UN environment programme | finance initiative

Principles for Responsible Banking

Responsible Banking Progress Statement
for PRB Signatories

Implementation document

Principles for Responsible Banking

· Est. 2019 ·

Annex III – Self-Assessment Questionnaire of the Principles for Responsible Banking (PRB)

Banco Bolivariano is a signatory of the Principles for Responsible Banking (PRB) of the United Nations Environment Programme Finance Initiative (UNEP FI), as part of its active commitment to this organization.

To meet the transparency requirements in the implementation of the Principles, Banco Bolivariano presents this annex as a tool that guides its progress in incorporating the PRB and directs readers to a deeper understanding of the various chapters of the sustainability report.

Summary Template

Banco Bolivariano 2024

Principle 1: **Alignment**	Principle 2: **Impact and Target Setting**	Principle 3: **Clients**
Content Banco Bolivariano has a Sustainability Strategy for 2023–2025. This strategy includes six focus areas based on the topics identified as material in 2022—that is, those considered most significant due to the potential impacts the Bank's operations may have on various stakeholders, as well as how these topics may influence financial results and access to funding (double materiality). The material topics have also helped identify the Sustainable Development Goals (SDGs) to which the Bank contributes most directly, based on the nature of its operations, products and services, and the segments it serves. The Strategy also considers key agreements and voluntary standards on relevant topics, such as: the ILO Conventions on labor matters, the UN	***Content*** Through the impact analysis of its portfolio, the priority areas for setting targets were identified as follows: **In SME Banking and Corporate Banking:** • **Positive impacts:** Inclusive and healthy economies; Economic convergence, Mobility, Food, and Employment. • **Negative impacts:** Waste, Inclusive and healthy economies, Economic convergence, Mobility, Climate, and Employment. **In Personal Banking:** • **Positive impacts:** Employment, Inclusive and healthy economies, Economic convergence, Justice. • **Negative impacts:** Inclusive and healthy economies. Based on these main areas, two responsible banking objectives were established: 1) To support corporate banking credit clients in developing processes and adopting technologies that are more efficient in the use of resources and	***Content*** Banco Bolivariano offers products aligned with the first of the established objectives: **Credimax Green Loan:** targeted at individuals, this product is designed to finance the purchase of equipment that uses modern and efficient systems to reduce electricity consumption in households. **Crediplus Green Loan:** supports companies in financing the purchase of efficient equipment and technologies that help reduce environmental impacts and improve

Guiding Principles on Business and Human Rights, and the Principles for Responsible Banking specific to the sector.

In 2024, work was also carried out to establish the sustainability policy and committee, along with the progressive adoption of the recommendations from the Task Force on Climate-Related Financial Disclosures (TCFD) and the Taskforce on Nature-related Financial Disclosures (TNFD).

In addition to the ongoing progress on the objectives and action lines of the Sustainability Strategy, no major changes were reported during the reporting year.

energy, as well as in reducing waste and greenhouse gas (GHG) emissions.

2) To facilitate access for SMEs to financial resources that enable them to address various needs related to the operation and growth of their businesses.

The progress indicators aligned with these two objectives correspond to the Bank's loan placement data:

Objective / Goal	2021 Baseline (Actual Balance in Absolute Value)	2024 Target: Projected Balance (in Absolute Value) – 2024	2024 Target: Projected Growth Rate – 2024 vs. 2021	*2024 Actual Result: Actual Balance (in Absolute Value) – 2024*	*2024 Actual Result: Actual Growth Rate – 2024 vs. 2021*	*Target Fulfillment Rate – 2025 Goal*
1. By 2025, annually increase the balance of Green Loans and loans to clients with environmental certifications according to the following indicators (absolute and percentage):	28.5	96.1	237 %	153.9	440%	160%
2. By 2025, annually increase the balance of Productive Loans granted to SMEs according to the following indicators (absolute and percentage):	83.0	121.5	46%	102.8	46%	85%

figures in USD millions

The objectives and goals (understood as the quantitative values set for the specific indicators used to measure the objectives) are being realized through a series of initiatives involving various departments, particularly those related to focused commercial action. These initiatives are also part of the 2023–2025 Sustainability Strategy.

production costs.

