

Integrated Report 2022







Table of contents

	1. Chairman of the Board of Directors	6
	2. Message from the Chief Executive Officer and the uty general manager	12
	3. Main figures	18
4	About this report Report characteristics Keys to reading this report	24 26 26
5	Profile and strategy 5.1 Profile 5.2 Strategy 5.3 Sustainability priorities 5.4 Responsible banking approach	28 30 32 34 37
6	Governance 6.1 Structure and operation 6.2 Risk management	38 40 49

7	Culture of ethics and compliance 7.1 Management approach 7.2 Ciber-security	56 58 62
8	Team commitment 8.1 Demographics 8.2 Diversity, equity and inclusion 8.3 Training and development of employees 8.4 Welfare 8.5 Work climate	64 66 69 71 75 77
9	Financial awareness and culture Financial literacy sub-program Financial information sub-program	78 80 83
10	Digital and financial inclusion 10.1 Experience 10.2 Digitalization 10.3 Financial inclusion 10.4 Corporate development	84 86 87 90 95

11	Sustainable customer practices	96
	11.1 Social and environmental risk assessment	98
	11.2. Calculation of the portfolio's carbon footprint	98
12	Social and environmental development	100
	12.1. Social projects with the community	102
	12.2. Environmental management	106
13	Financial results	110
	13.1. Relevant financial data	112
	13.2. Product evolution	113
	13.3. Economic value distributed	115
ÍNDICE I	Detail of ESG Management	116
	Relationship with stakeholders	118
	Materiality analysis	120

ÍNDICE 	Global Compact and SDGs 124 Global Compact Index 126 Sustainable Development Goals Index (SDGs) 127
ÍNDICE 	CSR Report 130 1. Incorporation of CSR in the Bank's strategic planning – BancoSol CSR management 132 2. Compliance with goals and CSR Policy 134 3. Results of the implementation and maintenance Of BancoSol's CSR management process 137 4. How the bank has implemented CST in its organizational structure 139 5. Evaluation of the compliance of CSR guidelines 139
ÍNDICES	Table of Contents of GRI 146 Index of SASB parameters 154 Contents of CSR Report (ASFI) 156
EXTERNAL ASSURANCE	Independent Assurance Report 158

1. Chairman of the Board of Directors



1. Chairman of the Board of Directors

(GRI 2-22)

To our friends in the financial inclusion industry,

On this path of post-pandemic economic recovery, the financial system continues to evolve globally, regionally and locally. The business potential and opportunities generated by the incorporation of Environmental, Social and Governance (ESG) factors is indisputable. The Global Sustainable Investment Alliance, in its latest report “Global Sustainable Investment Review 2020” points out that the value of sustainable investments in the world’s main financial markets was US\$35.3 trillion, representing 36% of total assets. Through this approach, the financial sector privileges sustainable investments and promotes sustainability as the core of the business, enabling the creation of stronger and more resilient organizations to face economic, social and environmental impacts.

In 2022, BancoSol underwent a process of profound transformation as a result of reflection, self-assessment and reaffirmation of its purpose. This evolution was accompanied by the renewal of our brand and visual identity, establishing a current and innovative presence, in line with new times and new generations.

Over the course of these first three decades, we have strived to improve society. As a result, we are driven by our clients’ success, which is the result of their work, effort, and dreams.

Since the birth of BancoSol, we have been faithful to our mission, being allies in the progress of our clients and their families, aware of our important role as agents of economic development, we contribute to the closing of inequality gaps, we contribute to poverty reduction and full inclusion.

Since then, we have been promoting a new way of doing relational, inclusive and sustainable banking in the country, strengthening the value proposition with new products, services and channels, new ways of working, digitalization of strategic processes and the incorporation of analytics for decision making in order to provide unique and memorable experiences to our customers.

Within the framework of our sustainability model and with a focus on diversity, equality and inclusion, we are carrying out specific and decisive actions. We are working for gender equality in a transversal and comprehensive manner, with concrete results. Thus, as of 2022, 50% of the members of our board of directors are women; likewise, in senior management and STEM areas we have 22% and 31% respectively; we maintain clear objectives to increase this representation. Currently, our female employees account for 52% of the organization’s total.

For our female clients, we are committed to empowering them and promoting their participation in economic development, with equal opportunities.

For more than a decade, we have been strengthening our commitment to the community and the environment, which is reflected in the social impact achieved through BancoSol's Corporate Social Responsibility (CSR) area, which aims to incorporate the microenterprise sector and its environment not only in financial, but also in cultural and social practices.

We were the first Bolivian bank to subscribe to the UNEP-FI Principles of Responsible Banking and to measure the environmental impact of our loan portfolio; we set a trend in the Bolivian market and paved the way for other financial institutions to follow in our footsteps.

In short, 2022 has been a year of evolution and growth that marks an important milestone in our organization and reaffirms our commitment to our

mission of transforming lives, accompanying in an inclusive way those who believe in a better future.

On behalf of the Board of Directors, I would like to thank and appreciate the team behind all these achievements, which have undoubtedly been possible thanks to the commitment of all BancoSol's employees. For their dedication, commitment, effort and professionalism, thank you.

I'd also like to acknowledge the support, trust, and accompaniment of our shareholders and directors, with whom we share the vision of reducing poverty by contributing to a more sustainable future.

I am proud and honored to present our first integrated report, in accordance with Global Reporting Initiative (GRI) standards and also applying Sustainability Accounting Standards Board (SASB) standards, which reflects our progress as well as the steps we have taken on the unequivocal path to sustainability.

ESTEBAN ALTSCHUL

Chairman of the Board of Directors

2. Message from the Chief Executive Officer and the Deputy General Manager



Verónica Gavilanes



Marcelo Escobar

2. Message from the Chief Executive Officer and Deputy General Manager

(GRI2-22)

To our dear stakeholders,

During 2022 we maintained our solid commitment to our internal and external stakeholders, reaffirmed and deepened our mission, vision and values, with the purpose of continuing to transform lives by accompanying, in an inclusive manner, those who believe in a better future.

For the seventh consecutive year, we are the best bank in the Bolivian financial system, according to the prestigious Camel Ranking of Financial Evaluation 2022. This rating ratifies our financial institution as the most reliable in Bolivia, due to our excellent economic performance with solid indicators in capital, assets, management, profitability and liquidity.

In 2022, we made 25% more profit than in 2021; our loan portfolio increased by 8,88%, while borrowers increased by 11%. We also increased the number of employees by 11%, creating 3.406 new jobs.

Aware of the new market challenges, we are evolving our business strategy, which is based on four fundamental pillars: customers, human talent, innovation, and sustainability.

We will work to be an active part of the change with a sustainability-oriented bank, framed in our commitment to a better future, in order to positively impact the lives of people, companies and society as a whole.

Sustainability is an organizational-wide strategic pillar. We are clear that the objective of promoting economic progress and inclusive social development while preserving the environment must prevail in all corporate decisions, and we have taken concrete steps in this direction.

Thus, we conducted a thorough analysis of dual materiality in order to build our Sustainability Model, which is aligned with our business strategy and includes monitoring and control mechanisms to ensure proper implementation.

We have a balanced scorecard with 44 measurable initiatives to manage their execution in 13 lines of action, 7 focuses and 3 dimensions in environmental, social and governance matters.

Through this model, we incorporate ESG criteria into our medium- and long-term vision, promote

the application of responsible business practices, as well as adherence to regulations and care for data privacy. We are also committed to supporting and accompanying our clients in their transition to more sustainable businesses.

Recognizing that talent knows no gender, we promote a diverse and inclusive work environment with equal opportunities; we strive to contribute to financial well-being by closing financial and digital inclusion gaps.

