card Futura</li> </ul>	<p>Honduras</p>

# Strategic Response to Banking Trends

Banking Trend	Response from Ficohsa Financial Group
<p><b>Digitalization of processes and remote attention</b></p>	<p>Digital transformation through technology implementation is our way of making a difference in the financial sector, providing the best solutions for our customers.</p> <p>Interbanca: It is a safe and effective online banking system where you can make transactions and queries in your account, 24/7, completely free. During 2022 our clients made more than 50 million queries and 10 million monetary transactions through this channel. We had annual growth in transactions greater than 15%.</p> <p>Mobile App: It is a mobile banking system available for both iOS and Android where users can perform the same functions as in Interbanca regardless of where they are. We currently have more than 100,000 users.</p> <p>ESRM: It is a virtual personal banking assistant, which allows our clients to obtain personal banking information directly. Today it even allows you to collect remittances directly.</p> <p>During 2022 our clients made more than 35 million queries and more than 3.5 million monetary transactions.</p>
<p><b>Digital means of payment</b></p>	<p>We have developed specific solutions that facilitate transactions and payments for our customers such as the TENGO e-wallet, an app that is also designed to accelerate the digitization of small businesses and encourage their financial inclusion. In 2022 it expanded its physical network of correspondent agents at the national level growing +25% in coverage.</p>
<p><b>Cybersecurity</b></p>	<p>With the creation of new digital channels and the growing rise of crimes related to the theft of sensitive information and fraud, we are constantly updating our internal security levels, always aligned with international best practices.</p> <p>We constantly train both our staff and our clients, fostering a culture of Information Security.</p>
<p><b>Customization based on Client data</b></p>	<p>Aligned to our security management system, we make use of the information following our values and reciprocity before the trust that our customers give us. We have different mechanisms that allow us to avoid abusive commercial practices or invasive and unnecessary communication.</p> <p>The use of this information allows us, mainly, to detect specific needs and develop attractive products that provide added value for the customer.</p>



Banking Trend	Response from Ficohsa Financial Group
<b>Diversification of the commercial portfolio</b>	<p>We have a wide portfolio of clients who, in turn, represent various economic sectors. Aware of this, we have teams of specialized employees by sector, whom we develop and keep in constant training to make solid assessments that allow us to reduce risks when granting credits and financing.</p>
<b>Credit assessment with environmental and social criteria</b>	<p>Through our Environmental and Social Risk Analysis System (ESRAS), we evaluate the credit we grant considering the environmental and social performance of our commercial clients. At the same time, we encourage and support their training for the adoption of sustainable best practices.</p>
<b>Financial inclusion</b>	<p>We continue to advance financial inclusion for specific sectors in the region, such as Entrepreneur Banking and Caja Ficohsa during 2022 the Mujeres Adelane program was launched, which promotes the economic growth of women. This initiative is part of the strategy of equality and inclusion becoming the gateway to the financial system in a reliable and transparent way for many professional women, entrepreneurs, and heads of household. Initiatives were also implemented for the young people banking from vulnerable areas in Honduras.</p>



# 2 Corporate Governance

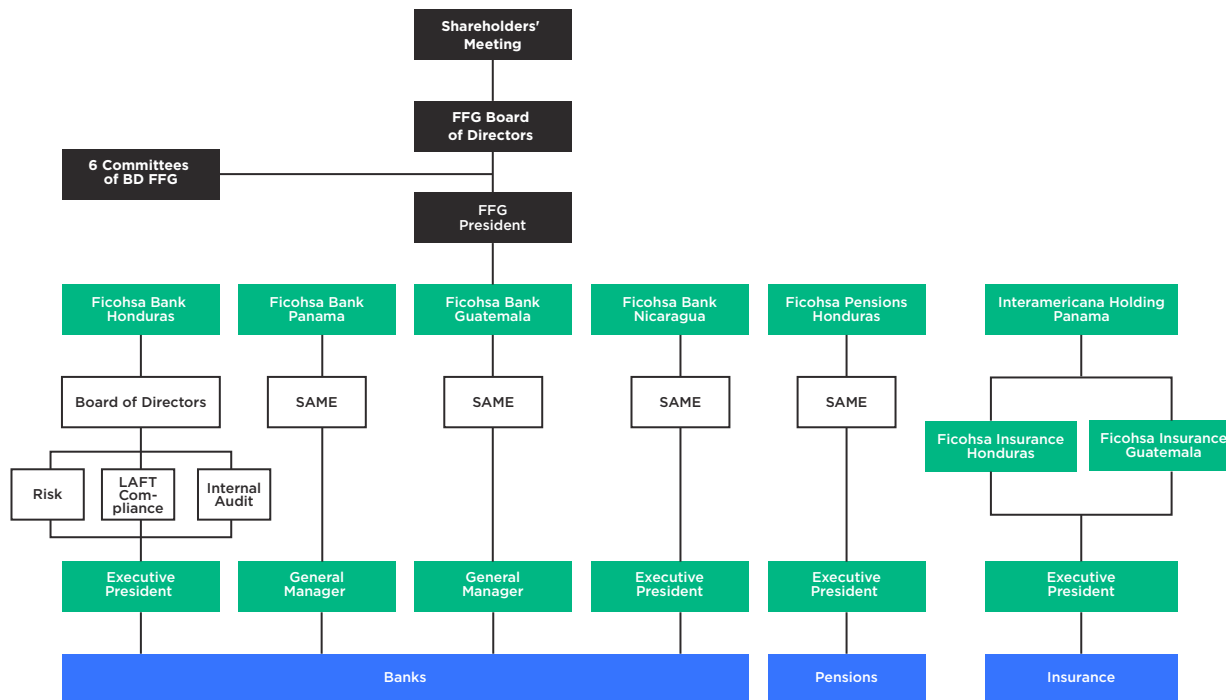
(GRI 2-8, 2-9, 2-10, 2-11, 2-12, 2-13, 2-15, 2-17, 2-18, 3-3)

We are aware that the basis to promote sustainable economic development to achieve the well-being of all is corporate governance with a vision to generate a positive impact with the operation, working hand in hand with our stakeholders in relation to their expectations and needs, as a focal point for our business. And also, promoting the well-being and health of employees and a good client experience, driving the growth of our value chain and positively impacting the communities where we have a presence.

## Competencies and Guidelines for Corporate Governance

- Long-term development and growth on firm sustainable foundations.
- Respect for the requirements imposed on the legal framework.
- Fulfillment of commitments to different stakeholders.
- Observance of ethical duties.

## Corporate Governance Structure in FFG



The Shareholders' General Assembly is the supreme and sovereign body of FFG and brings together the holders of our securities in a collegiate manner, articulating their right to intervene in decision-making. It is responsible for approving the financial statements, the destination of profits and the payment of dividends. Appoints the external auditor and approves or ratifies certain strategic or extraordinary operations.

The sessions of the Assemblies may be ordinary or extraordinary. In the case of ordinary cases, the first must be convened within 120 calendar days after the close of the fiscal year.

The Shareholders' General Assembly meets at least once a year in an ordinary manner, with the possibility of extraordinary sessions as determined by the Board of Directors. They are developed as determined by the Social Pact in compliance with the applicable law.



**In 2022 we had 100% attendance of the members of the Assembly in the ordinary sessions held.**

## On the Board of Directors

Followed by the Shareholders' Meeting, the Board of Directors is the highest body responsible for the management of the Group. Its functions include establishing the corporate strategy and authorizing the annual budget, as well as approving and enforcing internal policies and procedures, including the operation of internal control systems.

The President ensures that the Board of Directors efficiently sets and implements the strategic direction and drives FFG's governance action, including acting as a liaison between shareholders and the Board. He chairs not only the Board of Directors but also the Shareholders' General Assembly and directs the debates and represents FFG among other functions.

The Secretary of the Board of Directors assists the President in the preparation of the agenda of the meetings, as well as coordinates the preparation and distribution among the Directors of documentation associated with the agenda items, also prepares the Minutes of the meetings of the General Meeting of Shareholders, Board of Directors of FFG and its Committees among other assigned functions.

**We have Boards of Directors for each subsidiary according to the regulations of each country.**

## On the appointment and evaluation of the Board members

For their appointment, both the Shareholders' Assemblies and Boards of Directors have the power to propose to their candidates, supported by the Corporate Governance Committee charged with evaluating, according to the needs of the business, the competencies and knowledge of these.

Directors should therefore have a professional profile with extensive experience in positions in the banking industry and knowledge of the trends to which the sector is headed.

Their participation may be for periods of

**2-3**

years with the option of re-election without limitations.

## Internal or Executive Directors:

Those professionally linked and remunerated by the companies of the Group; may be shareholders.

## External Assets Directors:

Shareowners and not working in the Group's companies.

## External Independent Directors:

Those whose relation to Ficohsa Financial Group is solely and exclusively as a member of the Board of Directors.

The remuneration of the Board of Directors and its committees is the responsibility of the General Shareholders' Meeting, which consists of monthly set attendance fees. We present the composition of the Board of Directors of FFG and the Support Committees, reelected in the Ordinary Assembly of 2022; the average seniority of its members in the function of Directors is 10 years.

### Points of reference according to represented position

	Audit and Regulatory Compliance Committee	Risk Committee	Nomination and Compensation Committee	LA-FT Compliance Committee	Financial Committee	Corporate Governance Committee
Camilo Atala F.	P				PR	
Luis Atala F.	VP				PR	
Jorge Faraj F.						
Juan Atala F.			PR			PR
Diana Asfura M.						
José Alejandro Piedrahita		P			PI	PI
Juan José Daboub A.			PI			P
Richard Aitkenhead C.				PI	PI	
Bruce M. Burdett	PI		P	PI		
Agustín Gutiérrez		PI				

**Five independent directors compose the FFG Board of Directors**

P President     
 VP Vice-President     
 PI Proprietary Independent     
 PR Proprietary Related

FFG Board members that are members of the Board's committees.

## Of the Functions of the Committee

The Board is supported by a series of Steering Committees, with support, study, and proposal functions. It is the Board itself that establishes the members of the committees according to their professional training, integrity, competencies, and experience. They are represented by Directors with experience according to the functions and objectives of each of these instances.



### Ficohsa Financial Group Board Committees

FFG Committees	Description	Members	Position
<b>Audit and Regulatory Compliance Committee</b>	Responsible for assisting the Board in the performance of its supervision responsibilities in internal control systems, internal and external audit services, compliance, conflicts of interest, and operation with related parties.	Colin Dore Veater Walter Nico Klaas Gerardus Pijl Bruce Malcolm Burdett	President Member Member
<b>Risk Management Committee</b>	Serves as support to the Board of Directors in monitoring potential risks to the business. It is responsible for overseeing the integrity and adequacy of the risk management function of FFG and Member Companies. In this regard, the planning and implementation of the strategy rests fully with the members of Senior Management.	José Alejandro Piedrahita Tello Javier Eduardo Atala Faraj Agustín Gutierrez	President Member Member
<b>Nomination and Compensation Committee</b>	Supports the Board of Directors in defining and organizing the development of the Group's human talent, as well as reviewing and proposing remuneration structures for Group officials and providing a planned succession or replacement of the Executive President and other members of Senior Management.	Bruce Malcolm Burdett José Leonel Giannini Kafie Juan Carlos Atala Faraj Juan José Daboub Abdala	President Member Member Member

FFG Committees	Description	Members	Position
<b>LA-FT Compliance Committee</b>	Its function is to assist the Board of Directors in managing the compliance system aimed at preventing and identifying crimes related to money laundering, terrorist financing and anti-corruption. Together with the Corporate Compliance Unit, ensures the implementation and effectiveness of the different prevention programs existing in the Group.	Colin Dore Veater Walter Nico Klaas Gerardus Pijl Bruce Malcolm Burdett	President Member Member
<b>Financial Committee</b>	Advises the FFG Board of Directors to maintain a coordinated financial policy regarding the investment and financing structure of the Group in accordance with its strategic plan.	Camilo Alejandro Atala Faraj Luis Alberto Atala Faraj Javier Eduardo Atala Faraj Richard Aitkenhead Castillo José Alejandro Piedrahita Tello Humberto Sangiovanni José Arturo Alvarado Cortés Colin Dore Veater Walter	President Member Member Member Member Member Guest Corporate Secretary
<b>Corporate Governance Committee</b>	It supports the FFG Board of Directors in the periodic evaluation of compliance with the Corporate Governance practices included in the Bylaws, Regulations, and Code of Governance. In turn, it evaluates the experience of the members of the Board of Directors, Committees, and Member Companies. Similarly, it is responsible for reviewing and approving the Annual Corporate Governance Report.	Juan José Daboub Abdala Juan Carlos Atala Faraj José Alejandro Piedrahita Tello	President Member Member

The structure of Committees of the Board of Directors of FFG is organized in a staggered manner in the following two levels or components:

1. Committees of the Board of Directors of Ficohsa Financial Group, S.A.
2. Country Committees for Audit, Risk and LA-FT areas.

Under this scheme, the structure of Board of Directors Committees always originates in the Board of Directors of the parent, Ficohsa Financial Group, S.A. and for some specific areas, such as Audit, Risks, and LA-FT, descends at the country level.

# 3 Risk Management

(GRI 2-12; 2-13; 2-15, 201-2) (SASB FN-IN-450a.1; FN-IN-450a.2; FN-MF-450a.3)

We have a regional Risk Committee and local committees by country.

The Board is responsible for ensuring an adequate environment for risk management, as well as for fostering an internal environment that facilitates its development.

It is responsible for overseeing the implementation of the relevant prevention, control, and response activities, always supported by the Regional Risk Committee, as well as by the local committees of the countries. It is the responsibility of the Senior Management to plan and monitor risks through specialized teams by subsidiary and country.

The Board reviews and updates the risk and performance matrix quarterly, by categories.

For its part, the Chairman of the Risk Committee, together with the subsidiary's team, are responsible for analyzing and providing the necessary measures that mitigate a latent or present risk.

## Model 3 Defense Lines



## Risk Identification and Management Process in FFG

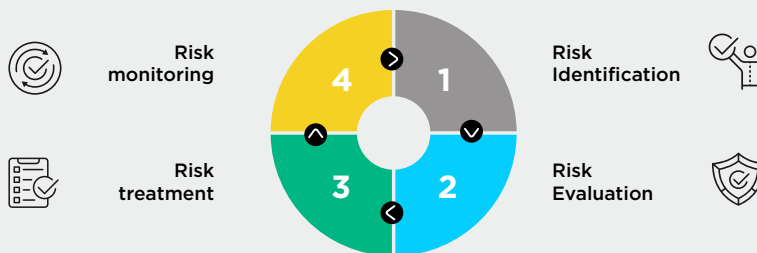


1 Risk indicators outside the range are identified.

2 Identification of out-of-range risk indicators

3 The Board of Directors delegates to the Risk Committee Chairman and his team the approach of response measures to mitigate the manifested risks.

## Operation Risk management methodology



### 3.1 Main Risks Identified by FFG:

Risks	Description	Reference Page
Cyber-security	Risks related to technological information and infrastructure, including information security. We constantly generate campaigns, both internally and externally, sending approximately 47 thousand monthly emails internally and 528 thousand externally, to generate awareness on these issues.	50
Personal Data	Risk of vulnerability in the security or misuse of data that are generated and/or shared by customers; also, of the information available from employees. Given the identification and mitigation of this risk, no case of information exposure was reported during 2022.	57
Climate Change	Risks due to physical impacts of climate change on Group assets, which affect operational continuity and/or business results. Includes the consequences of the occurrence of risks, acute physical (storms or floods) or chronic (changes in rainfall patterns that cause water problems) among others. This is the case, for example, of the possible effects on the insurance business.	24

Corruption	Risk of bribery, fraud, and money laundering among others that violate the honesty and transparency of employees, and compromise the company's assets. 99% of our employees were trained in anti-corruption and bribery issues during 2022, and 100% of our contracts have clauses related to these issues.	31, 32 y 33
Financial	Credit, liquidity and market risks associated with our activity in the financial sector: <b>Credit:</b> non-payment of customers, delinquency. <b>Liquidity:</b> a shortage of funds to meet our obligations as a financial institution. <b>Market:</b> decrease in the value of the loan and investment portfolio due to changes in the variables that determine it (e.g., interest rate).	82
Social and Environmental Credit Risks	Credits are subject to an environmental and social risk assessment of the corporate, business, and high-risk sectors of Entrepreneur Banking (SME) portfolio. To mitigate these risks, since 2009 we implemented the Environmental and Social Risk Analysis System (ESRAS).	38 y 39

### 3.2 Climate Change Risks

For second consecutive year, we have conducted a climate change risk identification exercise under the nomenclature of Task Force on Climate-related Financial Disclosures (TCFD). As a financial institution, we are exposed to climate risks and opportunities directly, through our operations and the use of natural resources and indirectly, through financial intermediation activities with borrowers, clients, and counterparties.



**Transition risks:** The transition to a low-carbon economy can entail major political, legal technological and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed and approach of these changes, transition risks can pose financial and reputational risks at different levels for the organizations.

**Physical risks:** Physical risks from climate change can lead to (acute)events or long-term (chronic) changes in climate patterns. They may have financial implications for organizations such as direct damage to assets or indirect impacts from production chain disruptions.

## Transition risks identified in FFG:

Risk Subtype	Risk associated with climate change	Description
Legal and regulatory	Pricing of GHG emissions.	Probability of financial risk for FFG's industrial customers, which would directly affect their liquidity by having to invest in emissions neutralization investments resulting from regulatory changes.
	Increase in monitoring and control obligations.	Increase in trained personnel in the environmental area and financial resources for the study and monitoring of the bank's clients regarding their level of compliance with environmental requirements. (ESRAS).
	Risk of claims against third parties.	Possible environmental demands addressed to FFG's clients, which could have an impact on clients' loss of solvency by impacting their relationship with FFG.
Technological	Replacement of existing products and services with low/emission options.	FFG customers who are positioned in sectors that are overtaken by clean technologies and low emissions could lose competitiveness, affecting their financial projection.
	Costs for the transition to low-emission technology.	Investment in the refurbishment and adaptation of FFG buildings including cleaner and innovative technology. Investment required by customers to stay ahead and change their production models, reducing their environmental impact, can have a significant economic impact if not done with caution so as not to affect their profitability.
Market	Changes in trends (market), financial agents' and consumers' preferences.	Increasing evolution of ESG requirements by capital providers, such as multilateral banks and institutional investors.
	Increased cost of raw materials.	Abrupt changes in commodity prices that affect customers' productivity and liquidity.
	Financial risks.	Risk of a significant increase in the cost of financing for customers with higher exposure to climate risks so as to affect their solvency, making it more difficult for them to meet their credit commitments.
Reputation	Change in clients' preferences.	Potential loss of customers due to increased customer demand for FFG to meet climate change commitments and sustainability criteria.

## Physical Risks identified in FFG

Risk Subtype	Risk associated with climate change	Description
Acute risks	Increase in severe extreme weather events such as cyclones and floods.	Direct losses due to damage to assets (FFG and customers). Increased cost of insurance. Reduction of economic income and damage to infrastructure for customers due to these phenomena.
Chronic risks	Changes in precipitation patterns and extreme variability in climate patterns.	Loss of value of clients' assets (guarantees) because they are in areas with water supply problems (desertification). Increase in customers' operating costs (investments in agriculture). Impact on the agribusiness sector, an important sector for FFG. Lower production of renewables (hydro and wind).
	Increase in average temperature.	Population movements that can lead to depression in certain areas accompanied by loss of business.
	Rising sea levels.	Threats to customers' assets that can result in loss of profits and solvency.



# 4 Sustainability Strategy

## 4.1 Model of Social Responsibility

(GRI 2-22, 2-30)

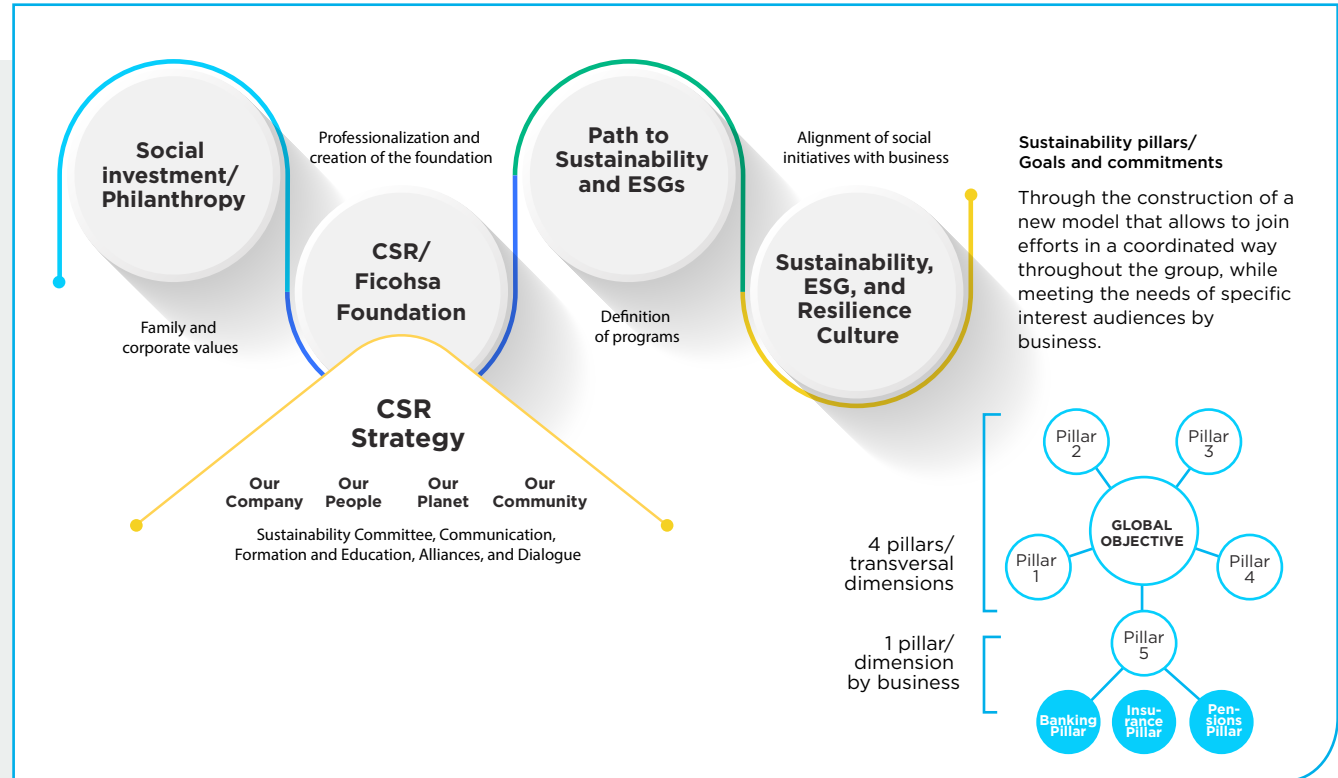
With a work history of more than 24 years promoting social investment through quality comprehensive education in the Central American region. We are firmly convinced that investing in education is driving development.

At FFG, we continue to evolve over the years from Corporate Social Responsibility (CSR) to sustainability and resilience, working hand in hand with our stakeholders, committed to generating economic, social, and environmental value in the communities where we operate; we have confirmed that the best way is when we work together for the welfare of all.

This year we wanted to challenge ourselves internally and as an organization, we work to evolve towards the development and exercise of a culture of sustainability and ESG more solid and that responds entirely to our purpose, seeking to positively impact present and future generations.

Thus, in 2022 we defined our Pillars of Sustainability, Goals, and Commitments as a reflection exercise designed to delineate a solid strategy that guides the Ficohsa Financial Group in its action toward the future.

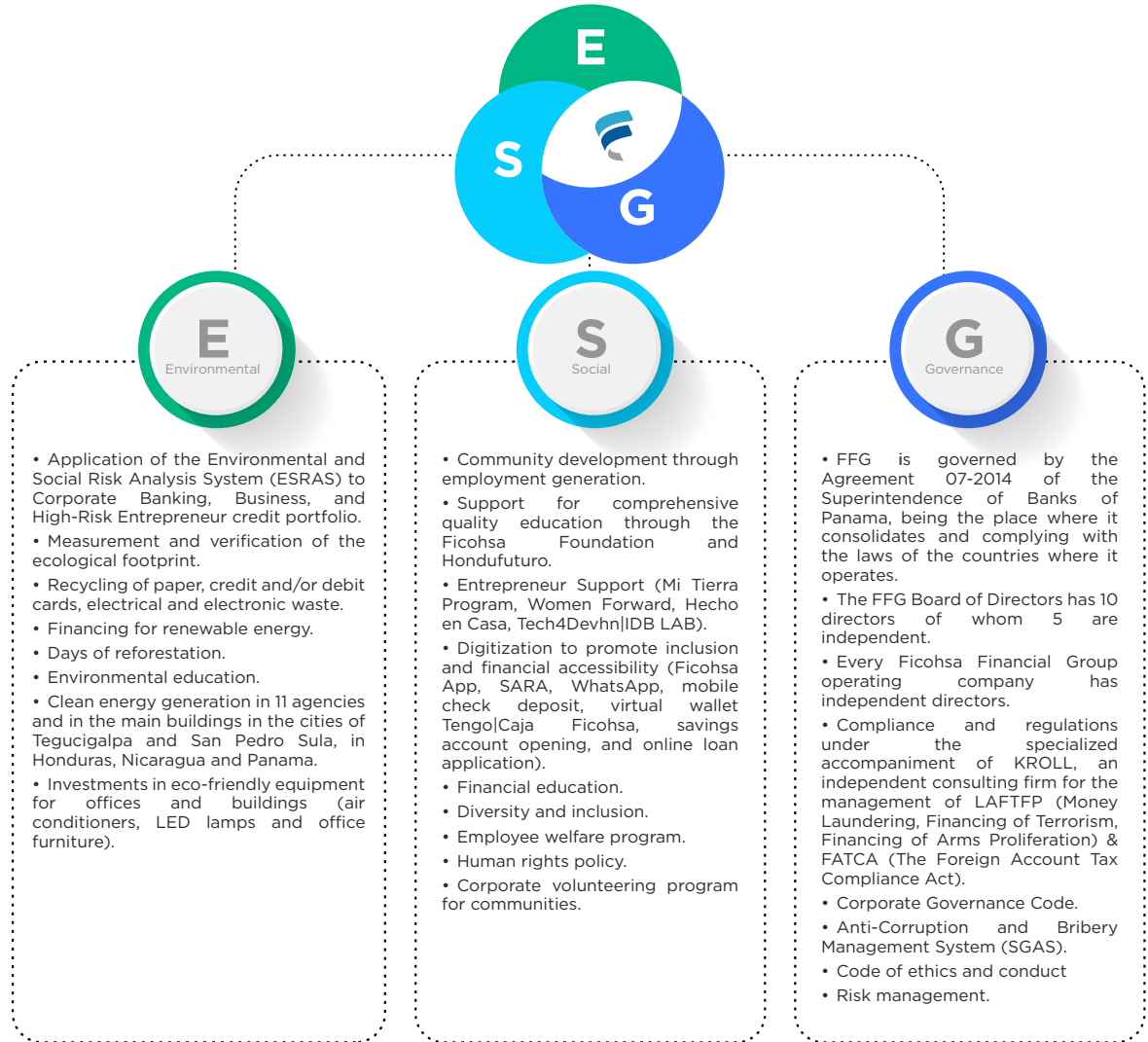
### Evolution from CSR to Sustainability and ESGs



## Our ESG Priorities

The ESG criteria are the environmental, social, and corporate governance aspects related to human progress and therefore to the business and financial world to ensure sustainability and ensure a better future for all.

As part of our commitment (G) actions are implemented that seek to positively impact our environment with sustainable practices in operations and responsible and transparent decision-making.



These priorities represent the critical business issues and allow us to mark the lines of action to improve the sustainable performance we have as a Group. In that sense, at the end of 2021 we updated the materiality study in which, through an exhaustive analysis, we identified ESG aspects that require special attention and of which we report.