On the other hand, Objective 2 refers to productive credit, specifically that granted to SMEs, due to the greater social impact they generate through job creation and opportunities for socioeconomic development in the region.

The report presents data on the number of transactions, credit disbursed, and year-end balance. This allows for a clear understanding of the business opportunity represented by the objectives.

To promote best environmental and social practices among clients, alongside specialized products (e.g., Green Loan, Blue Loan, and financial inclusion products), Banco Bolivariano has implemented the Environmental and Social Risk Management System (ESMS), guided by its corresponding policy.

Links and References

Profile and Strategy: Integration of sustainability criteria.

Links and References

Profile and Strategy: Responsible banking approach.
Sustainable Development from the Client Perspective: Products with

Links and References

Economic Results: Evolution of credit

Annex I.2: Materiality analysis. Annex II: Contribution to the Sustainable Development Goals (SDGs). Sustainability page on Banco Bolivariano’s institutional website: https://www.bolivariano.com/sostenibilidad	environmental criteria. Economic Results: Evolution of credit products. Annex I.3: Identification of portfolio impacts.	products. Sustainable Development from the Client Perspective: Environmental and social risk assessment. Sustainable Development from the Client Perspective: Products with environmental criteria. Sustainable Development from the Client Perspective: Products with social criteria.

Principle 4: **Stakeholders**	Principle 5: **Governance and Culture**	Principle 6: **Transparency and Accountability**
Content	***Content***	***Content***
As part of the Bank's operations, regular contact is maintained with various stakeholder groups through multiple channels, with responsibilities distributed among the different areas of the institution. Additionally, to identify the impact areas of the portfolio, Banco Bolivariano worked closely with business teams to obtain data on the distribution of productive credit by economic activity sectors, and personal credit by the socioeconomic level of individuals. As part of the materiality process, in which all of the Bank's roles were evaluated (such as provider of financial products and services, employer, client, among others), consultations were conducted with a set of priority stakeholder groups: employees, shareholders, suppliers, corporate clients (directly), clients as a whole (through the heads of different business units), and authorities and regulators (through those responsible for managing the relationship within the bank). These exercises served as the foundation for the development of the 2023–2025 Sustainability Strategy.	The governance system designated for the implementation of the Principles for Responsible Banking is the same one responsible for overseeing the entire Sustainability Strategy. The Bank has established a committee composed of representatives from the various areas in charge of initiatives included in the Strategy. The leader of the institution's sustainability team acts as the coordinator of the committee and reports to the Executive Vice Presidency. Progress in the implementation of the Sustainability Strategy—and therefore in the adoption of the Principles for Responsible Banking—is presented by the Executive Vice Presidency to the Board of Directors through the Annual Shareholders' Report and the Sustainability Report. Furthermore, the credit placement associated with the PRB objectives (green loans for individuals and businesses, and productive loans for SMEs) involves the risk team, which submits its recommendations to the Credit Committee. In addition, a culture of responsible banking is promoted internally through training in the integrated management of environmental, social, and governance (ESG) aspects, both at the operational and strategic levels.	Banco Bolivariano uses the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) standards in its Sustainability Report. In this way, it addresses impact materiality (through the relevant GRI standards) and financial materiality using the parameters of the topics established by SASB for the financial sector industries in which it operates: Commercial Banking, Consumer Finance, and Mortgage Finance. In the previous two years, the Bank also submitted for external verification the information provided for Principle 2 and the first part of Principle 5. On this occasion, the information has been adapted to the new format of the PRB Progress Report (with optional verification).