With this goal in mind, during 2022, we prioritized the optimization of our channels and digital services with a focus on value, digitizing our procedures with an investment in technology of 17.4 million Bolivianos.

With respect to 2021, the results of this investment translate into an 82% increase in digital transactions (ATM, Debit Cards, infoSol, Solnet/appSol).

In 2022, we strengthened the impact of our financial inclusion and education programs, training 91,776 people through joint actions with ASOBAN and ASOFIN, developing their skills with the objective of promoting financial health and well-being.

Gender equality is one of BancoSol's sustainability model priorities. Continuing on this path, we developed and implemented our internal and external gender strategy, with the goal of promoting the inclusion and growth of Bolivian

women-led businesses, thereby contributing to the closing of economic gaps and gender equality. The Diversity, Equality, and Inclusion Committee oversees all internal and external activities aimed at achieving this goal.

In the environmental area, we continued to measure our internal carbon footprint and were the first bank in Bolivia to measure the climate impact of our portfolio.

This report, the first of its kind, integrates dual materiality concepts aligned with international frameworks and standards for the financial sector such as the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI).

Undoubtedly, great challenges await us in 2023 and we will remain firm in our commitment to strengthen our actions in a transversal manner throughout the organization to continue working to build a more sustainable and inclusive future for this and future generations.

We thank our clients, employees, collaborators, shareholders and suppliers for their continuous and invaluable support to our institution, year after year, allowing us to put our work and efforts at the service of the common good and the progress of all people, contributing with equity to sustainable development.

Thank you for your loyalty and trust.

VERÓNICA GAVILANES
Deputy General Manager

MARCELO ESCOBAR
Chief Executive Officer

3. Main figures

3. Main figures

BancoSol presents its main figures and highlights of 2022 in the following summary, which is organized by the focuses of its sustainability strategy.

Focus 1. Governance

Formation of Sustainability



First bank in Bolivia to adopt the UNEP-FI Principles for Responsible Banking



Women Empowerment Principles (WEPs)



Adheridos al Financial Alliance for Women



Focus 2. Culture of ethics and compliance

100% of employees trained in the Code of Ethics and Code of Conduct



Gold Certification in Customer





Focus 3. Team commitment



3.406 employees



52% female employees



31% of women working in the fields of science, technology, engineering and mathematics (STEM)



33,1 average hours of training per employee

Focus 4. Financial awareness and culture

91.776 people trained in Financial Literacy



5.209.212 views of users who received information on financial literacy through online and face-to-face channels at their agencies



Focus 5. Financial and digital inclusion



More than 60% of operations are carried out through digital channels.



151.483 appSol and Solnet users



46.659 customers trained in digital use



1.054 service points



36% of non-financial correspondents in rural and intermediate areas



USD 1.152.000 invested

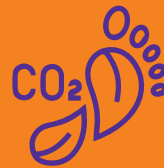


USD 1.687.000 in deposits



USD 13.347 from remittances

Focus 6. Sustainable customer practices



307.553 tCO₂e emissions of financed portfolio in scope 1+2 (Dic. 2021)

Focus 7. Environmental and social development



10 workshops at Capital Social School



1.252 certified students from Capital Social School



149 people benefitted through our strategic alliances



687 eco-bricks



4. About this report

4. About this report

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

This document shows BancoSol's performance between January 1 and December 31, 2022, including all of its operations.

The report complies with ASFI's regulatory requirements regarding CSR reporting. Additionally, it takes a step forward in the adoption of international standards and information transparency. It applies the Global Reporting Initiative (GRI) Standards and the contents of the GRI Financial Services Sector Supplement, which are related to material impact issues.

In addition, in a pioneering manner in Bolivia, it incorporates the Sustainability Accounting Standards Board (SASB) Standards for the industries in which it operates: commercial banking and consumer finance. In this way, BancoSol addresses material issues financially and also applies the concept of dual materiality that is being proposed at the international level.

The development of this report is a sign of the institution's maturity in sustainability, reinforced by the development of the 2023-2025 sustainability strategy in 2022.

This report has been supervised by BancoSol's Corporate Social Responsibility area and also has external verification of the process and results of the materiality analysis (GRI contents 3-1 and 3-2).

Report characteristics

- Dual materiality was applied, using international reporting standards: GRI and SASB.
- It reflects the institution's progress in the implementation of the **United Nations Global Compact Principles** on human rights, labor, environment and anti-corruption.
- It reports on the contribution to the Sustainable Development Goals (SDGs).

Keys to reading this report:

- It is structured based on the focuses of the 2023 – 2025 sustainability strategy.
- The reference to the SDGs is on the cover page of each chapter.



It is the first report of a financial intermediation entity in Bolivia that includes the response to the Corporate Social Responsibility Regulations of the Financial System Supervisory Authority (ASFI), and jointly integrates the GRI and SASB Standards.

It is also the first report that structures the contents of business with social and environmental impact, under the approach of the Principles for Responsible Banking of the United Nations Environment Program's Finance Initiative, of which BancoSol is the first signatory in Bolivia.

- At the beginning of each section, there are references to the contents of the GRI Standards and SASB parameters, with identification codes.
- At the end of the report, there is an index of the contents of the CSR Report (ASFI), of progress in the Global Compact Principles, of the contribution to the SDGs, and of the GRI contents and SASB parameters.

5. Profile and strategy

5. Profile and strategy

5.1 Profile

(GRI 2-1, 2-6, FS13, FS14)

BancoSol is a microcredit-focused financial institution that contributes to the economic and social development of micro and small businessmen and women, as well as the progress of Bolivia.

As part of its integrated value proposition, offering products and complementary services, it has savings accounts to facilitate the safekeeping of funds deposited by account holders, insurance and remittances, among others.

- **Mission:**

We transform lives by accompanying, in an inclusive way, those who believe in a better future.

- **Vision:**

To be a world leader and benchmark in financial and digital inclusion, contributing to poverty reduction and sustainable development.

- **Values and principles:**

- Solidarity
- Integrity
- Commitment
- Service

History and corporate structure

BancoSol began operating in 1986 as a Foundation and later became the first regulated microfinance bank in Bolivia and the world. It focused its operations on emerging economic actors, through a process that would later be recognized as the beginning of microcredit and microfinance.

BancoSol was incorporated as a corporation, organized under the laws of the Plurinational State of Bolivia; regulated, controlled and supervised by the Financial System Supervisory Authority (ASFI).

Its shares are distributed among different funds and entities participating in the microfinance ecosystem around the world, which supports its model.

Banco Solidario S.A. – BancoSol – is listed on the Bolivian Stock Exchange (BBV).

Name or corporate name of shareholder	Number of shares	Percentage of participation
ACCIÓN GATEWAY FUND L.L.C.	3.570.967	26,55%
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)	1.913.553	14,23%
ACCIÓN INTERNATIONAL	1.781.989	13,25%
Danish Sustainable Development Goals Investments Fund KIS	1.445.761	10,75%
TRIODOS SICAV II- TRIODOS MICROFINANCE FUND. A sub-fund of Triados SICAV II	1.781.989	13,25%
TRIODOS CUSTODY B.V. as the legal owner of TRIODOS FAIR SHARE FUND.	803.235	5,97%
WWB CAPITAL PARTNERS. LP	668.064	4,97%
MultiConcept Fund Management S.A. quien actúa en su propio nombre y por cuenta de responsAbility Global Micro and SME Finance Fund	658.472	4,90%
ResponsAbility Participations AG	652.961	4,86%
ResponsAbility SICAV (Lux) actuando por su sub-fondo responsAbility SICAV (Lux) Micro and SME Finance Leaders	295.306	2,20%
Pensionskassen for Sygeplejersker og Laegesekretærer	265.712	1,97%
GRUPO ACP INVERSIONES Y DESARROLLO	204.279	1,52%
Pensionskassen for Socialrådgivere. Socialpædagoger og Kontorpersonale	151.139	1,12%
Pensionskassen for Sundhedsfaglige	117.011	0,87%
Pensionskassen for Farmakonomer	19.502	0,14%
TOTAL	13.351.186	99,29%



5.2 Strategy

(GRI 2–6)

BancoSol's solidarity model is financially profitable and has a high positive social impact due to its support for microenterprises.