In turn, this materiality analysis allowed us to improve our contribution to the Sustainable Development Goals (SDGs), identifying those SDGs to which we contribute directly from the sustainability strategy.

### Our Priority SDGs

- 3 GOOD HEALTH AND WELL-BEING
- 4 QUALITY EDUCATION
- 5 GENDER EQUALITY
- 8 DECENT WORK AND ECONOMIC GROWTH
- 13 CLIMATE ACTION
- 17 PARTNERSHIPS FOR THE GOALS

We remain committed to the United Nations Global Compact and report through this document the progress we have made (COP) with our business practices based on universal principles that contribute to the construction of a sustainable global market, equitable and inclusive to create more prosperous communities

More details in annexes contribution to the 10 principles of the United Nations Global Compact



Human Rights



Work



Environment



Anti-Corruption

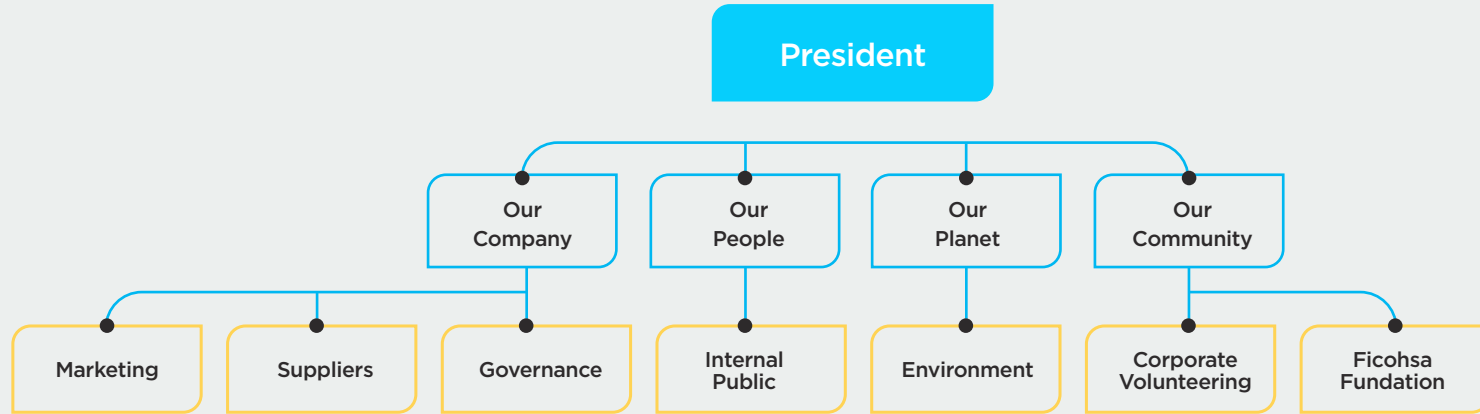
The involvement and commitment of the management team have been essential to generate a positive and sustainable impact on operations.

We have a Regional Committee of Corporate Social Responsibility, chaired by Luis Atala -Executive Vice-President, the committee is responsible for reporting directly to the Board of Directors on progress and promoting the different initiatives in each of the four axes of the sustainability model.



## Structure of the CSR Regional Committee

We have a Regional Committee of Corporate Social Responsibility, chaired by Luis Atala-Executive Vice President, the committee is responsible for reporting directly to the Board of Directors on the progress and promotion of different initiatives in each of the four pillars of the sustainability model.



We reaffirm our commitment to continue supporting projects that promote change and development in the countries where we operate, generating well-being and improving the quality of life in the region. The board and senior management are working on the review for the approval of a new sustainability strategy for the group, aimed at meeting global needs in ESG issues.

# 5 Ethics and Compliance

## 5.1 Ethical Conduct

(GRI 2-16, 2-23, 2-24, 2-25, 2-26, 2-27, 205-1, 205-2, 205-3, 206-1, 3-3, 410-1, 412-1, 412-2, 412-3, 414-1) (SASB FN-CB-510a.2, FN-AC-510a.2)

As Ficohsa Financial Group we are committed to acting under ethical conduct attached to our corporate values and compliance with the mechanisms of autoregulation we have, as well as the regulation and legislation of the countries where we have a presence.

Since 2012, we have had a **Code of Ethics and Conduct** which applies to all entities, as well as to the different internal stakeholders, such as Shareholders, Directors, Advisors, and Employees, which is regularly updated according to the needs of the Group and its environment.

In addition, we have Codes for Suppliers and Customers, which set the guidelines of conduct and ethics that we expect in the business relationships we carry out.

[See the Supplier Code of Conduct here](#)

[See the Customer Code of Conduct here](#)

Also, there is a Conflict-of-Interest Policy, which is part of the Corporate Governance Manual, and applies to both customers and employees.

[See the Conflict of Interest Policy here \(p.62\)](#)

To strengthen and promote a culture of ethical compliance, at FFG we have the Regional Code of Ethics and Conduct which is transversal and applies to all subsidiaries. It aims to train and raise awareness of the rules and policies of the institution.

We have our Reporting System, a secure, easy, confidential, and anonymous platform for reporting unethical conduct or integrity. The system is operated by a third-party, independent report management specialist called EthicsGlobal.

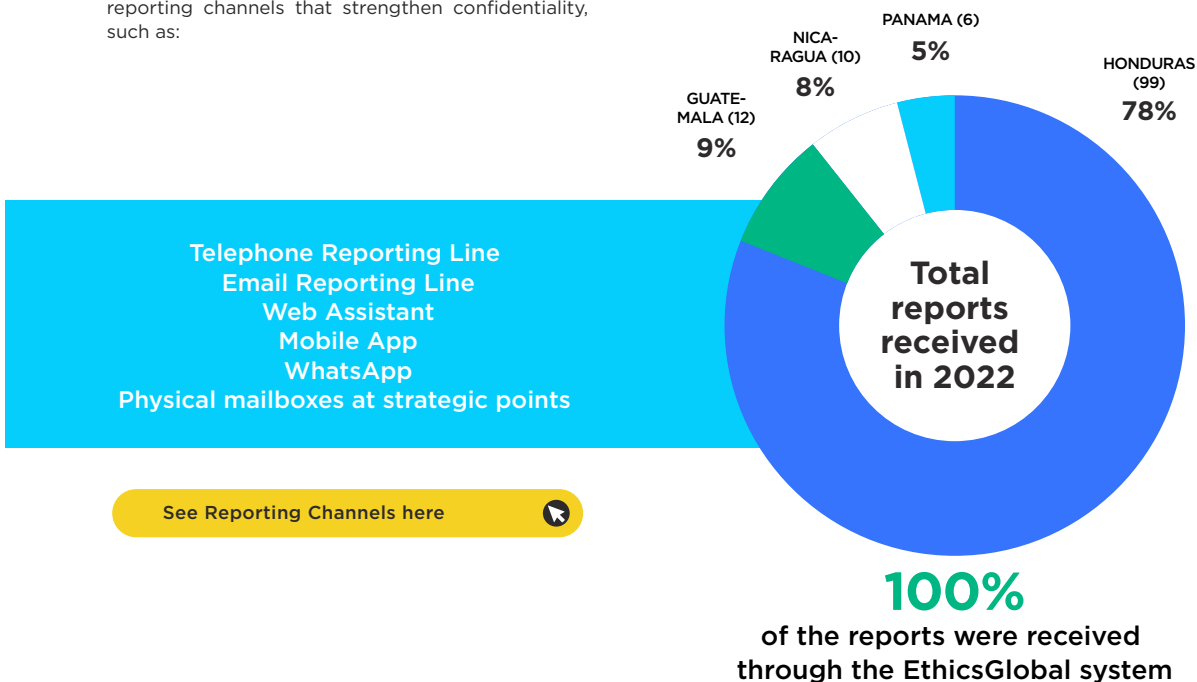
In addition, we have other anonymous and private reporting channels that strengthen confidentiality, such as:

Telephone Reporting Line  
 Email Reporting Line  
 Web Assistant  
 Mobile App  
 WhatsApp  
 Physical mailboxes at strategic points

[See Reporting Channels here](#)

The Ethics Committee, composed of five members, five alternate members and a secretary, reports directly to the Board of Directors. This body is responsible for assessing possible sanctions, according to each of the offenses.

For the follow-up of cases with groups external to the organization, there is the third support that performs the analysis and follow-up of them, and report directly to the Ethics Committee.



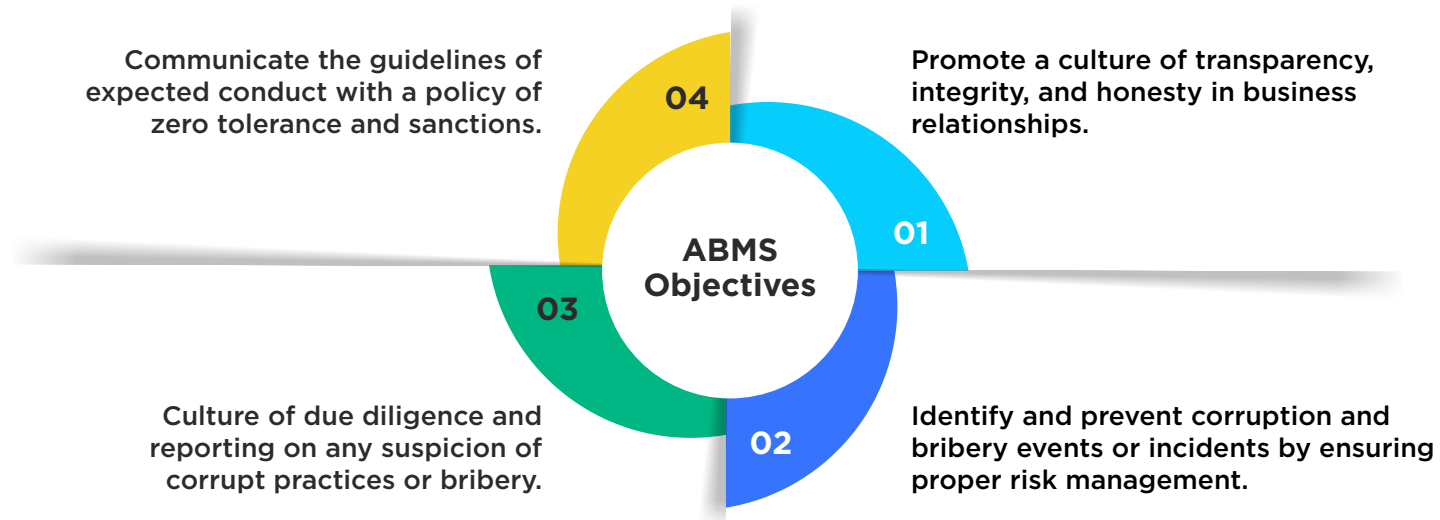
## 5.1.1 Anti-Corruption and Bribery Management System (ABMS)

At Ficohsa we care about generating business by ensuring the value of integrity in practice. The Anti-Corruption and Bribery Management System (ABMS) emerged as an initiative of the management team, with the aim of consolidating our culture of integrity, facilitating the identification, evaluation, and monitoring of real or potential risks related

to corruption and bribery issues.

ABMS complements our Compliance Program for the prevention and detection of money laundering.

### Objectives of the Anti-Corruption and Bribery Management System







## Policies and rules that ensure transparency in each of our operations

- Anti-Corruption and Bribery.
- Integrity Committee Regulation.
- Ethics and Conduct Regulation.
- Ethical Requirements for FFG Business Partners.
- Minutes - Ethical Requirement for FFG Business Partners.
- Conflicts of Interest Policy.
- Conflict of Interest Policy for Family Relations for Employees.
- Supplier Certification Policy.
- Donation Policy and Process.
- Sponsorship Policy.
- Channel of Complaints.

## ABMS Governance



### Integrity Committee:

It aims to ensure system-wide application, implementation, and maintenance.

### Attributions

- Reception, investigation, and resolution of complaints.
- Administer appropriate disciplinary measures or actions.
- Ensure that all personnel know and access confidential reporting procedures.
- Coordinate and promote ongoing training.

We highlight the efforts made through our ABMS training and awareness plan, in which we develop campaigns aimed at our employees with valuable messages about our various internal communication channels, as well as interactive activities to commemorate and consolidate our efforts in our fight against corruption.

### Internal and external communication activities in 2022:

Week commemorating the celebration of ABMS.

Commemorative Week for the International Anti-Corruption Day (UN Designated).

Informative notes.

Institutional videos.

System awareness to stakeholders.

Our System is a reference for strengthening the internal culture of integrity. During 2022, for the third consecutive year, we implemented our annual training and awareness program for employees of all FFG companies.



of employees trained in anti-corruption and bribery issues.



regional training days.

In addition, as part of our processes, we execute revisions and updates to the policies, manuals, and processes of the ABMS; integrating modifications identified in its continuous improvement efforts.

During this year we continue to hold socialization meetings with our banking correspondents about our system. We also highlight our meeting with the United Nations Drug and Crime Unit (UNODC) where we explain the functionality of the ABMS.

Consistent with our commitment to strengthen our risk prevention programs, and ensure responsible business execution, in 2021 we started the ISO 37301 certification process for Ficohsa Bank Honduras; in 2022 this diagnosis was completed, and we are currently developing activities corresponding to the requirements of the standard for closing gaps.

By 2023 we expect to have the certification of the Compliance Management System (CMS) for Ficohsa Bank Honduras (Standard ISO 37301:2021).

In addition, at the regional level, we continue to conduct third-party independent reviews of compliance programs for the prevention and detection of money laundering of member companies, this is a voluntary adoption by a firm specialized in the design and strengthening of prevention systems, through the integration of best practices to mitigate risk.

## 5.2 Compliance

(GRI 3-3, 419-1) (SASB FN-CF-220a.2, FN-CF-270a.5, FN-MF-270a.3, FN-AC-510a.1, FN-IB-510b.4)

FFG is firmly committed to developing all its activities and businesses in strict compliance with applicable laws and ethical behavior. To achieve this, all our policies, codes, processes and the Anti-Corruption and Bribery Management System (ABMS) itself aim to strengthen us as an organization and ensure transparency in each of our operations by preventing fraud, money laundering and data protection.

At the regional level we have a Vice-President of Compliance who works hand in hand with the Group's Audit and Compliance Committee.

Also involved are those responsible in each country, this is key to monitor the implementation of our rules and the effectiveness of internal controls. Thanks to this during the year 2022, we have not had sanctions with respect to non-compliance with national and local regulations, within the countries where we operate.

We maintain a commitment to compliance with our customers by offering financial products under the highest standards of transparency. To do this, we developed a marketing, communication and marketing strategy that highlights the qualities and specifications of each of our products, such as tariffs, interest rates, restriction clauses, to name a few.

We make sure to communicate the main customer support channels. In this way, our clients will be able to make any kind of inquiries or complaints. For further details, please refer to the Client Experience section of this report.

These efforts allowed us not to have sanctions in the year for bad practices related to our financial products and services.

## 5.2.1 Relation of the Value Chain

(GRI 204-1, 205-1)

The year 2022 came with new opportunities for our suppliers with the development of large projects. We are aware of their importance for our companies as they become our strategic allies. The Purchasing department works on cultivating long-term relationships with them, to be able to close deals under a "Win-Win" scheme.

We have focused on performing an agile process to make certification more user-friendly for them and become an opportunity to strengthen their bases and competitiveness within the local, regional, and global market. We made available a digital tool for receiving information, which facilitates the administration of documentation and its due diligence. In addition to registration, we have been working on a categorization process to identify high-risk suppliers, which impact the operation, efficiency, and continuity of the business. In addition to the sense of responsibility and compliance with local and international laws, if applicable, it is important that they comply with:

- Code of Ethics for Suppliers
- FFG Code of Conduct
- FFG Anti-Corruption and Bribery Policy
- Supplier Certification Policy

The Group always seeks to include new suppliers, mainly all those entrepreneurs that arise in our country and seek to develop and are the fundamental engine for the economic development of the countries where we operate.

	2021	2022
Annual purchase value	USD\$84,504,335.18	USD\$120,898,068.22
Total suppliers	939	1250
% of domestic suppliers	82%	79%
% of foreign suppliers	18%	21%

Our main suppliers are divided into the following categories:

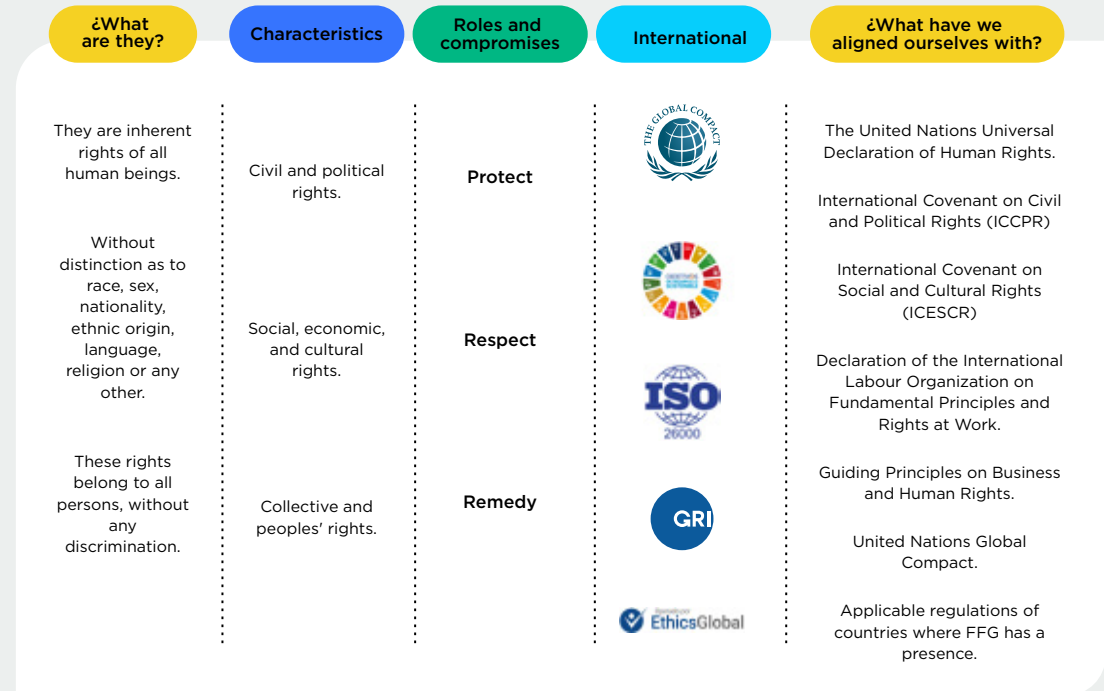
- Technology (Procurement of equipment, infrastructure, and telecommunications) and software development
- Data security
- Licensing
- Marketing
- Promotional items
- Legal advice



## 5.2.2 Compliance with Human Rights

Aligned with our ethical conduct, principles, and values, at FFG we are committed to strengthening a human rights culture in all our companies and countries where we have a presence; this is a fundamental element in the Group's vision that strengthens our practices of responsible and sustainable business conduct.

We have a Human Rights policy, we implement due diligence in our operations and processes, as well as with our suppliers, clients, and other business relationships; to identify, prevent, mitigate, respond, and take appropriate measures to manage impacts.



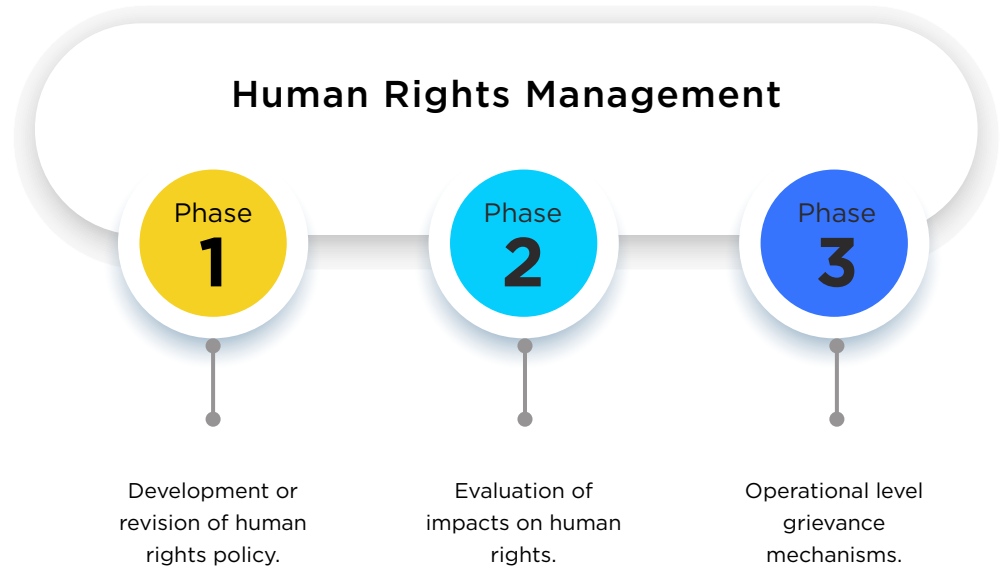
In 2022 we were part of the pilot project "Human Rights Management" led by the Honduran Council of Private Enterprise (COHEP), with the purpose of strengthening our actions in the field of Human Rights.

During the first phase, we carried out a thorough review of our Human Rights policy, which incorporated due diligence processes, evaluation of human rights impacts and complaint mechanisms to strengthen the evaluation, monitoring and reporting of cases issues.

In the second phase, we conducted a Human Rights impact assessment for the creation of the risk matrix.

In the third phase, we reviewed each of the complaint mechanisms to strengthen our processes to prevent and, where appropriate, minimize or remedy any human rights violations that occur.

## Human Rights Management



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We continue working every day to improve our business practices to ensure compliance and respect for human rights; by 2023 we will be socializing our policy initiatives with different stakeholders.

# 6 Responsible Banking

## 6.1. Introduction

(FS1, FS15)

Our trajectory goes hand in hand with the value proposition for our customers. We are strongly committed to responsible banking, which materializes in the understanding of promoting change from the business and being able to be your trusted advisors. We understand that this role commits us to offer products and services that fit your needs while promoting sustainability in them under the inclusion of ESG criteria (environmental, social, and corporate governance).

**Below we present the most outstanding initiatives we are carrying on:**

- We continue with the application of the Environmental and Social Risk Analysis System (ESRA) for credit assessment.
- We deliver financing to promote renewable energy.
- Through partnerships we have a technical assistance program for sustainable agriculture of our clients with the aim of advising and supporting them to be more productive and sustainable.
- We started a program that addresses the needs of women in the countries where we operate, designing products and services focused on this niche.
- Contribution to the development of a financial and provident culture (insurance and pensions) in clients

through financial education initiatives.

- We generate savings and credit products that contribute to financial inclusion.
- We are training to identify green financial products.

## 6.2. Environmental and Social Credit Assessment

(FS2, FS3, FS4, FS5, FS9, FS10, FS11)  
(SASB FN-CB-410a.2)

Aware of our environmental and social responsibilities towards the countries where we operate and recognizing that both our own operations and those of our clients have a potential for direct or indirect impact on the local, regional, and global environment, as well as in the areas of influence of the communities where they operate, in FFG we have established the Environmental and Social Risk Analysis System (ESRA) to monitor and mitigate these risks.

We are the first bank in the region to develop and apply this system since 2009 to the credit portfolio of the Business, Corporate and Entrepreneur High Risk Sector Banking (SME), which shows our intention to continue being a bank responsible for the environment and the communities.

The due diligence of this system is based on the requirements of each country's national legislation, and for cases of increased risk, applying the International Finance Corporation (IFC) Performance Standards.

## Environmental and Social Risk Classification Categories

A

Projects with potential risks and/or significant environmental and social adverse impacts that are diverse, irreversible, or unprecedented. These applications are evaluated according to the requirements established by the national legislation of each country and international standards such as the IFC Performance Standards.

La categoría A está conformada por los siguientes rubros en cada país:

**Honduras:** Energy, agroindustry, Infrastructure, Mining and Fuels.

**Guatemala:** Agroindustry and Energy.

**Nicaragua:** Agroindustry, Mining and Energy.

**Panama:** Energy and Agroindustry.

B

Projects with potential risks and/or limited adverse environmental and social impacts, which are few in number, generally located in specific sites, mostly reversible and easily accessible through mitigation measures. They are evaluated by the requirements of each country's legislation.

C

Activities that generate minimal or non-adverse environmental and/or social risks and impacts. These are not subject to social and environmental due diligence.

**During 2022 we incorporated new parameters for the implementation of ESRA:**

Entrepreneur Banking	<ul style="list-style-type: none"> <li>•Category A.</li> <li>•Category B (Specific sectors, with credits <math>\geq</math> USD\$ 250,000.00)</li> </ul>
Corporate and Business Banking	<ul style="list-style-type: none"> <li>•Category A.</li> <li>•Category B (Specific sectors, with credits <math>\geq</math> USD\$ 1,000,000.00)</li> </ul>

Analysis at the regional level	2021	2022	$\Delta$ 2022-2021
<b>Honduras (Total cases analyzed)</b>	<b>384</b>	<b>501</b>	<b>30.47%</b>
A%	15%	10%	-5%
B%	65%	37%	-28%
C%	20%	53%	33%
<b>Guatemala (Total cases analyzed)</b>	<b>54</b>	<b>65</b>	<b>20.37%</b>
A%	7%	8%	1%
B%	30%	28%	-2%
C%	63%	64%	1%
<b>Nicaragua (Total cases analyzed)</b>	<b>20</b>	<b>49</b>	<b>145%</b>
A%	10%	8%	-2%
B%	65%	43%	-22%
C%	25%	49%	24%
<b>Panama (Total cases analyzed)</b>	<b>129</b>	<b>146</b>	<b>13.18%</b>
A%	7%	8%	1%
B%	53%	39%	-14%
C%	40%	53%	13%
<b>Total cases analyzed at a regional level</b>	<b>587</b>	<b>761</b>	<b>29.64%</b>

We analyzed **29.64%** more cases than the previous year.



During 2022, all the members of the Boards of Directors were trained in each country, and more than 200 employees at the regional level from areas involved in these processes.

### Challenges for 2023:

- Apply all National Banking and Insurance Commission (CNBS) regulations for the ESRA system in Ficohsa Bank Honduras.
- Integrate, within the ESRA of Ficohsa Bank Honduras, the socio-environmental due diligence to real estate received as collateral for the credit operations of clients subject to evaluation, according to the requirements of the CNBS.
- Integrate a Climate Change perspective into the ESRA system at the regional level.



## 6.3. Green Financing

(FS8)

As part of our commitment to responsible banking, we play a key role in engaging and guiding investors and entities, offering financial solutions that positively impact the environment and society.

**15 projects of renewable energy (solar, eolic, hydroelectric, biomass) financed.**  
**During 2022 disbursements were: USD\$10.2 MM**  
**Adding up to date the disbursement is of: USD\$229.2 MM**

## 6.4 Financial Inclusion and Support for Entrepreneurs

(GRI 203-2, 3-3, FS1, FS7, FS8, FS14, FS15) (SASB FN-CB-240a.1)

Through Entrepreneur Banking, we support the growth and development of small and medium-sized enterprises, thus contributing to the economic growth of the country and the generation of employment.

In 2022 Entrepreneur Banking achieved a credit portfolio growth of **27%**

Increasing the portfolio of FFG credits to 32%, this represents greater financial inclusion, by supporting the country's SME sector with financing, which contributes approximately 60% of the Gross Domestic Product and generates 7 out of 10 jobs.

Looking to boost this growth we launched the program Small Entrepreneurs and Small Entrepreneurs Savings Account: A program designed for children and young creative, innovative and leaders, ages 5 to 17, who are forming their experience in the world of entrepreneurship. The main objective is to strengthen the entrepreneurial spirit and the expression of their ideas as a tool to train independent young people.

