

Our 2020-2025
Sustainability
Strategy



Letter from Our CEO

At **Credicorp**, we know the only way we can endure and excel over time is to operate in harmony with our surroundings and make sure everything we do has a positive impact around us. Accordingly, we have placed sustainability at the core of our business strategy, with the goal of enhancing our long-term competitive position and performance.

For us, 2020 represented an inflection point on the sustainability front, as it was the year we decided to assign more strategic relevance to sustainability issues and to approach them from a more holistic perspective. Internally, we began a profound process of reflection about the impact we aspire to have on society. We also initiated a consultation process with our stakeholders, to better understand their needs and expectations and incorporate those into our management decisions. We used the information gathered through both processes to redefine our Purpose, Vision, and Values in an integrated and participative manner, while at the same time developing a program to embed sustainability more deeply and consistently into our business strategy and all our activities, putting it at the center of everything we do, and of how we do it.

The result of this process is our 2020-2025 Sustainability Strategy. Although we have consistently walked a sustainability path at both the holding company and

subsidiary levels for many years, this program will widen our sustainability lens and clearly define the course we will follow in order to live by our Purpose and to create sustainable value for all our stakeholders. This presentation describes the inception, guidelines, ambitions, and goals of the program, already underway. Considering the financial inclusion and education, and gender equality challenges in the countries where we operate, as well as the issues that are material for us and our stakeholders, we set about strengthening our social focus as one of the central objectives of our ESG Strategy Strategy. We also established the need for an effective governance structure, aligned with our Vision and essential to ensure the program's successful execution. Our Purpose emphasizes **Credicorp's** commitment to improve lives, assuming a proactive role in driving the necessary changes in the countries where we operate. At the same time, considering our region's particular vulnerability to climate change and growing global interest in environmental matters, we started working to better understand what investors expect from us on the environmental front. Thus, we are incorporating an increasing number of environmental priorities into our business initiatives, given their relevance to the resiliency of our countries, our clients, and our credit and investment portfolios.

A portrait of Gianfranco Ferrari, CEO of Credicorp, is shown on the right side of the page. He is a middle-aged man with grey hair, wearing a light blue button-down shirt. The background is a blurred indoor setting. The image is partially overlaid by a large teal and white graphic element that curves across the top and right sides of the page.

**Gianfranco
Ferrari**

Credicorp CEO

Letter from Our CEO (cont.)

Implementation of our Sustainability Strategy is already under way, and we are absolutely committed to its success. In its first two years we have made significant progress:

with the objective of increasing transparency and improving the quality of our information, we published Credicorp's first Sustainability Report in 2021, and have worked to prioritize, implement, and track sustainability performance indicators with harmonized processes throughout the organization. You can find our annual [Sustainability Reports here](#)

to ensure the successful rollout of our strategic plan, we implemented Corporate and Sustainability Governance changes, and carried out a Change Management Program with objectives such as ensuring that all our employees are aware of and comprehend our sustainability strategy, as well as its value for the holding company and for society as a whole. We feel we have achieved great progress on this front, as more than 90% of our subsidiaries' employees know and understand our strategy and its value

we made significant progress across our three pillars: creating a more sustainable and inclusive economy, improving the financial health of citizens and empower our people to thrive

As we migrate from a model in which sustainability has an important role, to one that converts it into the comprehensive lens through which we design, measure, and evaluate the Group's initiatives, we will continue driving high-impact activities under our three priority pillars, while developing more and better indicators, improving our reports, incorporating standards, and participating in indices that reinforce our commitment to sustainability.



1 **Our Purpose**
inspiring everything
we do

3 Corporate
Governance aligned
with our Vision

5 Prioritizing the
Environment

2 Our **2020-2025**
Sustainability
Strategy

4 Our **Social** Strategy:
inclusion, financial
education, and
diversity

6 Consolidating our
Sustainability
Strategy for the
future



1

OUR PURPOSE

INSPIRING
EVERYTHING
WE DO

Our Purpose and Vision Create a New Corporate Identity Across the Entire Credicorp Group



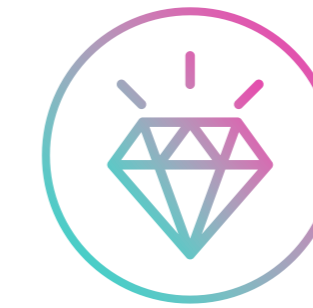
PURPOSE

Contribute to improving lives by driving the changes that our countries need



VISION

To be a sustainable financial services leader in Latin America. We are purpose-led, future-oriented and focused on creating superior value for our employees, customers, shareholders and the countries we operate in



VALUES

Respect
Fairness
Honesty
Sustainability

To Redefine our Purpose and Vision, We Considered Sustainability Challenges Within our Operating Context

These Major Challenges Represent a Significant Opportunity for Credicorp Throughout Latin America



- High rates of **informality**: >50%
- A large portion of the **population is unbanked**: ~75% of people living in poverty do not have a bank account

- High **vulnerability to climate change** resulting in critical events, including:
- Proliferation of hydro-meteorological events and **natural disasters**
 - Increase in ocean temperatures with **loss of biodiversity**
 - Air and water **pollution**
 - **Natural resource exploitation and depletion**
 - Unchecked deforestation and **forest loss**

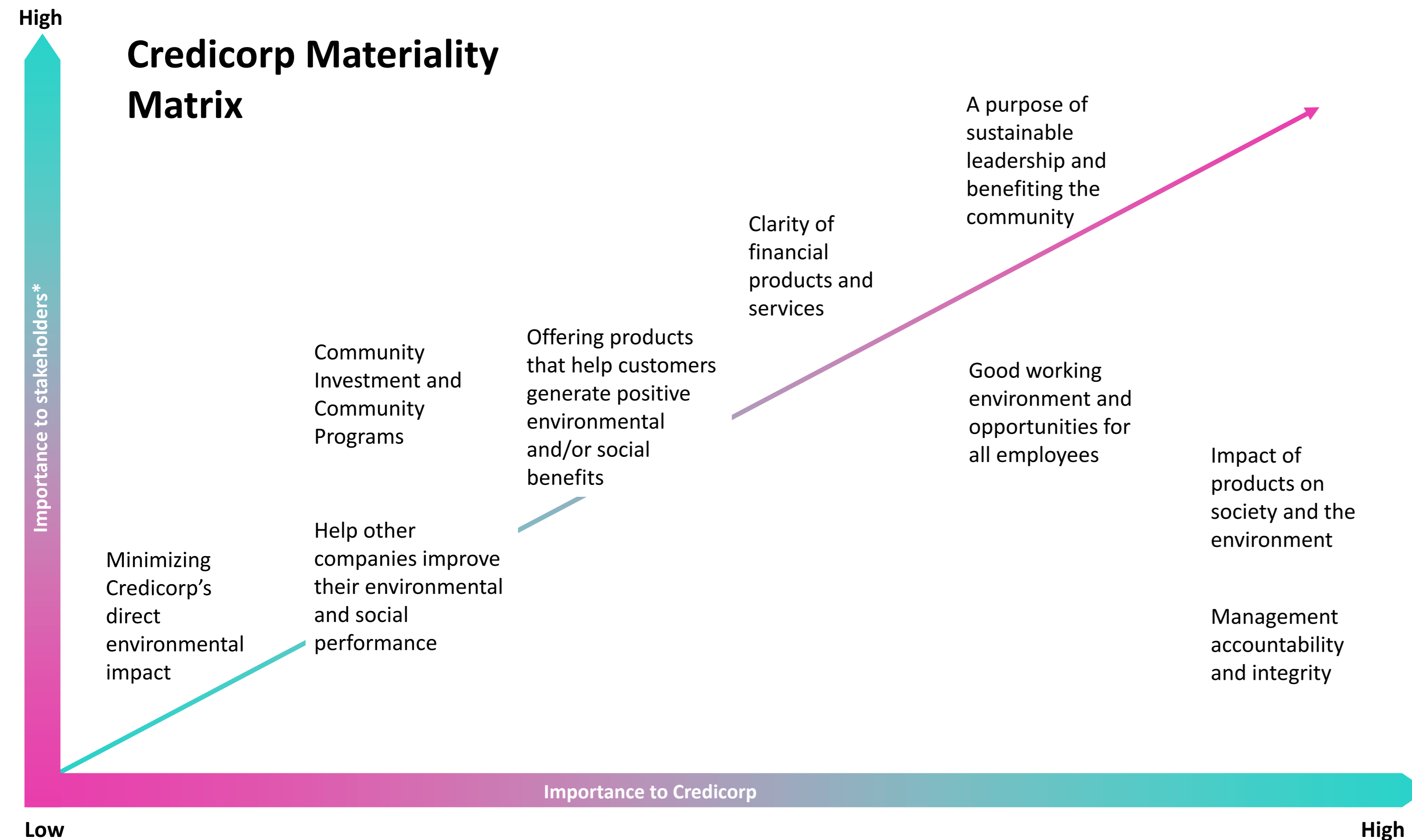
Insufficient health system: Latin American countries spend 6.6% of their GDP on healthcare, compared to 8.8% of OECD countries*