Links and References	***Links and References***	***Links and References***
Annex I.1: Stakeholder Engagement *Annex I.2: Materiality Analysis* *Annex I.3: Portfolio Impact Identification*	*Profile and Strategy: Integration of sustainability criteria* *Profile and Strategy: Responsible banking approach* *Corporate Governance: Board of Directors* *Corporate Governance: Management* *Risk Management: Prevention and monitoring* *Team Experience: Training and career development* *Sustainable Development from the Client Perspective: Environmental and social risk assessment*	*How to Read the Report* *Annex IV: GRI Content Index* *Annex V: SASB Parameters Index* *Previous Sustainability Reports: 2022 and 2023*

Supplement Templates

Principle 1:
Alignment

We will align our business strategy to be consistent with and contribute to the needs of people and the goals of society, as expressed in the Sustainable Development Goals, the Paris Climate Agreement, and relevant national and regional frameworks.

Business Model
Provide a high-level description of your bank's business model, including the main lines of business, the customer segments served, the types of products and services offered, and the key sectors and types of activities in the main geographies where your bank operates or provides products and services.
Please also quantify the information by disclosing, for example, the distribution of your bank's portfolio (%) in terms of geographies, business areas, or by revealing the number of customers served.

Links and References

Profile and Strategy: Profile
Profile and Strategy: Strategy
Economic Results: Evolution of savings products
Economic Results: Evolution of credit products

Response:
Banco Bolivariano operates in Ecuador as a private full-service banking institution, providing financial services that support the development of its clients.
The institution is known for offering specialized financial services to the corporate, business, SME, and individual segments.

For Corporate Banking and SME Banking, the bank offers products such as: checking and savings accounts, fixed-term deposit investments, credit, treasury management, foreign trade solutions, payment methods, and value chain solutions (including productive credit for clients' suppliers and distributors).

The main productive sectors financed through Corporate and SME Banking include: vehicle sales, aquaculture, real estate activities, and industrial production. The bank also offers personal banking products to its employees and provides other transactional services.

For Personal Banking, the bank offers: savings products and checking accounts, loans, credit cards, bill payments, investments, and remittances.

The evolution of the number of clients, deposits, loan placements, and balances is presented in the Economic Results chapter.

Strategy Alignment
Please describe how your bank has aligned and/or plans to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and other international frameworks such as the Kunming-Montreal Global Biodiversity Framework (GBF), the United Nations Guiding Principles on Business and Human Rights (UNGPs), the upcoming instrument on plastic pollution, etc.
Include any other national and/or regional frameworks your bank has a strategy to align with, where relevant.

Links and References
Profile and Strategy: Integration of sustainability criteria
Annex I.2: Materiality Analysis
Annex II: Contribution to the Sustainable Development Goals (SDGs)
Sustainability page on Banco Bolivariano's institutional website:

https://www.bolivariano.com/sostenibilidad

Response:
The institution has a 2023–2025 Sustainability Strategy. This strategy focuses, through six pillars, on the topics identified as material—those of greatest significance both in terms of the potential impacts of the Bank's operations on various stakeholder groups and how these groups may influence financial outcomes (double materiality).

The material topics have helped identify the Sustainable Development Goals (SDGs) to which the Bank contributes most significantly, based on its operations, products and services, and the segments it serves.

The Strategy also considers, in relation to the material topics, key agreements and voluntary standards in relevant areas, such as: ILO Conventions on labor matters, the UN Guiding Principles on Business and Human Rights, and the Principles for Responsible Banking specific to the financial sector.

The Bank's Sustainability Strategy includes a climate change agenda. Pillar 5: Sustainable Development from the Client Perspective encompasses the availability of products with environmental criteria and the application of SARAS for risk analysis, thereby addressing indirect emissions (Scope 3) for which Banco Bolivariano may be responsible.

Additionally, Pillar 6: Operational Eco-efficiency integrates initiatives to reduce direct emissions, mainly from fuel use, and indirect emissions associated with electricity consumption.

Through both approaches, the institution contributes to reducing GHG emissions (intensity).

Efforts to publish the corporate sustainability report annually—integrating both the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB) Standards—have enabled greater transparency and improved engagement with its various stakeholder groups. The current complementary approach is to fully address the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the Task Force for Nature-related Financial Disclosures (TNFD).