Small Entrepreneurs Program





## 6.4.1



At the beginning of 2022 we launched this program in Honduras and later this year in Guatemala. A value proposition aimed at the economic improvement and personal well-being of professional women, heads of household and entrepreneurs in the region. In Honduras women represent 51% of the population and it is important for us to contribute to gender equity, offering financial services to this segment that was the most affected during the COVID-19 pandemic.

In addition to offering non-financial services, we made strategic alliances with Voces Vitales, Consortium Abogados, AMECOMEX Honduras, Tech4DevHn and Club Nacional of Woman Entrepreneurs to jointly promote other initiatives based on recognition, education, access to information and networking spaces designed specially to connect with the needs of women, always ensuring the fulfillment of the Ficohsa corporate purpose "to facilitate solutions that transform lives".

This year we also launched the first call for the Mujeres Adelante Award, an annual recognition that honors our female entrepreneurs/business executives' clients who stand out for their excellence, manageability, innovation, influence, leadership, and career path.

### Winners of the Mujeres Adelante Award

Category	Company
Business Leadership	Cargill
Economic Empowerment	Microlab
Entrepreneur Without Borders	Agroindustrial Mart
Disruptive Entrepreneurship	Granja Baar



**+60 nominations** for the Women Forward Award.  
**+700 women** trained in different areas.  
**+90 women entrepreneurs** participated in fairs to showcase their products and services.

## 6.4.2



This program was born in 2013, with the aim of promoting initiatives that promote productive activities, entrepreneurship, innovation, and the growth of micro and small and medium enterprises (MSMEs).

We currently support more than 1,500 entrepreneurs/businessmen to reinforce the concept of buying what is Done at Home, to support them and boost their growth, we work to generate a sense of pride about the consumption of local products and awareness in the buying habits by preferring 100% products made by Honduran hands, since when we consume local, we grow all.



### During 2022 we carried out various activities such as:

- The alliance with the Saturday Bazaar continued to offer spaces for sale and promotion of products and services.
- Alliance with TENGU to promote the Hecho en Casa movement.
- Social media campaigns to promote the program and the integration of more entrepreneurs.

For next year we are restructuring the program completely, during 2023 we will present the Hecho en Casa Foundation, sharing the same goal but with a broader vision.

### 6.4.3



FFG in partnership with La Colonia Supermarket and Foundation for Rural Business Development (FUNDER), provide access to financing for agricultural producers in rural areas of Honduras; we also support with technical training to make their agricultural processes efficient and have better harvests to achieve a secure market.

To date we have granted +2,600 credits in 11 departments of the country, benefiting from this

**+100 communities**  
**+USD\$6.9 Millones** in  
agricultural financing  
**+40 products** harvested  
with this financing

#### Outstanding Achievements during 2022

- Signing of an agreement with farmers' associations: De Mi Tierra promotes partnership, formalizing cooperation with 5 farmers' associations and the Agro-commercial Consortium of Honduras, which groups them.
- Participation of the program in the "Launch of studies of the value chains of beans and vegetables in Honduras" carried out by the WFP: The study emphasizes the substrings of Supermarkets La Colonia, which highlights the scheme and operation of the De Mi Tierra program, as a comprehensive scheme grouping essential factors for agricultural production.
- Support for farmers' associations as a financial ally to develop business plans within the project "COMRURAL".



#### Success Case

Eodora Méndez, tireless worker for the well-being of Honduran small farmers, is distinguished by the Inter-American Institute for Cooperation for Agriculture (IICA) as "Leader of the Rurality" Méndez, who belongs to the native people Lenca, grew up in a family of 13 brothers, who lived on the cultivation of basic grains and vegetables.

The Leaders of Rurality Award is a recognition for those who play an irreplaceable double role: be guarantors of food and nutritional security and at the same time guardians of the planet's biodiversity through production in all circumstances.

From a very young age she trained in agricultural practices and issues such as access to financing and became the first woman president of the Agro-industrial Peasant Company of the Agrarian Reform of Intibucá (ECARAI), a beneficiary of this program, which brings together small producers from different communities in the Honduran department of Intibucá. Thanks to her, 325 small farmers have improved their income by the production and marketing of grains and vegetables.

Participates in the De Mi Tierra program  
since 2009  
Beneficiary of **+20 credits**  
Equivalent to **+USD\$104 thousands**

## 6.5 TUCONCIENCIA FINANCIERA.COM

(FS16) (SASB FN-CB-240a.4)

At FFG, we encourage financial practices and habits that help not only our clients, but also our employees, suppliers, and the general public to better manage their money, achieve their goals, and build the future they want for themselves and their families. Our Financial Education program began in 2012, under this initiative we carry out educational campaigns in digital media, face-to-face events, and different communication strategies that allow the financial user to have a better performance in the management of their income.



**+8.6 million** people reached at a regional level through educational campaigns in 2022.

Key part of our program is the portal

[TuConcienciaFinanciera.com](https://TuConcienciaFinanciera.com)

a site created to educate people about the proper management of their personal finances at every stage of life; they will find different easy-to-use downloadable items and tools which they can apply in different situations of their daily lives, in order to achieve adequate financial health, and as a consequence a better quality of life.

**+35,900** views of the portal  
[Tuconcienciafinanciera.com](https://Tuconcienciafinanciera.com)  
During 2022

Throughout the month of October FFG celebrated the month of savings, where different activities were carried out at the regional level providing advice that will help people meet their goals and secure the future; they learn efficiently how to manage money, as well as the culture of saving for financial health.



### Initiative to promote the inclusion and financial accessibility of young people in Honduras

Ficohsa Financial Group in partnership with Glasswing Honduras under its project "Young Impact Leaders for Central America", which is financed by the Howard G. Buffett Foundation, joined forces to provide education and financial inclusion to more than 1,400 young Hondurans in the departments of Francisco Morazán and Cortés, contributing to breaking the gaps that these young people find when they want to insert themselves in the banking system, through financial education they can make better decisions regarding the administration and better management of their finances.

Glasswing International implements this project with the purpose of addressing the causes of forced and irregular migration of adolescents and youth between 15 and 22 years of age from Honduras. The program offers alternatives, including stable income for community service in their own communities; development of socio-emotional skills, and preparation for work.

As part of the commitment to the social and economic development of our country, we awarded 25 scholarships to young people of the project so that they could receive the master class "Preparing for my next job" and thus acquire knowledge to help them enter the labor market and expand their opportunities.

**Financial education is the basis for generating sustainable financial inclusion!**

# 7 Client Experience and Quality

At FFG we strive to provide an experience focused on the needs of each of our customers, making available our wide range of products and services through innovation and quality to achieve their trust and loyalty.

Below we present the main actions, improvements, and achievements in our different lines of business.



## Corporate Business Banking

We offer support and financial solutions that meet the specific needs of our clients with sales greater than USD\$2.2 M; each of our products and services has been developed to support companies with the efficient management of their treasury.


- Updates were made on our platform such as customization of notifications, visualization of transactional history, and the option for authorizers of companies to specify the reason for rejection of a payment request, among others.
- From 2022, the use of the ONE SPAN platform is available, with it the electronic signature is formalized, it is no longer necessary to request physical documentation.
- 16 new ATMs were placed in different companies, so their employees can make their transactions and withdrawals quickly and securely.
- We signed an alliance with the National Directorate of Roads and Transportation (DNVT) to provide the best service experience when making payments of licenses, renewals, and fines through our payment channels, agencies, Interbanca, Ficohsa App and Tengo, managing to be the first bank to offer the option to pay for heavy licenses online.



## Entrepreneur Banking

Aware of the importance of entrepreneurs for the region's economy, in 2018 we developed a specialized bank to become partners in the development of this sector.

- During 2022, to improve the client experience, the option was made available to carry out their transactions in an agile and faster way through the portal.

Online transactions 

- We partner with Latin American Trading, also known as Tienda Catracha store: An e-commerce platform specialized in exporting Honduran made products (nostalgic, non-perishable, artisanal, among others) to the United States and the rest of the world; it arises as an option for our customers to expose and sell their products.

Tienda Catracha 



- We made available to our clients the automatic disbursement under line of credit by Interbanca: it is a novel service that has the facility to make the application of a loan under line of credit, through Interbanca, which allows you to have the disbursement credit in minutes in the customer defined account. This is a unique service on the market at no additional cost.



## Personal Banking

Our value offer includes making available all the opportunities of this new era, establishing a differential way of doing business, able to offer services according to the needs of individuals, through channels increasingly accessible.

- **Launching of Caja Ficohsa:** This year we launched the services and advertising campaign "Caja Ficohsa, a step away from you", which reflects the ease, and convenience of performing all your banking transactions 365 days a year, at any time, in more than 4,500 boxes nationwide. With extensive coverage in grocery stores, markets, 24/7 convenience stores, Supermarkets La Colonia, Kielsa pharmacies, and multiple businesses, being able to perform different transactions such as collection of remittances, payment of credit card, payment of loans and utilities, deposits to savings accounts, cash withdrawals, among others.
- Within our payroll automation system 26,500 accounts were handled under digital process, reducing the operational work especially in times taken for account openings.



## Private Banking

Specifically designed to offer comprehensive financial solutions to our clients.

- During the last years, we have positioned ourselves as the best alternative for this segment of clients in the region, providing the best experience and the highest quality of service.
- We have a preferential hotline for our clients, available 24 hours a day, 365 days a year.
- For the convenience of our clients in their face-to-face transactions, in Honduras we have two exclusive service agencies, located in Tegucigalpa and San Pedro Sula. Also, Guatemala, Nicaragua and Panama have one, respectively.



## Mortgage Banking

We provide the best housing financing options and facilitate access to decent housing for the population in the region.

- We offer plans that fit different payment possibilities to obtain a real estate property, with preferential interest rates according to the payment currency of our customers.
- We specialize in providing personalized advice for the purchase of housing.



## Ficohsa Express

It is our care unit dedicated to providing services to the Hispanic and mainly Honduran communities living in the United States.

- We facilitate the sending of remittances throughout Latin America and the payment of basic services in Honduras.
- During 2022 we dedicated ourselves to consolidating the growth of our digital platform with our FicoSend product.
- Part of our future goals is to expand our digital coverage in the USA, reaching all states of Latino presence, and expanding our network of physical agencies.



## Remittances

We facilitate the sending and collection of remittances, developing a set of associated banking solutions, with the aim of supporting our compatriots abroad and their families in our countries.

- This year we made an alliance for Western Union remittance payments at TENGU points: This alliance allows people who receive remittances through this remittance company to collect them at 39 new points of attention, which facilitates and expedites collection.
- We join the campaign "Caja Ficohsa, a step away from you" to remind all our clients that they can collect their remittances at all these points of care for your ease and convenience.



## Mujeres Adelante

Offer of financial services that includes different financial solutions of savings, loans, credit cards, insurance, and coverages. In addition, support services in financial mentoring, marketing, etc. And other benefits, as well as promotions developed exclusively for female clients.

- We create spaces for companies led by women to offer their products and services to our clients and employees, we also sponsor fairs for women entrepreneurs in different parts of the country.
- For more details go to the Responsible Banking section of this report.

Mujeres adelante 



## Brokerage House

We innovate in the domestic market with the negotiation of international bonds offering the client portfolio such instruments, being the first stock exchange to trade foreign securities.

- In 2022 we conducted the negotiation of international bonds. Brokerage House Honduras continued to rank first in the secondary market.
- We opened custody accounts for clients of the brokerage house in Bank of New York Mellon, being the first Honduran brokerage house to provide this service.
- During this year, we increased our customer base by 18%.



## Ficohsa Insurance

We are the leading insurance company in Honduras and Guatemala, we provide peace of mind to our insured, taking care of their tangible and nontangible goods through a wide range of products and services.

- During 2022 we were recognized as the #1 brand in the preference of Hondurans, in the category of insurers according to the regional study of Top of Mind conducted by Kantar Mercaplan for the renowned international magazine Estrategia & Negocios.
- We continue to provide digital attention through the Online Insurance platform where the insured can know, review, and track their policies.

Online Ficohsa Insurance 



## Ficohsa Pensions and Severances

From inception to date, we continue to deliver on our brand promise to all affiliates: security and transparency in their investment, high profitability, and innovative service.

At the close of 2022, Ficohsa Pensions and Severances has more than 70 thousand affiliates, more than 20% market share and achieved a 30% growth of the managed fund.

As part of our innovation strategy, in 2022 we relaunched the Ficohsa Pensions and Severances mobile app where affiliates can consult their fund information at any time and from anywhere.

## 7.1 Our Service Points and Digital Channels

(SASB FN-IN-270a.4, FN-IN-410b.2, FS13)

### Institutional Presence

Interbanca, Ficohsa App, and the Agile Automatic Response Service (SARA), are the main non-physical attention points for account management and/or contracting services.

We continue to innovate with digital points, in addition to continuing with the incorporation of new physical agencies; at the regional level we have available our official social networks to attend to any questions and queries of our clients.



+711.5k



+44.9k



+15.3k



+126.6k



+124.3k



## Service points 2022



Agencies	78	10	13	2	15
TENGO	2478	-	-	-	-
ATM	531	-	94	2	-
Kiosks	32	-	-	3	-
Multipayments	-	30	400	80	-
Autobanks	10	-	2	-	-
Tellers	75	-	1	-	-
Extended payment network	-	-	942	-	-
Total	3204	40	1452	89	15

## 7.2 Digital Evolution

(GRI 203-1, FS13)

During 2022 we implemented 20 new improvements in the interbanking platform and mobile app at a regional level, where the incorporation of new technologies in the safekeeping and security of transactions is highlighted, among them the generation of an SMS Token for each transaction ensuring the movements in the accounts. In addition, we completed the consolidation of the regional electronic platform, which allows consolidation of accounts of the 4 countries and making transfers in real-time.

As a goal for 2023, we have the implementation of agility models that will allow us to implement features such as Apple Pay, more transactional security features and automatic transaction solution.

In addition, with SARA we implemented 10 new improvements in the platform at the regional level, where the incorporation of new transactions and common language use to facilitate customer communication with the channel. For next year we plan to implement a radical change in the experience of using WhatsApp as well as voice recognition functions.



TENGO

Through our electronic wallet and the GO application we have established ourselves as the most important and recognized digital multi-payment alternative and multi-banking platform in the country. This year we extended the physical network of correspondent agents nationwide growing +25% in coverage. Additionally, the transactional volume and higher amounts of its history were processed.

During 2022 we realized important alliances, among which we highlight:

- Signing an agreement with Banco LAFISE to extend the bank's services to the different TENGO service channels.
- Collaboration agreement with VISA for the development of programs and products aimed at boosting financial inclusion in the country.
- Enabling the National Traffic Police with services to pay fines and renew licenses throughout the TENGO Points network and in the App.

In 2023, TENGO will launch various payment credentials powered by the collaboration agreement with VISA and develop new digital solutions for the benefit of its thousands of users.

For more information visit:

[www.tengo.hn](http://www.tengo.hn)



## Digital Factory

For us, digitization is the future of our business. This year we took a firm step in the digital transformation, betting on an in-house factory, for the design of digital financial products and services in Honduras and the region.

During 2022 we invested **USD\$3.5 M** to improve digital attention services.

We invested in the development of universal digital banking solutions, which respond to changing customer needs, with a focus on new and attractive markets.

By 2023 we are working hard to launch two products: opening savings accounts and loan applications 100% digital.

## 7.3 Information Security

(GRI 3-3, FN-CB-230a.1, FN-CB-230a.2, FN-CF-230a.1, FN-CF-230a.3)

We focus on implementing new controls and strengthening existing ones, to strengthen security and increase the trust of our customers in the products and services provided. In compliance with this goal, our information security policies have been updated and adapted to new working strategies.

Due to new business strategies and reported attack trends in recent years globally, the security of digital channels was strengthened by applying fraud prevention controls to increase the confidence of our customers in the operations performed on FFG transactional sites. Also, external and internal awareness was expanded to proactively identify

phishing attacks and, avoid being victims of this threat so popular in the era of digital transformation.

We work hand in hand with our suppliers to maintain the standards, focusing on the guidelines established in the Information Security Policies, which are applied to all who are related by services that require the treatment, transmission, or storage of information. Providers must go through the third-party review process in which security controls are evaluated and remediation plans are established.

Information protection clauses are included in all contracts signed, with the aim of ensuring compliance, confidentiality, integrity, and availability.

**FFG is working under the best practices of Cybersecurity NIST SP800-53 (National Institute of Standards and Technology).**

FFG is working under the best practices of Cybersecurity NIST SP800-53 (National Institute of Standards and Technology) through the cybersecurity assurance project, complying with the controls established according to the maturity levels of the ICMM scale (Integrated Capability Maturity Model), as best practices towards the issues of Security and Cyber Resilience to achieve the minimum possible impact to keep operations protected and in normal functioning.



New controls were also introduced to identify and contain potential threats in the internal data network, expanding vulnerability identification coverage and timely monitoring of equipment to identify configuration strengthening needs, to mitigate potential risks. All emails received internally are filtered by specialized cloud services to avoid becoming victims of phishing infection.

We maintained internal and external campaigns throughout the year as well as webinars for clients and employees on issues of information security, cybersecurity, and how to prevent digital fraud for the financial user.

**At the summary level, an average of 47,000 awareness emails were sent to employees and 528,000 to clients.**



## 7.4 Transparency and Client Satisfaction

(GRI 3-3, 416-1, 416-2, 417-1, 417-2, 417-3, FN-CF-270a.1, FN-CF-270a.3, FN-CF-270a.4, FN-CF-270a.5, FN-IN-270a.1, FN-IN-270a.3, FN-IN-270a.4, FN-MF-270b.3, FN-IB-550b.1)

FFG continues to evolve and strengthen internal regulation, as well as mitigation, control, and monitoring frameworks in the area of client protection, also considering the priorities of the regulator and supervisor. For this reason, we incorporated the vision of protection from the creation and design of new products, as well as existing ones.

Understanding that each word adds to the perception of users, the communication strategy is based on the following principles:

Understanding that each word adds to the perception of users, the communication strategy is based on the following principles:

- Transparency of the information provided.
- Clarity in language, structure, and design.
- Responsibility for the interests of the client at all stages of his financial life.
- Establish communication standards to achieve uniformity and consistency in tones, styles, words, and phrase uses across all FFG platforms.

With this same relevance, it is vital to act under our values and ethical guidelines and consequently, offer transparent and fair services. All our clients are informed of the terms and conditions of the products we offer; during this year none of our employees were involved in legal processes initiated by clients.

Also, we have an online tariff where the specifications of the products are detailed:



We encourage good sales practices, making our products inclusive and accessible through empathetic communications, focused on people's needs.

To ensure the experience of our clients, we are constantly looking for **feedback** and monitoring the level of service we offer using the **Net Promoter Score NPS tool with Top Down and Bottom Up** methodology to validate the alignment between customer needs and expectations and the initiatives implemented, this allows us to establish plans that eliminate the detected gaps to provide the best experiences.

Annually and every three months, we apply the methodology in our different business lines/country to know the net recommendation index that customers give us. Thus, we make sure to identify the possible areas of improvement that are presented to us.

### Scores






Honduras	Consumer TD	46
	Business TD	47
	Insurance TD	46
	Pensions TD	52
Guatemala	Consumer TD	27
Panama	Consumer BU	20
Nicaragua	Consumer BU	46

For Honduras in consumption, business banking, insurance, pensions and in Guatemala we measure the NPS Top Down, and for Nicaragua and Panama we carry out Bottom Up study.

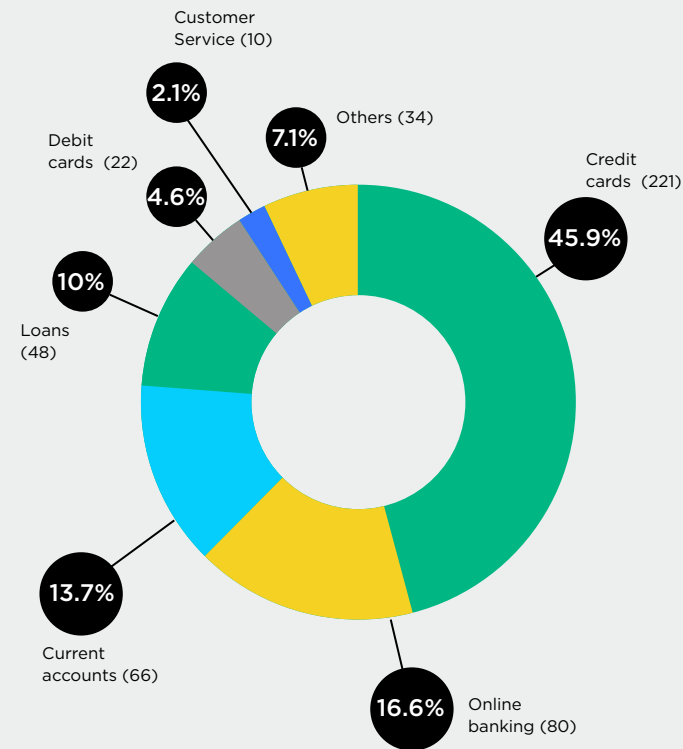
## Details of complaints by products

(GRI 418-1)

We remained attentive to the main complaints and observations that took place during the period of this report, always with the orientation of achieving just resolutions in each of the cases.

	 Honduras	 Guatemala	 Nicaragua	 Panama	 Ficohsa Insurance
Total regulatory claims	481	172	28	47	38
Percentage of customer-friendly resolutions	39%	40%	79%	72%	23%

For us, the best way to provide a quality service to our clients is by listening to their recommendations, opinions, and proposals, so therefore we analyze and manage them to give a favorable resolution.



Of the 481 financial user claims received during 2022 in Honduras, 39% were resolved in a customer-friendly manner, with an average response of 9 business days. An extension was requested for 33% (159) of the claims received. The average number of claims received during 2022 was 40 claims per month.

A customer-friendly resolution can be given by exception issues, application of regulations, policies, operational regulations, etc. However, they are not specifically recorded as operating losses.



# Our People

We work every day to make FFG an attractive company where employees have a balance between their family and professional life.

# 8 Our People

The talent of each of our employees is a fundamental part of the success we have achieved as a company. We work daily to make FFG an attractive company where employees continue to grow and develop a professional career.

We promote a culture of values, equality, and diversity, in a work environment that respects and values individual differences. Through the employee welfare program, we promote the balance between life and work.

From the Corporate Government, we are highly committed to promoting an organizational culture recognized for generating impacts as an employing brand in the region. During 2022, a training and motivation program called "**Leading with passion**" was developed in which all company officials were involved to motivate them to continue growing and be leaders of change.

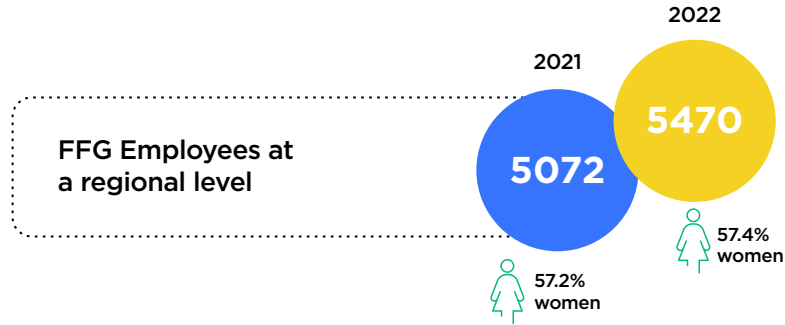
In 2022 FFG was recognized by Summa magazine in the December issue as: Best Employer in Honduras.



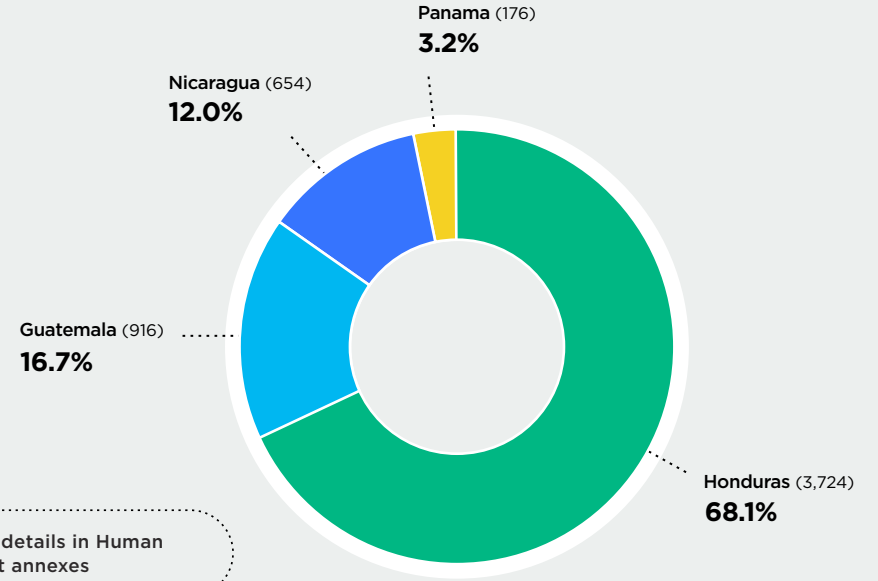
## 8.2 Payroll

(GRI 2-7, 2-8, 401-1, 401-2, 401-3, 405-1) (SASB FN-AC-330a.1)

The success of FFG is based on the trust we have in our employees, which allows them to perform their tasks in the best way, working in spaces that offer the conditions to innovate and develop, we promote operational efficiency to achieve our goals and objectives.



## Employees per-Country



We closed 20022 at a regional level with

**5,470 Employees**

+7.8% compared to the previous year.

**37 Employees**

Have disability.

**44 Employees**

are foreigners, coming mainly from El Salvador, Costa Rica and Colombia.

**170 Women**

in Stem positions.

We recognize the demographic diversity and generational changes, seeking greater flexibility in all development processes of the organization considering issues such as gender equality and inclusion.



**57.4%**  
of our employees  
are women

### Employees and type of contract

2021

**94.63%**

Permanent contract

4,800 with permanent contract  
272 with temporary contract

2022

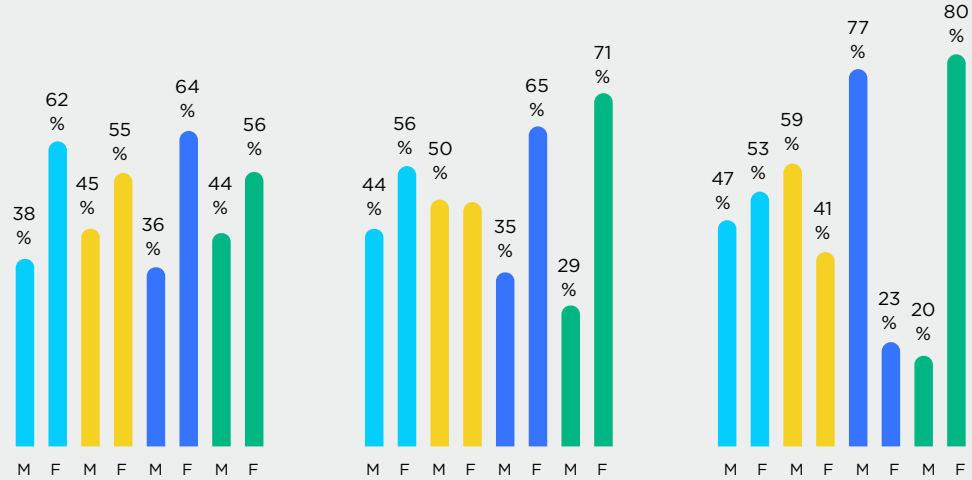
**99.59%**

Permanent contract

5,448 with permanent contract  
22 with temporary contract

### Age and gender statistics in FFG companies

Below, we present in data of the ages of our employees differentiated in 3 ranges, each range adds a 100% per company, differentiating the percentage in sex from the ages considered.