- Endemic in Latin America:
- **Corruption:** Latin America is the third region with the most corruption in the world
 - **Gender inequality:** only 7% of board positions are filled by women, and they earn on average 21% less than men

Source: Transparency International 2019, 2020 and 2021. World Bank 2018 and 2020. Aequales 2021, Gestion 2020, IPSOS 2019.
*OECD: Organization for Economic Cooperation and Development, comprised of 38 countries across the world, whose objective is to generate equitable economic development for everyone

Stakeholder Priorities Also Shaped our Purpose and our Sustainability Strategy

Credicorp Performed a Broad-Based Materiality Analysis Prior to the Design of its Strategic Plan



The Materiality Analysis was performed in 2020 as an initial phase in the process, with significant weight given to topics relevant to employees and clients

In 2021, Credicorp consulted its investors on environmental matters and incorporated their concerns into the material issues relevant to determining our Sustainability Strategy, giving them greater relevance than in our initial evaluation

We have also begun a process of surveying materiality issues among our suppliers, not included in the initial materiality assessment

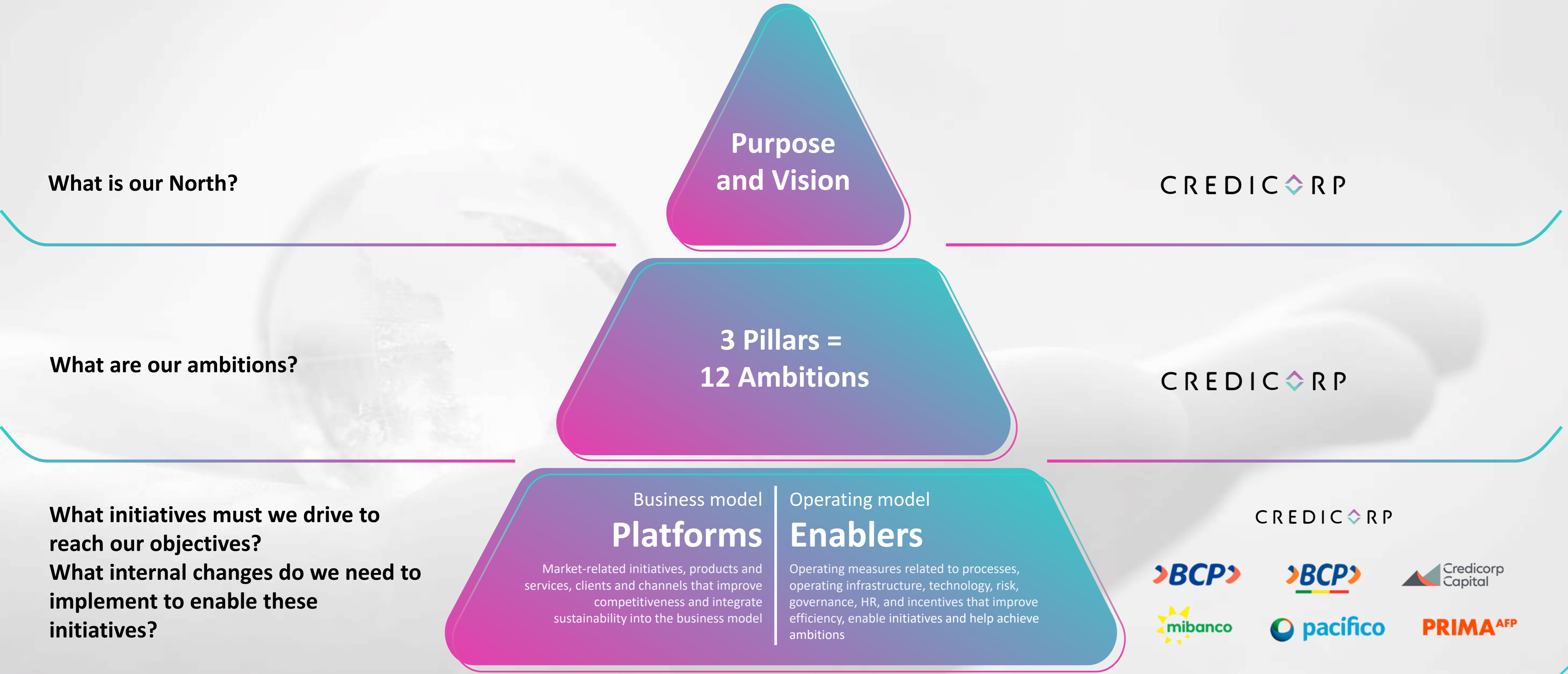
This in-depth analysis will be performed every two years and included in our [Sustainability Reports](#)

* Six stakeholder groups were included in this first phase: Clients, Employees, Investors, Opinion Leaders, Non-Governmental Organizations, and Regulators



OUR
2020-2025
SUSTAINABILITY
STRATEGY

In Line with our New Purpose, Vision and Values, we Developed our 2020-2025 Sustainability Strategy



We Defined a Sustainability Strategy Supported by Three Main Pillars



Create a more sustainable and inclusive economy

- Increase **financial inclusion**
- Contribute to the transition to a **more formal economy**
- Support the transition to an **environmentally sustainable economy**, including the effects of climate change
- Enable **small and medium-sized businesses to start and grow, including our supplier ecosystem**



Improve the financial health of citizens

- Become #1 in delivering the **best experience for our customers** in the most efficient way
- Build long-term, trust relationships through **transparency and simplicity**
- Help people **improve their financial knowledge and skills** to make better financial decisions
- Increase the pace of **innovation** to anticipate customers' needs in the future



Empower our people to thrive

- Champion **diversity, inclusion and gender equality**
- Model the development of the **workforce of the future** by supporting people to enhance their skills, effectiveness and impact
- **Enhancing our governance structures** and encourage people to do the right thing
- Develop **creative solutions and partnerships** to solve important societal issues

We Defined Eight Platforms with Business Initiatives Aligned with our Three Pillars

A Significant Portion of our Initiatives in This Initial Phase is Oriented Toward Creating a More Sustainable and Inclusive Economy



Create a more sustainable and inclusive economy



Financial inclusion

Develop, extend, and distribute products, services, and digital channels to reduce barriers to entering the financial system



Transition to a more formal economy

Support the path toward a more formal economy in the countries where we operate, through alliances with key players



Help small businesses to grow

Improve and increase SME financial service offerings, particularly for the smallest businesses, to support their growth, evolution, and financial resiliency



Sustainable AUMs

Develop a sustainable investment policy to make transparent decisions about how, and in which companies/assets we invest, to ensure the sustainability of our portfolio



Sustainable Finance

Develop and offer financial solutions that support and encourage our corporate clients to reduce their environmental impact and to consider the effects of climate change



Improve the financial health of citizens



Financial education

Develop both broad-based and targeted initiatives, to educate clients, businesses and the general public about financial services, financial management, and digital capabilities, enabling them to make better financial decisions



Simplicity and transparency

Improve the simplicity and transparency of products, contracts, customer journeys, and communications, allowing customers to better understand and take advantage of them, to create long-term, trust-based relationships



Empower our people to thrive



Opportunities and products for women

Support women with products, services, customer journeys, touch points, and communications specifically developed for them, to improve their access to the financial system