Principle 2:
Impact and Target Setting

We will continuously increase our positive impact while reducing negative impact and managing risks to people and the environment resulting from our activities, products, and services. To achieve this, we will set and publish targets where we can have the most significant impact.

Impact Analysis Show how your bank has identified, prioritized, and measured the most significant impacts associated with its portfolio (both positive and negative). Determine the priority areas for target setting. Include details on: scope, portfolio composition, context, and outcome measurement. The impact analysis should include an assessment of the relevance of the four priorities established in Leading the Way to a Sustainable Future: Prioridades para un sector bancario mundial responsable, as part of your initial or ongoing impact analysis.
Links and References Profile and Strategy: Responsible banking approach Sustainable Development from the Client Perspective: Products with environmental criteria Economic Results: Evolution of credit products Annex I.3: Portfolio Impact Identification.
Response: Using year-end 2021 data, Banco Bolivariano conducted a portfolio impact analysis through the application of UNEP-FI's *Portfolio Impact Analysis Tool*, prior to setting meaningful targets aligned with the Principles for Responsible Banking (PRB). The scope of this analysis included: • **Organizational:** Personal Banking (100% coverage) and SME & Corporate Banking (80% coverage) • **Geographic:** Ecuador Contextually, SME and Corporate Banking represented 76% of the credit portfolio, while Personal Banking accounted for the remaining 24%. Within SME and Corporate Banking, by economic activity sector, the main industries by portfolio exposure were: vehicle sales (9%), aquaculture (8%), real estate activities (7%), and retail sales of food and beverages (4%). The impact areas with the highest scores were prioritized for management: **In SME and Corporate Banking:** • **Positive:** Inclusive and healthy economies; Economic convergence; Mobility; Food; Employment • **Negative:** Waste; Inclusive and healthy economies; Economic convergence; Mobility; Climate; Employment **In Personal Banking:** • **Positive:** Employment; Inclusive and healthy economies; Economic convergence; Justice • **Negative:** Inclusive and healthy economies
Targets, Target Implementation, and Action/Transition Plans Demonstrate that your bank has set and published a minimum of two SMART targets that address at least two different areas of the most significant impact identified in your impact analysis. Once the targets are set, explain the actions taken and progress made. Include details on: alignment, baselines, targets, implementation and monitoring of targets (and KPIs), action plans/transition plans, and milestones. Banks are encouraged to disclose information on the actions they are undertaking in relation to the four priorities established in Leading the Way to a Sustainable Future: Prioridades para un bancario mundial sector responsable (2024).
Links and References: Profile and Strategy: Responsible banking approach Sustainable Development from the Client Perspective: Products with environmental criteria Economic Results: Evolution of credit products Annex I.3: Portfolio Impact Identification

Response:

Based on the areas of greatest portfolio impact, two responsible banking targets were established:

No.	Description	Impact Areas
1	Facilitate the development of processes and the adoption of more resource- and energy-efficient technologies among Corporate Banking credit clients, as well as the reduction of waste and greenhouse gas (GHG) emissions.	Waste, Climate.
2	Facilitate access for SMEs to financial resources to address their various operational and business growth needs.	Inclusive and healthy economies; Economic convergence

For both objectives, targets and a series of portfolio indicators were established to measure progress. Below are the baseline values (2021), the targets and results for 2024, and the projected scenarios, set as milestones, for 2025:

Objective / Goal	2021 Baseline (Actual Balance in Absolute Value)	2024 Target		*Actual Result 2024*		*Target Achievement Percentage 2025*
		Projected Balance (in Absolute Value) 2024	Projected Growth Percentage 2024 vs. 2021	*Actual Balance (in Absolute Value) 2024*	*Actual Growth Percentage 2024 vs. 2021*	
1. By the year 2025, annually increase the balance of Green Loans and loans to clients with environmental certifications according to the following indicators (absolute and percentage values):	28.5	96.1	237%	153.9	440%	160%
2. By the year 2025, annually increase the balance of Productive Loans granted to SMEs according to the following indicators (absolute and percentage values):	83.0	121.5	46%	102.8	46%	85%

Banco Bolivariano seeks to achieve its objectives and respective targets through the implementation of its Sustainability Strategy, especially by involving the commercial areas. The processes for developing impact maps and setting targets were participatory; likewise, the Sustainability Strategy was developed collaboratively.