BancoSol has become the most important microfinance financial institution in the country according to the results of the CAMEL ranking in recent years, but it is also the company in the financial area that pays the most taxes to the Plurinational State of Bolivia.

Financial inclusion, which is BancoSol's *raison d'être*, is not only a commitment to bring quality banking services to the people who need them most, it is also a commitment to contribute to the construction of a more inclusive and equitable society.

BancoSol offers the following main products and services:

Product Name	Credit type	Aimed at	Credit goal	Maximum loan amount	Term	Interest rate	Guarantee	Condition
Sol Individual	Microcredit	Micro, Small and Medium-Sized Enterprises	Financing for operations and investments to individuals in the trade and services sector	USD 250.000	36 months Operations 120 months Investment	Fixed, Variable or Mixed according to current loan rates	Mortgage or non-mortgage guarantee	For amounts over USD 15.000, up to 80% of the value is financed for investment capital. Minimum client downpayment 20%.
Sol Vivienda	Housing	Dependent or self-employed individuals	Loan to purchase a home, land; to build, remodel or improve a home; anticretico (a contract in which the debtor agrees that his creditor may enjoy the fruits of the property delivered to him until the debt is paid).	- Mortgage guarantee: USD 250.000. -Non-mortgage guarantee: BS 140.000.	Mortgage guarantee: 180 months Non-mortgage guarantee: 60 months	Fixed, Variable or Mixed according to current loan rates	Mortgage or non-mortgage guarantee	Financing up to 80% of the investment value for home/land purchase. Minimum client downpayment 20%.
Sol Efectivo	Consumer credit	Dependent or self-employed individuals	Financing for the purchase of personal property, services or others	- Formal wage earner, Independent e: USD 10.000.- - Informal wage earner: USD 3.000.- - Sec. activity: USD 250.000.- - Third or more houses: BS 350.000.-	- Formal, informal wage earners: non-mortgage guarantee 24 months; Non-mortgage guarantee or automatic liquid guarantee 60 months - Informal wage earner: 24 months Wage earners Mortgage or non-mortgage guarantee: 36 months Operations capital 120 months Investment capital - Mortgage guarantee Third parties: 120 months	Fixed, Variable or Mixed according to current loan rates	Mortgage guarantee, non-mortgage guarantee, automatic liquid guarantee, etc.	Financing up to 80% of the investment value for home/land purchase. Minimum client downpayment 20%
Sol Vehículo	Car loan	Dependent or self-employed individuals	Financing for new or used cars for personal use	- New cars: USD 50.000 - Used cars: USD 35.000.-	60 months	Fixed, Variable or Mixed according to current loan rates	Mortgage vehicle or real state guarantee	Financing up to 80% of the investment value specified in the proforma for new vehicles and 70% of the commercial appraised value for used vehicles. The used vehicle must not be more than 10 years old.
Sol DPF	Consumer credit	Micro, Small and Medium-Sized Enterprises	Loan to individuals who want to pledge a FTD as guarantee	Variable according to amount, term of FTD	60 months	Fixed, Variable or Mixed according to current loan rates	BancoSol FTD	According to amount, frequency and term of products: Sol Individual, Sol Vivienda, Sol Efectivo, Sol Vehículo, Sol Productivo y Sol Agropecuario
Sol Productivo	Productive	Micro, Small and Medium-Sized Enterprises	Needs of the productive sector	USD 250.000	36 months Operations 120 months Investment	Fixed, Variable or Mixed according to current loan rates	Mortgage or non-mortgage guarantee	For amounts over USD 15.000, up to 80% of the value is financed for investment capital. Minimum client downpayment 20%

Product name	Credit type	Aimed at	Credit goal	Maximum loan amount	Term	Interest rate	Collateral	Condition
Sol Agropecuario	Agriculture loans	Micro, Small and Medium-Sized Enterprises	Agricultural sector needs or indirect complementary production services	USD 250.000	36 months Operations capital 120 months Investment capital	Fixed, Variable or Mixed according to current loan rates	Mortgage or non-mortgage guarantee	For amounts over USD 15,000, up to 80% of the value is financed for investment capital. Minimum client downpayment 20%
Sol Vivienda Social	Housing	Dependent or self-employed individuals	Loan to purchase a home, land; to build, remodel or improve a home; anticretico (a contract in which the debtor agrees that his creditor may enjoy the fruits of the property delivered to him until the debt is paid).	- UFV's 460.000.- houses - UFV's 400.000.- departments - UFV's 184.000.- lands	180 months	Equal to or less than UFV's 255.000 - 5,50% From UFV's 255.001 to UFV's 380.000 - 6,00% From UFV's 380.001 to UFV's 460.000 - 6,50%	Mortgage or non-mortgage guarantee	First and/or only real estate. Loan up to 80% of the value of the investment. Minimum client downpayment 20%

BancoSol is present in Bolivia's nine departments, in the 10 main cities, with headquarters in the city of La Paz; it is one of the financial institutions with the widest coverage in the country.

At the close of 2022, it had 1,054 Financial Attention Points (PAF) (236 more than in 2021). composed of:

- 101 urban and rural fixed agencies
- 5 mobile agencies
- 196 ATMs
- 122 Sol Amigo Points
- 596 Sol Amigo Express Points (non-financial correspondents)
- infoSol (SMS banking)
- appSol and Solnet (Internet banking)

5.3. Sustainability priorities

(GRI 2-23, 2-24)

BancoSol was born with the commitment to contribute to social development, from its business model.

Throughout this time it has been adding the idea of creating value for all stakeholders.

Having sustainability as an objective provides competitiveness to the institution as well as the necessary strategic capacity to face present and future challenges.

In 2022 BancoSol established its 2023-2025 sustainability strategy through a participatory exercise with its stakeholders. It was based on the issues previously determined as material, due to their impact and also because of how they can condition the institution's financial results; thus, the concept of dual materiality was taken into account. This analysis incorporated the material issues from the financial perspective, which is an international benchmark.

With this exercise, the Bank considers the key ESG (environmental, social and governance) factors established by the financial market, as well as the perspective of other stakeholders.

BancoSol reflected its strategic work priorities in a model composed of 7 focuses and 13 lines of action, based on material issues. Each line of action is composed of different initiatives.

With the priorities defined, BancoSol set short- and medium-term objectives to monitor the progress of the strategy in a comprehensive manner.