For our 2020-2025 Sustainability Strategy, Each Subsidiary Contributes What They do Best

Each Concentrates on those Objectives Most Closely Aligned with Their Core Business



Create a more sustainable and inclusive economy

Financial inclusion	✓	✓		✓	✓	✓	
Transition to a more formal economy							✓
Sustainable AUM	✓		✓		✓	✓	✓
Sustainable finance	✓	✓	✓				
Help small businesses grow	✓			✓			



Improve the financial health of citizens

Simplicity and transparency	✓	✓	✓		✓	✓	
Financial education	✓	✓		✓	✓	✓	







Empower our people to thrive

Opportunities and products for women		✓	✓	✓	✓		
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We Defined the Internal Changes Needed to Enable our Sustainability Initiatives

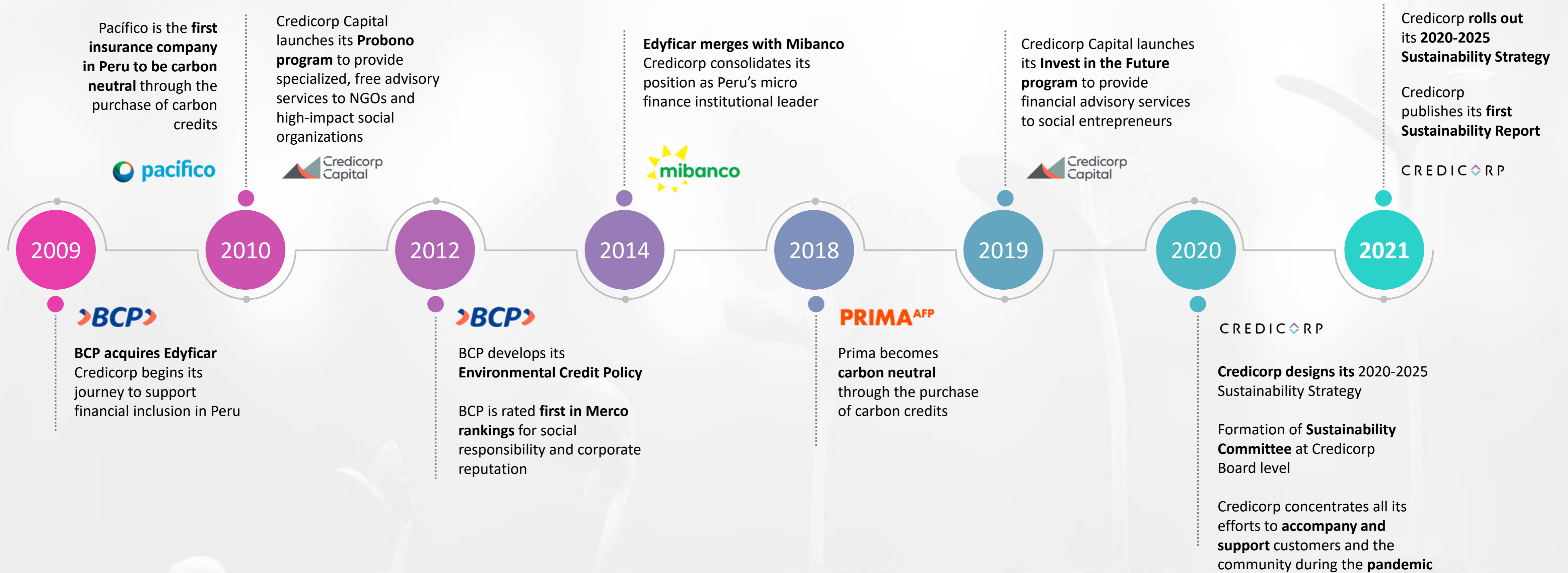
Enablers refer to Operating Functions Across the Organization

-  HRDM
-  Risk
-  Finance
-  Compliance and Ethics
-  Other

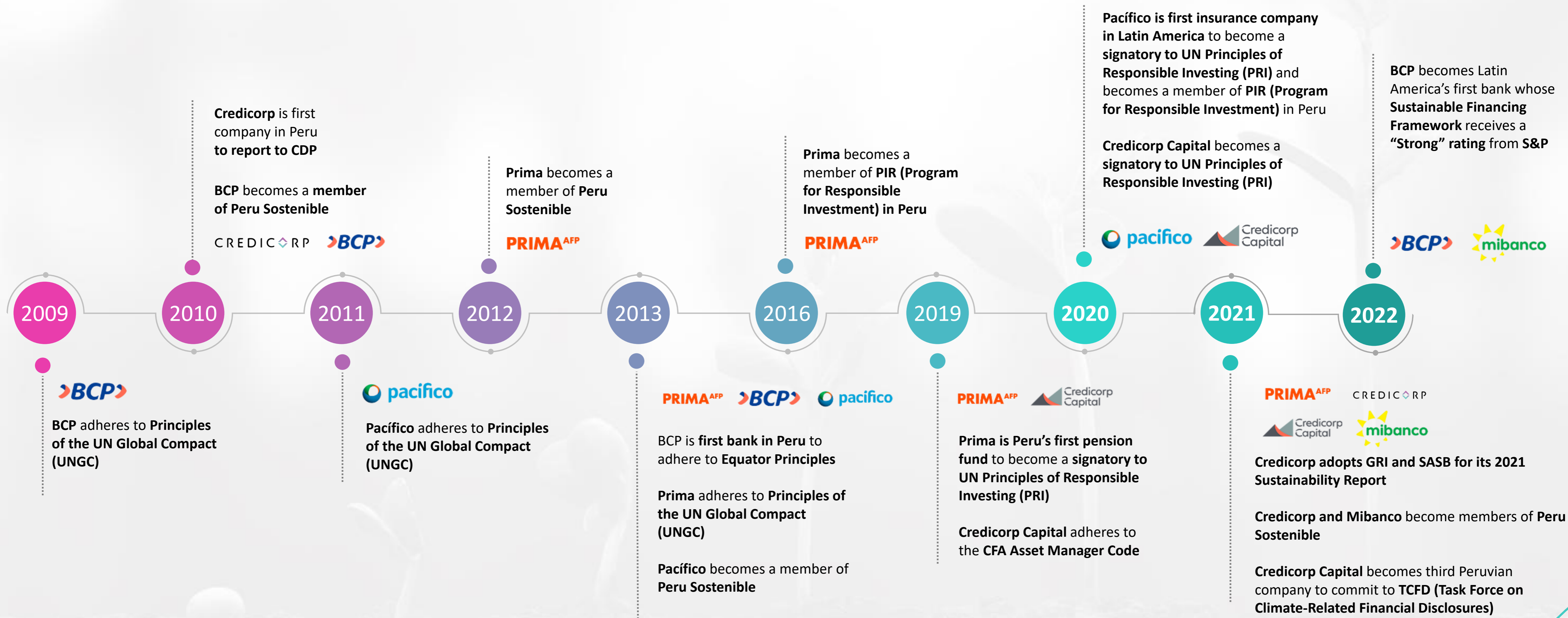


Sustainability Has Been a Constant Evolving Presence at Credicorp and its Subsidiaries