The annual reports of the Responsible Banking Progress Declaration enable the monitoring of progress toward the objectives in relation to the established targets, while also providing an account of their advancement.

Principle 3:
Clients

We will work responsibly with our clients to promote sustainable practices and enable economic activities that create shared prosperity for current and future generations.

Client Commitment

Describe how your bank has worked and/or plans to work with its clients to promote sustainable practices and enable sustainable economic activities. This should include information on the client engagement strategy, including but not limited to: identified impact areas/set targets, awareness-raising activities with clients and users, relevant policies and processes, planned/executed actions to support client transition, selected indicators on client engagement, and, where possible, the impacts achieved.

Links and References:

Economic Results: Evolution of credit products.

Sustainable Development from the Client Perspective: Environmental and social risk assessment.

Sustainable Development from the Client Perspective: Products with environmental criteria.

Sustainable Development from the Client Perspective: Products with social criteria.

Response:

Banco Bolivariano offers a range of products aligned with the objectives established under the Principles for Responsible Banking:

- **Objective 1:**
  This includes green loans that support improved energy management and the reduction of GHG emissions. These loans are categorized as follows:
    - **Credimax Green Loan:** Designed for individuals, aimed at financing the purchase of equipment that uses modern and efficient systems to reduce household electricity consumption.
    - **Crediplus Green Loan:** Supports companies in financing the acquisition of efficient equipment and technologies that help reduce environmental impacts and improve production costs.

- **Objective 2:**
  This involves productive loans, specifically those granted to SMEs, due to their significant social impact. In Ecuador, SMEs play a key role in generating employment and socio-economic development opportunities.

Transversally, the environmental and social risk assessment process is a key mechanism to promote the adoption of better ESG practices among clients, through specialized products (e.g., Blue Loans, Green Loans, and other productive loans). Banco Bolivariano has an Environmental and Social Risk Management System (SARAS), guided by its respective policy—a key input for developing and offering products that encourage or facilitate the management of these risks.

Business Opportunities

Describe what strategic business opportunities your bank has identified and/or developed during the reporting period in relation to increasing positive impacts and reducing negative ones. Provide information on sustainability-related products and services, as well as existing frameworks that support clients' transition needs. Include the size of the sustainable finance portfolio in USD or local currency and/or as a percentage of the bank's total portfolio*, and indicate which SDGs or impact areas your bank aims to positively influence (e.g., green-climate mortgages, social products, sustainability bonds–financial inclusion, etc.).

* Provide information on the sustainable finance frameworks/standards/taxonomies used to label sustainable finance volumes.

Links and References: Economic Results: Evolution of credit products. Sustainable Development from the Client Perspective: Environmental and social risk assessment. Sustainable Development from the Client Perspective: Products with environmental criteria. Sustainable Development from the Client Perspective: Products with social criteria. Annex II: Contribution to the Sustainable Development Goals (SDGs). Banco Bolivariano's 2023 Blue Bond Report: https://portalbb-multimedia.bolivariano.com/docs/default-source/sostenibilidad/reporte_bono_azul_23bb_13052024.pdf Website of Asobanca's Sectoral Green Taxonomy: https://www.taxonomiaasobanca.com/
Response: For both objectives outlined in the context of the Principles for Responsible Banking (PRB), this Sustainability Report presents data across various chapters regarding the number of operations, disbursed credit, and year-end balances of products with environmental and social criteria. This allows for a clear understanding of the business opportunities they represent, which are closely linked to the integration of ESG considerations into the bank's product and service offerings. As an example from the environmental perspective, Banco Bolivariano issued its **Blue Bond** in 2023, with incentives tied to the achievement of sustainability goals. This bond finances sustainable projects related to oceans and freshwater sources, promoting the transition toward a low-carbon economy. Additionally, the bank offers complementary financial inclusion products and services that address gaps affecting specific population segments such as women, children, and youth (e.g., educational loans and women-focused consumer credit). National frameworks that support clients' transition toward sustainability include the Sectoral Green Taxonomy of Asobanca. Furthermore, the bank's environmental and social risk assessment process and the development of ESG-aligned products involve the use of internal frameworks based on compliance with applicable legislation and the International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability, which guide the management of these needs. • Current products in the portfolio with environmental criteria, aligned with Objective 1 of the PRB, aim to positively impact SDGs such as Climate Action (SDG 13), Affordable and Clean Energy (SDG 7), Clean Water and Sanitation (SDG 6), Life Below Water (SDG 14), among others. • Current products in the portfolio with social criteria, aligned with Objective 2, aim to positively impact financial inclusion (through products designed for diverse segments), Reduced Inequalities (SDG 10), Decent Work and Economic Growth (SDG 8), Industry, Innovation and Infrastructure (SDG 9), No Poverty (SDG 1), among others.