Sustainability Model



1		Structure and operation of Corporate Governance	
2		<ol style="list-style-type: none"> Practice, ethics and compliance with regulations Information security and privacy Responsible business practices 	
3	 	<ol style="list-style-type: none"> Diversity, equity and inclusion Employee development 	
4	 	Financial education and saving culture	
5	 	<ol style="list-style-type: none"> Financial accessibility Digital culture and solutions Corporate development 	
6	 	Boosting customer sustainable practices	
7	 	<ol style="list-style-type: none"> Environmental awareness Partnerships for social and sustainable development 	

List of focuses and material topics:

Dimension	Focus	Material issue
Corporate governance	Governance	■ Corporate governance
	Culture of ethics and compliance	■ Regulatory compliance ■ Relationship with authorities ■ Ethics and transparency ■ Cyber-security ■ Privacy and responsible use of customer information ■ Sales practices
Social/Corporate governance	Team commitment	■ Diversity, inclusion and equality ■ Capacity building ■ Personnel recruitment and retainment
Social	Financial awareness and culture	■ Relationship with authorities ■ Financial literacy and insurance culture
	Digital and financial inclusion	■ Financial inclusion ■ Digitalization ■ Customer Service ■ Innovation in products and services
Social/ Environmental	Customer sustainable practices	■ Environmental and social impact of the portfolio ■ Sustainable financing ■ Innovation in products and services ■ Sustainable investment ■ Climate change risk management
	Environmental and social care	■ Climate change risk management

■ Impact ■ Financial ■ Both

Materiality

The material issue of Economic Performance is transversal to all focuses.

The strategy is accompanied by the Sustainability Policy, which establishes the guidelines and priorities that enable the institution to make decisions.

CSR regulatory compliance

In compliance with Circular 365/15 issued by the Financial System Supervisory Authority (ASFI), BancoSol has a Corporate Social Responsibility Policy approved by the Board of Directors.

The objective of the CSR Policy is to determine the guidelines and principles to establish a culture

of Corporate Social Responsibility, committed to a management that generates value in social, economic and environmental (ESG) aspects. It also promotes ethical and transparent behavior in compliance with current regulations.

This is a basis for the next steps that BancoSol is voluntarily taking. The institution adds to the focus on the impacts of CSR, considering issues associated with ESG factors, which can affect financial stability and business continuity.

Governance

The National Corporate Social Responsibility Sub-Management is responsible for the coordination of CSR actions, in line with the institution's history

and the new actions identified in the sustainability strategy, in coordination with the different National Managements of the bank, who in turn implement the initiatives that correspond to them.

The Sustainability Committee is convened by the National CSR Sub-Management, who presents relevant information on the initiatives. The purpose of the committee is to approve, follow up and control the CSR Strategic Plan, as well as to ensure compliance with the social function objectives, in alignment with the Bank's strategic objectives. The committee is required to meet at least quarterly and has a specific procedure in place.

5.4 Responsible banking approach

(GRI 2-28)

The Principles for Responsible Banking are voluntary standards, promoted by the United Nations Environment Programme Finance Initiative (UNEP FI), to support banks in aligning their business strategy with the Sustainable Development Goals (SDGs) and the Paris Climate Change Agreement.

BancoSol is the first entity to sign these principles in the Bolivian financial system and has committed to set at least two goals related to the main areas (or themes) of its loan portfolio during 2023.



6. Governance

6. Governance

6.1 Structure and operation

(GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-15, 2-17, 2-18, 2-19, 2-20, 3-3)

BancoSol bases its management on a set of principles, policies, codes and standards that regulate the composition of the governing bodies, their functions and the relations between them. They are based on efficiency and transparency.

In this way, the control and administration functions are exercised for the benefit of all stakeholders, mitigating the institution's exposure to different risks.

The General Shareholders' Meeting is the highest body that represents the corporate will of BancoSol and has the broadest powers of management and decision making, in accordance with the powers granted to it by the Code of Commerce and other applicable laws, responsibilities that are set forth in the current Bylaws.

The Shareholders' Meeting appoints the Board of Directors, which in turn is responsible for managing the Bank with the utmost responsibility and ethics

General Shareholders' Meeting

It is responsible for promoting good corporate governance, in which management and control functions facilitate better decision making, with an adequate level of understanding and comprehension.

General Shareholders' Meetings are held at BancoSol's registered office; they may be ordinary or extraordinary and shall be held as many times as necessary during the year, and are mandatory and shall meet at least once a year to discuss the following issues:

- Annual Report of the Board of Directors
- Balance sheet and financial statements
- Report of the representative of trustees
- Auditors' report on the financial statements
- Distribution of profits or, as the case may be, treatment of losses
- Appointment and removal of Directors, the trustees, the external auditors and, as the case may be, the setting of their remuneration.
- The responsibilities, if any, of the Directors and the trustees.
- Those resolved from the application of Law 393 of Financial Services and the provisions of the Financial System Supervisory Authority (ASFI).
- Resolve any other matter related to the management of the company.

The Ordinary General Shareholders' Meeting shall necessarily be called within the first 3 months after the close of the fiscal year.

The Shareholders shall meet in Extraordinary General Meeting as many times as necessary to deal with issues that are not resolved in Ordinary General Meetings, being the main ones to be considered, the following:

- Changes in the Bylaws
- Increase of Paid-in Capital
- Issuance of new Shares
- Issuance of Bonds or debentures
- Authorized capital increase
- Early dissolution or extension of the Bank's duration, merger, appointment, remission and payment of liquidators.
- The decision to use more than ten percent of the total value of the Bank's fixed assets.
- Others that the Law, or the Articles of Incorporation or the Bylaws indicate.

Board of Directors

The Board of Directors is appointed by the General Ordinary Shareholders' Meeting and is comprised of a minimum of 5 and a maximum of 10 members, whether shareholders or not, and by the number of alternates determined by the Meeting.

At least one of the members of the Board of Directors must not have or have had any direct involvement in the management of BancoSol in the last 2 years, and must have recognized professional prestige and broad experience in the financial field. He or she participates under the same conditions with the rest of the members of the Board of Directors.

Directors are elected for one-year terms, with the possibility of being reelected. Currently, the average length of service of directors is 5 years.

At the first Board meeting after its election, its members elect by absolute majority a Chairman, a Vice-Chairman and a Secretary from among the incumbent Directors.

The Chairman of the Board of Directors is the highest representative of BancoSol, presides over Shareholders' Meetings and Board meetings, and directs the activities of the Bank at the highest level.

As part of the sustainability strategy, the Bank is developing a self-evaluation process and a training schedule for the Board of Directors.



Board of Directors

The Board of Directors is made up of 50% men and 50% women, between regular and alternate members.

Full name	Gender	Position	Start year
Esteban Andrés Altschul	Male	Director – Chairman	28/02/2011
María Otero	Female	Director – Vice-Chairman	21/02/2014
Diego Guillermo Guzmán Garavito	Male	Director – Secretary	06/03/2008
Emanuel Roca Vaca	Male	Director	14/03/2022
Juan Carlos Iturri Salmón	Male	Director	14/03/2022
Liza Paola Guzmán Suarez	Female	Director	10/03/2021
Morten Elkjær	Male	Director	10/03/2021
Anita Bhatia	Female	Director	10/03/2023
Martin Ernesto Barragán Crespo	Male	Director	10/03/2023
Remko Paco Komijn	Male	Director	10/03/2023
Olga Lucia Martínez Murgueitio	Female	Alternate Director	14/03/2022
Adelina María Dasso Arana	Female	Alternate Director	10/03/2021
María Claudia Dabdoub de Udaeta	Female	Alternate Director	10/08/2015
Christina Stefanie Juhasz	Female	Alternate Director	10/03/2023

Support committees

BancoSol has 10 committees, whose attributions are described in the following table. The committees are made up of directors and prominent bank executives.