Our Subsidiaries Have Many Sustainability Achievements

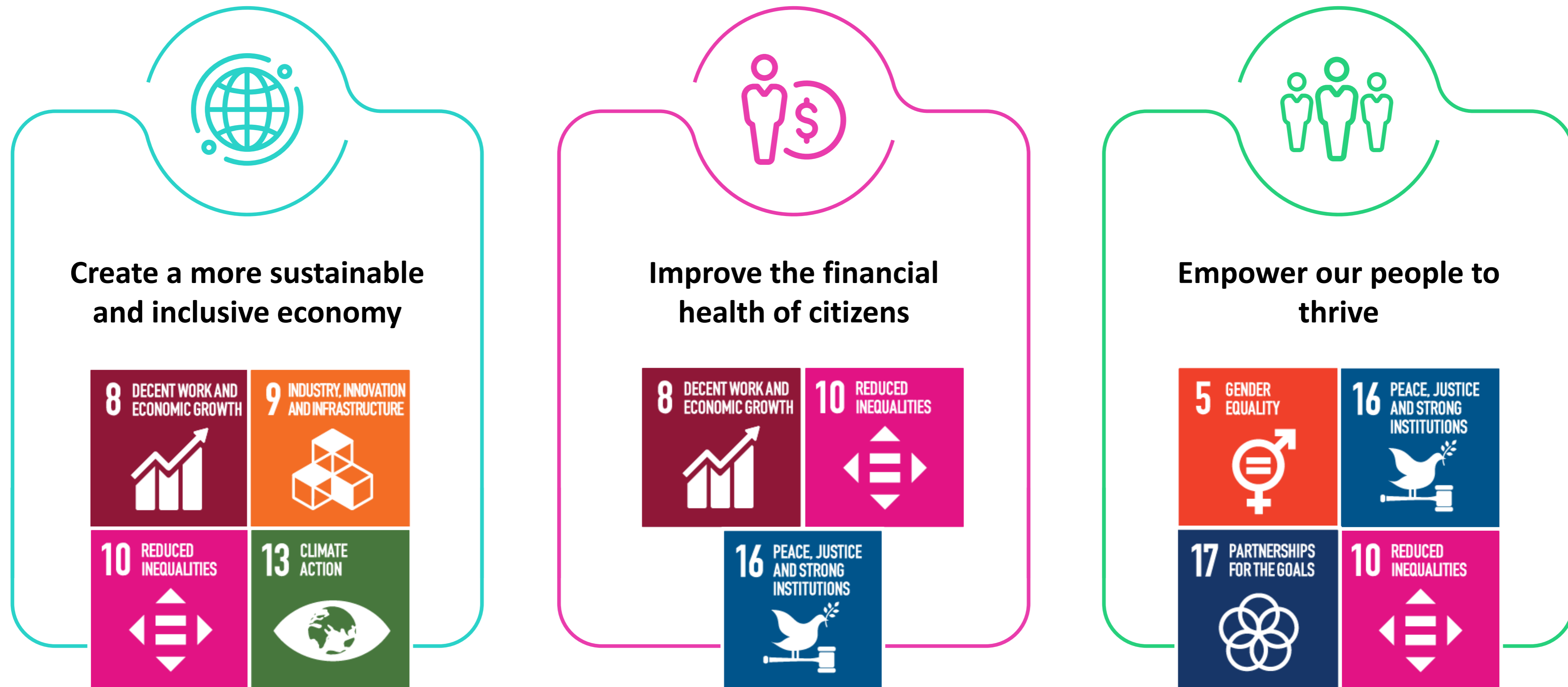


We Have Been Peru's Pioneers in Adhering to International ESG Best Practices and Standards




Our 2020-2025 Objectives are Aligned with 7 of the 17 United Nations SDGs*

Credicorp has an Important Role to Play in the 17 SDGs, but we Have Aligned our Pillars with the Seven Goals that we Can Most Directly Impact



*The Sustainable Development Goals are a series of **global objectives accepted by the 193 member countries of the United Nations in 2015**, which are valid until 2030. Their purpose is to provide a **framework of reference and common language to attain articulated and common sustainable development** in favor of people, the planet, prosperity, and world peace


Our ESG Strategy in Action: Three Case Examples



Create a more sustainable and inclusive economy

Financial inclusion: **affordable** access to **useful financial products and services**



Financial inclusion through Yape



Since its launch in 2017, Yape has become **one of the most popular payment apps in Peru**, key for the **financial inclusion of people and businesses**

- +6.6 million** users
- +1 million** financially included*
- +27 million** transactions per month
- 9** transactions per user per month
- 68%** of transactions by SMEs

CAC **S/14.09**** **★★★★☆** NPS **56%*****


Improve the financial health of citizens

Help people **improve their financial knowledge and skills** so they can make better financial decisions.

Insurance education at Pacífico

With a strategy that focuses on **awareness**, Pacífico has impacted the lives of millions of Peruvians, **providing education and informative content on the benefits of having insurance**

- +5 million** people reached via digital and social media
- +90%** positive comments
- radio and TV campaign
- +2 million** television viewers
- +2.5 million** website visits
- +500,000** people reached




Empower our people to thrive

Diversity, **inclusion, and gender equality**. **Equal work opportunities** in which men and women can achieve their personal and professional goals. **Financial service access for women**

Gender equality at Credicorp

At the end of 2019, we launched our **Gender Equality Program**

- To improve the **gender balance** in **leadership** positions
- To reduce potential **gender gaps** in **salary** and in **work-life balance**
- To eliminate any type of sexual **harassment** in the workplace

2021 MILESTONES

- Updated our Board Diversity Policy
- All employees trained in gender equality
- Ongoing communication strategy
- Anti-sexual harassment plan in all our subsidiaries
- Gender balance plan implemented (including succession and talent attraction)

Data as of June 2021
 • Since the start of Yape
 CAC: Customer Acquisition Cost *NPS: Net Promoter Score

Data as of June 2021

Note: Progress on our initiatives will be published in our [Sustainability Reports](#)



3

CORPORATE
GOVERNANCE

ALIGNED WITH
OUR VISION

We Have a Corporate Governance Structure and Organizational Culture Aligned with our Vision

They are Essential to Executing our Sustainability Strategy

As we prepared the groundwork to implement our Sustainability Strategy, we established a basis for **aligning and enhancing our corporate governance structure with our objectives**

Key initiatives include promoting **greater diversity** in our governance structure, launching **anti-corruption, compliance and ethics** programs and actions, and eventually establishing potential improvement on our **human rights** front

Another important step forward was implementing a **Change Management strategy** for Credicorp's **leaders and employees, to help them familiarize themselves with and comprehend our Sustainability Strategy**, as well as its value to the holding company and to society, thus motivating them to contribute toward achieving our sustainability vision

Finally, we are also previewing initiatives to improve **our ESG communications**



We Seek to Align our Corporate Governance with International Best Practices

With a More Independent and Gender-, Expertise- and Background-Diverse Board and Committees, as Well as a Simpler Committee Structure

BOARD OF DIRECTORS

- **Board was expanded from 8 to 9 members**, and new Directors were brought in with **expanded international experience** and new skills, including experience in **sustainability and gender equality**
- **New, more stringent independence criteria** for board members, in accordance with international best practices. **Minimum requirement of 3 independent Directors (out of 9)**, although the goal is to have an independent majority. In **2021, 5 of 9** board members (55.56%) were **independent**, and **2 were women**
- **Gender diversity guidelines** were approved for the board, which seek a **minimum of 1 female board member per Committee**, and **2 female** board members at the main **subsidiaries**
- Guidelines for the Group's **Corporate Governance Policy** were established

COMMITTEES

- The number of **Committees** was **reduced from 7 to 4**
- The Corporate Governance Committee was renamed **Sustainability Committee**, and its functions expanded
- The **Board's Chairperson cannot preside over Committees** or sit on Audit or Sustainability Committees
- In **2021, 3 of 4 Committees** were presided by an **independent Director**, and **all 4 Committees had at least one female member**