18 - 30 years

31 - 44 years

More than 45 years

● Banking ● Insurance ● Cards ● Pensions

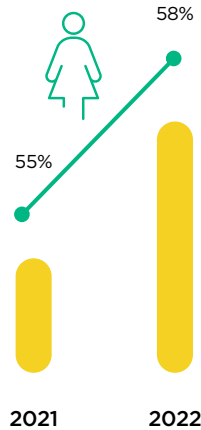
\*Data represents percentages of the age of our employees by country and by company, differentiated by male (M) and female (F).

### Seniority by country

We are constantly looking for new talents in the countries where we operate but we also remain committed to providing spaces and opportunities for the development of a professional career. In the case of Honduras and Guatemala, most of our employees have a work seniority ranging from 1 to 9 years, in Nicaragua and Panama the data shows that their work seniority of the total number of employees ranges from 6 to 9 years.



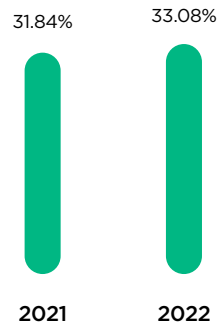
## New hirings FFG 2022



During 2022 we welcomed 2,408 new employees to the group of, which 58% are women.

More details in Human Talent annexes

## FFG employee turnover at regional level



\*Data from the previous year were corrected.

\*\*The rotation formula also includes layoffs, being one of its components. Voluntary + involuntary layoffs with indeterminate contract / total of employees with indeterminate contract at the close of 2022.

## Employee layoffs during 2022

	Honduras	Guatemala	Nicaragua	Panama
Men	685	215	61	19
Women	475	183	85	18
<b>Total</b>	<b>1160</b>	<b>398</b>	<b>146</b>	<b>37</b>

During 2022 we had a total of 1,741 layoffs, including voluntary and involuntary layoffs for each country where we operate, differentiated by gender.

## 8.3 Diversity, Equity and Inclusion

Diversity and Inclusion within a work environment have acquired a strategic value, generating changes that involve training, dialogue, and awareness at all levels of the company.

FFG guarantees respect for the ethnic, cultural, sexual orientation and beliefs of our employees as an enriching element. We promote equality between men and women in access to employment, training, promotion, remuneration and fair working conditions.

## Number of employees in employment positions by gender at regional level



More details in Human Talent annexes

## Wage Ratio

The wage ratio indicates the difference between the average salary of women and the average salary of men by professional category, during the same period and in similar working positions. Below, we present the data for the year 2022, by country and according to each of the positions.

	Honduras	Guatemala	Nicaragua	Panama
VP+	-29.2%	9.0%	-51%	-33%
Manager/ Ass. Manager	-4.9%	9.3%	3.3%	14%
Chief/ Supervisor	-9.7%	-24.6%	-24.7%	-20%
*Others	0.6%	-1.1%	-3.2%	204.7%**

\*Others include: Executives, Officers, Assistants and Auxiliaries.

\*\* The 204.7% of others in Panama represent that women earn more compared to men in similar positions.



## Maternity and Paternity Leaves

We work to improve the balance between professional and family life. We maintain constant communication with our employees to meet new parents and thus support them with work schemes and permits that allow them to continue their professional career in the company.

	Honduras		Guatemala		Nicaragua		Panama	
	M	F	M	F	M	F	M	F
Permits	32	83	N/A	26	4	12	N/A	3
% of reinstatements*	100%	100%	N/A	100%	N/A	100%	N/A	100%
Retention rate	100%	95%	N/A	75%	N/A	75%	N/A	67%

\* Percentage of reinstatements remaining at the post after 12 months of the leave.

In addition to the benefits established by law, we have 5 breastfeeding rooms, three of them in the main buildings of the cities of Tegucigalpa and San Pedro Sula in Honduras, and one in the buildings of Panama and Guatemala respectively; these spaces are designed so that nursing mothers can pump milk in the workplace, store it properly and at the end of their working day take it home to feed their babies.



## Program “Together without Labels”

During 2022 it was redefined with the organizational purpose of promoting initiatives that generate change, a diverse, inclusive and gender-equitable environment, leading the business through a culture focused on the value of people.

**Communities created within the program “Together without Labels”**

- ✔ **Community with gender equity:** focuses on employee development, promoting equal rights and opportunities for men and women who are part of the organization.
- ✔ **Community by affinity:** seeks to unite employees around a shared mission, generating pride and belonging, satisfaction in recognizing the values they defend, their own identity accepted and valued.

✔ **Multigenerational community:** aims to cohere teams regardless of their age and create multigenerational teams, avoiding stereotypes and segmentations by generation.

Our achievements and activities 2022:

- Signing the UN Women Empowerment Principles Statement and the Global Compact.
- Creation of the Diversity, Equity and Inclusion Policy for FFG.
- Support for the FICOHSA Corporate Gender Collective Intelligence Program, of the Women Forward Program.
- Discussions "The Voice of Mom and Dad" with the purpose of gathering information to elaborate the policy, benefits and actions of maternity and paternity that contribute to the protection and welfare of mothers and fathers of FFG.
- Participation in 4 diagnoses with the purpose of knowing our current situation in issues of Diversity, Equity, and Inclusion, to know what the strategic lines of action are to face the challenges of today and tomorrow; also have a broader vision that strengthens the culture of belonging within the company.
- Family Activity "Furry Friends" for recreation and inclusion of family and pets.

#### Goals for 2023:

- Creation of the Diversity, Equity, and Inclusion Strategy.
- Increased survey measurement of the Women's Empowerment Principles (WEPs).
- Launching of the "Together without Labels" committee.
- Creation of the "Women's Pull" movement.

## 8.4. Training and Career Development

(GRI 3-3, 404-1, 404-2, 404-3)

We have a flexible and inspiring work environment in which leaders and teams challenge themselves to experiment, learn and empower to create high-impact projects that achieve extraordinary results.

Through the Ficohsa Corporate University (FCU), we develop and deliver different courses and programs focused on improving and developing new skills for our staff. As in the last two years, we maintained online training courses, but also returned to face-to-face training programs. In addition, FCU operational processes were consolidated at the regional level to unify standards.

In 2022, the initiative "Developing your Career" was launched, achieving stage one, which aims to develop a group of employees and ensure their growth within our company. It is noted that 26% of the participants obtained internal promotion within the organization.

The retention of our employees during 2022 was **93%**, we maintain an arduous commitment to ensure their permanence in our company.

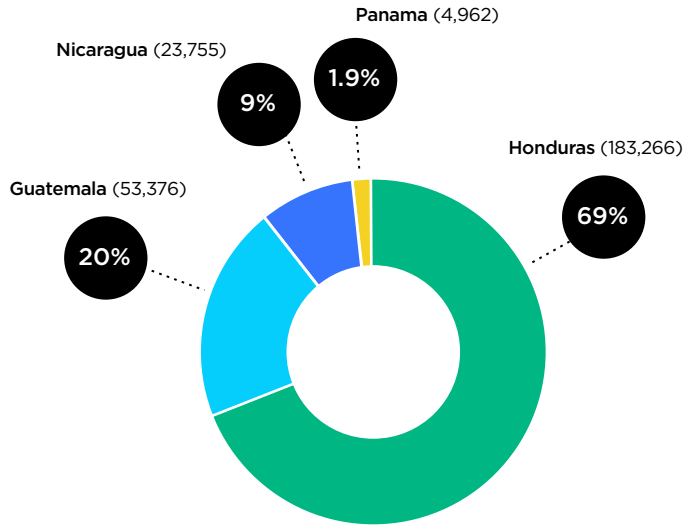
In addition, we are committed to regulatory compliance throughout the region, which is why strategies were developed to strengthen our compliance, achieving training in these topics of 99% (2021) and 98.5% (2022) of our staff of employees.

As a goal 2023, we will implement the first stage of the "Leadership Academy", a continuous development plan that aims to provide tools that strengthen knowledge and skills to team leaders, so that they can actively contribute day to day with the organizational vision of the company. This program was launched in 2022 with the participation of 555 leaders in Honduras, we call it "Empowering your Leadership".



## Total hours invested in training at a regional level in 2022

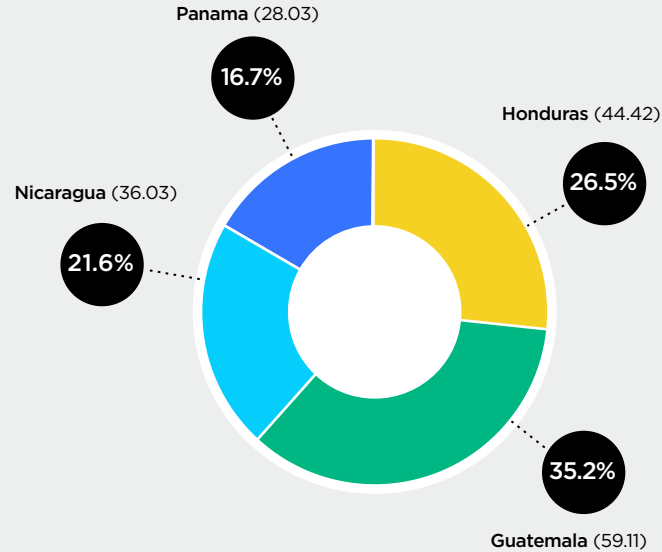
During 2022, 265,358 hours were invested in training at the regional level, that is +6.3% from the previous year.



More details in Human Talent annexes

The total number of training hours includes all the trainings of Ficohsa University, Schools, Skills Improvement Program, as well as all those that have been implemented in the year outside these programs.

## Average training hours per employee



\*The average number of hours of training corresponds to the work demographics at the end of the year, to avoid counting several times the same employee who participates in the different training programs.



## Ficohsa University Programs, Courses and Trainings 2022

At the regional level, some programs are standardized for teams, such as:

### 1 Team Building

It was possible to stimulate confidence and boost the spirit of work, promoting communication and integration between different areas and team members, enhancing leadership, creativity and improving resistance to change.

### 2 Ficohsa Master Class

They allowed to share knowledge to employees from all over the organization in different topics which strengthened the competencies and/or skills to better develop their work.

For each country different topics were developed that contribute to the professional and personal development of our employees.



## Honduras

### 1 Agencies' Welfare Program

**Module My great self:** Focused on emotional agility; it provided techniques to the employees on how to manage their emotions, in a way that allows them to handle difficult situations.

**Module My reflection towards my environment:** Effective time management, provided techniques for employees to effectively manage their time, focused on their personal and work life.

**Module Service Experience:** Enhance the skills of employees so that they can provide excellent service and allow them to work with difficult customers, providing them with an experience through service.

**Module Effective Sales:** They worked on techniques and tools with employees that allow them to develop their sales skills, being themselves their first customers to approach their final clients.

### 2 Certificate of strategy and business management.

### 3 Programs in Coursera.

### 4 Credit card migration program.

### 5 Training program for members of the Ethics Committee.

### 6 Fundamentals of project management program.

### 7 Alcance corporate brand development workshop.

### 8 Leadership Academy: an introductory workshop of this program was launched with the participation of 555 leaders called "Empowering your Leadership".

### 9 Technical training

- New O&T methodologies
- Agility
- Quality
- Control and audit
- Project strategy and evaluation
- Business and commercial
- Office automation
- Integral risk
- Reputational risk
- Financial, credit and market risks
- Technology
- Tax management

## Guatemala

- 1 Lego Serious Play Program.
- 2 Training on Remittances, PEP and CPE Clients, and Insolvency Law.
- 3 Risk Management Program.
- 4 Guatemalan Women Leaders Congress.
- 5 Finding our Ikigay Workshop.
- 6 Ideas and Teamwork Workshop.
- 7 Productivity Workshop.
- 8 Talks about Accountability.
- 9 Udemy Platform Trainings.

## Nicaragua

- 1 Customer Service and Relational Sale Program.

- 2 Leading with Passion Program.
- 3 Mindfulness.
- 4 Occupational Safety Program.
- 5 Specialized Continuous Training Program.

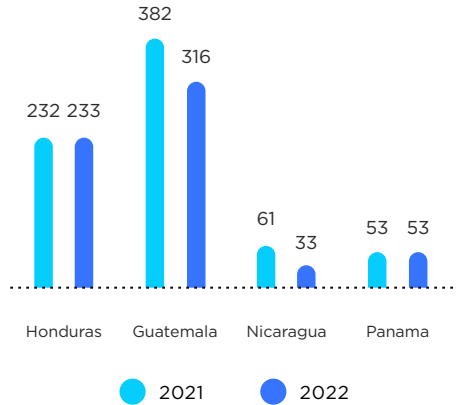
## Panama

- 1 Changing mindset: Accelerate business generation and results, balancing integration and teamwork.
- 2 The challenge in the current collection for contracted economies.
- 3 Risk Management in Financial Institutions Program - Edition 2022.
- 4 Internacional Reputational Risk Manager Certification (RRM).
- 5 International Seminar of Market Risks.
- 6 Treasury Management.
- 7 Development of Executive Coaching Program.
- 8 Excel Program (basic, intermediate, and advanced).
- 9 Fraud and documents prevention.
- 10 Educational training: ABC of the stock exchange, fundamental analysis, technical analysis and trading psychology.
- 11 Training and strengthening of brigaders.
- 12 Evolve towards the new business model training.
- 13 IT Risk Framework Course.
- 14 VII Congress of Corporate Governance under the motto "Trends and innovation".
- 15 Virtual workshop on LA-FT risk matrices.

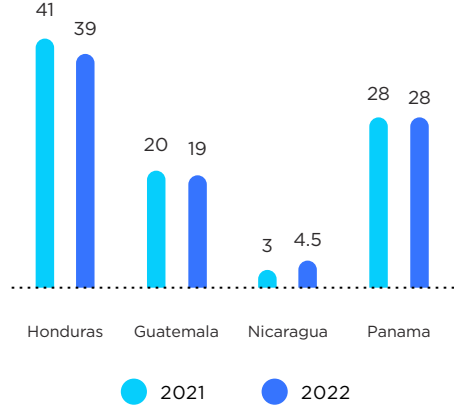
## Training by Ficohsa Schools 2022

Within our Ficohsa schools we have provided training for employees in the position of agency tellers in Honduras, where their operational and financial skills are strengthened and provides them with tools to enhance their sales and customer service skills.

### Participants



### Total hours



## Soft Skills Improvement Programs

We provide strategic support for the improvement of soft or soft skills of our employees and strengthen their skills.

We pay special attention to the following issues:

- Teamwork
- Leadership
- Assertive communication
- Customer service
- Analytical capacity
- Problem resolution
- Curiosity to learn
- Adaptability and resilience

## Hours invested

	Honduras		Guatemala		Nicaragua		Panama	
	2021	2022	2021	2022	2021	2022	2021	2022
Banking	6958	21,270	28	7,559	574	3,396	154	993
Insurance	809	1,687	2	376	NA	NA	NA	NA
Cards	1756	3,754	NA	NA	1	108	4	18
Pensions	132	559	NA	NA	NA	NA	NA	NA
<b>Total</b>	<b>9,655</b>	<b>27,270</b>	<b>30</b>	<b>7,935</b>	<b>575</b>	<b>3,504</b>	<b>158</b>	<b>1,011</b>

## 8.5 Health, Safety and Welfare

(GRI 2-19, 2-20, 201-3, 3-3, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 405-1, 406-1)

In 2022, we continued to reinforce the learning obtained from COVID-19, related to the changes generated at a global level in work topics. We implement at regional level with some areas of the company the hybrid working modality, facilitating the opportunity for employees to perform their functions.

The **Your Corporate Wellbeing**, Program offers our employees related practices to achieve personal balance and professional performance. The institution is committed to offering recreational spaces that guide the employee to maintain a healthy life, generating a culture that allows the adoption of healthy habits and that these facilitate motivation in members of the Ficohsa Family.

We highlight some initiatives that promote communication between organizational leaders and employees:

**Coffee with the leader:** Conversations between the Executive President of FFG, Camilo Atala, and employees to get to know them more closely and personally, and listen to their opinions, challenges and ideas.

**FicoTalks:** An initiative that seeks to generate a space of rapprochement between leaders and employees sharing learning, experiences, and life stories from a personal plane.

**Day of Recognition:** It is a day in which a space is generated to recognize at the regional level all the employees for their contributions, outstanding contributions and commitment in FF.

**Leading with Passion:** An annual leaders' event at a

regional level; a strategy, motivation, and integration event.

We continue to work in listening spaces to generate initiatives according to their specific needs, based on gender, generational groups, and development areas.

We are committed to ensuring safe, clean, and risk-free working conditions that threaten the physical and mental health of our employees. We have a **Health and Safety Committee** that ensures the implementation of related processes and policies throughout the group. Its main function is to follow up the cases that are presented and offer solutions, immediate and timely, as well as improvements to those responsible for the areas in each of the countries.



## Active brigade officers 2022

	Honduras		Guatemala		Nicaragua		Panama	
	2021	2022	2021	2022	2021	2022	2021	2022
Active brigade officers	237	198	16	22	103	109	16	23
Training hours	0	9	0	15	8	8	14	8

In 2022 we invested **81,82%** more in training hours for our brigade officers than the previous year.

During 2022 we had **no work accidents.**



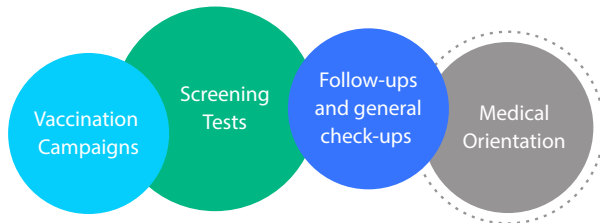


## Significant achievements in safety issues during 2022

(GRI 2-7, 401-1, 405-1) (SASB FN-AC-330a.1)

- Ficohsa Bank Guatemala received the award as "COVID-Free Enterprise CSR" by CENTRARSE Guatemala.
- Update from the Occupational Health and Safety Commission and a certified Occupational Health and Safety Plan was developed.
- Honduras conducted its annual assessments and tours of its buildings to verify improvements along with the fire department.
- Business continuity coordinators were trained through the SYSO Commission for knowledge of evacuation routes.
- For the first time in Nicaragua, an evacuation drill was made in the new facilities, with the support of the building's administration.
- This year in Nicaragua, an Alliance was made with the Fire Department of Managua to conduct training in each of the agencies on first aid, evacuation of buildings and fire prevention, in the use and management of fire extinguishers; in this way firefighters certify emergency brigades.
- In Panama we certified our brigadiers in the areas of: First aid and CPR, emergency management and evacuation, fire prevention and use of fire extinguishers.

At FFG we have a health and safety system for the benefit of employees and their families, through disease prevention programs and medical services with which we carry out different campaigns for the benefit of health:



## Mental Health

The program focuses on sensitizing our leaders and employees whose goal is to promote emotional well-being by fostering the normalization and self-care of mental health. In recent years we have paid special attention to the mental health of our work team through different tools and channels of care, including the free full-time medical and psychological hotline where we have the assistance of health professionals for the guidance of staff who require it.

During 2022 **+1,500** calls for medical and psychological assistance were attended.

## 8.6 Organizational Culture

We strive to be one of the best places to work, fostering a work environment that promotes the sense of belonging of employees with the organization. We offer benefits that go beyond law enforcement, seeking the well-being, satisfaction and commitment of employees with the Group.

### Performance evaluation





As every year we evaluate the performance of all our employees individually, through a formally established process. We ensure feedback on strengths and areas of opportunity, with the aim of continuously improving their performance and supporting their development within the organization, thus strengthening their sense of commitment, and belonging.

During 2022, 100% of partners were part of these performance evaluations.

### Benefits

In addition to complying with the legal provisions established in each of the countries where we operate, we grant different types of support that improve the welfare and satisfaction of the team. The results of the Express and Opinion survey help us to identify the benefits that employees expect to have.



Benefits	 Honduras	 Guatemala	 Nicaragua	 Panama
Hospital medical insurance	✓	✓	✓	✓
Collective life insurance	✓	✓	✓	✓
Psychological assistance Training	✓	✓	✓	✓
Preferential loan rate	✓	✓	✓	✓
Aid for death of dependent	✓	✓	✓	✓
Discounts in shops and companies	✓			✓
Vacation bonus (march)	✓	✓	✓	✓
Additional bonus (september)	✓			
Birthday bonus	✓			
Ficohsa Medical Clinic	✓			✓
Breastfeeding Room	✓			✓
FICOPEN	✓	✓		✓
	✓			



# Our Planet

We reaffirm with actions our commitment to the environment, seeking a better future for all.



# 9 Our Planet

## 9.1 Environmental Management

(GRI- 203-1, 2-27, 302-1, 302-3, 302-4, 305-1, 305-2, 305-3, 305-4, 305-5, 307-1)

As part of our environmental commitment, we manage our direct impacts and operation responsibly and sustainably over time. Aligned with our Sustainability Strategy, we launched in 2022 our institutional campaign "Together for a greener future" where the promotion of good practices for the care and preservation of the environment is sought, its scope includes our employees, clients, and other stakeholders.

We also strengthen the environmental awareness of our clients, under the socio-environmental assessment we perform for investment and credit projects, aligned with our vision of sustainable banking.

On the other hand, through different initiatives we seek to reduce energy consumption and increase the number of installations with new energy efficiency technologies and use of renewable energy, thereby reducing the generation of greenhouse gas (GHG) emissions into the atmosphere.

**+USD\$765M** invested to date in ecofriendly furniture, lighting, and air conditioning.

In addition, we measure and verify our ecological and carbon footprint, as well as analyzing water consumption, paper and waste generation along with the recycling of cards that we grant.

The measurement of our ecological and carbon footprint in Honduras allows us to identify and know where we are and how we are advancing in our reduction of CO2 emissions. As part of our 2023 environmental initiatives, we will expand the scope of the analysis to incorporate our operations in the countries where we are located. This exercise is carried out under the methodology of international guidelines such as the Global Footprint Network (GFN), as well as the Life Cycle Analysis guide. In turn, we rely on international standards such as ISO 14040 and 14072 Life Cycle Analysis and ISO 14044 Environmental Management System.

With our environmental strategy we directly impact three Sustainable Development Goals:



## Ecological Footprint

<sup>1</sup> Go to the Responsible Banking chapter in this Report for more details.	2021	2022	Δ2022-2021
<b>SCOPE 1 (gha)</b>			
<b>Direct:</b> Fuel consumption in transport and emergency plants, in addition to built surface.	248.3	251.3	1.20%
<b>SCOPE 2 (gha)</b>			
<b>Indirect:</b> Fuel consumption in transport and emergency plants, in addition to built surface.	1,652.79	960.55	-41.88%
<b>SCOPE 3 (gha)</b>			
<b>Food:</b> Purchase of sugar and coffee for offices.	0.37	0.0	-100%
<b>Office:</b> Procurement of furniture and office supplies of various materials, including electronic products, and made from wood, plastic, paper, and their combinations.	3,211.99	3,418.4	6.43%
<b>Consumer goods:</b> Purchase of personnel uniforms, advertising material, first-aid supplies, and cards.	401.14	142.3	-64.53%
<b>Servicess:</b> Agua potable, transporte de insumos, viajes de negocio, desplazamiento de empleados, disposición y tratamiento de residuos.	439.42	917.1	108.71%
<b>TOTAL</b>	<b>4,052.92</b>	<b>4,477.8</b>	<b>10.48%</b>

\*The negative signs in the variation represent a reduction, the positive ones represent an increase.

**Scope 1:** direct consumption in the operations related to fuel or refrigerants.

**Scope 2:** indirect consumption related to electricity supply

**Scope 3:** consumption related to goods, services purchased, as well as activities of the employees.

## Total Ecological Footprint

	2021	2022	Δ2022-2021
<b>Total</b>	5,953.98	5689.62	-4.44%
<b>Per Employee</b>	1.73	1.53	-11.56%

\* The negative signs in the variation represent a reduction, the positive ones represent an increase.

During 2022 we reduced our ecological footprint by

**4.4%**



## 9.2 Energy and Emissions

(GRI 305-1, 305-2, 305-3, 305-4, 305-5)

We have a double objective for the reduction of energy consumption: 1) reduce the consumption compared to the operation (measured in terms of intensity), 2) increase the use of renewable sources, including self-generation by our part through solar panels.

- ✓ We currently have 11 agencies and 2 buildings with solar farms. **(5,499 m<sup>2</sup> of solar panels).**
- ✓ With annual production of **1,200 Mwh** (megawatt hour).
- ✓ **71%** of clean energy consumed in these buildings.
- ✓ **549,600kg CO2** are **NOT** generated annually by solar energy.
- ✓ **+USD\$596M** invested in the farms of the two main buildings in the cities of Tegucigalpa and San Pedro Sula, in Honduras.

We will continue to work on the evaluation of new agencies and buildings for the installation of solar panels and opt for LED certifications.



Plaza Ficohsa Building, San Pedro Sula



Plaza Victoria Building, Tegucigalpa



Autobank Juan Pablo II, Tegucigalpa

## Energy Consumption

Energy consumption 2021-2022 (kwh)

	2021	2022	Δ2022-2021 (%)
Bank	10,758,540	8,365,033	-22.35%
Insurance	527,750	528,390	0.12%
Cards	955,021	850,316	-10.96%
<b>Total</b>	<b>12,241,311</b>	<b>9,743,739</b>	<b>-20.40%</b>

\*The negative signs in the variation represent a reduction, the positive ones represent an increase.

In Honduras we reduced our energy consumption in **20.40%**

Energy consumption in the region 2021-2022 (kwh)

País	2021	2022	Δ2022-2021 (%)
Guatemala	973,279	1,057,25	8.63%
Panama	529,553	287,734	-45.66%
Nicaragua	1,127,27	1,269,14	12.59%
<b>Total</b>	<b>2,630,10</b>	<b>2,614,13</b>	<b>-0.61%</b>

Energy intensity per employee

	2021	2022	Δ2022-2021 (%)
(kwh/employee)	1.61	1.50	-6.81%

\*The negative signs in the variation represent a reduction, the positive ones represent an increase.

The Dream Plaza building where our facilities in Panama are located have **LED Gold certification**, ensuring energy savings.



We use fossil fuels for the different power plants we use in case of emergency in both corporate and agencies. Also, for the deliveries of cards or mobile attentions in the insurance part, to mention some cases.

### Fuel Consumption

Type of Fuel	2021	2022	Δ2022-2021
Gasoline (Its)	227,862.94	256,285.66	12.47%
Diesel (Its)	60,523.34	39,449.15	-34.82%

\*The negative signs in the variation represent a reduction, the positive ones represent an increase.

### Emissions

Annually, we calculate greenhouse gas (GHG) emissions for our operations in Honduras, analyzing the impact of the measures implemented in terms of energy efficiency and use of renewable sources.

We generate the inventory that constitutes our carbon footprint by applying the Greenhouse Gas Protocol (GHG Protocol) developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). We report direct emissions of Scope 1, as well as indirect emissions from Scopes 2 and 3, in tons of carbon dioxide equivalent (ton CO2eq).

	2021	2022	Δ2022-2021
<b>SCOPE 1 (ton CO2eq)</b>			
Fixed sources	109.34	52.70	-51.80%
Mobile sources	604.24	648.81	7.38%
Fugitive source	445.63	448.6	0.7%
Total	1,159.22	1150.11	-0.79%
<b>SCOPE 2 (ton CO2eq)</b>			
Electrical network	4,704.48	2734.09	-41.88%
<b>SCOPE 3 (ton CO2eq)</b>			
Goods and services purchased	3,240.94	3,249.59	0.27%
Fuel and energy consumption not included in Scope 1 and Scope 2	-	-	-
Waste generated in the operations	16.36	16.40	0.24%
Business travel	446.34	788.88	76.74%
Employee displacement**	304.76	875.61	**187.31%
End of life of products sold	2.10	3.00	42.85%
<b>TOTAL</b>	<b>4,010.50</b>	<b>4,933.47</b>	<b>23%</b>

\*The negative signs in the variation represent a reduction, the positive ones represent an increase.

\*\*This data varies depending on the sample of employees.

### Intensity of GEI emissions (tonCO2eq/Employee) \*

	2021	2022	Δ2022-2021
SCOPES 1+2	1.72	1.13	-34.30

\*The negative signs in the variation represent a reduction, the positive ones represent an increase.