Committee	Full name	Position	Responsibilities	Meeting frequency
Audit Committee	Morten Elkjær	Director	Advise the Board of Directors in the fulfillment of its control responsibilities and in the creation and maintenance of an adequate and efficient internal control system.	Monthly and/or on request
		Committee President		
	María Otero	Director		
	Liza Paola Guzmán Suárez	Director		
Credit Committee (Regulated in the statute)	Esteban Andrés Altschul	Director	Approve credit operations according to limits; prepare proposals and credit content policies	On request
		Committee President		
	Juan Carlos Iturri Salmon	Director		
Remuneration Committee	Esteban Andrés Altschul	Director	Define the Bank's salary structure; evaluate and approve new tools for the management of the human resources area such as training plans, performance assessments, potential assessments, career plans, among others.	Annually and/or on request
		Committee President		
	María Otero	Director		
	Morten Elkjær	Director		
Integrated Risk Management Committee	Diego Guillermo Guzman G.	Director	Propose to the Board of Directors strategies, policies and procedures for the IRM and the management of different types of risk to which BancoSol is exposed, considering the following stages: identification, measurement, monitoring, control, mitigation and disclosure of risks. Report periodically to the Board of Directors and when the committee deems it appropriate on the various types of risks, their relationship and possible negative effects, as well as on compliance with risk exposure limits and internal policies.	Monthly and/or on request
		Committee President		
	Juan Carlos Iturri Salmon	Director		
	Martin Ernesto Barragan Crespo	Director		
	Remko Paco Komijn	Director		
	Héctor Marcelo Antonio Escobar Flores	Chief Executive Officer		
	María Verónica Gavilanes Véjar	Deputy General Manager		
	Sergio Edwin Torrico Salamanca	Chief Risk Officer		

Committee	Full name	Position	Responsibilities	Meeting frequency
Corporate Governance Committee	Esteban Andrés Altschul	Director	Design, propose and report to the Board of Directors mechanisms to ensure the correct execution of political strategies, methodologies, processes and procedures inherent to good Corporate Governance. Review and evaluate the degree of compliance with the Code of Ethics, Policies, Regulations and other regulatory documents.	Quarterly and/or on demand
		Committee President		
	Héctor Marcelo Antonio Escobar Flores	Chief Executive Officer		
	María Verónica Gavilanes Véjar	Deputy General Manager		
	Mariana Moira Mercedes Lopez de Sanchez	Chief Human Resources Officer		
Compliance Committee	Remko Paco Komijn	Director	Analyze, evaluate and implement comprehensive policies, the Annual Work Plan and procedures aimed at preventing illegitimate income, terrorism financing and predicate offenses, with a risk management approach	Quarterly and/or on demand
	Anita Bhatia	Director		
	Héctor Marcelo Antonio Escobar Flores	Chief Executive Officer		
		Committee President		
	María Verónica Gavilanes Véjar	Deputy General Manager		
	Sergio Edwin Torrico Salamanca	Chief Risk Officer		
	Alvaro Nelson Álvarez Monasterios	Chief Compliance Officer		
	Milenka Alejandra Saavedra Muñoz	Chief Legal Officer		
	Ursula Adriana Morales Millan	Compliance Head		
Physical Security Committee	Diego Guillermo Guzmán G.	Director	Design and propose strategies, policies and procedures for a Physical Security Management and Information Security Management, considering the Risk levels	Annually and/or on demand
		Committee President		
	Emanuel Roca Vaca	Director		
	Héctor Marcelo Antonio Escobar Flores	Chief Executive Officer		
	María Verónica Gavilanes Véjar	Deputy General Manager		
	Alvaro Nelson Álvarez Monasterios	Chief Compliance Officer		
	Evans Christiam Cuevas Rodriguez	Physical Security Head		

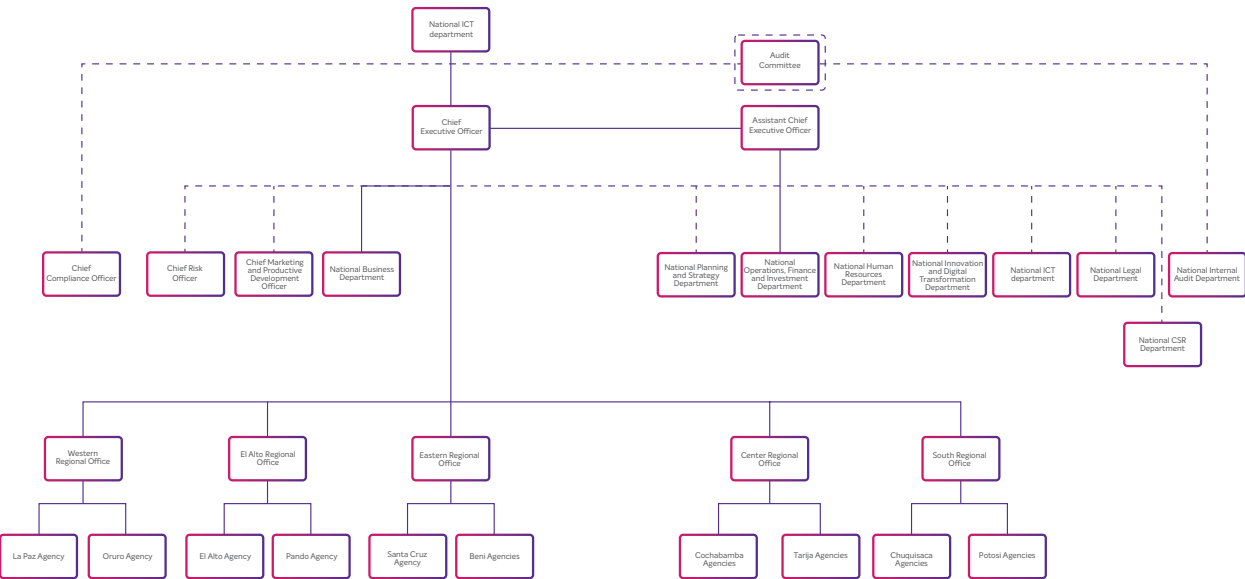
Committee	Full name	Position	Responsibilities	Meeting frequency
ICT Committee	Emanuel Roca Vaca	Director	Approve the strategic guidelines for Technology and monitor the Bank's projects and other activities to maintain proper alignment with its strategic objectives.	Monthly and/or on demand
		Committee President		
	Héctor Marcelo Antonio Escobar Flores	Chief Executive Officer		
	María Verónica Gavilanes Véjar	Deputy General Manager		
	Carlos Luis Otalora Martínez	Chief Information Technology Officer		
	Enrique Osvaldo Ferraro	Chief Operation, Investment and Finance Officer		
Ethics Committee	María Otero	Director	Determine the degree of responsibility, in the event of any fault or omission committed by any member of the Board of Directors, Executive or employee, with respect to the provisions of the Code of Ethics and Code of Conduct.	Every six months and/or on demand
		Committee President		
	Héctor Marcelo Antonio Escobar Flores	Chief Executive Officer		
	María Verónica Gavilanes Véjar	Deputy General Manager		
	Enrique Osvaldo Ferraro	Chief Operation, Investment and Finance Officer		
	Mariana Moira Mercedes Lopez de Sanchez	Chief Human Resources Officer		
Strategic Board Committee	Esteban Andrés Altschul	Director	a. Supervise the Senior Management Committee in implementing the necessary management policies, procedures, processes, and controls in place. b. Perform functions in other matters related to that Committee or to the General Management c. Ensure compliance with the objectives and strategic plans approved by the Board of Directors, based on good corporate governance practices	Monthly and/or on demand
		Committee President		
	María Otero	Director		
	Diego Guillermo Guzmán G.	Director		
	Liza Paola Guzmán Suárez	Director		

Management Team

The executive tasks of the Bank are in charge of the Senior Management, made up of the Chief Executive Officer and the Deputy Chief Executive Officer, appointed by the Board of Directors and whose term of office will be decided by this same administrative body, according to the interests of the company and good management.