⁽¹⁾ Established on October 31, 2002

⁽²⁾ Established on March 28, 2012

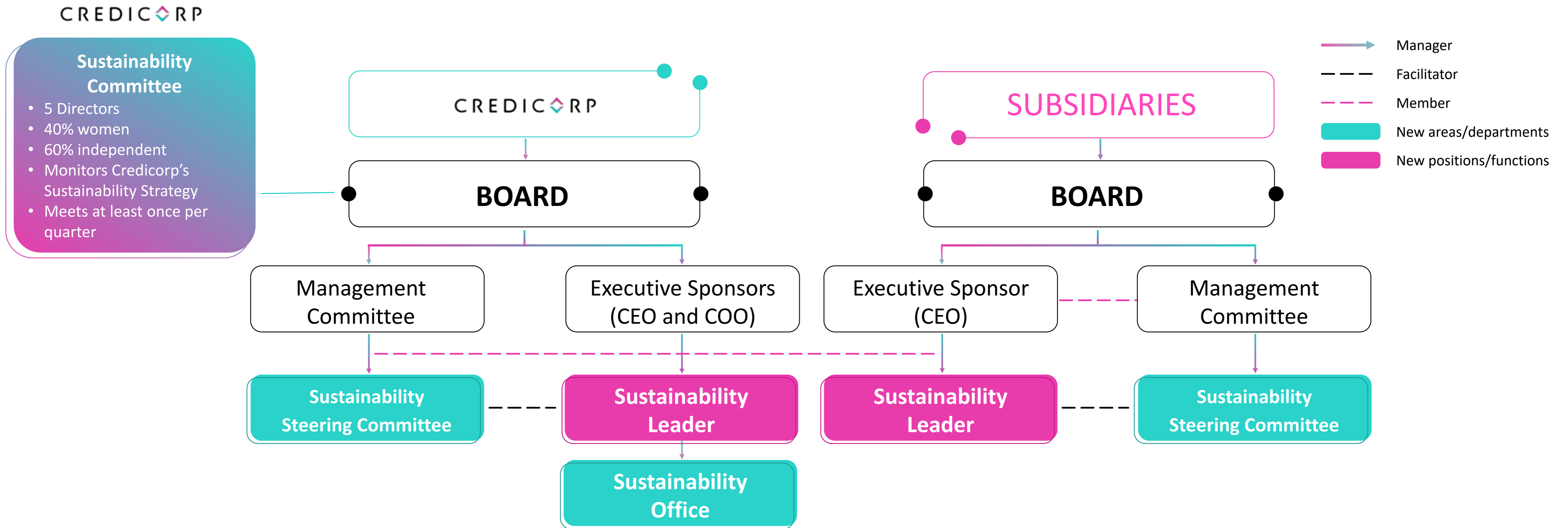
⁽³⁾ Established on June 23, 2010, as the Corporate Governance Committee On December 17, 2020, its functions were expanded and its name changed to the Sustainability Committee

⁽⁴⁾ Established on June 5, 2020, by combining the Compensation and Remuneration Committee (established on January 25, 2012), with the Nominations Committee (established on March 28, 2012)

Note: More information on our website's [Corporate Governance](#) section

We Redesigned and Enhanced Credicorp's Corporate Sustainability Governance at Both the Holding and Subsidiary Levels

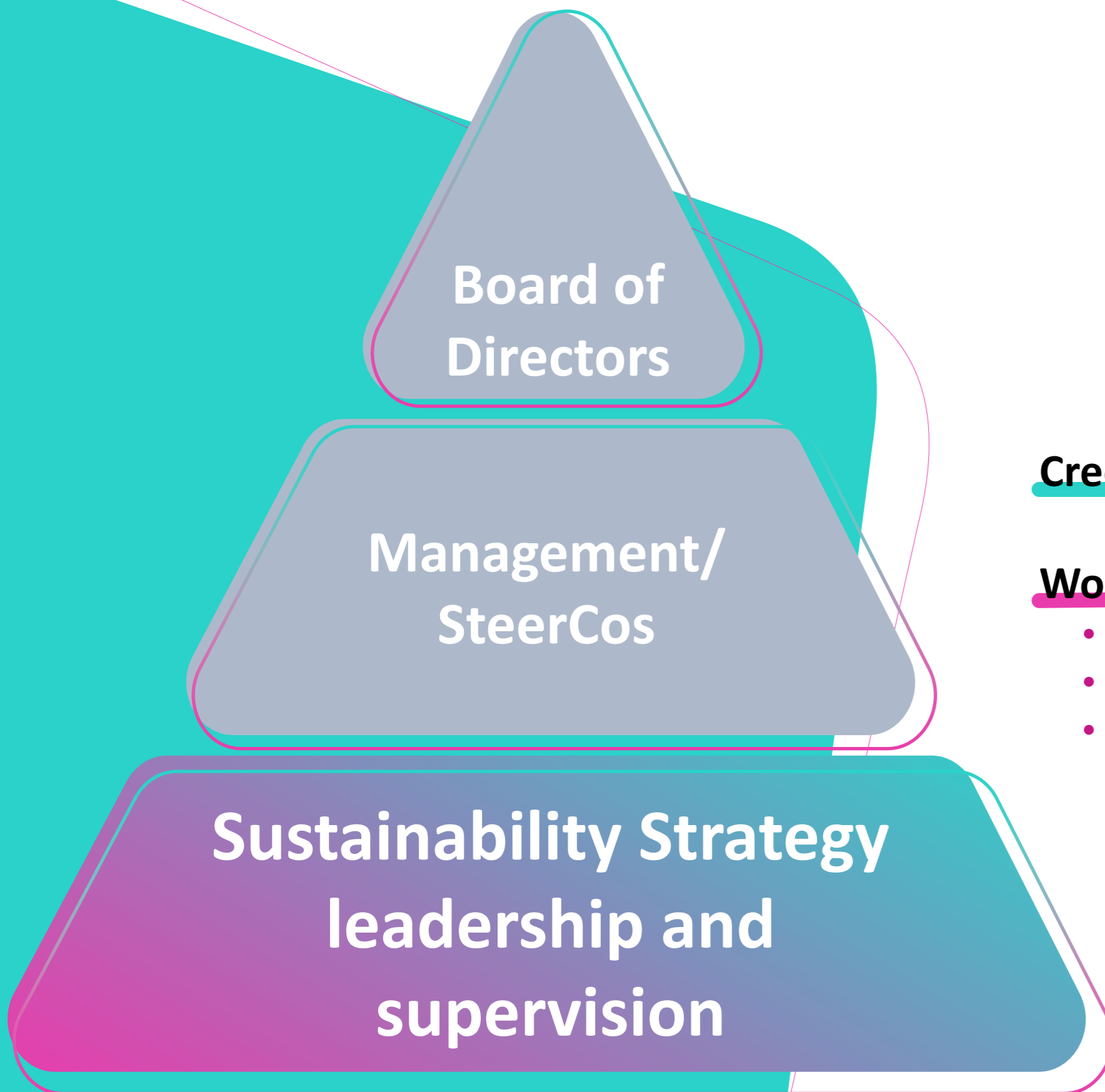
We Created New Roles and Functions, and Gave Greater Visibility to the New Structure, with Clear Responsibilities



Credicorp's Board of Directors is actively involved in long-term investor relations

We Established Sustainability Strategy Visibility and Accountability at Both the Credicorp and Subsidiary Levels

The Sustainability Office Leads and Supervises Credicorp's Sustainability Strategy



Credicorp Sustainability Office

Working groups:

- Sustainability leaders
- Platforms (business initiative leaders)
- Corporate functions (HR, Finance, Risk, Investor Relations, Compliance, Corporate Affairs, Internal and External Communications, etc.)

Sustainability Office

- Nine-person team including the Head of Sustainability at the corporate level
- Leads and supervises the Sustainability Strategy
- Works with sustainability teams at subsidiaries
- Heads and facilitates workshops, monitors initiatives to ensure alignment with the corporate strategy
- Fosters best practice alignment

Sustainability Work Groups

- Made up of sustainability leaders from each subsidiary, initiative leaders, corporate functions (Investor Relations, Compliance, Corporate Affairs, HR, Internal and External Communications, etc.)
- Promote synergies to be more efficient and coordinated, sharing best practices and working to contribute toward Credicorp's sustainability Vision