Principle 4:

Stakeholders

We will proactively and responsibly consult, engage, and collaborate with relevant stakeholders to achieve society's goals.

Stakeholder Identification and Consultation

Describe the stakeholders (or stakeholder groups/types) your bank has identified, consulted, engaged with, collaborated with, or partnered with to implement the Principles and enhance impacts. This should include a high-level overview of the bank's engagement strategy, following criteria for effective engagement and advocacy, how the bank identified relevant stakeholders, what issues were addressed/results achieved, and how these were incorporated into the action planning process.

Links and References:

Annex I.1: Stakeholder Engagement

Annex I.2: Materiality Analysis

Annex I.3: Portfolio Impact Identification

Response:

As part of Banco Bolivariano's operations, regular contact is maintained with various stakeholder groups through multiple channels, with responsibilities distributed across different areas of the institution.

Additionally, to identify the portfolio's impact areas, Banco Bolivariano worked closely with business teams to obtain data on the distribution of productive credit by economic activity sectors, as well as credit to individuals based on their socioeconomic level, in order to assess their diverse needs through credit placement.

As part of the materiality process, which evaluated all of the Bank's roles (as a provider of financial products and services, employer, client, among others), consultations were conducted with a set of priority stakeholder groups: employees, shareholders, suppliers, corporate clients (directly), clients as a whole (through business unit leaders), and authorities and regulators (via those responsible for managing relationships with them).

The impact mapping exercise (2022) and the materiality assessment (2022) served as the foundation for the development of the 2023–2025 Sustainability Strategy. Furthermore, the institution plans to conduct a new materiality analysis in 2025 to define an updated sustainability strategy.

Principle 5:

Governance and Culture

We will put our commitment to these Principles into practice through effective governance and a culture of responsible banking.

Governance Structure for the Implementation of the Principles

Describe the relevant governance structures, policies, and procedures your bank has implemented/plans to implement to manage significant (potential) positive and negative impacts (including executive-level accountability, clearly defined sustainability roles and responsibilities within internal processes, etc.) and to support the effective implementation of the Principles.

Links and References:

Profile and Strategy: Integration of sustainability criteria
Profile and Strategy: Responsible banking approach
Corporate Governance: Board of Directors
Corporate Governance: Management
Risk Management: Prevention and monitoring

Response:

The governance system established for the implementation of the Principles for Responsible Banking at Banco Bolivariano is the same one responsible for overseeing the overall Sustainability Strategy. The Bank has a dedicated committee composed of representatives from various departments involved in initiatives under the Strategy.

The institution's Sustainability Manager acts as the coordinator of this committee and reports to the Executive Vice Presidency. This role includes convening meetings, requesting information in advance, and analyzing progress. Within this committee, updates are presented on Sustainable Finance, Sustainable Funding, compliance with UNEP-FI objectives, TCFD and TNFD recommendations, progress on SARAS, and other relevant related goals.