The executive functions and the management of the Company's business are in charge of one or more Chief Officers, Administrators or Attorneys-in-Fact, as determined by the Board of Directors by means of an express resolution establishing the respective powers, obligations and remuneration. In order to take over the respective executive position, they must comply with the legal formalities and ASFI's regulatory provisions.

BancoSol’s organization chart





6.2 Risk management

(GRI 2-12, 2-13)

The establishment of an Integrated Risk Management (IRM) process in BancoSol is based on Pillar 2 of the New Capital Accord (NCA) and the principles on Corporate Governance, both documents drawn up by the Basel Committee on Banking Supervision and regulatory provisions issued by the ASFI in the Basic Guidelines for Integrated Risk Management.

BancoSol sets the following General Principles for Integrated Risk Management:

Principle 1: To have a formal strategy for integrated risk management, developed from the Bank's general strategy that responds to its business model.

Principle 2: Organizational structure contemplating the segregation of functions, according to the strategy, size and complexity of the Bank's operations, which supports Integral Risk Management.

Principle 3: Implement a control system that allows compliance with policies, standards, processes and procedures during the execution of the Bank's operations.

Principle 4: Global scope of activities and functions concerning the management of the various types of risks to which the Bank is exposed.

Principle 5: Develop policies, standards, procedures and tools appropriate to the strategy, size and complexity of the Bank's operations that support integrated risk management.

Principle 6: Update the integrated risk management process in response to changes in the Bank's environment, business model and/or risk profile..

Principle 7: Setting internal restrictions on the various risk types while taking diversification and impact mitigation criteria into consideration..

Principle 8: Promote a culture of integrated risk management within the Bank..

Principle 9: Implement information systems that allow the Bank to disclose the risks to which it is exposed in the corresponding instances.

Principle 10: Prioritize preventive rather than corrective actions.

Integrated risk management process

The institution has structured its process in six consistent and continuous stages, carried out for all risks inherent to the financial intermediation activity, which are as follows:

1. Identification

This is a process aimed at recognizing and understanding the different types of risk that exist in BancoSol's operations and those that may arise from new product initiatives, operations, services and/or activities. This stage allows determining in a preventive manner possible actions to be taken, since internal and external adverse events are identified and classified, as well as quantitative and qualitative events according to the type of risk to which they correspond, the interrelation that may exist between them, the exposed areas and the possible effect that would be produced in the Bank's financial situation.

2. Measurement

This is the stage in which BancoSol, through the tools and models available, quantifies its exposure levels to the different types of risks present in its operations. The measurement considers the frequency and impact of potential losses,

given the occurrence of adverse events. The Bank has a specialized unit within the National Risk Management for the design, development and implementation of tools and models considering

the established principles and guidelines; this unit is transversal to the rest of the units.

3. Monitoring

It consists of establishing control processes within BancoSol, including information systems, to detect and correct in a timely manner deficiencies and/or non-compliance in the policies, processes and procedures for each of the risks to which the Bank is exposed.

4. Control

It is the set of activities carried out in order to reduce the probability of occurrence of an adverse event that may cause losses to the Bank.

5. Mitigation

These are the actions and mechanisms implemented by the Bank to mitigate the losses incurred as a consequence of the materialization of adverse events or occurrences that cause risks.

6. Disclosure

It consists of the dissemination of policies, procedures and strategies approved by the institution related to Integrated Risk Management. It also includes the communication of appropriate, truthful and timely information, related to the degree of exposure of each type of risk, to the

different levels within the Bank, as well as to external stakeholders, as indicated by the Board of Directors and the Risk Committee.

Communication activities are planned together with the Annual Work Plan of the Risk Area.

The **integrated risk culture** takes into account the alignment of the attitudes and behaviors of employees with the Code of Ethics, policies, standards, processes and limits established within the framework of integrated risk management and their identification with the strategic objectives. This perception of risk creates a competitive advantage.

BancoSol established an **operating structure** appropriate to its risk profile, with the main function of executing the strategy and implementing risk management policies at the different levels of the institution: front office (direct customer service), middle office (advisory, control, planning and risk management) and back office (support and backup to the front office and middle office).

The Bank's Board of Directors is responsible for integrated risk management (IRM). The General Management is responsible for implementing and ensuring compliance with IRM and for establishing the corresponding preventive or corrective actions. The Risk Committee is responsible for designing policies, systems, methodologies, models and procedures for efficient integrated risk management and exposure limits for the different types of risks.

The primary goal of the National Risk Management is to make sure that all risks faced by the Bank are taken into account, along with any potential relationships between them, within each of its various operating and business units. It develops and submits measures for the thorough management of all risks to which the Bank is exposed to the Risk Committee for consideration.

The National Internal Audit Management verifies compliance with the Integral Risk Management process and, for this reason, its function is independent. It reports directly to the Board of Directors through the Audit Committee.

Main risks

The main risks identified by BancoSol are as follows:

Risk	Description	Key management issues
Financial risks	Financial Risk Management is supported by a regulatory framework made up of policies, procedures and tools with the fundamental purpose of safeguarding the Bank's liquidity and solvency. The methodologies used are executed through the daily and monthly monitoring of credit risk indicators, liquidity risk, exchange rate risk, market risk, counterparty risk, strategic risk and reputational risk presented monthly to the Risk Committee and the Bank's Board of Directors.	Financial risks are rated as low risk with a negative trend (with the exception of market risk, which is considered medium risk with a stable trend). In order to generate alerts that enable the bank's management to act promptly in order to maintain an adequate liquidity and solvency position, it is essential to continuously monitor the Bolivian macroeconomy, the financial system in general, and the relationship between the various lines of business of the bank and this context.
Credit risk	Credit Risk Management is supported by a regulatory framework made up of policies, procedures and tools with the fundamental purpose of safeguarding the quality of the loan portfolio, both those related to the specific credit risk reflected in levels of delinquency and specific allowance, as well as those related to the identification of uncollectibility risk factors in addition to delinquency. The methodology used for the latter purpose is executed through sample reviews (statistical and induced) aimed at estimating the degree of non-compliance with the regulatory framework in force, which could lead to generic allowance requirements for portfolio uncollectibility and/or recommendations for corrective measures after consideration by the Risk Committee, so as to have a timely impact on the credit process and on the risk management culture.	<p>The Credit Risk has a low risk valuation and negative trend, having considered the diversification of the portfolio in the sectors, subject to the minimum portfolio levels established for the financing destined to the productive sector and social interest housing, the compliance with the established limits, the level of deterioration of the operations both in the behavior presented in BancoSol S.A. and in the entities of the financial system, and the stable level of delinquency of the portfolio ((considering the influence of the economic contraction, which resulted in the deferral of loan installment payments and its subsequent solution with the application of extension periods and grace periods in rescheduling and refinancing of the portfolio with deferred installments), the level of loan portfolio provisions, the distribution of the portfolio payment structure, the possible indebtedness of our clients with other entities, portfolio prepayments and shared clients, as well as post-disbursement reviews through samples of recently disbursed operations and others specific to the loan portfolio carried out during the year. Monthly publications of pertinent news for credit risk management enable a feedback process, which when combined with meetings to share the findings of sample reviews, enables an adequate management of risk factors.</p> <p>However, there is still great uncertainty as to the payment behavior of borrowers following the possibility that generalized regulatory measures may affect the willingness to pay of economic agents due to the end of the automatic deferral period and of the extension and grace periods granted in rescheduling and refinancing operations with deferred installments.</p>