\*\*We calculate the intensity of emissions as the average per employee, integrating scopes 1 and 2; scope 3 is out because in terms of comparability varies the depth with which it can be obtained each year.

## 9.3. Other Environmental Aspects

### Responsible Water Consumption

(GRI 303-1, 303-3)

Although our sector does not represent large water consumption compared to other industries and sectors, we know that the water resource is indispensable for life, so within our facilities we are constantly monitoring water consumption and implement saving initiatives as part of our environmental commitment, we have installed fluxmeters and energy efficient faucets in the bathrooms of our buildings and agencies.

Consumption (m3)	2021	2022	Δ2022-2021
Honduras (Bank)	131,642	38,184	-70.99%
Nicaragua	8,159	9,930	21.71%
Regional (total)	139,801	48,114	-65.58%
Regional (m <sup>3</sup> /employee)	35	11	-68.29%

\*The negative signs in the variation represent a reduction, the positive ones represent an increase.

\*\* In Guatemala and Panama water consumption is not included, as these do not appear on the lease receipts.

During 2022 we reduced **65.58%** of water consumption at regional level.

We attribute this reduction to the fact that measures against COVID-19 decreased in cleaning tasks.

Water discharge (m <sup>3</sup> )	2022
Water discharged	3,275

### Materials and Waste

#### Waste Generated at Regional Level

(GRI 306-1, 306-3, 306-4, 306-5)

To leverage the use of waste that cannot be reduced or eliminated, we are advancing in the signing of agreements with certified and accredited suppliers that can ensure a second life through proper management of their recycling. With this we promote a circular economy that has a double benefit: 1) social, achieving new jobs, and 2) environmental, avoiding pollution by not treating those residues.

Our aim is to reduce our waste in general, for this we promote the recycling of paper, electronic waste, and the correct disposal of plastics from credit cards.

	2021	2022	Δ2022-2021
Solid Waste	141,844	223,199	57.36%
Aluminum	30,443	30,521	0.26%
Paper	220,302	307,980	39.80%
Plastic	15,443	16,013	3.69%
Electronic waste	1,909	2,489	30.38%
Total	409,941	580,202	41.53%

During 2022 we recycled **39.80%** in paper and **30.38%** in electronic waste, more than the previous year.

Funds raised specifically from electronic recycling were donated to the Honduras STEM Foundation, an organization that promotes innovation and STEM (Science, Technology, Engineering and Mathematics) education.



## Paper Consumption at a Regional Level

Continuing the digital transition, we are increasingly reducing paper consumption as the main input of financial services companies and continuously generating campaigns internally and externally to reduce consumption. In addition, quarterly we generate a report to monitor the areas or departments that consume paper.

	2021	2022	Δ21-19
Honduras	15,523	15,324	-1.28%
Guatemala	3,863	4,216	**9.14%
Nicaragua	2,642	2,964	12.19%
Panama	827	733	-11.37%
Regional total	22,855	23,237	1.67%
Regional per employee	4.5	4.25	-5.60%

\* The negative signs in the variation represent a reduction, the positive ones represent an increase

\*\*In the case of Guatemala this year the total of our employees returned to the offices and this was reflected in the increase in paper consumption compared to the previous year, where many were teleworking and in the case of Nicaragua, the increase was due to the request from the superintendence of banks in that country requesting physical information from previous years.



## Other initiatives on climate change/sustainability

- ✓ Through corporate volunteering and under the alliance we have for more than 13 years with the Honduran company Larach & Cia we deliver +60k seeds of different trees to our customers and employees to contribute to the reforestation of communities.
- ✓ During 2022 we planted 15,300 trees to reforest the buffer zones surrounding La Tigra National Park in the city of Tegucigalpa and Zapotal village in San Pedro Sula. To date we have planted +63,000 trees.
- ✓ We delivered environmental educational material to +3.5K children in 20 educational centers near La Tigra National Park, in the city of Tegucigalpa.
- ✓ During this year we launched the institutional environmental campaign "Together for a green future", which aims to promote, raise awareness, and sensitize on the importance of natural resources and care for the environment; under this initiative in partnership with the Telecentro Corporation (the largest television network in Honduras) we joined the program Plantatón HN, whose purpose goes hand in hand with our environmental strategy.
- ✓ With the support of our corporate volunteers located in coastal areas of this country we carried out two days of beach cleaning, with which we collected +27,850 pounds in waste, contributing to the care of marine ecosystems.
- ✓ Throughout the year, at the regional level we promote different campaigns on different digital platforms, internally and externally, such as energy saving, water saving, paper saving, planet time, among others, reaching more than 653 thousand people.
- ✓ In Nicaragua, with the support of volunteers, activities were carried out to recycle plastic bottles and a In Nicaragua, with the support of volunteers, activities were carried out to recycle plastic bottles and recycle electronic waste tronic waste recyclethon.

Ficohsa Bank Panama obtained the "Carbon Footprint Inventory" Recognition from the Climate Change Directorate (DCC) of the Ministry of Environment (MiAMBIENTE) of that country, responsible for the Reduce Your Corporate-Carbon Footprint program.

This program establishes a standardized process to identify, calculate, report and verify the carbon and water footprint within the limits of public, private and civil society organizations.



# Our Community

Together we drive the development of sustainable communities.

# 10 Our Community

(GRI 2-23, 2-25)

We are committed to the countries where we operate, contributing to reducing the main problems associated with inequality through social investment for the sustainable development of communities, including donations and voluntary activities. In this way we join our employees, generating impact in a bidirectional way under the feeling of social responsibility that characterizes us.

Through our social arm, Ficohsa Foundation, and the Corporate Social Responsibility management area, we develop projects, programs and initiatives that generate a positive impact on communities by addressing their needs, within the following areas of action:



Access to education



Financial Inclusion



Health



Other social investment projects

During fiscal year 2022, our social contribution was **+USD\$1.4 millions**



## 10.1

(GRI 203-1)

From Ficohsa Foundation we contribute to pre-school education at an early stage of childhood, contributing to the integral development of children, giving them the necessary tools for their future.

### Educating our Future

This program was born in 2000 to accompany communities and promote the importance of pre-school education for children. The program includes several benefits and components aimed at strengthening teaching-learning processes.

24 years of experience reaffirm our commitment to contribute to early education in countries where FFG has a presence, with the aim of providing tools to have a prepared population that, in turn, provide better opportunities to ensure a better future and enhance their quality of life.

**+150,600** boys and girls benefited (accumulated since 2000)

**149** Preschool Centers

(141 Honduras, 4 Nicaragua, 2 Guatemala, 2 Panama)



## Honduras

### School Feeding

Since 2001, the Ficohsa Foundation has maintained an important partnership with the World Food Programme (WFP), contributing to the National School Feeding Program. The delivery of this important benefit is intended to support the development of children through an appropriate snack, which contributes to achieving good school performance.

**+22 million** school snack rations delivered.

**+146,000** boys and girls benefited.

**+\$2.5 million** Invested to date.

## Provision of School Books and Materials

Since the beginning of our program "Educating Our Future", the annual delivery of textbooks and school materials for the children of our sponsored centers takes place. These resources are used by teachers for the development of the teaching-learning process, strengthening the development of the fine and coarse motors that are key in this educational stage.

During 2022, more than 6,800 school kits and textbooks were delivered to children enrolled in the 140 centers supported at the national level, with an investment of **USD\$71,292**

## Educational Portal

The Ficohsa Foundation Educational Portal, is a tool designed during the pandemic to give continuity to teacher training processes, offering access to resources and courses that users can find without accessibility restrictions; it is also fully accessible to anyone interested in acquiring or strengthening their knowledge.

Currently anyone, from anywhere in the world, can access and train on the site with the resources there available. Access is completely free and optimized to access from any device.

[www.portalfundacionfichosa.com](http://www.portalfundacionfichosa.com)



## Social and Financial Education Program (AFLATOT)

Aimed at preschool children (3 to 6 years) laying the foundations for financial education, becoming apparent that these investments in early education, provide them with advantages that expand and reinforce over time.

The program has been implemented since 2014 and is currently being implemented in a total of 52 educational centers in Honduras and has benefited more than **19,800 boys y girls.**

## Give to Educate Program

Result of the alliance between Ficohsa Foundation and La Colonia Supermarkets, customers of the supermarkets can donate when canceling their products, contributing directly to educational projects and the development of their own communities.

We maintained internal and external campaigns throughout the year in addition to several webinars for customers and employees on information security issues for financial users and "How to prevent digital fraud?".

The funds raised contributed to the construction and/or rehabilitation of 18 preschool education centers and the strengthening of the projects implemented therein.

The benefited centers are located in the cities of Tegucigalpa, Choluteca, Comayagua, Siguatepeque, Juticalpa, Danlí, San Pedro Sula, El Progreso and La Ceiba, where to date have benefited more than **13 thousand boys and girls.**

Total raised in 2022: **USD\$111,341**



## Actions for the Safe Return to Classes

### Rehabilitation of centers

During 2022, after the experience with COVID-19, many educational centers nationwide returned in person to their classrooms, but many of them were in poor conditions, therefore we redoubled our efforts to provide them with the necessary support.

In total, improvements were made in infrastructure and the water and sanitation system in **67 preschools** in Honduras, benefiting more than 4,000 children, with an investment of **USD\$79,950**.

### Donation of biosecurity inputs

In support of sponsored preschools, when the 2022 school year began, basic biosecurity supplies and materials were delivered to ensure a safe return to school for children.

With an investment of more than **USD\$43,000**, masks, antibacterial gel, chlorine, thermometers, and liquid soap were delivered.

Summary  
2022

141  
Preschool  
education  
centers

6,945  
Boys and girls  
**145,267**  
(accumulated  
since 2000)

306  
Teachers



## Guatemala

In 2022, thanks to the contribution of the employees, the monthly delivery of school snacks was achieved, benefiting the families of the children who are cared for in the two preschool centers in Guatemala City.

School kits were also delivered, the celebration of the child's day was held, bringing the cinema to school, toys and a happy box were given.

Summary  
2022

2  
Preschool  
education  
centers

84  
Boys and girls  
**625**  
(accumulated  
since 2000)

3  
Teachers



## Nicaragua

Through corporate volunteering, different educational and recreational activities were carried out for the children benefited in the supported preschools; 380 school supplies packets were donated, and the equipment maintenance of the Maaswaal Preschool Children's Technology Center located in Managua, with the support of the Technology Department.

In addition, improvements were made to the infrastructure of the Fernando Gordillo and Cristo Salvador preschools.

Summary  
2022

4  
Preschool  
education  
centers

359  
Boys and girls  
**3,292**  
(accumulated  
since 2000)

13  
Teachers

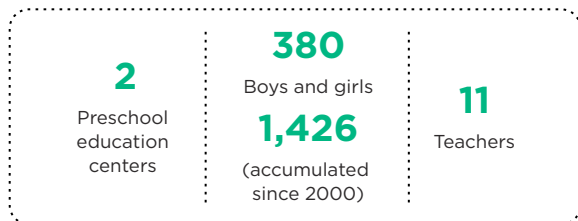


Corporate volunteering is committed to actively contributing its talents, supporting social projects that generate an empowerment and commitment to the welfare of education. The Operation Ant "Escolar" campaign was able to benefit 100 children of the Republic of Honduras School in Pacora with donations of biosecurity kits consisting of: masks, paper towels, wet wipes, alcohol and a school kit consisting of: notebooks, folders, scissors, construction paper, colored pencils, pencil holders, putties, drawing notebooks, glues, erasers, pencil sharpeners, among others.

**39 complete technology equipment (Desktop) were donated to the Republic of Honduras School in Pacora to strengthen the skills of children in technology with the use of the Child Technology Center.**

An important contribution were the painting improvements in 4 preschool rooms of the Republic of Honduras School in Pacora. The teachers of the supported schools were also strengthened through the Ficohsa Foundation Educational Portal.

**Summary 2022**



## 10.2. Other Initiatives and Programs

### 10.2.1 Support to Innovation



Together with UNITEC, we carried out the 6th Edition of the Technological Innovation Award (PIT), in partnership with BID|Lab, Tech4DevHN, Televisión Foundation, La Tribuna, Oracle and PBS Group; in 2022 for the first time the competition was opened to entrepreneurs from all over the Central American region, looking to discover and support young people with innovative projects that use any type of technology to generate social and business impact.

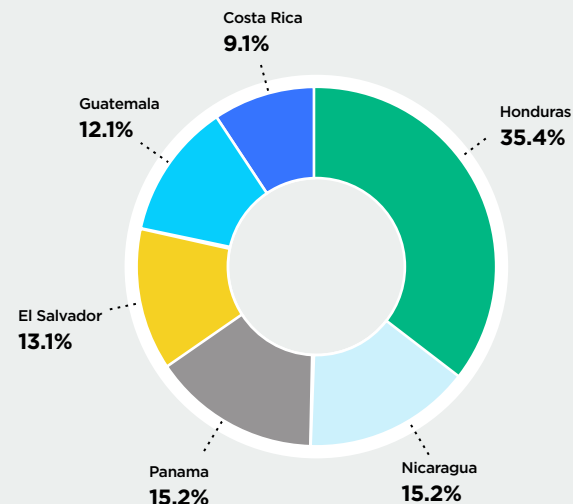
The participating categories are Startup and Prototype in the areas of: Health, Safety, Digital Transformation, Fintech and Education.

Benefits for Winners: Seed Capital, Visibility, Networking, Implementation, Corporate Bonding, Mentoring and Training.

75% more than the previous year competed, 24% female participation.

133 Prototypes, 101 Startups.

#### Participation by country



## Summary of Winners and Finalists

12 teams qualified to the final, 5 Startup and 7 Prototype, 47% female representation, resulting winners:

**First place Startup category** (Fibbo App): First platform in LATAM that brings together buyers, suppliers and factors to facilitate their business transactions. Prize: USD\$15,000

**Second place Startup Category** (Sento): Platform that analyzes calls with customers 15x faster than a human being and for 10% of the cost, visualizing points of operational improvement and consumer experience. Prize USD\$15,000

**First place Prototype category** (Kreditame): First credit broker in Guatemala (Pronto de Centro América). Prize USD\$10,000

**Second place Prototype category** (iSmart Comply): Platform that automates legal services for SMEs. Prize USD\$3,000

Winners received seed capital from Ficohsa, PBS and Tech4DevHN.

### Other Activities

17 community events involving more than 870 people: These include lectures at universities and entrepreneurship hubs, venture capital panel and 4 workshops taught by Oracle (Storytelling, Technologies 4.0, Cybersecurity and Metaverso).



In 2022, the third edition of the advanced training and advisory program for the consolidation of business models and technological products was carried out. Within the Tech4DevHN Acceleration Program, the execution of a training plan is contemplated as a fundamental part of the development, accompanied, and guided by technology-based startups through different accompanying methodologies.

### Activities and Reach

- 18 projects on Research, Development, and Innovation (R&D&I) were registered in the acceleration program and 15 Startup, 33 in total.

- 13 projects led by women and 20 led by men were identified.

Technological medical booths from the Bitmec Startup were installed at the Por Salud branches.

- +1800 participants in training, mentoring or meetups on entrepreneurship issues, totaling +170 hours.

- **Acceleration Program:** 21 workshops for all phases of the program.

- **Conception:** 14 participating startups (20 training hours), birth:15 participating startups (11 training hours), persistence: 4 participating startups (6 training hours).



We continue to strengthen our commitment to boost Honduras' socio-economic development and competitiveness. We promote, guide and finance Honduran professionals of academic excellence, wishing to pursue postgraduate studies in the best universities abroad, and thus contribute to enriching Honduran talent.

In 2022 the call for the Credit-Scholarship Program received 62 applications, of which 55 applications went to the evaluation stage. Later the Academic Committee began with the evaluation work of each of the candidates. La Junta Directiva, en base a las evaluaciones y recomendaciones del Comité Académico seleccionó a 33 candidatos para que se convirtieran en la Séptima Generación de Beneficiarios. Finalmente, 25 seleccionados legalizaron el crédito-beca y ya se encuentran realizando sus posgrados en distintos países alrededor del mundo.

To date, HonduFuturo has benefited 192 talented Hondurans, in 23 countries and 11 areas of study, representing an investment in postgraduate education of more than **USD\$5.3 million.**

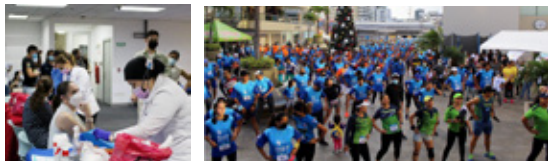


Also, through the Labor Intermediation Program (PIL), the 85 beneficiaries who are already back in the country have been supported in their reintegration into the labor market, contributing to development. The PIL is a support tool for HonduFuturo beneficiaries when they finish their studies, to support them in the reintegration into the labor market in Honduras. The Foundation serves as a bridge between beneficiaries and companies and institutions wishing to recruit this high-level talent.

### 10.2.3 Other Social Investments



As part of our social investment, we support the Growing with Diabetes Foundation, a non-profit organization founded in 2018 as an initiative to raise awareness about diabetes in Honduras.



**+ USD\$ 118,000** invested to date

### Education

Through the different initiatives, it is sought that the patient and caregivers, can have relevant information that allows them to be empowered and have a greater commitment in their treatment and therefore a better quality of life.

**+8,900** people reached

#### Awareness-raising and sensitization:

To generate a culture attached to awareness and prevention, we continuously broadcast through our channels, unique messages, compelling testimonials to reach our key audiences. In commemoration of the World Diabetes Day, the II edition of the Blue Run "Kilometers for Diabetes" was held to generate in the community a space for sport and the promotion of a healthy family lifestyle.

**+5,100** people reached

#### Diagnosis and prevention:

As a contribution to the community and to avoid the increase in diabetes figures by ensuring early detection of the disease, several diagnosis days were carried out, where blood samples, weight, measurement of the Body Mass Index, height, blood pressure were taken by health professionals who provided care to the attendees.

**+650** people reached

### 10.2.4 Ficohsa Volunteers Transforming Lives

At FFG we have our regional corporate volunteer program, in which our employees and their families participate in different activities, with this we promote coexistence and personal and organizational values for the benefit of society and the environment.

In 2022 we benefited more than **43 thousand people** from the different communities where we operate, with active participation of **96%** of our employees.





## Outstanding Activities

### Child's Day Celebration:

Participation of + 1,000 volunteers and benefiting +3,000 boys and girls.

### Ficohsa One Day to Give:

460 seniors benefited in 13 different cities where Ficohsa has a presence, delivering more than 4,200 pounds in food rations, as well as cleaning and personal hygiene products.

### Solidarity action at the end of the year:

More than 24,300 pounds of food were delivered as part of the international day of human solidarity.



# 11 Solvency and Economic Performance

## 11.1 Relevant Group Data

(GRI 201-1, 3-3) (SASB FN-CB-000.A)

Our strength, experience and good performance allow us to be the trusted financial partner for our clients, shareholders, and other stakeholders, this materialized through our corporate purpose of facilitating solutions that transform lives.

But our commitment does not end there, we seek to evolve every day to respond to the great economic, environmental and social challenges we face as a business and from the sector. We also contribute to economic development in the countries and communities where we operate.

Below we present the main financial indicators at the Group level at the end of fiscal year 2022.

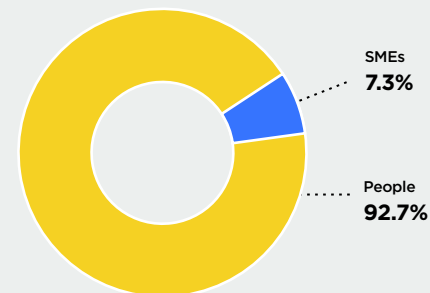
### Financial and business indicators (regional)

Indicators	2021	2022	2022-2021 (%)
Net Assets (USD\$ MM)	7,386.36	7,858.58	6%
Loan Portfolio (USD\$ MM)	4,087.72	4,656.32	14%
Deposits (USD\$ MM)	4,733.24	5,334.26	13%
ROE (%)	15.72%	16.6%	1%
Capital adequacy ratio (%)	13.93%	13.2%	-1%
Delinquency rate (%)	1.94%	1.82%	-0.12%

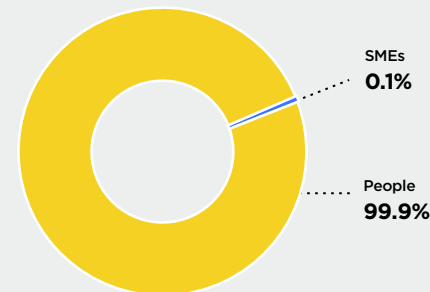
### Breakdown of the credit portfolio (Regional)

(SASB FN-CB-000.B)

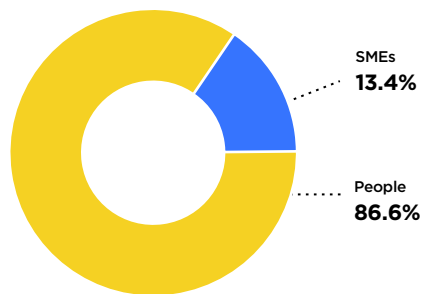
#### Loans and Credits (Number)



#### Loans and Credits (Value issued MM USD\$)



## Portfolio Balance (USD\$)



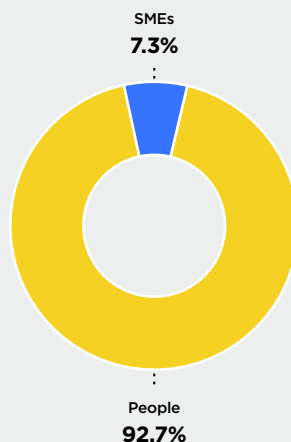
## 11.2 Relevant Data per Country

(FS6) (SASB FN-CB-000.A, FN-CB-410a.1)

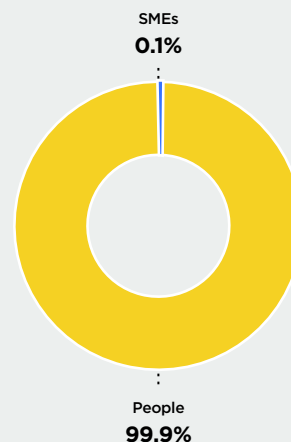
### Honduras

Financial and business indicators	2021	2022	2022-2021 (%)
Net Assets (USD\$ MM)	5,387.67	5,575.86	3.5%
Loans (USD\$ MM)	3,063.57	3,452.10	12.7%
Market share loans (%)	18.40%	17.90%	-0.5%
Deposits (USD\$ MM)	3,337.00	3,793.00	13.7%
Market share deposits (%)	17%	17.6%	0.6%
ROE (%)	15%	16%	1%
Capital adequacy ratio (%)	14%	13%	-0.9%
Delinquency rate (%)	2%	2%	-0.2%

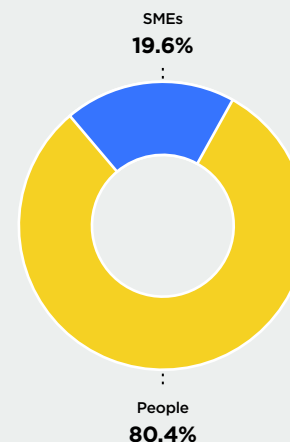
## Loans and Credits (Number)



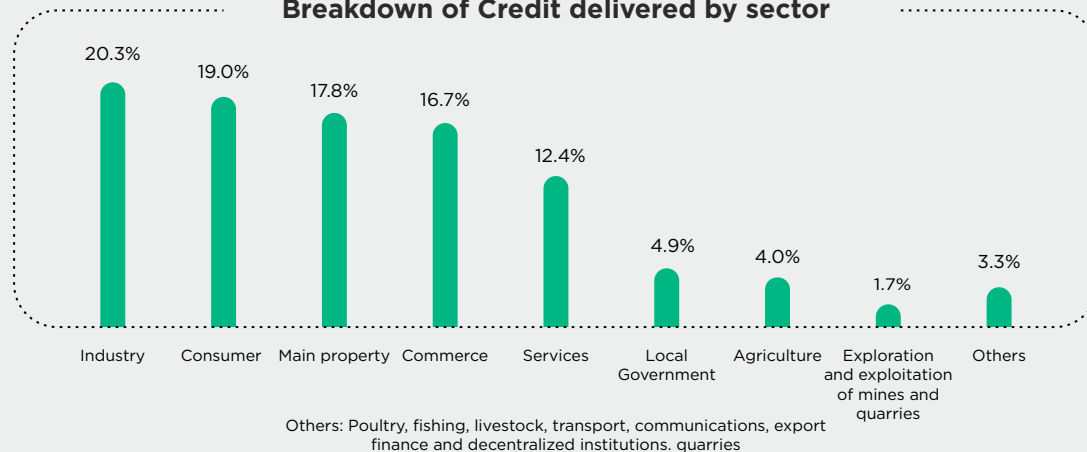
## Loans and Credits (Value issued MM USD\$)



## Portfolio Balance (MM USD\$)



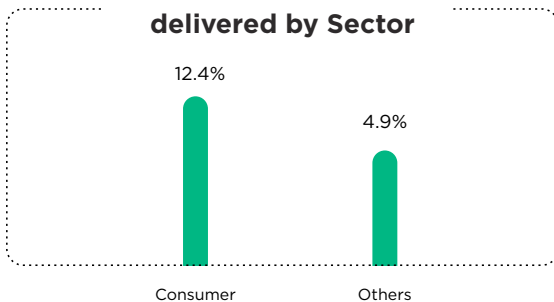
## Breakdown of Credit delivered by sector



 **Guatemala**

Financial and business indicators	2021	2022	2022-2021 (%)
Net Assets (USD\$ MM)	470.52	501.25	6.5%
Loans (USD\$ MM)	278.62	342.14	22.8%
Deposits (USD\$ MM)	353.6	334.7	-5.4%
ROE (%)	17.66%	17.25%	-0.4%
Capital adequacy ratio (%)	15.01%	13.28%	-1.7%
Delinquency rate (%)	1.55%	1.39%	-0.2%

**Breakdown of Credit delivered by Sector**

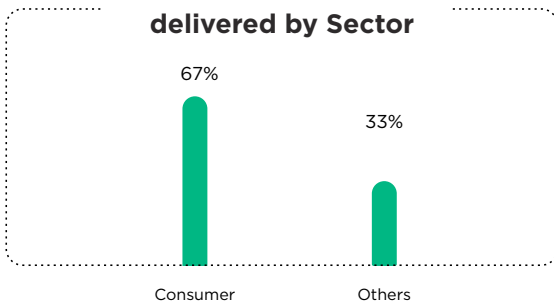


\*Others: Construction, industry, services, trade, transport, storage, and communication

 **Nicaragua**

Financial and business indicators	2021	2022	2022-2021 (%)
Net Assets (USD\$ MM)	533.99	593.96	11%
Loans (USD\$ MM)	211.30	244.46	16%
Deposits (USD\$ MM)	403.39	462.06	15%
ROE (%)	12.76%	14.27%	2%
Capital adequacy ratio (%)	16.32%	17.63%	1%
Delinquency rate (%)	2.17%	1.03%	-1%

**Breakdown of Credit delivered by Sector**

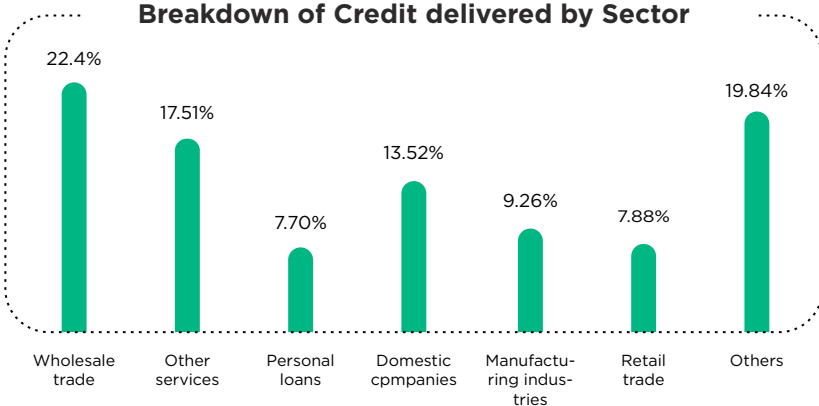


\*Others: Transport and logistics, trade, manufacturing, construction, public administration, and defense, financial and insurance activities, administrative and support service activities, real estate activities, agriculture, livestock, forestry, fishing, human health care, and social welfare activities, and other service activities.