Progress in implementing the Sustainability Strategy—and therefore in adopting the Principles for Responsible Banking—is presented by the Executive Vice Presidency to the Board of Directors through the Annual Shareholders Report and the Sustainability Report.

Additionally, the Risk team is involved in the allocation of loans aligned with the PRB objectives (green loans for individuals and businesses, and productive loans for SMEs), submitting their recommendations to the Credit Committee.

Promoting a Culture of Responsible Banking:

Describe your bank's initiatives and measures to foster a culture of responsible banking among employees (e.g., capacity building, learning and development, sustainability training for relevant teams, inclusion in remuneration and performance management structures, leadership communication, among others).

Links and References:

Profile and Strategy: Responsible banking approach
Team Experience: Training and career development

Response:

Employees have participated in the materiality analysis, as well as—specifically—the business teams, in the development of the portfolio impact maps.

Additionally, in the development of the Sustainability Strategy, employees also participated through their respective teams, both in identifying existing initiatives and in proposing and developing new ones.

To extend the sustainability culture beyond the executive level, the Sustainability Strategy was shared across relevant areas once it was approved in 2023. In these broader group sessions with employees, the 2021 Sustainability Report was also presented.

Banco Bolivariano's governance model includes three key cells, each with a different reporting frequency, designed to strengthen the sustainability culture throughout the organization:

- Sustainable Finance (monthly reporting): This cell focuses on building and overseeing strategies to promote sustainable finance in the Bank's priority areas, with monthly activity tracking and reporting.
- Sustainability Culture (quarterly reporting): Its objective is to actively promote Banco Bolivariano's sustainability culture among all relevant stakeholder groups and to generate quarterly progress reports.

Eco-efficiency (annual reporting): This cell is responsible for developing and implementing strategies to optimize the use of energy, water, and materials across the Bank's facilities, with the aim of reducing environmental impact and promoting more sustainable operational practices. It produces annual reports on the results achieved.

In 2024, specialized training on the management of environmental, social, and governance (ESG) aspects was provided to commercial teams in the context of SARAS, green loans, and the blue bond (as sustainable financing alternatives for funding and lending). Additionally, in the context of adopting TCFD and TNFD, training sessions were conducted at operational, tactical, and strategic levels on climate- and nature-related topics.

Topic	Number of employees trained in 2024
ESMS	156
Sustainable finance and/or green products	32
Workshops related to climate and nature	74
TOTAL	**262**

Risk Processes and Due Diligence Policies

Describe the processes your bank has established to identify and manage environmental and social risks associated with its portfolio. This may include aspects such as the identification of significant/salient risks, due diligence processes, mitigation of environmental and social risks and the definition of action plans, monitoring and reporting of risks, any existing grievance mechanisms, as well as the governance structures your bank has implemented to oversee these risks.

Links and References:

Profile and Strategy: Responsible banking approach
Sustainable Development from the Client Perspective: Environmental and social risk assessment
Risk Management: Prevention and monitoring
Sustainable Development from the Client Perspective: Environmental and social risk assessment

Response:

The Bank has a Social and Environmental Risk Management System (SARAS) that enables the identification, assessment, management, and monitoring of potential environmental and social risks associated with financed activities.

The system evaluates parameters established by the IFC through its eight Performance Standards, along with other complementary guidelines. Additionally, in 2024, efforts began to strengthen the system by progressively incorporating the analysis of climate and biodiversity-related risks.

The operational management of SARAS is carried out by the Integrated Risk team, with strategic support from the Sustainability department. The results are periodically presented to the Credit Committee.

This report includes the number of due diligence assessments conducted during the year and the total credit value of the evaluated operations.

Principle 6:

Transparency and Accountability

We will periodically review our individual and collective implementation of these Principles and will be transparent and accountable for our positive and negative impacts, as well as for our contribution to society's objectives.

The information provided in this Responsible Banking Progress Statement is sufficient. However, Banco Bolivariano has voluntarily verified its compliance with several of the Principles for Responsible Banking in previous reports.