Risk	Description	Key management issues
Operational Risk Management	<p>Operational Risk Management has been implemented through policies, procedures and tools that consider the entity's strategy and the external regulatory framework according to the guidelines established by the Financial System Supervisory Authority (ASFI) in the «Basic Guidelines for Operational Risk Management» included in the Compilation of Standards for Financial Services and in the Manual for Sending Electronic Information to the Operational Risk Information Center (CIRO), designed and adapted to the entity's level of maturity and structure. Additionally, it considers the incorporation of the Regulation for the Application of Administrative Sanctions for recurring operational errors and Amendments to the Regulation for the sending of information.</p>	<p>Operational Risk with a low risk level and stable trend; the exposure of loss events reported in the Operational Risk Events Database is marginal with respect to the Regulatory Capital, considering that insurance coverage mitigates to a great extent the impact of these events. The analysis of the risks recorded in the Operational Risk Database and the Types of Operational Errors, are being oriented to the definition of the operational risk profile in order to carry out a preventive management. The process surveys and on-site visits have been extended to the rest of the regions, allowing to identify the particularities of each location.</p> <p>The tests of the different Contingency Plans and the Continuity Plan were carried out in coordination with the areas involved, the results of which have been presented to the corresponding authorities to address the risks identified. The analysis of external information is performed monthly, with the periodic publication of the Integrated Risk Bulletin, considering the transversality of this type of risk. New operations, products or financial services and their modifications during management have had the inherent risk analysis and their treatment, both by the process owners and the Risk area in the monitoring, as well as the corresponding follow-up, in compliance with the regulations in force..</p>
Information Security management	<p>Information Security Management and the associated methodologies contemplate both mechanisms for the identification and management of risk events in information technologies and in the Bank's business processes. It also allows the Bank to have an analysis and evaluation of Information Security risks, in order to respond efficiently to the needs and events that may arise, and which in turn offers a coherent and clear way to organize and prioritize resources in order to manage the identified risks in the best way, taking care of the compliance with the regulatory requirements related to Information Security Management demanded by the Regulatory Entity.</p> <p>Among the policies and regulations of the National Information Security Sub-Management are the following:</p> <ul style="list-style-type: none"> - Information Security Policy - Password Management Policy - Business Continuity Policy - Physical and Logical Information Management Policy. - Policy for the issuance and administration of electronic payment instruments 	<p>The National Information Security Sub-Management has a low risk level with a stable trend; this is due to the fact that the security mechanisms established, processes and methodologies implemented as a result of the security strategy worked adequately. During the 2022 fiscal year, the milestones for the implementation of security solutions at the infrastructure level were met, thus strengthening the Bank's monitoring and security schemes. Likewise, the risks identified in the Analysis and Evaluation of Information Security Risks for 2022, established in the Information Security Management Regulations issued by the Regulatory Entity, were addressed and have action plans for their adequate mitigation.</p> <p>Likewise, in order to maintain adequate security monitoring within the Bank, there is a control «Dashboard» with indicators on different security aspects aligned both with good security practices and with the regulations issued by ASFI. Finally, various types of revisions were made to the technological platform as a result of alerts, both internal and from the Security Operations Center (SOC), and training was provided to all the Bank's personnel, including the Board of Directors, Chief Executive Officer and National Chief Officers, on information security issues and security trends to reaffirm the security culture among users, senior management and directors.</p>

Supply chain relationship

(GRI 2-6, 204-1)

The Bank's risk management also considers the relationship with suppliers whose activities may have implications for BancoSol.

BancoSol promotes its ethical guidelines, as well as the prevention of social and environmental risks in all of them. It evaluates its operational capacity, quality and compliance with current legislation.

In order to support the country's economic reactivation, in 2022, 99% of the suppliers contracted by BancoSol were national; 94.9% of spending on suppliers corresponded to national suppliers, amounting to 260 million bolivianos.





7. Culture of ethics and compliance

7. Culture of ethics and compliance

7.1 Management approach

(GRI 3-3, 2-15, 2-23, 2-24, 2-25, 2-26, 2-27, 201-4, 205-1, 205-2, 205-3, 206-1, 415-1, 416-2, 417-2, 417-3)
(SASB FN-CF-270a.4, FN-CF-270a.5; FN-CB-510a.1, FN-CB-510a.2)

External regulatory approach

BancoSol has the great responsibility to implement operational control mechanisms to prevent internal and external fraud, as provided in paragraph I, article 453 – Operational Risk Management, Chapter II – Risk Management, Title VI – Governance and Risk Management of Law No. 393 of Financial Services.

Article 1, Section 2, Chapter II, Title V, Book 3 of the Compilation of Standards for Financial Services of the Financial System Supervisory Authority establishes that the Bank must manage its operational risk, for which purpose it must have formal processes for its management that allow it to identify, measure, monitor, control, mitigate and disclose the risk exposures it is assuming. On the other hand, in Article 2, Section 5, Chapter II, Title V, Book 3, it establishes the types of loss events, including internal and external fraud.

Finally, all the initiatives developed by BancoSol are considered best practices for fraud risk management, recommended by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Self-regulation and internal management

The Corporate Governance Code, the Internal Work Regulations, the Compliance Policy, the Integral Risk Policy, the Code of Ethics and the Fraud and Corruption Prevention Policy aim to generate an ethical culture and zero tolerance to fraud and corruption, as well as to identify, implement and maintain controls and to detect, investigate and counteract any cases that may occur.

The guidelines include the prohibition of contributions to political parties and representatives, so we do not make contributions of this nature. These guidelines apply to employees and directors of the institution, but also to other participants in the value chain, such as correspondents and suppliers.

BancoSol has established the necessary processes, procedures and controls to identify, measure, monitor, mitigate and control the risk of fraud and other unethical practices. This includes the whistleblower hotline.

Training and awareness-raising

As part of the management, with a focus on prevention, BancoSol carries out training and dissemination activities to strengthen the culture of prevention and control of fraud and corruption.

All employees received training in the Code of Ethics and Code of Conduct in 2022, which covered

topics like non-discrimination, harassment and bullying, as well as providing excellent customer service.

In addition, 90% of employees received specific training in anti-corruption practices.

Employees trained on anti-corruption						
Employment category	2020		2021		2022	
	Employees on payroll	Number of employees	Employees on payroll	Number of employees	Employees on payroll	Number of employees
Executives	14	5	16	5	19	9
Middle management	563	550	594	584	670	585
Operational staff	2.378	2.360	2.459	2.496	2.717	2.458
Total	2.955	2.915	3.069	3.085	3.406	3.052

Considering also that the Fraud and Corruption Prevention Policy became effective in December 2022, the 2023 Annual Training Plan plans to train all employees in fraud prevention.

Whistleblower channels

BancoSol has implemented channels for reporting suspected acts of fraud and/or corruption or any other practice contrary to the Bank's ethics and policies. All employees who have knowledge and/or well-founded suspicion of any case are required to report it to the institution. The channels preserve the confidentiality of the information received and protect the identity of the informant.

All complaints must be investigated promptly and efficiently, impartially, fairly and thoroughly. The results of the investigation should be documented.

- 1) For customer communications – In accordance with the Financial Services Consumer Protection Regulations, BancoSol has a Complaint Point service in all its fixed and mobile agencies, making available to financial consumers a team of trained employees who handle their complaints. BancoSol has also two additional channels for financial consumers to make their claims: telephone line and web page.



2) The Bank has set up an email address for internal employee complaints. The National Human Resources Management receives these complaints and brings them to the attention of the Ethics Committee, Joint Commission or other instance, to resolve them in accordance with the applicable regulations.

This includes imposing corresponding sanctions in accordance with internal regulations and legal requirements. When necessary, the appropriate authorities are informed.