Financial and business indicators	2021	2022	2022-2021 (%)
Net Assets (USD\$ MM)	744.25	854.98	15%
Loans (USD\$ MM)	532.97	616.45	15.7%
Deposits (USD\$ MM)	644.46	751.79	17%
ROE (%)	9.25%	12.25%	3%
Capital adequacy ratio (%)	12.72%	13.03%	0.3%
Delinquency rate (%)	1.12%	0.75%	-0.4%

### Breakdown of Credit delivered by Sector



\* Others: Poultry, fishing, livestock, transport, communications, export finance and decentralized institutions.

## Entrepreneur Banking

(SASB FN-CB-240a.1)

We present the dimensions of our product portfolio by type of customer within the entrepreneurial segment in Honduras at the close of 2022:

Product	Clients	Products	Total (USD\$)
Savings	18,821	27,101	127,472,058.10
CDS	458	532	13,908,458.11
Checking	7,537	8,720	69,118,448.64
<b>Total</b>	<b>22,894</b>	<b>36,353</b>	<b>210,498,964.85</b>

## Mortgage Banking

(SASB FN-MF-000.A, FN-MF-270b.1)

We continue to consolidate our leadership in housing financing in Honduras, closing the year with a portfolio balance of USD\$450MM which represents a 10.8% growth compared to 2022.

Description	Amount (MM USD\$)
Home purchase	1,031.65
Commercial premises	54.28
Mortgage portfolio	1,085,930.00

As part of our commitment to the development of Honduras, we continue our support for financing social housing through CONVIVIENDA and the Middle Class Housing program:

Description	Amount	Amount (MM USD\$)
Cases Convivienda	548	8.56
Cases Middle-Class Own Funds (subsidized)	99	1.26
Cases Banhprovi Middle-Class Preferential Rate	587	14.49
Cases Banhprovi Middle-Class	631	18.63

## Representation Office in United States of America

With a portfolio of USD\$25.5MM at the end of the year, USA accounts remain the product par excellence for the effective development of the banking strategy through remittances and financial inclusion for a market segment composed of Hondurans living abroad.

In addition, the Representation Office continued with an accelerated step in the placement of housing finance for the purchase and development of properties in Honduras. With a record USD \$3.55 MM, USA housing management achieved the highest results of the last 5 years and reached the year-end mark of USD \$16.26MM. The product of Vivienda USA is not only a sustainable and profitable service for the operation but is a contributory element to the development of Honduras by generating direct jobs in the construction industry, as well as indirect jobs and added value throughout the business chain.

During 2022, the Representation Office contributed USD\$924.35 MM of net margin to the results of Banco Ficohsa Honduras, thus contributing to the strengthening of the institutional patrimony of Ficohsa Bank Honduras and Ficohsa Financial Group.

## Ficohsa Insurance

(SASB FN-IN-000.A)

### Premiums Issued

For both Honduras and Guatemala, we had an increase in premiums issued during the year. Having the highest premium increase in the bond segment for both countries.

#### Premiums Issued Honduras (MM USD\$)

Segment	2021	2022	Δ2022-2021
Life	30.4	34.6	14.0%
Accidents and Sickness	28.5	29.4	3.1%
General Insurance	49.0	52.1	6.4%
Other General Insurance	19.0	23.1	21.9%
Bonds	1.5	1.2	-17.2%
<b>Total</b>	<b>128.3</b>	<b>140.5</b>	<b>9.5%</b>



#### Premiums Issued-Guatemala (MM USD\$)

Segment	2021	2022	Δ2022-2021
Life	1.79	2.29	27.93%
Accidents and Sickness	0.34	0.42	23.53%
General Insurance	15.4	12.07	-21.62%
Other General Insurance	0.94	0.79	-15.96%
Bonds	1.7	1.79	5.29%
<b>Total</b>	<b>20.17</b>	<b>17.36</b>	<b>-13.93%</b>

### Claims

#### Honduras (MM USD\$)

Segment	2021	2022	Δ2022-2021
Life	19.2	8.3	-56.8%
Accidents and Sickness	19.7	18.6	-5.6%
General Insurance	12.3	18.8	52.8%
Other General Insurance	5.4	1.7	-68.51%
Bonds	1.7	0.6	-64.70%
<b>Total</b>	<b>58.3</b>	<b>48.0</b>	<b>-17.66%</b>

#### Guatemala (MM USD\$)

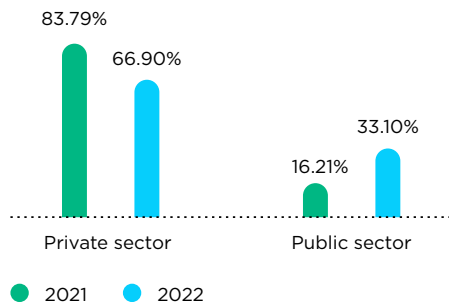
Segment	2021	2022	Δ2022-2021
Life	0.54	0.16	-70.37%
Accidents and Sickness	0.46	0.46	0.00%
General Insurance	2.67	5.75	115.36%
Other General Insurance	0.29	0.43	48.28%
Bonds	0.08	0.22	175.00%
<b>Total</b>	<b>4.04</b>	<b>7.02</b>	<b>73.76%</b>

## Breakdown of Investments

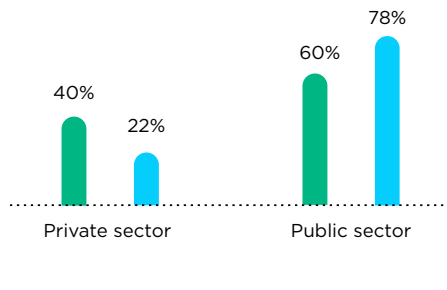
(FN-IN-410a.1)

Our insurance subsidiaries invest under a prudent strategy according to the fiduciary duty we have with the insured.

### Investment Portfolio Honduras



### Investment Portfolio Guatemala



## Ficohsa Brokerage House

(SASB FN-IB-000.A, FN-IB-000.B)

From Ficohsa Brokerage House we contribute to the group's performance under the following operating and economic results:

Indicator	2021	2022	Δ2022-2021
Market share per product or service	75%	58%	-17%
Monetary income generated	USD\$ 601,992	USD\$ 683,459	13.53%
Number of clients served	18	12	22.22%
Securities in custody	USD\$ 142,817	USD\$ 351,758	146.29%

**99.59%** of investments in Brokerage House come from the public sector. During 2022 we grew **22.22%** in our client portfolio.



## Ficohsa Pensions and Severances

(SASB FN-AC-000.B)

With more than 7 years in the Honduran market, we have performed with excellence, positioned as a leading brand in these services. Growth is associated with the evolution of the small contributor and the progressive results of education in culture of social prevention.

Figures in (MM USD\$)	2021	2022	Δ2022-2021
Managed Fund	305,621,157	397,229,566	30%

## 10.3 Economic Value Generated and Distributed

Below we present the distribution of our income in different items that are distributed impacting our stakeholders: suppliers, employees, suppliers of capital, government and community.

### Economic Value Generated and Distributed (In thousands of USD\$)

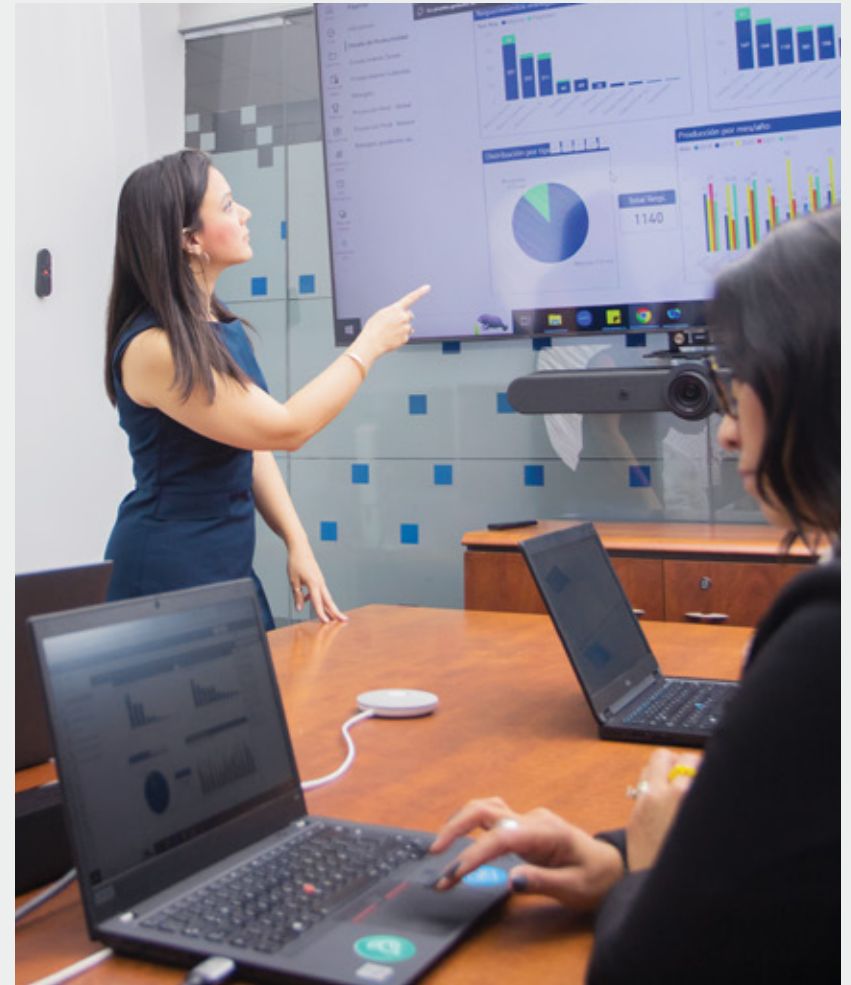
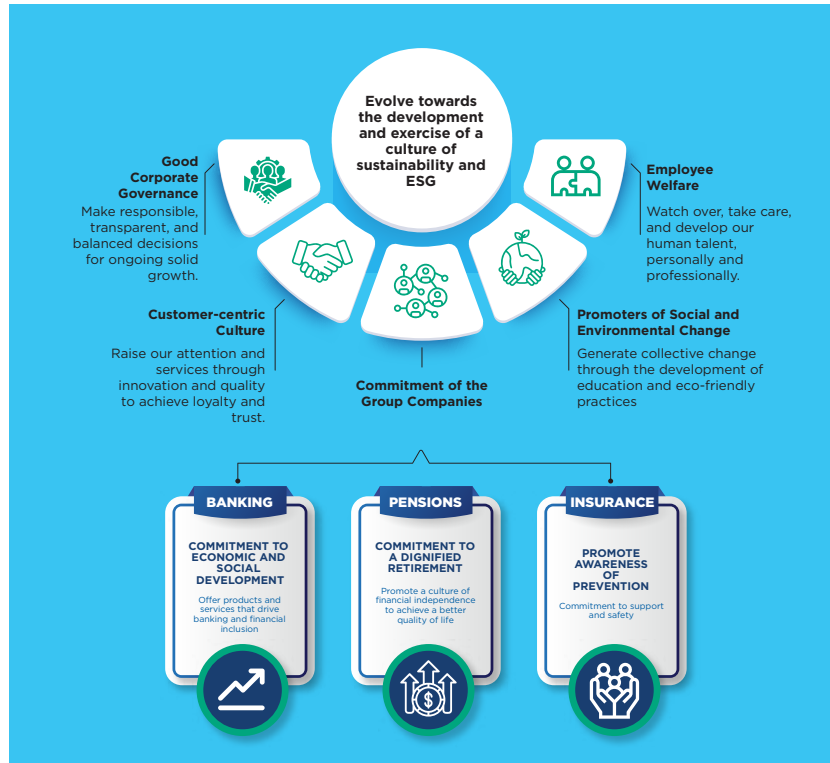
	2021	2022	Δ2022-2021 (%)
Revenue (Economic Value Generated, EVG)	480,096	565,106	17.71%
Costs (Economic Value Distributed, EVD)	399,282	370,126	-7.30%
Operating Costs	181,233	199,542	10.10%
Employee Compensation	104,494	132,010	26.33%
Payment to Capital Providers	84,543	120,898	43.00%
Payment to Government	43,829	37,384	-14.70%
Social Investment	1,193	1,191	-0.21%
EVG-EVD	80,815	194,980	141.27%





# Objectives 2023

Throughout the report we have presented our ESG results and performance for the Group during 2022. Committed to continue promoting the development of countries in the region by the year 2023 we will strengthen our strategy of sustainability.





# Annexes

# ANNEX I

## Details of Human Talent Data

Below we present more details about data mentioned in the section of Our People.

### Employees per country

Country	2021	2022	Δ22-21
Honduras	3,435	3,724	8.4
Guatemala	862	916	6.3
Nicaragua	599	654	9.2
Panama	176	176	0.0
<b>Total</b>	<b>5,072</b>	<b>5,470</b>	<b>7.8</b>

### Employee and type of contract of FFG employees at regional level

Country	2021			2022		
	Permanent	Contract	Total per country	Permanent	Contract	Total per country
Honduras	3,173	262	3,435	3,707	17	3,724
Guatemala	853	9	862	911	5	916
Nicaragua	599	0	599	654	0	654
Panama	175	1	176	176	0	176
<b>Total FFG</b>	<b>4,800</b>	<b>272</b>	<b>5,072</b>	<b>5,448</b>	<b>22</b>	<b>5,470</b>

### Seniority of employees per country

Country	Less than 1 year	1 - 3 years	4 - 6 years	7 - 9 years	10 - 15 years	16 - 20 years	21 years or more
Honduras	34%	18%	13%	15%	12%	4%	4%
Guatemala	32%	44%	16%	5%	3%	0%	0%
Nicaragua	27%	33%	19%	11%	6%	3%	2%
Panama	18%	25%	26%	30%	1%	0%	0%
<b>Total</b>	<b>27.95%</b>	<b>29.95%</b>	<b>18.19%</b>	<b>15.41%</b>	<b>5.54%</b>	<b>1.68%</b>	<b>1.28%</b>

### Age and gender statistics in FFG companies 2022

Honduras	Bank		Insurance		Cards		Pensions	
	Men	Women	Men	Women	Men	Women	Men	Women
18-30 years	41%	59%	42%	58%	42%	58%	44%	56%
31-44 years	44%	56%	41%	59%	33%	67%	29%	71%
More than 45 years	46%	54%	40%	60%	31%	69%	20%	80%

Guatemala	Bank		Insurance	
	Men	Women	Men	Women
18-30 years	49%	51%	48%	53%
31-44 years	48%	52%	60%	40%
More than 45 years	58%	42%	78%	22%

Nicaragua	Bank		Insurance	
	Men	Women	Men	Women
18-30 years	35%	65%	67%	33%
31-44 years	40%	60%	73%	27%
More than 45 years	43%	57%	100%	0%

Panama	Bank		Insurance	
	Men	Women	Men	Women
18-30 years	29%	71%	0%	0%
31-44 years	48%	52%	0%	100%
More than 45 years	44%	56%	100%	0%

### New hirings 2022

Country	Honduras	Guatemala	Nicaragua	Panama	Total	%
Women	854	277	235	19	1385	58%
Men	610	256	140	17	1023	42%
<b>Total FFG</b>	<b>1464</b>	<b>533</b>	<b>375</b>	<b>36</b>	<b>2408</b>	<b>100%</b>

### Employee turnover (%) per country

Country	2021	2022	Δ2022-2021
Honduras	21.4%	38.5%	17.1%
Guatemala	42.5%	35.1%	-7.3%
Nicaragua	28.3%	37.4%	9.1%
Panama	35.2%	21.3%	-14.0%

### Total hours invested in training in Ficohsa University

Country	2021		2022	
	Total hours	Average hours	Total hours	Average hours
Honduras	145,519	36.64	183,266	44.42
Guatemala	85,813	97.96	53,376	59.11
Nicaragua	15,342	25.44	23,755	36.21
Panama	3,353	18.94	4,962	28.03
<b>Total</b>	<b>250,027</b>	<b>178.98</b>	<b>265,358</b>	<b>45.27</b>

### Number of employees per country and gender in work positions in FFG

Country	VP+		Manager/Ass.Mng		Supervisor		Others		Total	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Honduras	26	12	98	94	167	181	1,248	1,898	1,539	2,185
Guatemala	4	3	27	13	57	39	371	402	459	457
Nicaragua	2	0	16	15	33	31	207	350	258	396
Panama	4	0	11	12	6	4	54	85	75	101
<b>Total</b>	<b>36</b>	<b>15</b>	<b>152</b>	<b>134</b>	<b>263</b>	<b>255</b>	<b>1,880</b>	<b>2,735</b>	<b>2,331</b>	<b>3,139</b>

**Alliances and Memberships**

(GRI 2-28)

To generate value, share knowledge and anticipate the most important trends in the industry, we maintain a close relationship with the main chambers of the countries where we operate, as well as with other national and international organizations in the sector.

Business Organizations in Honduras	Honduran Association of Banking Institutions (AHIBA) Chamber of Commerce and Industry of Tegucigalpa CCIT) Chamber of Commerce and Industries of Cortés (CCIC) Honduran Chamber of Insurance Companies CAHDA) Honduran American Chamber of Commerce (AMCHAM) Association of Administrators of Pension Funds and Severances of Honduras "ASAFONDOH " Honduran Council of Private Enterprise (COHEP)
Business Organizations in Nicaragua	Association of Private Banks of Nicaragua (ASOBANP) Chamber of Commerce and Services of Nicaragua CCSN) American Chamber of Commerce of Nicaragua (AMCHAM)
Business Organizations in Guatemala	Banking Association of Guatemala
Business Organizations in Panama	Banking Association of Panama
International Business Organizations	Latin American Business Council (CEAL) Latin American Bank Federation (FELABAN) International Insurance Network (RIDA) Inter-American Federation of Insurance Companies (FIDES) International Federation of Pension Fund Managers (FIAP)

**Relations with Authorities**

We make sure to keep communication channels with government and regulatory entities open. In this way, we maintain a constant dialogue with the authorities.

Government Authorities in Honduras	Central Bank of Honduras (BCH) National Banking and Insurance Commission (CNBS) National Congress (CN) National Electric Energy Company (ENEE) Economic Cabinet Property Institute (IP) Secretary of Finance Revenue Administration Service (SAR) Superior Court of Accounts
Government Authorities in Panama	Superintendence of Bank of Panama
Government Authorities in Guatemala	Superintendence of Banks of Guatemala
Government Authorities in Nicaragua	Superintendence of Banks and other Financial Institutions of Nicaragua (SIBOIF) Revenue General Directorate(DGI) Nicaraguan Social Security Institute (INSS) Ministry of Labor (MITRAB)

## Alliances Ficohsa Foundation

To generate value, share knowledge and anticipate the most important trends in the industry, we maintain a close relationship with the main chambers of the countries where we operate, as well as with other national and international organizations in the sector.

National	Honduras	<ul style="list-style-type: none"> <li>• Breadco</li> <li>• ChildFund</li> <li>• Clients La Colonia Supermarkets</li> <li>• Grupo Farinter</li> <li>• Ferema</li> <li>• Lacthosa</li> <li>• Lufussa</li> <li>• Tigo Foundation</li> <li>• Zamora Terán Foundation</li> <li>• Ministry of Education</li> <li>• National Pedagogical University Francisco Morazán (UPNFM)</li> <li>• Unitec</li> </ul>
	Nicaragua	<ul style="list-style-type: none"> <li>• Association ProNiños Quemados de Nicaragua (APROQUEN)</li> <li>• World Vision Nicaragua</li> <li>• Ministry of Education</li> </ul>
	Guatemala	<ul style="list-style-type: none"> <li>• Tigo Foundation</li> <li>• Ministry of Education</li> </ul>
	Panama	<ul style="list-style-type: none"> <li>• Ministry of Education</li> </ul>

International	<ul style="list-style-type: none"> <li>• Bladex</li> <li>• Copa Airlines</li> <li>• Darwin Capital, LLC</li> <li>• Intermex</li> <li>• Microsoft</li> <li>• MoneyGram Foundation</li> <li>• More Money</li> <li>• Organization of Ibero-American States (OEI)</li> <li>• World Food Programme</li> <li>• Transatlantic Re</li> <li>• United Way</li> <li>• Visa</li> <li>• Wells Fargo</li> </ul>
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## Our Stakeholders

(GRI 2-29, 2-30)

It is vital for us to identify the different interest groups with which we have a relationship. We try to maintain a constant and close communication, letting them know the main news and changes in the organization, but also to learn about their expectations or any concerns that may arise.

Stakeholders	Subgroups Stakeholders	Value Proposal	Communication Channels by Stakeholders	Relevant Issues to Stakeholders
FFG Shareholders	Shareholders Investors Board of Directors (Internal and External Members)	We provide security in your investment, working on the financial stability of the company and the development of the business plan. We also promote a culture of control, ensure transparency of information, and achieve the company's performance objectives.	<ul style="list-style-type: none"> <li>Financial reports</li> <li>Sustainability Report</li> <li>Corporate presentations and relevant events</li> <li>Shareholders' Meeting</li> <li>Corporate Secretary</li> </ul>	<ul style="list-style-type: none"> <li>Structure and functioning of corporate governance</li> <li>Culture of ethics and compliance</li> <li>Economic performance (financial stability)</li> </ul>
Suppliers	Technology (Acquisition of equipment, infrastructure, telecommunications) Information Security Software Development Licensing Promotional items Marketing Miscellaneous maintenance (ATM, POS, Hardware) Legal Advice (Legal Department) Other services (administrative, consultancy, telephone) Transport of securities Lessors Miscellaneous supplies (Local)	We enable participation in the operation through the products and/or services they provide. We support their development through stable hiring and mutual benefit. We promote high-quality standards and innovation, favoring their competitiveness.	<ul style="list-style-type: none"> <li>Performance assessments</li> <li>Procurement Department</li> <li>Supplier Portal</li> </ul>	<ul style="list-style-type: none"> <li>Data Privacy and Cybersecurity</li> <li>Ethics and anti-corruption</li> <li>The client experience</li> <li>Prices and credit opportunity</li> <li>Payment management and training</li> </ul>
Employees	Officials Chiefdoms Officers Assistants Consultants Outsourcing Advisers	We safeguard stability in employment and facilitate their development, including the delivery of training. We ensure their health and safety as well as wellness through different benefits. Fostering a culture of trust and mutual respect.	<ul style="list-style-type: none"> <li>Institutional Portal/Intranet</li> <li>Ethical culture and complaint hotline</li> <li>Café con Neto and other internal meetings</li> <li>Satisfaction and Work Climate Surveys</li> <li>Training instances</li> <li>Performance assessments</li> <li>Campaigns and internal communications</li> </ul>	<ul style="list-style-type: none"> <li>Health and security</li> <li>Client Privacy (use of information)</li> <li>Ethics and anti-corruption</li> <li>Work climate and employee satisfaction</li> <li>Economic performance (company financial stability)</li> </ul>

Stakeholders	Subgroups Stakeholders	Value Proposal	Communication Channels by Stakeholders	Relevant Issues to Stakeholders
Clients	Consumers Entrepreneurs Companies Groups and/or Corporations	We drive the prosperity of industries and families, through access to finance and savings. We offer products relevant to different needs, through multiple channels that facilitate access. We are transparent in the conditions and seek the best use of the products.	<ul style="list-style-type: none"> <li>• Publicity campaigns</li> <li>• Social networks</li> <li>• Satisfaction surveys (NPS)</li> <li>• Call Center: Attention and suggestions channel.</li> <li>• Customer service centers.</li> <li>• ChatBot "SARA"</li> <li>• App Móvil Ficohsa</li> <li>• Points of service: ATMs, TENGO.</li> <li>• Web page.</li> </ul>	<ul style="list-style-type: none"> <li>• Client experience (attention and services)</li> <li>• Education and financial inclusion</li> <li>• Prevention culture (insurance)</li> <li>• Client business development</li> <li>• Product and service innovation, (product portfolio)</li> <li>• Digitization of processes.</li> </ul>
Authorities and regulators	Municipalities Central Bank of Honduras (BCH) National Banking and Insurance Commission(CNBS) Secretary of Finance Superior Court of Accounts Revenue Administration Service (SAR) Property Institute (IP) Secretaries/Ministries of Education of the countries Economic Cabinet ENEE National Congress Superintendence of Bank of Panama Superintendence of Banks of Guatemala Superintendence of Banks and other Financial Institutions of Nicaragua (SIBOIF) Revenue General Directorate (DGI) Nicaraguan Social Security Institute (INSS) Ministry of Labor (MITRAB) Regulation, Registry and Monitoring of Civil Associations Directorate (DIRRSAC)	We comply with the applicable local legislation, in each of the countries where we have presence. In this way, we safeguard the rights of our clients and other stakeholders.	<ul style="list-style-type: none"> <li>• Reports on results to regulatory agencies.</li> <li>• Open dialogue</li> <li>• Public alliances</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate Governance</li> <li>• Regulatory compliance</li> <li>• Experience/relation with the client</li> </ul>
Certifiers and verifiers/ auditors	Fitch Ratings/Finace Moody s/ Finance Icontec Deloitte & Touche S. de R.L. Horwath Central America Grupo Gorico Advisory Group	We comply beyond the law with sector certifications as well as business-specific verifications. Ensuring good management and governance of our operations inside and outside the company.	<ul style="list-style-type: none"> <li>• Reports and performance reports.</li> <li>• Open dialogue</li> <li>• Visits to headquarters and agencies</li> <li>• Public information on the web.</li> <li>• Online assessments and questionnaires</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Regulatory compliance</li> <li>• Experience/relationship with client</li> <li>• Quality of life</li> <li>• Cybersecurity and privacy of data</li> </ul>
Correspondent Banks	JP Morgan Wells Fargo Citibank Bank of America BNY Mellon Commerzbank Bladex Cabei Deutschebank Morgan Stanley Golman Sachs US Bank Sumitomo Mitsui Banking Corporation Bradesco USA	Respetamos y monitoreamos los acuerdos de colaboración con los bancos corresponsales, con el objetivo de garantizar las operaciones y tranquilidad de nuestros clientes.	<ul style="list-style-type: none"> <li>• Reports and performance reports</li> <li>• Open dialogue</li> <li>• Web page</li> <li>• Email messages and communication</li> <li>• Responsible of relation with the banks</li> </ul>	<ul style="list-style-type: none"> <li>• Client privacy (use of the information)</li> <li>• Ethics and anti-corruption</li> <li>• Economic performances (business financial stability)</li> </ul>

Stakeholders	Subgroups Stakeholders	Value Proposal	Communication Channels by Stakeholders	Relevant Issues to Stakeholders
Development Banks	FMO Bid Invest Norfund DEG International Financial Corporation (IFC) QeEB Finance in Motion OFID Proparco CABI	We guarantee the financing obtained by the Development Banks, through our good corporate governance and sustainability practices in the company's operations.	<ul style="list-style-type: none"> <li>• Reports and performance reports.</li> <li>• Open dialogue</li> <li>• Public information on the web.</li> <li>• Questionnaires and assessments</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Regulatory compliance</li> <li>• Experience/relationship with client</li> <li>• Quality of life</li> <li>• Cybersecurity and data privacy</li> <li>• Environment</li> <li>• Social development</li> </ul>
Sectoral organizations (national and international)	Honduran Association of Banking Institutions (AHIBA) Honduran Council of Private Enterprise (COHEP) Chamber of Commerce and Industries of Cortés (CCIC) Chamber of Commerce and Industry of Tegucigalpa (CCIT) Latin America Business Council (CEAL) Honduran Chamber of Insurance Companies CAHDA) Honduran American Chamber of Commerce (AMCHAM) Banking Association of Guatemala Banking Association of Panama Association of Private Banks of Nicaragua (ASOBANP) Chamber of Commerce and Services of Nicaragua (CCSN) American Chamber of Commerce of Nicaragua (AMCHAM) Latin American Bank Federation (FELABAN) International Insurance Network (RIDA) Inter-American Federation of Insurance Companies (FIDES) International Federation of Pension Fund Managers (FIAP)	We are part of the business guild, contributing with our participation in priority issues for the sector. Trying to be a benchmark in the region, we promote economic development and the promotion of policies and guidelines that strengthen the practices of the financial sector in the countries where we operate.	<ul style="list-style-type: none"> <li>• Reports and performance reports.</li> <li>• Open dialogue</li> <li>• Public information on the web.</li> <li>• Participation in guild, sectoral and business meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Communication of best practices</li> <li>• Expertise exchange in the sector</li> <li>• Transparency and business ethics</li> </ul>
CSR and Sustainability Promoting Organizations	FUNDAHRSE CENTRARSE SUMARSE PNUD United Nations Global Compact Giving Tuesday	We reaffirm our commitment to CSR and Sustainability by being part of agencies that promote good practices in each of the countries where we have a presence.	<ul style="list-style-type: none"> <li>• Reports and performance reports.</li> <li>• Open dialogue</li> <li>• Public information on the web.</li> <li>• Participation in events and congresses</li> <li>• Participation in local and international initiatives related to CSR/Sustainability</li> </ul>	<ul style="list-style-type: none"> <li>• Communication of CSR and Sustainability best practices</li> <li>• Dialogue and communication with SMEs</li> <li>• Transparency and business ethics</li> </ul>
Media	National International Specialized in the sector Specialized in CSR/Sustainability	We maintain a good relationship with the media, transmitting a sense of transparency that reinforces the Group's actions at reputational level.	<ul style="list-style-type: none"> <li>• Reports and performance reports</li> <li>• Open dialogue</li> <li>• Public information on the web</li> </ul>	<ul style="list-style-type: none"> <li>• Communication of Sector and CSR best practices</li> <li>• Transparency and business ethics</li> <li>• Business credibility and reputation</li> </ul>



Stakeholders	Subgroups Stakeholders	Value Proposal	Communication Channels by Stakeholders	Relevant Issues to Stakeholders
Diplomatic Relations	US Embassy Panama Embassy Guatemala Embassy Nicaragua Embassy Honduras Embassy in DC European Union Embassy Spain Embassy Germany Embassy Holland Embassy	We seek diplomatic relations based on cooperation with the different embassies' representatives of the countries in which we have operations and respond to requests or requirements.	<ul style="list-style-type: none"> <li>Internal department of institutional relations</li> <li>Email</li> <li>Public offices</li> <li>Public events</li> </ul>	<ul style="list-style-type: none"> <li>Transparency and responsiveness to economic requests from countries.</li> <li>Information on major changes in the bank's operations in the countries</li> </ul>
Community	Non-governmental organizations (NGO's) Local communities (general population) Donors (organizations and/or national and international businesses) Parents Strategic Allies Academy Teachers Glasswing Honduras	We contribute to social development, through the promotion of inclusion and financial education. We attend to the main problems of our environment and support in emergencies, as part of our corporate citizenship and commitment to the environments where we are present. We work in a coordinated manner with different civil society organizations (NGOs)	<ul style="list-style-type: none"> <li>Ficohsa Foundation Programs</li> <li>Corporate volunteer initiatives</li> <li>Dialogue with NGOs and beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>Education, inclusion and financial health</li> <li>Childhood education</li> <li>Health support</li> <li>Job creation and opportunities</li> <li>Social investment</li> </ul>

## Materiality Analysis

(GRI 2-30, 3-1, 3-2)

We maintain as a basis of the strategy the materiality study that we carried out at the beginning of 2021. In that sense, we managed to identify those topics that are relevant to the Group and to our stakeholders, of which we report throughout this report.