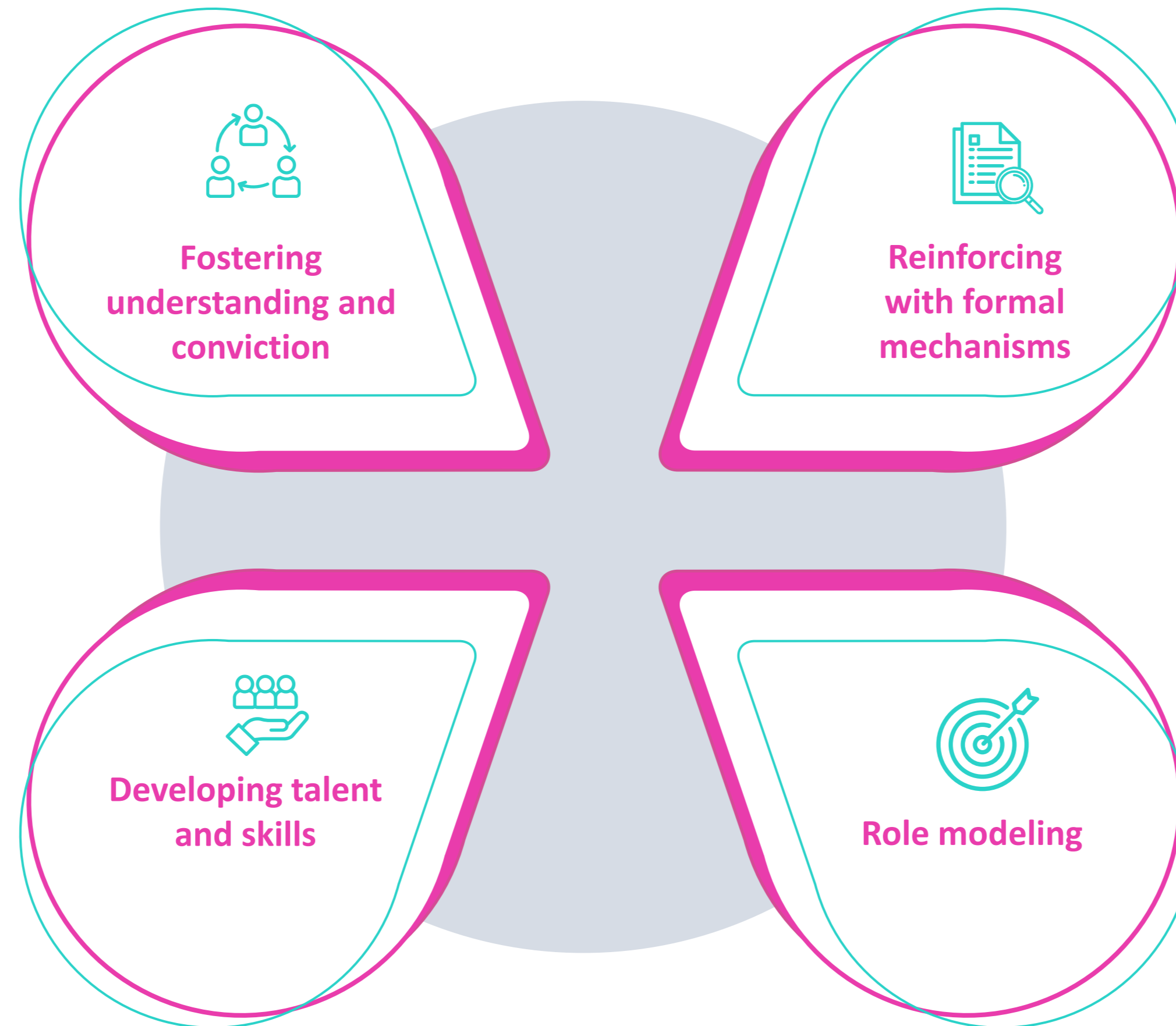
We Launched a Change Management Program to Embed Sustainability in our Organizational Culture

Providing Leaders with the Necessary Knowledge to Further Embed Sustainability in our Management Practices*

- **Internal communication** campaign to ensure employees understand Credicorp's Sustainability Vision and Strategy and that of their subsidiary
- **Construction of sensitivity and motivation**, showing new ways and means through which employees can incorporate sustainability into their day-to-day activities
- We identified **sustainability champions** at each subsidiary: **CEOs and sustainability leaders** play a key role

Training adapted to the needs of each segment

- **Strategic training** sessions for board members, executives, and sustainability leaders
- **Specific tools and training** for initiative-implementation, platform, and enabler teams. These teams share knowledge and generate synergies



*Based on McKinsey & Company Influence Model

We are aligning the organization's **structures, processes and incentives** to be consistent with the strategy:

- **ESG Governance** Structure
- **Sustainability-tied incentives** for the CEO and Management Committee of each subsidiary, with 15-20% based on performance measurements (on variable remuneration)
- **Sustainability indicators** incorporated into strategic processes and strategy scorecards of each subsidiary

We want our leaders to **set the example**, and to help model behavior throughout the organization:

- Spaces where **CEOs speak** internally and externally about ESG initiatives and achievements
- **Board members** play a relevant role **in media and social networks** (Credicorp as a change agent)
- **Handouts and practical toolkits** for senior leaders

We Achieved the First Objective of Our Change Management Program: Understanding and Motivation

More than 90% of all Group Subsidiaries Employees Know What the Sustainability Strategy is, and Understand the Value it Generates for the Company and Society

CREDICORP

% Top 2 Box

I understand the sustainability strategy, and I understand the value it creates for the company and for society	93
I know the sustainability initiatives of my company	91
It motivates me that my company integrates sustainability with business management and operations	93
I believe the company I work for is truly willing to move forward with the implementation of its Sustainability Strategy	92

TOTAL RESPONDENTS: 28,401

Our Main Initiatives on the Corporate Governance Front: Diversity, Anti-corruption, Compliance, and Ethics



Gender Equality and Diversity initiatives:

- Implementation of Credicorp's **Gender Equality Policy**
- **Board Diversity directives at both the holding and subsidiary level** (included, for example, in our Corporate Governance Policy or our Gender Equality Program)
- Established Credicorp's **Gender Equality Committee**, headed by the CEO, and created gender equality governance spaces at the subsidiary level
- **Process to address complaints** about sexual harassment in the workplace, at all subsidiaries



Anti-corruption initiatives:

- Implement and certify subsidiaries in **ISO 37001 Anti-corruption**
- Enhance **client, supplier, and counterpart due diligence** to prevent corruption, money laundering, and tax evasion

Compliance and Ethics initiatives:

- Development of **New Code of Ethics** for Credicorp
- **International standards** implementation (e.g. **ETHISPHERE**)

Human rights initiatives:

- Implementation of Credicorp's Human Rights Policy
- Identify, assess and analyze **human rights risks**
- **Human rights training** for relevant teams



4

OUR SOCIAL
STRATEGY:

INCLUSION
FINANCIAL
EDUCATION
AND DIVERSITY

The Main Goals of Our Social Strategy are Financial Inclusion and Education, and Fostering Equality and Diversity

The pandemic showed us the need to accelerate the transformation towards greater financial inclusion: we ramped up digital migration to simple and highly inclusive mobile wallets; we implemented more efficient hybrid systems to grant smaller micro loans; and we expanded virtual financial education channels; all three of these initiatives had special emphasis on simplicity, transparency, and gender equality

At the same time, we implemented and will continue to execute improvements in cybersecurity and personal data protection

Our work on internal social efforts has focused on fostering a gender equality and equal opportunity culture. As we implement our 2020-2025 Strategy, we will expand the current program's scope to include other aspects of diversity that are relevant to Credicorp

Finally, we are working to reduce inequalities through social programs that encourage inclusion beyond financial aspects, such as access to healthcare and education. In many of these cases, employees get involved via our corporate volunteer program oriented to create social value





FINANCIAL INCLUSION

- Financial inclusion through access to **digital wallets** and bank accounts (e.g. BCP's Yape and Soli)
- Providing small businesses with access to **micro loans, working capital loans, and invoice factoring**
- **Expansion of financial product distribution** networks (e.g. through Mibanco partnerships)
- Financing **access to essential services** (e.g. Mibanco's Crediagua and BCP's Fondo Mi Vivienda)
- Development of an **inclusive insurance** business model (e.g. Bancaseguros BCP and Mibanco)
- Programs to reincorporate **default debtors** into the financial system (e.g. Mibanco's Amorosos Program)



FINANCIAL EDUCATION

- Financial education programs for **banking, insurance, and pension products** (e.g. ABC del BCP and ABC del Seguro)
- **Online courses** about financial products and financial education (e.g. BCP Virtual Campus)
- **Digital marketing and online sales** education (e.g. Mibanco for micro entrepreneurs and merchants)
- Consolidated **risk prevention** program (e.g. Pacifico's Protege 365)
- Enhancing financial education program **impact metrics**



HELPING SMALL BUSINESSES GROW

- Initiatives to help small businesses grow through **mentoring** and use of **digital platforms** that support education, funding, economic formality, and commercial expansion (e.g. BCP's Contigo Emprendedor, Mibanco's Comunea; Yevo, Munay, Culqi)
- **Micro finance portfolio expansion** using information gleaned from our products, channels, and platforms