Below we illustrate the process by which we identify our topics or material issues of the sustainability strategy.

### 1. Identificación / Revisión

Identification of the set of potentially relevant topics, based on documentary reviews and a reference framework for companies in the sector.

Elaboration of the list of potentially relevant topics, with bibliography referring to:

**Sectoral priorities:** benchmarks for investment criteria in the sector.

**Context of activity:** trends in business management, risks and opportunities. Analysis of documents in response to the context of COVID-19 and post-pandemic, both general and sectoral.

**Pre-existing queries:** Workplace Climate Survey, Internal Customer Satisfaction Survey (IPN).

### 2. Prioritization

Prioritization of issues based on the opinion of different stakeholders relevant to FFG, and the company's strategic perspective.

**Priority of stakeholders:** prepared through the implementation of surveys to employees and suppliers.

For clients: interviews with those responsible for the relationship with clients in different businesses.

**Strategic Company Priority:** Interviews with Senior Management: Corporate Managers and Strategy Managers.

### 3. Validation

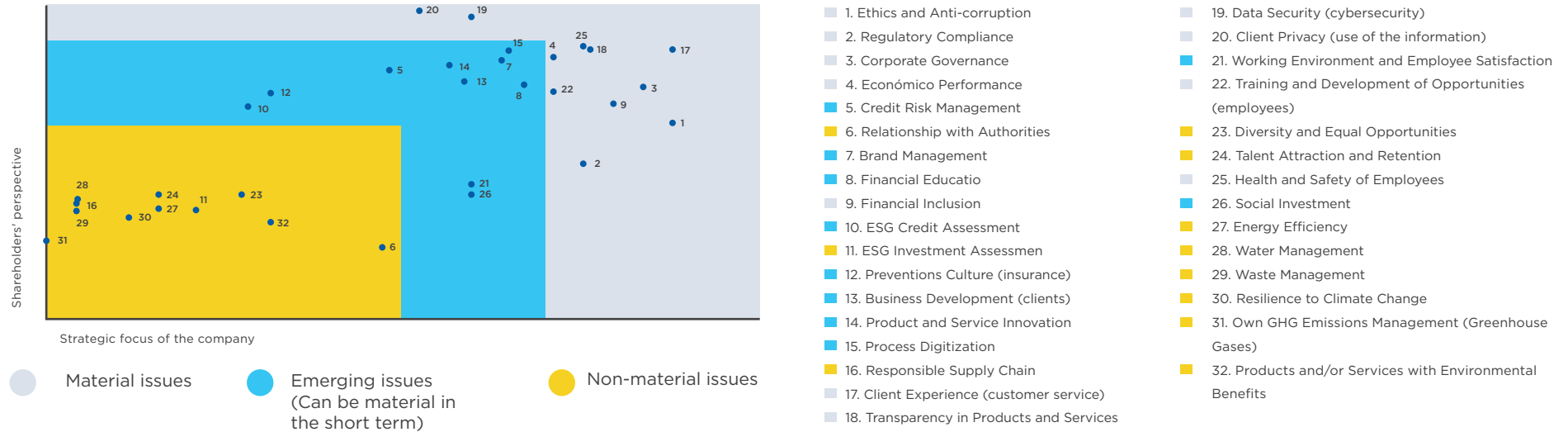
Construction of the matrix and validation of relevant issues.

Elaboration of the **materiality matrix**. Determination of the set of **material topics and correlation with SDGs**.

**Validation** session with FFG.

The following topics are classified into three main groups:

- **Material issues:** those that are particularly critical, which form the basis for the sustainability strategy and this report.
- **Emerging issues:** those that are not yet material but can be so quickly by a change in context and/or in our operation.
- **Non-material topics:** those less relevant, on which we do not have to emphasize.






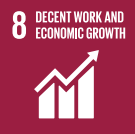
It is important to note that all the issues that appear in the matrix are managed by the organization, however we prioritize resources in those that we consider as material, forming part of our sustainability strategy, which consists of initiatives along with indicators for the correct monitoring of its implementation.

Since it is a process of continuous improvement, we maintain dialogue with our stakeholders and monitor trends and possible impacts of national and international contexts that may modify our strategic priorities.

That is why by the end of 2023 we will be updating this exercise, keeping it in force to ratify our strategy or if necessary, adjust it to be always at the forefront.

## Contribution to the Sustainable Development Goals

Our work with the sustainability of the region is reflected in 16 of the 17 Sustainable Development Goals (SDGs), of which we prioritize in 6 of them as part of our commitment to promote the development of sustainable communities, promoting the inclusion and growth of SMEs in the countries where we operate.

SDG	Contribution	Indicators
 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	<p>We continue to develop a culture that promotes the physical and mental well-being of our employees and with the support of the Growing with Diabetes Foundation we contribute to the awareness and early diagnosis of this disease.</p>	<ul style="list-style-type: none"> <li>• We have 5 breastfeeding rooms at the regional level for nursing mothers returning to their jobs.</li> <li>• More than 650 people attended on a diabetes diagnosis and prevention day.</li> <li>• More than 1,500 calls in psychological attention.</li> <li>• 352 active brigade officers in whom training hours were invested in 81.82% more than the previous year.</li> </ul>
 <p><b>4</b> QUALITY EDUCATION</p>	<p>We generate knowledge and accompanying strategies for our customers, employees, and the community in general to make better financial decisions through our portal <a href="http://tuconcienciafinanciera.com">tuconcienciafinanciera.com</a></p> <p>We provide quality comprehensive education through Ficohsa Foundation and access to educational credits so more people can access quality education through Hondufuturo.</p>	<ul style="list-style-type: none"> <li>• +150,600 boys and girls benefited to date, 149 Preschool Education Center (141 Honduras, 4 Nicaragua, 2 Guatemala, 2 Panama).</li> <li>• HonduFuturo has benefited 192 talented Hondurans, in 23 countries and y 11 areas of study, representing an investment in postgraduate education of more than USD\$5.3 million.</li> </ul>
 <p><b>5</b> GENDER EQUALITY</p>	<p>We continue the Diversity, Equity and Inclusion strategy, in which we work for gender equity covering employees, suppliers, investors, clients and the community in general.</p> <p>Under the Women Forward program we promote the competitiveness and productivity of more women-led SMEs, thus contributing to mitigating the negative effects of migration.</p>	<ul style="list-style-type: none"> <li>• 57,4% of our employees are women.</li> <li>• During 2022 we launched the Women Forward program in Honduras and Guatemala, con financial and non-financial products aimed specifically at this segment.</li> <li>• We created communities under the program Together without Labels; Community with gender equity, community by affinity, multigenerational community.</li> </ul>
 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>	<p>We generate quality employment directly and indirectly in the region for the well-being of all and promote growth in our value chain.</p> <p>We finance the entrepreneurial sector, and we accompany them in their growth so that their productivity and employment generation increase and positively impact the economy of the countries where we operate.</p> <p>Through the De Mi Tierra program, we promote agriculture and rurality with a value proposition that boosts the growth of this important sector in the economy.</p>	<ul style="list-style-type: none"> <li>• 5,470 employees at a regional level.</li> <li>• 2,408 new hirings.</li> <li>• 99.6% our employees have permanent contracts.</li> <li>• USD\$210 million disbursed through entrepreneur banking.</li> </ul>



Climate change is a fundamental part of our strategy, we are advancing in a work plan to become zero carbon in the future; we already measure our carbon and environmental footprint, which serves as a basis for building a road map.

- Reduction of 4,4% in our ecological footprint.
- Annual production of +1,200 Mwh (megawatt hour) in solar energy with our solar farms.
- More than 760 cases analyzed with the Environmental and Social Risk Analysis System (ESRAS).



We encourage business with purpose and are aware that with strategic partners we build projects for sustainable communities, working together to achieve well-being for all.

- Signing of the UN Women Empowerment Principles declaration and the Global Compact.
- Alliance with Glasswing Honduras under its project "Young Impact Leaders for Central America", to provide education and financial inclusion.
- Alliance with the initiative One Day to Give.

## Contribution to the 10 principles of the United Nations Global Compact

(GRI 102-12)

We remain committed to the Principles of the Global Compact of which we have been members since 2018. We continue to make efforts to promote initiatives through partnerships and contribute to the sustainable development of the region.

Human Rights		
Principle	Commitment	Actions
1. Companies should support and respect the protection of human rights	We commit ourselves to respect and comply with the Declaration of Human Rights established by the United Nations General Assembly, in all its operations and areas of action, in countries where it has a presence.	<ul style="list-style-type: none"> <li>• Ficohsa's Code of Ethics establishes the institution's commitment to the principles of the Global Compact.</li> <li>• Ficohsa is a member of the Human Rights Committee of the Honduran Private Enterprise Council.</li> </ul>
2. Companies should ensure that they are not involved in human rights violations	We monitor that clients and suppliers are not involved in acts that may violate human rights.	<ul style="list-style-type: none"> <li>• We have the Ethical Requirement for Business Partners and Suppliers document.</li> <li>• Through the Social and Environmental Risk System (ESRS), we identify, evaluate and monitor the environmental and social risks of the Bank's credit portfolio. This year we evaluated 760 credits.</li> <li>• We improved the system of certification and performance evaluation of suppliers, so that we were able to identify those that represent a greater risk in ESG issues.</li> </ul>

## Work

Principle	Commitment	Actions
<p><b>3.</b> Companies should defend freedom of association and the effective recognition of the right to collective negotiation.</p>	<p>We are committed to compliance with all provisions regulating the right of association, privacy, collective negotiation, immigration, working hours, wages and hours in addition to legislation prohibiting child labor, forced or compulsory and discrimination in employment.</p>	<ul style="list-style-type: none"> <li>• Through the Code of Ethics, we respect the right of employees to freedom of association, in accordance with the labor legislation of each country.</li> <li>• Over the years, we developed and adapted benefit plans that provide working conditions that are well above what is stipulated by law.</li> </ul>
<p><b>4.</b> Companies should advocate the elimination of all forms of forced or compulsory labor.</p>	<p>Under no circumstances do we allow forced labor, in line with the Code of Ethics and the Internal Labor Regulations, we establish the parameters by which employees will provide their services to the institution.</p>	<ul style="list-style-type: none"> <li>• The Code of Ethics establishes the premises for eradicating forced labor both internally for employees, and in turn the "Ethical Requirement for Business Partners" establishes the commitment of suppliers and clients to eliminate all types of forced labor in their scope of operation.</li> <li>• The Internal Work Regulations, establishes the premises under which the employees will provide their services for the institution.</li> </ul>
<p><b>5.</b> Companies should advocate effective abolition of child labor.</p>	<p>We do not allow any child labor in FFG operations.</p>	<ul style="list-style-type: none"> <li>• The Code of Ethics for Employees and the "Ethical Requirement for Business Partners" states that under no circumstances will child labor be tolerated in the areas of operation of customers and suppliers.</li> <li>• In the recruitment and selection process, Ficohsa ensures that all contracted personnel are of legal age according to the legislation of each country.</li> <li>• Promotion of preschool education at the regional level, with more than 8,500 CHILDREN attending classes with an average of 99% attendance at the Ficohsa Foundation centers.</li> </ul>
<p><b>6.</b> Companies should advocate for the elimination of discrimination with respect to employment and occupation.</p>	<p>We promote a work environment that accepts diversity and respects and values differences. Discrimination and harassment are prohibited, whether by a supervisor, partner client, supplier or visitor.</p>	<ul style="list-style-type: none"> <li>• We hire without prejudice to gender, ethnicity, religion, etc.</li> <li>• We promote an environment of equity and the integral development of employees.</li> </ul>

## Environment

<p><b>7.</b> Companies should support a preventive approach to environmental challenges.</p>	<p>We promote corporate environmental responsibility actions with respect to our administrative activities and facilities in Main Offices and branches.</p>	<ul style="list-style-type: none"> <li>• As part of the good practices, each year campaigns are carried out to raise awareness and improve efficiency in the use of resources such as water, energy, and paper, being paper one of the largest inputs used by the line of business. That is why programs are implemented to reduce, reuse and recycle paper.</li> <li>• The main buildings in Tegucigalpa and San Pedro Sula in Honduras, the main building in Nicaragua, in addition to 11 agencies consume energy from solar panels, representing 71% of clean energy.</li> </ul>
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Principle	Commitment	Actions
<p><b>8.</b> Companies should take initiatives to promote greater environmental responsibility.</p>	<p>We take action of our environmental responsibility through a correct management of the resources we consume.</p>	<ul style="list-style-type: none"> <li>• Closing 2022, we recorded a total cumulative investment to mitigate electricity consumption of US \$764,652.00</li> </ul>
<p><b>9.</b> Companies should promote the development and dissemination of environmentally friendly technologies.</p>	<p>We have the Environmental and Social Risk Management System applied at the regional level, based on a Socio-environmental Credit Policy and its respective process.</p>	<ul style="list-style-type: none"> <li>• Since 2009 we support clients to identify and develop processes and measures established by national legislation, as well as opportunities for improvement, implementation of good practices and international parameters leading to more efficient, environmentally friendly operation.</li> </ul>
<b>Anti-Corruption</b>		
<p><b>10.</b> Companies should work against corruption in all its forms, such as extortion and bribery.</p>	<p>Under our Anti-Corruption and Bribery policy, prohibitions and approvals are established, to notify bribery or corruption cases and the means of investigation are specified to prevent these from happening within the institution.</p>	<ul style="list-style-type: none"> <li>• We consolidated our culture of integrity, transparency, honesty, and compliance in business relationships as part of responsible finance practices.</li> <li>• We have the Anti-Corruption and Bribery Management System (ABMS).</li> <li>• We provide training to 99% of employees so that they can recognize and avoid the use of bribes by themselves and others.</li> <li>• We encourage employees to be alert and report any suspicion of bribery.</li> <li>• Additionally, we rigorously investigate cases of alleged corruption and assist competent authorities.</li> </ul>



## External Verification Report

### To the stakeholders of FCOHSA FINANCIAL GROUP

#### Introduction

The Honduran Foundation for Corporate Social Responsibility FUNDAHRSE is a private sector organization in Honduras. Created in 2004, it has a code of ethics to ensure high standards of transparency and integrity and prevent possible conflicts of interest. FUNDAHRSE, in its capacity as an external verifier, has been in charge of conducting the analysis process of the Sustainability Report 2022 of FICOHSA FINANCIAL GROUP for which a series of evaluation techniques were implemented.

#### Scope of the Verification

FUNDAHRSE's main function was to provide a statement of veracity on the information contained in the Ficohsa Financial Group's Sustainability Report 2022 in accordance with the requirements of the International Norms and Standards:

- GRI-Standard
- SASB (Sustainability Accounting Standard Board)
- Sustainable Development Goals
- Global Compact
- INDICARSE 2015

In this sense, a methodology was defined following the GRI-Standards process, which included the review of the contents of this report, the basic and specific content, as well as the associated sectoral documents. The verified information is based on the operations of Ficohsa Financial Group, and the data provided by the reporting organization.

#### Methodology used

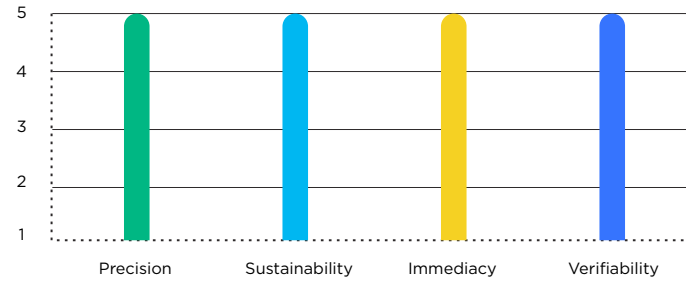
FUNDAHRSE verified the consistency of the information based on the principles to determine the contents of a GRI-Standards report and for this purpose, it used the verification of the relevant and pertinent documentation provided by Ficohsa Financial Group, interviews with key people for the generation of indicators, access to records of stories and testimonials, analysis of sectoral documents and sampling of the main indicators of the performance of the organization. The corresponding table is attached with the details of the methodology for the verification of the indicators.

#### Conclusions

Based on the verification work it has been concluded that the Sustainability Report 2021 of Ficohsa Financial Group has been carried out in compliance with the "in accordance" criteria with the guidelines for the elaboration of the GRI-standards Sustainability Reports and the quality standards set out above.

The following graph reflects the level of implementation of the principles established by the international criteria used. It observes the application of the principles that allow considering the Sustainability Report 2022 of Ficohsa Financial Group in compliance with the criterion of "in accordance" with GRI Standards

Level of Application of the Principles of GRI Standard Universal



#### Highlights

It highlights the presence of the integration of Ficohsa Financial Group to the Sustainable Development Goals of the United Nations, its alignment with ISO 26000, the SASB standards, the INDICARSE metric, and the principles of the Global Compact and Sustainable Development Goals.

- The analysis of materiality and adherence to the principles of the GRI Standards is maintained, especially of precision and verifiability.
- Compliance with the principles of accuracy and immediacy is verified by providing information for decision-making regarding impacts on stakeholders.
- Presence of due diligence on ESG issues (Environment, Society, and Governance) and its implementation of the Environmental and Social Risk Analysis System (ESRA).

#### Areas of improvement

- Renew actions for a new materiality process to be presented in the next Sustainability Report.
- Continue the dissemination of the strategy of the Ficohsa Financial Group in line with the Sustainable Development Goals considering the economic reactivation of the Central American region.



San Pedro Sula, May 16, 2023

ROBERTO LEIVA

EXECUTIVE DIRECTOR FUNDAHRSE

## Assurance Report

BANCO FINANCIERA COMERCIAL HONDUREÑA S.A.

We have been hired by the Administration of BANCO FINANCIERO COMERCIAL HONDUREÑA S.A., to report the Environmental Footprint (main issue) which includes the carbon and ecological footprint inventory 2022, for the period from January 1 to December 31, 2022, in the form of an independent conclusion of limited safety, as to whether the Environmental Footprint elaborated by the Administration of FICOHSA is prepared in all material respects in accordance with the methodologies shared by the World Footprint Network and the criteria set out in ISO 14064-1:2018, ISO 14064-2:2019 and ISO 14064-3:2019 and the accounting and reporting principles of GHG Protocol.

### Responsibilities of the Administration

The Ficohsa Administration, through the Social Responsibility area, is responsible for the preparation of the 2022 Environmental Footprint, free of material deviations, in accordance with the applicable Voluntary Criteria and the information contained therein.

The Administration of BANCO FINANCIERA COMERCIAL HONDUREÑA S.A., is responsible for the design, implementation, and maintenance of relevant internal control for the preparation and presentation of the 2022 Environmental Footprint, which is free of material errors, either by fraud or error. Also, that the information is prepared in all material aspects, in accordance with the methodologies shared by the World Footprint Network and the criteria established in ISO 14064-1:2018, ISO 14064-2:2019 and ISO 14064-3:2019 and the accounting and reporting principles of the GHG Protocol.

The Ficohsa Administration is responsible for preventing and detecting fraud and identifying and ensuring that Ficohsa complies with the laws and regulations applicable to its occupations. The Ficohsa Administration is responsible for ensuring that the personnel involved in the preparation of the 2022 Environmental Footprint is properly trained, the systems are properly updated and any changes that may be made cover all significant reporting activities.

### Our Responsibilities

Our responsibility is to examine the information concerning the Environmental Footprint of BANCO FINANCIERO COMERCIAL HONDUREÑA S.A., and report on it in the form of an independent conclusion of limited security based on the evidence obtained. We perform our work in accordance with the International Standard on Insurance Work (ISAE) 3000, "Assurance Work Other than Audits or Revisions of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IASB), such a standard requires that we plan and perform our procedures to obtain a limited level of safety as to whether the Environmental Footprint is prepared in all material aspects, in accordance with the applicable Regulatory Criteria, for the period from January 1 to December 31, 2022.

The procedures selected depend on our judgment, including the assessment of risks of material error in the Environmental Footprint, due to fraud or error.

In conducting such risk assessments, we have considered the relevant control for the preparation of the Environmental Footprint to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion as to the effectiveness of Ficohsa's internal control over the preparation of that document.

Our work also includes assessing the appropriateness of the Main Issue, the suitability of the criteria used by Ficohsa in preparing the Environmental Footprint, in the circumstances of the work, evaluating the appropriateness of the methods and procedures used in the preparation of the Environmental Footprint, and the reasonableness of the estimates made by BANCO FINANCIERO COMERCIAL HONDUREÑA S.A., and evaluating the presentation in the overall presentation of the Environmental Footprint. Limited security is less than absolute security.

As part of this work, we have not performed any procedure by way of comprehensive audit, review or verification of the underlying records or other sources from which the Environmental Footprint was extracted.

### Characteristics and limitations of the information regarding Ficohsa's Environmental Footprint

#### Scope:

The scope of the review is for data pertaining to Ficohsa's operations in Honduras comprising January 1 to December 31, 2022.

#### Final values:

The final verified values are as follow:

Carbon Footprint	Verified emissions (tCO2e)	Ecological Footprint	Verified values (gha)
Scope 1	1,149.50	Scope 1	251.3
Scope 2	2,734.09	Scope 2	960.5
Scope 3	4,933.47	Scope 3	4,477.8
<b>Total</b>	<b>8,817.07</b>	<b>Total</b>	<b>5,689.6</b>

#### Criteria

The criteria on which the Environmental Footprint has been evaluated refer to the Voluntary Criteria.

#### Conclusion

Our conclusion is based on and subject to what is detailed in this report.

We consider that the evidence we have obtained provides a sufficient and adequate basis for our conclusion.

In our opinion, the Environmental Footprint, for the period from January 1 to December 31, 2022, of Administration of BANCO FINANCIERO COMERCIAL HONDUREÑA S.A., is prepared in all material aspects, in accordance with the principles set out in the GHG Protocol. Result of the information submitted to Ficohsa; corresponding adjustments were made to ensure the reliability of the information.

#### Restriction of use of our report and others

Our report should not be considered suitable for use or consideration by any of the parties wishing to acquire rights to us other than the Ficohsa Social Responsibility area, for any purpose or in any other context. Any part other than the Social Responsibility area of BANCO FINANCIERA COMERCIAL HONDUREÑA S.A., that obtains access to our report or a copy thereof and choose to rely on our report (or any part thereof) at their own risk. To the extent permitted by law, we do not accept or assume any responsibility and deny any responsibility for our work to any party other than Ficohsa, for this independent limited safety report or for the conclusions we have reached.

Our report is issued to Ficohsa on the understanding that this report should not be copied, referenced, or disclosed in whole or in parts without our prior written consent.

Finally, this report does not attempt to provide, does not provide, and does not grant any certification to Ficohsa regarding ISO (International Organization for Standardization) 14064, 14040, 14044 or in respect of any other regulations related to ISO.

Valora Sostenibilidad e Innovación S.A. de CV.



Luis Miguel Villatela Riva  
Legal Representative  
Mexico City, April 25, 2023



Section	Standard	GRI Content	Page	Commentary/Omission	SDG and Goals	
GRI 1: Fundamentals 2021 GRI 2 General Contents 2021						
Organization profile and Reporting practices	Details of the organization	2-1	3			
	Entities included in the sustainability report	2-2	3			
	Reporting period, frequency and point of contact	2-3	3			
	Restatement of information	2-4	3			
	External Verification	2-5	102			
Activities and employees	Activities, value chain and other business-related relationships	2-6	8			
	Internal employees	2-7	55			
	Workers that are not employees	2-8	56			
Governance	Governance structure and composition	2-9	18		16.6	
	Nomination and selection of the highest governance body	2-10	18		16.6	
	President of the highest governance body	2-11	18		16.6	
	Role of the highest governance body in monitoring impact (risk) management	2-12	18		16.6	
	Delegation of responsibilities in risk and impact management	2-13	18		16.6	
	Role of the highest governance body in sustainability reporting	2-14			The CSR Regional Committee reports progress to the Board of Directors	
	Conflicts of interest	2-15	18		16.6	
	Communication of concerns	2-16	31			
	Collective knowledge of the highest governance body	2-17	18		16.6	
	Performance assessment of the highest governance body	2-18	18		16.6	
	Compensation policies	2-19	63		16.6	
	Process of determining compensation	2-20	63		16.6	
	Total annual compensation ratio	2-21				
	Strategy, policies and practices	Declaration on the sustainability strategy	2-22	27		
Responsible business conduct commitment policies		2-23	31		13,2	
Dissemination of policies		2-24	31			
Process of remediation of negative impacts		2-25	31		13,2	
Advisory mechanisms and ethical concerns		2-26	31			
Compliance with laws and regulations		2-27	31		13,2	
Participation in Associations		2-28	92			
Stakeholders' Participation	Approach to stakeholder participation	2-29	93			
	Agreements of collective negotiation	2-30	93	No agreements are recorded		
GRI 3: Material Issues 2022		3-1	96 y 97			
		3-2	96 y 97			
		3-3	Is reported throughout the report			

## Contents by material

Material	Standard	Content	Page/ Response	Omission / Commentary	SDG and Goals	
Ethics and Anti-corruption	GRI 3: Material issues 2021	3-3	31			
	GRI 205 Anti-Corruption 2016	205-1	31 y 35		16.5	
		205-2	31		16.5	
		205-3	31		16.5	
	GRI 206 Anti-Competitive Behavior 2016	206-1	31		16.3	
	GRI 405: Diversity and Equal Opportunity 2016	405-1	55		5.1, 5.5, 8.5	
		405-2	63		5.1, 8.5, 10.3	
	GRI 406: Non-Discrimination 2016	406-1	63		5.1, 8.8	
GRI 410: Security Practices 2016	410-1	31		16.2		
GRI 415: Public Policy 2016	415-1			We make no contributions of any kind to governmental entities or representatives	16.5	
Regulatory Compliance	GRI 3: Material Issues 2021	3-3	35		16.3	
Corporate Governance	GRI 3: Material Issues 2021 GRI Sectorial	FS1	18			
		FS2	38		16.1	
		FS9	38		16.1	
		FS10	38			
Economic Performance	GRI 3: Material Issues 2021	3-3	82		16.1	
		201-1	82			
		201-2	22		8.1, 8.2, 9.1, 9.4, 9.5	
		201-3	63		13.1	
	GRI 201: Economic Performance 2016	201-4			8.10	
		203-1	49		No financial support from the government	
	GRI 203: Indirect Economic Impacts 2016	203-2	40		9.1,9.4	
	GRI 204: Procurement Practices 2016	204-1	35		1.2,1.4,8.1,8.3,8.5	
Financial Inclusion	GRI Sectorial	FS11	38		8.3	
		GRI 3: Material Issues 2021	3-3	40		
		GRI Sectorial	FS16	43		
		FS13	48 y 49			
Client Experience	GRI 3: Material Issues 2021	3-3	44		1.4, 8.10, 10.2	
		416-1	51		1.4, 8.10, 10.2	
		416-2	51			
	GRI Sectorial	FS3	38		16.3	
		FS5	38		8.10	
		FS6	7		8.10	
		FS7	40		8.10	
		3-3	51		1.4, 8.3, 8.10, 9.3, 10.2, 11.1	
Transparency in products and services	GRI 417: Marketing and Labeling	417-1	51			
		417-2	51		12.8	
		417-3	51		16.3	
	GRI Sectorial	FS4	38		16.3	
		FS8	40		8.10	
		FS15	40		8.10	
					10.5	

Material	Standard	Content	Page/ Response	Omission / Commentary	SDG and Goals
Data Security (cybersecurity)	GRI 3: Material Issues 2021	3-3	50		
	GRI 418: Customer Privacy 2016	418-1	52		
Client privacy (use of the information)	GRI 3: Material Issues 2021	3-3	52		16.3, 16.10
	GRI 418: Customer Privacy 2016	418-1	52		
Training and development of opportunities (employees)	GRI 3: Material Issues 2021	3-3	59		16.3, 16.10
	GRI 401: Employment 2016	401-1	55		5.1, 8.5, 8.6, 10.3
		401-2	55		3.2, 5.4, 8.5
		401-3	55		5.1, 5.4, 8.5
	GRI 404: Training and Education 2016	404-1	59		4.3, 4.4, 4.5, 5.1,
		404-2	59		8.2, 8.5, 10.3
		404-3	59		8.2, 8.5
	GRI Sectorial	FS4	38		
	GRI 3: Material Issues 2021	3-3	63		5.1, 8.5, 10.3
	Health and safety of employees	GRI 403: Occupational Health and Safety 2018	403-1		We do not have an occupational safety and health management system according to standardized norms; we do have defined processes and prevention and response measures.
403-2			63		8.8
403-3			63		8.8
403-4			63		8.8, 16.7
403-5			63		8.8
403-6			63		3.3, 3.5, 3.7, 3.8, 8.8
403-7			63		8.8
403-8				We do not have an occupational safety and health management system according to standardized norms.	
403-9				The information is not available but is being worked on for the next report.	3.6, 3.9, 8.8, 16.1
403-10				The information is not available but is being worked on for the next report.	3.3, 3.4, 3.9, 8.8, 16.1

### Complementary GRI Indicators

GRI Standard	GRI Content	Page	SDG and Goals
GRI 302: Energy 2016	GRI 302-1	68	7.2, 7.3, 8.4, 12.2, 13.1
	GRI 302-3	68	7.3, 8.4, 12.2, 13.1
	GRI 302-4	68	7.3, 8.4, 12.2, 13.1
GRI 303: Water and Effluents 2018	GRI 303-1	72	12.4
	GRI 303-3	72	
GRI 305: Emissions 2016	GRI 305-1	68 y 69	3.9, 12.4, 13.1, 14.3, 15.2
	GRI 305-2	68 y 69	3.9, 12.4, 13.1, 14.3, 15.2
	GRI 305-3	68 y 69	3.9, 12.4, 13.1, 14.3, 15.2
	GRI 305-4	68 y 69	13.1, 14.3, 15.2
	GRI 305-5	68 y 69	13.1, 14.3, 15.2
GRI 306: Waste 2020	GRI 306-1	72	3.9, 12.4, 12.5
	GRI 306-3	72	3.9, 12.4, 12.5
	GRI 306-4	72	3.9, 11.6, 12.4, 12.5
	GRI 306-5	72	3.9, 11.6, 12.4, 12.5

## SASB Parameters Index/ Commercial Bank Standard 2018

SASB Topic	Code	Description	Unit of measure	Omissions and/ or modifications	Page / Complementary response
<b>Activity Metrics</b>					
Activity Metric	FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	Number, Reporting currency	We present the value of deposits by country	82 y 83
Activity Metric	FN-CB-000.B	(1) Number and (2) value of loans by segment: (a)personal, (b) small business, and (c) corporate	Number, Reporting currency	Not publicly available	
<b>Accounting Metrics</b>					
Data Security	FN-CB-230a.1	(1) Number of data breaches (2) percentage involving personally identifiable information (PII) (3) number of account holders affected	Number, Percentage (%)		50
	FN-CB-230a.2	Description of approach to identifying and addressing data security risks	N/A		50
Financial inclusion and skills development	FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	Number, Reporting currency		35 Y 85
	FN-CB-240a.2	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	Number, Reporting currency	Not publicly available	
	FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Number	Not publicly available	
Incorporation of environmental, social, and governance actors in credit analysis	FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Number		43
	FN-CB-410a.1	Commercial and industrial credit exposure, by industry	Reporting currency		83
Business Ethics	FN-CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	N/A		38
	FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	Reporting currency	We did not have monetary losses as a result of legal proceedings.	
Systemic Risk Management	FN-CB-510a.2	Description of whistleblower policies and procedures	N/A		31
	FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	Basis points (bps)	Does not apply. None of the Ficohsa Bank companies in the countries, nor the financial group itself, are considered as a bank of global systemic importance (G-SIB) by the Basel Committee on Banking Supervision (BCBS) of the Bank for International Settlements (BIS).	
	FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities.	N/A		

## Consumer Finance Standard 2018

SASB Topic	Code	Description	Unit of measure	Omissions and/or modifications	Page / Complementary response
<b>Activity Metrics</b>					
Activity Metrics	FN-CF-000.A	Number of unique consumers with an active (1) credit card account and (2) pre-paid debit card account	Number	Not publicly available	
Activity Metrics	FN-CF-000.B	Number of (1) credit card accounts and (2) pre-paid debit card accounts	Number	Not publicly available	
<b>Accounting Metrics</b>					
Client privacy	FN-CF-220a.1	Number of account holders whose information is used for secondary purpose	Number	Not publicly available	
	FN-CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Reporting currency		35
Data security	FN-CF-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	Number, Percentage (%)		50
	FN-CF-230a.2	Card-related fraud losses from (1) card-not present fraud and (2) card-present and other fraud	Reporting currency	Not publicly available	
	FN-CF-230a.3	Description of approach to identifying and addressing data security risks	N/A		50
Sales practices	FN-CF-270a.1	Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold	Percentage (%)		51
	FN-CF-270a.2	Approval rate for (1) credit and (2) pre-paid products for applicants with FICO scores above and below 660	Percentage (%)	Not publicly available	
	FN-CF-270a.3	(1) Average fees from add-on products, (2) average APR, (3) average age of accounts, (4) average number of trade lines, and (5) average annual fees for pre-paid products, for customers with FICO scores above and below 660	Reporting currency, Percentage (%), Months, Number, Reporting currency		51
	FN-CF-270a.4	(1) Number of complaints filed with the Consumer Financial Protection Bureau (CFPB), (2) percentage with monetary or nonmonetary relief, (3) percentage disputed by consumer, (4) percentage that resulted in investigation by the CFPB	Number, Percentage (%)		51
	FN-CF-270a.5	Total amount of monetary losses because of legal proceedings associated with selling and servicing of products	Reporting currency		51

## Insurance Standar 2018

SASB Topic	Code	Description	Unit of measure	Omissions and / or modifications	Page / Complimentary response
<b>Activity Metrics</b>					
Activity Metrics	FN-IN-000.A	Number of policies in force, by segment: (1) property and casualty, (2) life, (3) assumed reinsurance	Number		86
<b>Accounting Metrics</b>					
Transparent information and fair advice for clients	FN-IN-270a.1	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of insurance product-related information to new and returning customers	Reporting currency		51
	FN-IN-270a.2	Complaints-to-claims ratio	Rate	Not publicly available	
	FN-IN-270a.3	Customer retention rate	Rate	Not publicly available	
	FN-IN-270a.4	Description of approach to informing customers about products	N/A		48 y 51
Incorporation of environmental, social and governance factors in investment management	FN-IN-410a.1	Total invested assets, by industry and asset class	Reporting currency		87
	FN-IN-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment management processes and strategies	N/A		Our insurance subsidiaries are working on incorporating ESG criteria into investment decisions.
Policies designed to promote responsible behavior	FN-IN-410b.1	Net premiums written related to energy efficiency and low carbon technology	Reporting currency		We do not yet have specific insurance products with environmental criteria.
	FN-IN-410b.2	Discusión de productos y / o características de productos que incentivan acciones y / o comportamientos de salud, seguridad y / o ambientalmente responsables.	N/A		We promote road safety and responsible driving as part of insurance.
Environmental risk exposure	FN-IN-450a.1	Probable Maximum Loss (PML) of insured products from weather-related natural catastrophes	Reporting currency	Not publicly available	
	FN-IN-450a.2	Total amount of monetary losses attributable to insurance payouts from (1) modeled natural catastrophes and (2) non-modeled natural catastrophes, by type of event and geographic segment (net and gross of reinsurance)	Reporting currency	Not publicly available	
	FN-IN-450a.3	Description of approach to incorporation of environmental risks into (1) the underwriting process for individual contracts and (2) the management of firm-level risks and capital adequacy	N/A		In the process of fixing the conditions of policies, accidents are considered, which may be conditioned by the occurrence of punctual and/or progressive extreme climatic events (e.g. temperature increase).
Systemic risk management	FN-IN-550a.1	Exposure to derivative instruments by category: (1) total potential exposure to non-centrally cleared derivatives, (2) total fair value of acceptable collateral posted with the Central Clearinghouse, and (3) total potential exposure to centrally cleared derivatives	Reporting currency	Not publicly available	
	FN-IN-550a.2	Total fair value of securities lending collateral assets	Reporting currency	Not publicly available	
	FN-IN-550a.3	Description of approach to managing capital- and liquidity-related risks associated with systemic non-insurance activities	N/A	Not publicly available	

## Asset Management and Custody Activities 2018

SASB Topic	Code	Description	Unit of measure	Omissions and / or modifications	Page /Complementary Response
<b>Activity Metrics</b>					
Activity Metrics	FN-AC-000.A	(1) Total registered and (2) total unregistered assets under management (AUM)	Reporting currency	Not publicly available	
Activity Metrics	FN-AC-000.B	Total assets under custody and supervision	Reporting currency		88
<b>Accounting Metrics</b>					
Transparent information and fair advice for clients	FN-AC-270a.1	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	Number, Percentage (%)		During 2021, there were no related investigations.
	FN-AC-270a.2	Cantidad total de pérdidas monetarias como resultado de procedimientos legales asociados con la comercialización y comunicación de información relacionada con productos financieros a clientes nuevos y recurrentes.	Reporting currency		During 2022, no monetary losses were registered.
	FN-AC-270a.3	Description of approach to informing customers about products and services	N/A		During 2022, no monetary losses were registered.
Employee diversity and inclusion	FN-AC-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	Percentage (%)		55 y 65
Incorporation of environmental, social and Governance factor in Investment management and advisory	FN-AC-410a.1	Amount of assets under management, by asset class, that employ (1) integration of environmental, social, and governance (ESG) issues, (2) sustainability themed investing, and (3) screening	Reporting currency	Not publicly available	Active portfolio with ESG criteria is not yet available.
	FN-AC-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment and/or wealth management processes and strategies	N/A		Ficohsa Pensions is evaluating how to incorporate ESG criteria into the investment process.
	FN-AC-410a.3	Description of proxy voting and investee engagement policies and procedures	N/A	Not publicly available	
Business Ethics	FN-AC-510a.1	Total amount of monetary losses because of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	Reporting currency		35
	FN-AC-510a.2	Description of whistleblower policies and procedures	N/A		31

## Mortgage Finance Standard 2018

SASB Topic	Code	Description	Unit of measure	Omissions and/or modifications	Page / Complementary response
<b>Activity Metrics</b>					
Activity Metrics	FN-MF-000.A	(1) Number and (2) value of mortgages originated by category: (a) residential and (b) commercial	Number, Reporting currency		85
Activity Metrics	FN-MF-000.B	(1) Number and (2) value of mortgages purchased by category: (a) residential and (b) commercial	Number, Reporting currency	Not publicly available	
<b>Accounting Metrics</b>					
Lending Practices	FN-MF-270a.1	(1) Number and (2) value of residential mortgages of the following types: (a) Hybrid or Option Adjustable rate Mortgages (ARM), (b) Prepayment Penalty, (c) Higher Rate, (d) Total, by FICO scores above or below 660	Number, Reportin currency	Not publicly available	
	FN-MF-270a.2	(1) Number and (2) value of (a) residential mortgage modifications, (b) foreclosures, and (c) short sales or deeds in lieu of foreclosure, by FICO scores above and below 660	Number, Reportin currency	Not publicly available	
	FN-MF-270a.3	Total amount of monetary losses as a result of legal proceedings associated with communications to customers or remuneration of loan originators	Number, Reportin currency		35
	FN-MF-270a.4	Description of remuneration structure of loan originators	N/A	Not publicly available	
Discriminatory loans	FN-MF-270b.1	(1) Number, (2) value, and (3) weighted average Loan-to-Value (LTV) ratio of mortgages issued to (a) minority and (b) all other borrowers, by FICO scores above and below 660	Number, Reporting currency, Percentage (%)		85
	FN-MF-270b.2	Total amount of monetary losses as a result of legal proceedings associated with discriminatory mortgage lending	Reporting currency		There have been no sanctions for this reason.
	FN-MF-270b.3	Description of policies and procedures for ensuring nondiscriminatory mortgage origination	N/A		51
Environmental risk to Mortgaged properties	FN-MF-450a.1	(1) Number and (2) value of mortgage loans in 100-year flood zones	Number, Reporting currency		We do not yet have such an analysis.
	FN-MF-450a.2	(1) Total expected loss and (2) Loss Given Default (LGD) attributable to mortgage loan default and delinquency due to weather-related natural catastrophes, by geographic region	Reporting currency, Percentage (%)		We do not yet have such an analysis.
	FN-MF-450a.3	Description of how climate change and other environmental risks are incorporated into mortgage origination and underwriting	N/A		23



## WEF Metrics / Governance Pillar

Topic	Metric	Central/ Expanded	Description	Page
Governance Purpose	Establish a Purpose	Central	The purpose established by the company, as an expression of the means used by the company to propose solutions to economic, environmental, and social problems. Corporate purpose should create value for all stakeholders, including shareholders.	7
	Management Aimed at Purpose	Expanded	How the company's purpose is included in its strategies, policies, and objectives.	7
Quality of Corporate Governance	Corporate Governance Composition	Central	Composition of Senior Management and its committees.	8
Stakeholders' Commitment	Material Issues that impact stakeholders	Central	List of issues that are materials for stakeholders and for the company, how these issues were identified and how stakeholders are engaged with them.	96
Ethical Conduct	Anti-corruption	Central	1) Percentage of Senior Management members, employees and business partners trained in the organization's anti-corruption policies and procedures detailed by region.	20
		Central	1.a) Total number and nature of corruption incidents confirmed this year but related to previous years.	31
		Central	1.b) Total number and nature of corruption incidents confirmed during this year, relative to this year.	31
		Central	2) Discussion of initiatives and the commitment of stakeholders to improve the operating environment and its culture, to combat corruption.	31, 32, 33 y 34
	Ethical information and advisory mechanisms	Central	An internal and external description of mechanisms for: 1. Seeking advice on ethical and legal behavior and organizational integrity. 2. Reporting concerns about unethical or illegal behavior and lack of organizational integrity.	31 y 32
Monetary losses due to unethical behavior	Expanded	Total amount of monetary losses as a result of illegal procedures associated with fraud, influence peddling, anti-competitive behavior, market manipulation, bad practices or violations of other related laws and regulations.	We had no monetary losses during the reporting period.	
Monitoring of Risks and Opportunities	Integrating risks and opportunities into business processes	Central	Information on risk factors and opportunities that the company clearly identifies in the main risks and material opportunities that it specifically faces (unlike generic risks in the sector), the appetite of the company with respect to these risks, how these risks have moved, opportunities over time and the response to those changes. These opportunities and risks must integrate material economic, environmental, and social issues, including climate change and data management.	22, 23, 24 y 25

## Planet Pillar

Topic	Metric	Central/ Expanded	Description	Page/Response
Climate Change	Greenhouse Gas Emission (GHG)	Central	For all relevant greenhouse gases (e.g., carbon dioxide, methane, nitrous oxide, F gases, etc.), report in metric tons of carbon dioxide equivalent (tCO <sub>2e</sub> ) Greenhouse Gas Protocol (GHG) Scope 1 and Scope 2. Estimate and report material emissions upstream and downstream (Scope 3 GHG Protocol) as appropriate.	Ficohsa Financial Group has advanced in the calculation of its Scope 1 and 2 emissions, which are verified by external third parties. In the following years, it will incorporate the calculation of Scope 3 issues, including those corresponding to category 15 of those associated with the credit portfolio. (p.69)

Topic	Metric	Central/ Expanded	Description	Page/Response
	Implementation of the TCFD	Central	Fully implement the recommendations of the "Task Force on Climate-related Financial Disclosures" (TCFD)	<p>Regarding climate change, Ficohsa Financial Group has already started a series of action lines, which are described in the report and which we refer to below:</p> <ul style="list-style-type: none"> <li>• Governance of energy and emissions issues as part of the sustainability strategy, which is monitored in the first instance in the Corporate Social Responsibility Committee and is elevated from the Corporate Vice Presidency (which chairs the Committee) to the Executive Presidency.</li> <li>• With clients, implementing the Environmental and Social Risk Management System (ESRMS) promotes good environmental practices and, therefore, a lower contribution to climate change (by generating GHG emissions).</li> <li>• Calculation and verification of the bank's own emissions, that is, consumption of fuels and electricity in administrative and commercial operations. From this, identification of eco-efficiency and other opportunities to reduce the footprint, and implementation.</li> </ul> <p>In the short term, Ficohsa Financial Group will make progress in identifying the risks and opportunities generated by climate change, according to the nomenclature of the Task Force on Climate-related Financial Disclosures (TCFD). In this way, it will be able to develop the report in compliance with the recommendations. (p. 25 y 26)</p>
Loss of Nature	Use of soil and ecological sensibility	Central	Report the number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas (KBAs).	<p>Due to the type of activity, in the financial sector, it is not a material issue for Ficohsa Financial Group.</p> <p>However, the Group is a pioneer in Central America in calculating its ecological footprint, which it also verifies. This allows to dim the hectares needed to cushion activity, as is deepened in the report. (p.63)</p> <p>Besides that, credits for larger projects are submitted to the Environmental and Social Risk Analysis (ESRA). (p.38 and 39)</p>
Availability of fresh/drinking water	Water consumption and extraction in areas with water stress	Central	Report for operations where it is material: extracted megaliters of water, megaliters of water consumed, and the percentage of each in regions with high or extremely high reference water stress, according to the WRI Aqueduct Water Risk Atlas Tool. Estimate and report the same information for the entire value chain (upstream and downstream) when applicable.	<p>Due to the type of activity, in the financial sector, it is not a material issue for Ficohsa Financial Group.</p>

## People Pillar

Topic	Metric	Central/ Expanded	Description	Page/Response
Equality and Dignity	Diversity and Inclusion (%)	Central	Percentage of employees by employment category, age group, gender and other diversity indicators (e.g. ethnicity)	55, 56 y 57
	Equal Pay (%)	Central	Relation/ratio between the base salary and the remuneration of each category of employee, by significant operating places for priority areas of equality: women to men, major majority and minority ethnic groups, and other relevant areas of equality.	The wage ratio men-women per professional category is available. The differences also represent the proportion of gender within the different profiles in each category and considers other aspects, such as years of service (p. 59)
	Salary Gap	Expanded	Average wage gap between the base salary and remuneration of the relevant full-time employees according to gender (women to men) and diversity indicators at the business level or by significant operational location.	58
	Salary Level (%)	Central	1. Ratio of standard starting salary by gender to local minimum wage. 2. Ratio of the total annual remuneration of the CEO to the median annual total remuneration of all his employees, except the CEO.	Confidential contents
	Incidents of discrimination and harassment (#) and the total number of monetary/economic losses	Expanded	1. Number of incidents of harassment and discrimination, status of incidents and actions taken 2.Total amount of economic losses because of legal proceedings associated with: a)Violations of the laws b)Discrimination against employees	31
	Freedom of association and collective negotiation at risk (%)	Expanded	1. Percentage of active workers under collective negotiation agreements. 2. An explanation of the assessment made to suppliers so that the right to freedom of association and collective bargaining is at risk, including the measures taken by the organization to address these risks.	In the process of evaluating suppliers, prior to their contracting and the establishment of the business relationship, the Bank ensures the fulfilment by the supplier of its obligations in labor matters. (p.35)
	Risk of incidents of forced or compulsory child labor	Central	Explanation of the operations and providers considered to be at significant risk of child, forced or compulsory labor.	Because of the type of activity, in the financial sector, there are no significant risks with the suppliers of Ficohsa Financial Group. In relation to credit, larger projects are evaluated by applying ESRS prior to deciding the granting of a credit. Furthermore, Ficohsa Financial Group is strongly committed, see Annex: Due Diligence in Human Rights. (p. 99)
	Human rights review, impact of injustices and modern slavery (#,%)	Expanded	1. Total number and percentage of operations that have been subject to human rights reviews or human rights impact assessments, by country. 2. Number and type of reported complaints associated with impacts related to a prominent human rights issue in the reporting period and an explanation of the type of impacts. 3. Number and percentage of operations and suppliers considered to have a significant risk of incidents involving children in employment, forced or compulsory labor.	(1) 36,37  (2) We are working and verifying the due diligence policy in accordance with the UN Guiding Principles on Business and Human Rights, so we are in the process of identifying specific complaints. (p. 99)  (3) 36,37

Topic	Metric	Central/ Expanded	Description	Page/ Response
Health and Well-being	Health and Safety (%)	Central	The number and rate of deaths because of work-related accidents, serious work-related injuries (excluding deaths); work-related registrable injuries; main types of work-related injuries; and the number of hours worked. An explanation of how the organization facilitates access to non-occupational health and medical services, and the extent of access provided to employees and workers.	We recorded no fatalities during this reporting year.  In terms of health services, we have a medical service within the facilities and external in partnership with private clinics. (P. 64)
	Employee well-being (%)	Expanded	1. The number of deaths as a result of work-related health problems, registrable work-related ill-health injuries, and the main types of work-related diseases for all employees and workers. 2. a) Percentage of employees participating in health and welfare "best practice" programs, and b) Absenteeism rate (AR) of all employees.	1) We recorded no fatalities during this reporting year. 2) P. 64 3) Not available
Skills for the Future	Training (#,\$)	Central	1. The average number of training hours per person that employees of the organization have completed during the reporting period, by gender and employee category (total number of training hours provided to employees, divided by the number of employees).	60
			2. Average expenditure on training and development per full-time employee (total cost of employee training divided by the number of employees).	Not available

## Prosperity Pillar

Topic	Metric	Central/ Expanded	Description	Page/ Response
Job and Wealth Creation	Absolute number and employment generation ratio	Central	1. Total number and rate of new employee recruitments during the reporting period, by age group, gender, and other diversity indicators and region.  2. Total number and turnover rate of employees during the reporting period, by age group, gender, and other diversity indicators and region).	(1) P. 57 (2) Not yet available.

Topic	Metric	Central/ Expanded	Description	Page/ Response
	Economic Contribution	Central	<ol style="list-style-type: none"> <li>1. Direct economic value is generated and distributed, on an accrual basis, covering the core components of the organization's overall operations.</li> <li>2. Financial assistance received by the Government: total monetary value of financial assistance received by the organization of any Government during the reporting period.</li> </ol>	<ol style="list-style-type: none"> <li>(1) p. 88</li> <li>(2) We do not receive any financial assistance from government entities</li> </ol>
	Contribution by Financial Investment	Central	<ol style="list-style-type: none"> <li>1 Total capital expenditure minus depreciation is supported by a narrative describing the company's investment strategy.</li> <li>2. Repurchase of shares plus dividend payments, backed by a narrative to describe the company's strategy for capital returns to shareholders.</li> </ol>	<ol style="list-style-type: none"> <li>(1) p. 88</li> <li>(2) Not yet available</li> </ol>
	Investments in Infrastructure and Support Services	Expanded	<p>Qualitative information to describe the following components:</p> <ol style="list-style-type: none"> <li>1. Scope of development of investment in significant infrastructure and support services.</li> <li>2. Current or expected impacts on local communities and economies, including positive and negative impacts where relevant.</li> <li>3. If these investments and services are commercial, report commitments in kind or pro bono.</li> </ol>	<ol style="list-style-type: none"> <li>(1) p.68 and 75</li> <li>(2) Thanks to the loans we provide to rural sectors, we have benefited more than 850 producers</li> <li>(3) p.68 and 75</li> </ol>
Innovation of Better Products and Services	Total R & D Expenditure (USD\$)	Central	Total expenditure related to research and development.	Not available
	Social Value Generated (%)	Expanded	Percentage of revenue from products and services designed to deliver specific social benefits or address sustainability challenges.	p. 40, 41 and 42
Community and Social Vitality	Total taxes paid (USD\$)	Central	The total global tax payable by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, payroll taxes paid by the employer and other taxes that constitute costs to the company, by tax category.	p. 23, 24, 25 and 26



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