PRODUCTS FOR WOMEN

- Incorporate **gender segmentation** to measure product usage and holding patterns of our financial products and services, in order to bridge gaps
- Include **new and growing needs of women** in the design of journeys and financial products and services (e.g. Mibanco's Crédito Mujer loans for women and BCP's Contigo Emprendedor entrepreneurship program)



GENDER EQUALITY

- Implementation of the **Gender Equality Program for Credicorp employees**
- **Improve gender balance** in the organization (through succession and recruiting) to improve the balance of leadership positions
 - **Identify and eradicate sexual harassment in the workplace:** create a prevention and response system, including whistleblower type reporting mechanisms
 - Establish long-term aspirations for the Gender Equality Program and its transition to a **broader approach for diversity**



PARTNERSHIPS

- Take part in **collaborative working groups** to promote sustainable development (e.g. Perú Sostenible)
- Offer **training program for sustainable development for journalists**, in partnership with academic institutions
- Development of Credicorp's **Financial Inclusion Index**, in partnership with **IPSOS**, shared with government authorities and academia for public policy purposes
- Participation in **trade association** initiatives (e.g. ASBANC and APESEG)



SIMPLICITY AND TRANSPARENCY

- **Integration of the strategies of our subsidiaries**
- Include simplicity and transparency questions in our **satisfaction surveys**
- Simplify our **communications and processes** (e.g. account statements and vehicle claims)



CYBERSECURITY

- Use of **international standards** to keep our cybersecurity policies and measures up to date
- Reinforcement of security and cyber fraud **prevention culture** (e.g. Cybersecurity Awareness Program, specialized workshops for personnel with high access privileges)

PRIORITIZING THE
ENVIRONMENT

5

Our Environmental Approach: a Harmonized Corporate Strategy and Collaboration with Other Relevant Participants

As a financial holding company, Credicorp has the ability to redirect capital flows toward more sustainable activities and practices. This creates new opportunities as well as new risks that we need to face

Due to their relevance, we approach environmental matters as part of our first strategic pillar: “To create a more sustainable and inclusive economy” through one of its four related ambitions, that of supporting “the transition to an environmentally sustainable economy, including the effects of climate change”

We work toward this ambition by promoting environmental sustainability through our lending and investment businesses, and by incorporating ESG factors in our risk management framework

Another sign of our commitment is how we manage the environmental impact of our operations and our commitment to carbon neutrality by 2032

We have been coordinating efforts with Peru’s government, as part of the Green Protocol Working Table, which is an agreement between the Ministry of the Environment and financial trade associations, to embrace environmental and climate change challenges. Our executives have also been participating as panelists in events organized by the Ministry of the Environment

We understand that given the positioning of Credicorp and its subsidiaries in the countries where we operate, we are able to act as champions, and encourage other companies to follow the sustainability path



Credicorp has committed to carbon neutral operations by 2032, by reducing and offsetting all direct emissions from its daily activities

Committed to Promoting Sustainable Investing Through a Corporate Responsible Investment Policy

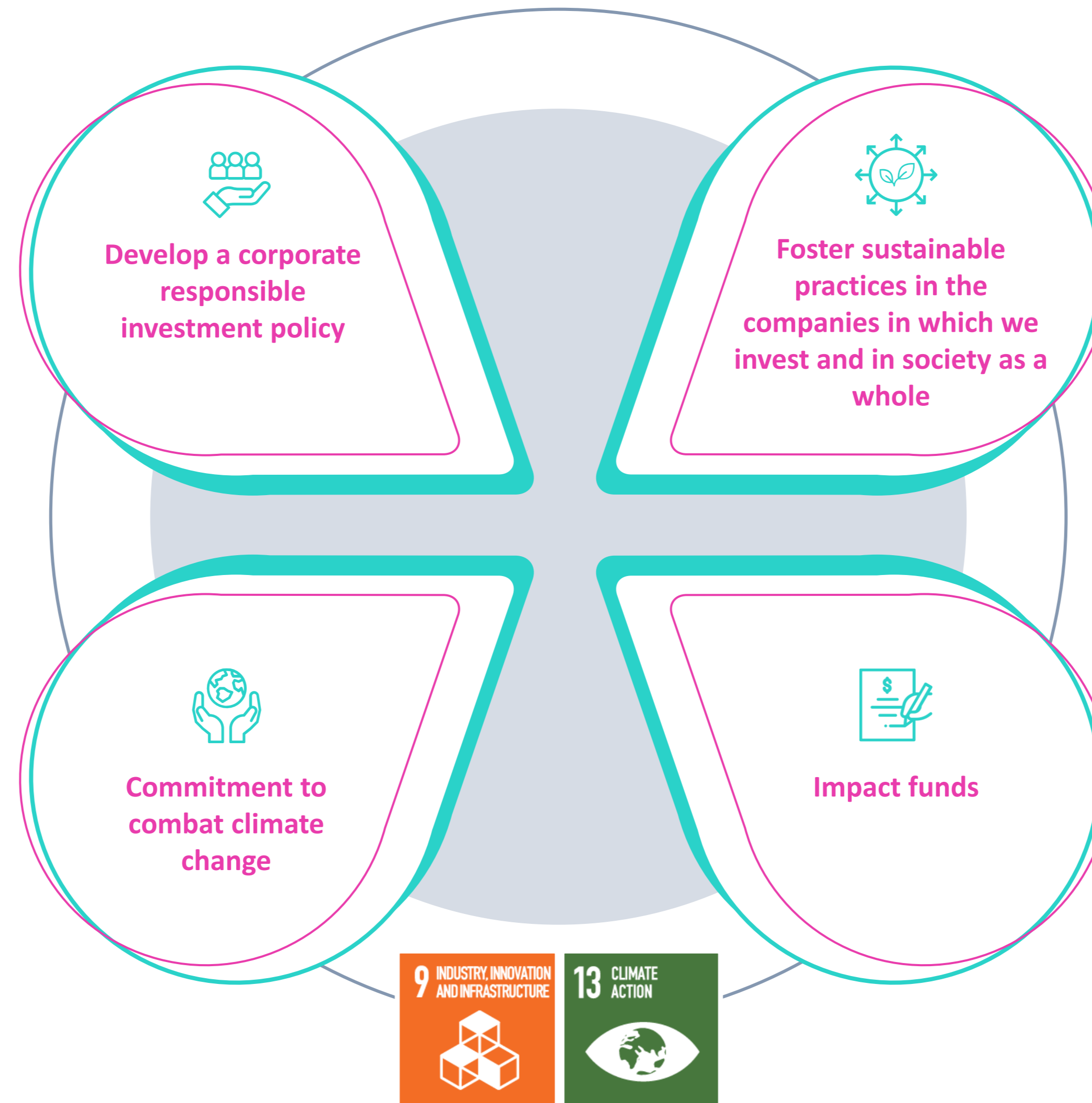
We will Develop a Corporate Responsible Investment Policy, and we Commit to Actively Participate in Sustainable Investment and Climate Change Initiatives

In **2022** we will develop a **Credicorp's Responsible Investment Policy** intended to create a common approach and enhance synergies and best practices as we integrate ESG into our investment processes. This policy will outline:

- **Common principles and agreements**
- **Minimum standards and exclusions**

This will complement the policies already developed by our subsidiaries

We will **support international initiatives** as we consolidate our commitment to combat climate change



- **Stewardship:** promote ESG practices in the companies in which we invest, applying the Voting Policies of our subsidiaries
- **Public Policies:** contribute to the adoption of public policies that support sustainable investment practices
- **Awareness:** promote investment policies and practices that incorporate the material impact of ESG factors

We are **developing investment vehicles** that will allow our clients to invest in companies that have a positive environmental and/or social impact, and simultaneously generate financial returns

We Developed a Sustainable Finance Framework and We are Committed to Sustainable Lending

We Obtained a “Strong” International Rating for our Framework, and We are Developing Internal Capabilities to Finance/Structure Increasingly Sustainable Loans

HOW DO WE OBTAIN FINANCING?

Sustainable Financing

- We developed a **Sustainable Finance Framework** for BCP and Mibanco that will allow us to attract funding to finance sustainable and green products and initiatives
- In January 2022, **S&P Global awarded this framework a rating of “Strong,”** given that: 1) it is aligned with international standards; 2) it clearly defines criteria for eligible projects; and 3) it commits to reporting the use and impact of funds
- BCP is the **first bank in Latin America** to obtain a Strong rating in such framework

Developing Internal Capabilities

We will prioritize developing internal capabilities among relevant teams (for example: training in sustainable finance for the Corporate Banking and Investment Banking teams)

HOW WILL WE STRUCTURE/PROVIDE LOANS?

Product Development

We will leverage the knowledge of our ESG best practice clients to understand the best approach for each sector/industry, and to develop products that meet their needs:

- EcoFactoring pilot (launched in 2021)
- Green Loans pilot
- Transition loans
- Advisory services to clients in structured finance and sustainable bonds

Engagement with Clients and Public Policies

- To improve our clients’ ESG standards, we strive to **build awareness and influence them** regarding the importance of voluntarily contributing to decarbonization
- We also seek to assist in the development of **Public Policies** that promote sustainable finance. We are **members of the “Green Protocol” Working Table, organized by the Peruvian Ministry of the Environment**



We Defined a Theoretical Framework to Manage ESG Risk

In 2021, we Approached ESG Risk Management at Our Corporate Loans and Investment Businesses with a Corporate Perspective to Adapt it to Best Practices

OUR ESG RISK MANAGEMENT FRAMEWORK

Cross-disciplinary dimensions:



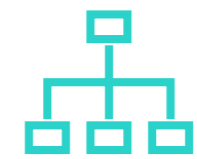
TAXONOMY

Categories and criteria for belonging to each category



APPETITE

Level of tolerable risk by sector and company



ORGANIZATION, GOVERNANCE AND CULTURE

Who and how will decide, manage and be responsible for risk

Identification

Which ESG risks is each company exposed to?

Assessment

How is each company managing ESG risks?

Mitigation

What actions does it execute to mitigate these risks?

Monitoring

After disbursement, how well is the client being managed?

Reporting

Internal and external reporting on ESG risk management

We Defined our 2020-2025 ESG Risk Management Aspirations

Vector

2025 Aspiration

Taxonomy

We aspire to have a portfolio with sustainability tags that will allow us to establish goals oriented at improving sustainable development, while continuously monitoring our progress

Appetite

We aspire to define a level of risk acceptable to our organization, using limits and metrics related to ESG risk at the corporate level, as well as exclusion policies for deciding which activities should not be part of our portfolio

Governance and organization

We aspire to finalize the internal organizational structure, roles and responsibilities that will enable us to act and make decisions needed to effectively manage ESG risks across our organization

Identification, assessment and mitigation

We intend to enhance our ESG risk prioritization methodology, while establishing a system to measure and mitigate risk that combines internal models with external ESG ratings to improve our risk assessment process

Monitoring

We aspire to have an ESG risk monitoring system that enables us to comply with our organization's pre-defined risk thresholds and to validate risks assessed during the client/asset screening process

Reporting

We are planning to implement an internal and external reporting system that is mostly aligned with the TCFD reporting framework

BEFORE THE PROGRAM

- Green House Gas (GHG) measurement, management and compensation defined by each company, so each subsidiary had different degrees of development in these matters

2021 PROGRESS



Credicorp committed to carbon neutrality by 2032

- Board approved Credicorp's goal to be **carbon neutral by 2032 at its own operations**, based on a 2022 baseline, and to reduce its net GHG emissions by 10% per year over 10 years
- **Credicorp Corporate Environmental Policy**
- **Corporate guide for measuring, reducing, and offsetting GHG** for subsidiaries
- Corporate guidelines for preparing an **Environmental Management Plan (EMP)** for each subsidiary

FUTURE GOALS

Credicorp's subsidiaries will need to:

- Measure their 2022 baseline levels in accordance with the Corporate Guide
- Reduce their net GHG emissions by a minimum of 10% per year relative to their baseline levels over a 10-year period, or faster (e.g. Pacífico and Prima are carbon neutral already)
- Create an Environmental Management Plan (EMP) that must be approved by its CEO every year before the end of the first quarter



CONSOLIDATING OUR
SUSTAINABILITY
STRATEGY FOR THE
FUTURE

We Intend to Move Closer to Our Goal of Becoming a Sustainable Financial Leader in the Region

In 2020-2021, we established the long-term bases for integrating ESG strategy into our organization. By implementing several programs, projects, and business initiatives, we have made significant progress with incorporating the sustainability lens into our organizational culture.

Going forward, we will focus on:

- Integrating ESG into financial areas (e.g. key decision-making processes) and developing metrics to measure our impact and set future goals
- Continue enhancing our sustainability governance structure
- Better and more closely align our ESG practices with international frameworks, standards and management, transparency and disclosure best practices
- Persevere in developing our knowledge and capabilities
- Promote innovation to find more sustainable business solutions
- Continue to foster a culture of sustainability through our Change Management initiatives



Our 2022-2025 aspirations

2022

2023 – 2025



- Implement the Environmental Management Plan at all subsidiaries
- Roll out the initial phase of the ESG Risk Management Work Plan
- Develop sustainable procurement guidelines
- Finalize Credicorp's Responsible Investment Policy

- Develop and pilot sustainable and transition loans
- Develop other sustainable banking and investment products
- Continue enhancing ESG risk management, including alignment with the TCFD reporting framework
- BCP possibly Issuing a sustainable bond



- Financially include more people and SMEs, consolidating our financial inclusion and growth leadership position in the region
- Roll out our platform to develop a more formal economy
- Introduce gender specific product lines and relationship models
- Develop a human rights protection framework
- Enhance the impact of our financial education programs
- Conduct initial assessment the Group's diversity status (beyond gender)

- Continue expanding financial inclusion and education, measuring progress by using impact and business metrics
- Design and implement Group's diversity strategy, beyond gender



- Provide sustainability training to the entire organization
- Launch a new corporate code of ethics
- Active Board member participation in engaging with investors
- Implement improved disclosure and reporting
- Roll out corporate governance policy guidelines
- Use of analysis and automation to better detect money-laundering and process investigations

- Constantly align with international best practices
- Better information systematization to meet the requirements of rating agencies, and to improve our ESG disclosure

We Will Integrate ESG into the Financial Function to Capture More and Better Information to Optimize Decision Making

2021 ACHIEVEMENTS

2022 PRIORITIES

PRIORITIES UP TO 2025

	Impact measurement	Strategic planning	Project evaluation	Budget and capital allocation
2021 ACHIEVEMENTS	<ul style="list-style-type: none"> First KPI scorecard and sustainability goals at the corporate level Quarterly assessment of corporate KPIs Targets for sustainability projects by subsidiary Sustainability KPIs included in subsidiaries strategic plan scorecards 	<ul style="list-style-type: none"> Sustainability initiatives incorporated into quarterly business reviews (QBRs) and high-level KPIs at our subsidiaries Apply a sustainability lens to strategic planning Formal sustainability decision-making forums at Board and senior management levels 		
2022 PRIORITIES	<ul style="list-style-type: none"> Define aspirations at the corporate level Begin measuring the impact dimension on corporate KPIs 	<ul style="list-style-type: none"> Gradual inclusion of sustainability initiatives in routine decision-making 	<ul style="list-style-type: none"> Design a roadmap to implement changes to the project evaluation process Develop tools to measure the environmental and social impact of our initiatives 	<ul style="list-style-type: none"> Design a roadmap to implement changes to the budgeting process Develop tools to more effectively forecast the costs and returns of our sustainability initiatives
PRIORITIES UP TO 2025	<ul style="list-style-type: none"> Optimize data gathering process for sustainability KPIs and reports Increase alignment with international standards for impact reporting 	<ul style="list-style-type: none"> Advance inclusion of long-term sustainability vision as well as sustainability criteria for strategic decision making and key processes 	<ul style="list-style-type: none"> Incorporate ESG factors into project evaluation criteria Roll out to tools that enable teams to measure the impact of their initiatives 	<ul style="list-style-type: none"> Include ESG criteria in annual budget process and capital allocation



At Credicorp,
we consolidate and enhance
our Sustainability Strategy
day by day,
moving increasingly closer
to becoming the sustainable
financial leader we aspire to be