Compliance

In comparison to 2021, claims decreased by 54% in 2022. 3.304 claims for various causes were made. None of the complaints related to anti-competitive behavior, but rather to elements of product marketing and information.

Type of sanctions	2021		2022		Percent variation
	Number	%	Number	%	
Debit card	3.297	45,87%	1.146	34,69%	-65,24%
e-banking	1.265	17,60%	1.000	30,27%	-20,95%
Credits	385	5,35%	406	12,29%	5,45%
Savings	371	5,16%	230	6,96%	-38,01%
Customer service	240	3,34%	213	6,45%	-11,25%
Other	125	1,74%	131	3,96%	4,80%
Credit payment deferral	1.432	19,92%	68	2,06%	-95,25%
Drafts and remittances	24	0,34%	19	0,58%	-20,83%
Withholding orders and suspensions	13	0,18%	19	0,58%	46,15%
Mobile payment	6	0,08%	18	0,54%	200,00%
Information center	5	0,07%	12	0,36%	140,00%
Credit cards	0	0%	10	0,30%	100,00%
Checking account	1	0,01%	9	0,27%	800,00%
Fixed-term deposit	16	0,22%	9	0,27%	-43,75%
Productive credit	4	0,06%	8	0,24%	100,00%
Performance bond	1	0,01%	3	0,09%	200,00%
Social Interest Housing Credit	3	0,04%	2	0,06%	-33,33%
Information bureau	0	0%	1	0,03%	100,00%
Total	7.188	100%	3.304	100%	-54,03%

7.2 Cybersecurity

(GRI 2-17, 3-3, 418-1)

(SASB FN-CF-220a.2, FN-CF-230a.1, FN-CF-230a.2, FN-CF-230a.3; FN-CB-230a.1, FN-CB-230a.2)

The processes related to information security and cybersecurity of Banco Sol are distributed among the areas of the National Risk Management through the National Information Security Sub-Management, the Compliance Management, through the National Physical Security Management and the National Information Technology Management, through the Cybersecurity Sub-Management.

A set of policies and codes are used in conjunction with information security management to consider the identification and response to risk events in processes and systems:

- Information security policy
- Password management policy
- Business continuity policy
- Physical and logical information management policy
- Policy for the issuance and administration of Electronic Payment Instruments (IEP)

The identification and assessment of risks allows to respond efficiently to possible needs and events and to provide a coherent and clear way to organize and prioritize resources.

Cybersecurity management is closely connected to the **Business Continuity Plan**. The latter provides a guide for action in different failure scenarios and is composed of the following:

- **Business Continuity Policy:** Policy defined by the Bank through which it formalizes and involves all the Bank's employees in the achievement of a common objective.
- **Governance model of the Business Continuity Plan:** Where the structure, roles and responsibilities of the different teams involved in the management of the continuity function are defined.
- **Performance indicators for the roles:** These indicators allow the people who assume the defined roles to measure the application of the continuity model practices.
- **Testing the Business Continuity Plan:** This is where the strategy is defined to carry out and document the necessary drills to validate the effectiveness of the plan and identify opportunities to improve it.
- **Checklists to respond to audits of the Business Continuity function:** They define not only the main aspects to be evaluated within the Business Continuity Plan, but also indicate the location, supports and related activities that allow the construction and maintenance of the plan.

BancoSol's National Information Security Department has a low risk level with a stable trend; this is due to the fact that the security mechanisms, processes and methodologies implemented and the result of the risk analysis and evaluation worked adequately.



In order to maintain an adequate monitoring of security within the Bank, BancoSol has a control “Dashboard” with indicators on various security-related topics that are in line with both good security practices and the ASFI regulations.

During 2022, various types of revisions were made to the technological platform, as a result of alerts both internal and from the Security Operations Center (SOC).

Likewise, all the Bank’s personnel, including the Board of Directors, Chief Executive Officers and Chief Officers, were trained on Information Security and security trends.

Due to this, only five complaints under the subtypology “confidentiality and reserve of information” were received. After analysis, it was determined that these complaints did not fall under the assigned classification, so they were responded to as per the norm and then closed.

8. Team commitment

8. Team commitment

8.1 Demographics

(GRI 2-7, 2-30, 401-1, 405-1)

For BancoSol, people are the most important thing.

The quality of the team and human talent has a great impact on organizational performance. For this reason, among others, the organization cares about their growth and wellbeing, concentrating its efforts on creating a comfortable working environment.

The Bank had 3.406 employees at the end of 2022, an increase of 11% from 2021. 97,5% of all employees are employed on an indefinite basis, and all employees are full-time.

52,3 % of employees are women; of which 22,2 % are in executive positions. This shows an exponential growth in recent years, doubling with respect to 2021.

Although the majority of employees are between 30 and 50 years old, 25% of all employees are under 30.



Detail of type of contract for male and female employees			
Description	2020	2021	2022
Total of employees	2,955	3,069	3,406
Female (%)	49,5%	50,4%	52,3%
Permanent contract (%)	99,9%	99,7%	97,5%
Temporary contract (%)	0,1%	0,3%	2,5%
Full time (%)	100,0%	100,0%	100,0%
Part time (%)	0,0%	0,0%	0,0%

Detailed breakdown of employees by professional category and gender – 2020							
Description	<30 years		30-50 years		>50 years		TOTAL
	Female	Male	Female	Male	Female	Male	Female %
Executive officers	0	0	0	3	0	11	0,0%
Middle management	7	7	232	258	21	36	46,3%
Operational staff	418	268	777	848	9	60	50,6%
TOTAL	425	275	1.009	1.109	30	107	49,5%
%	23,7%		71,7%		4,6%		

Detailed breakdown of employees by professional category and gender – 2021							
Description	<30 years		30-50 years		>50 years		TOTAL
	Female	Male	Female	Male	Female	Male	Female %
Ejecutivos	0	0	1	3	1	11	12,5%
Middle management	7	5	252	264	25	38	48,1%
Operational staff	406	277	845	861	11	62	51,3%
TOTAL	413	282	1.098	1.128	37	111	50,4%
%	22,7%		72,5%		4,8%		

Detailed breakdown of employees by professional category and gender – 2022							
Description	<30 years		30-50 years		>50 years		TOTAL
	Female	Male	Female	Male	Female	Male	Female %
Executive officers	0	0	2	3	2	11	22,2%
Middle management	8	11	283	298	26	42	47,5%
Operational staff	512	311	940	882	8	67	53,7%
TOTAL	520	322	1.225	1.183	36	120	52,3%
%	24,7%		70,7%		4,6%		

The Bank respects the exercise of individual freedoms and fulfills all of its labor responsibilities. The Bank has no unionized employees.

Labor demographics show the growth of employees in absolute terms. New hires increased by 68,8% over 2021, of which 57,3% are women. However, the number of employees leaving the bank also increased by 35% over 2021, which is related to the recovery of the labor market after the deep impact of the pandemic, increasing voluntary turnover.

New employee hires (total in the year)			
Description	2020	2021	2022
Female	108	254	468
Male	126	230	349
TOTAL	234	484	817

Number of employees who left the Bank (total in the year)			
Description	2020	2021	2022
Voluntarily -total	230	289	399
Voluntarily – female	123	138	197
Voluntarily – male	107	151	202
Involuntarios – total	65	56	67
Involuntarily – female	24	19	30
Involuntarily – male	41	37	37
TOTAL	295	345	466

Average/monthly turnover rate			
Description	2020	2021	2022
Voluntary	7,78%	9,42%	11,71%
Involuntary	2,20%	1,82%	1,97%

Nota: Bajas/Cantidad de colaboradores a cierre.

8.2 Diversity, equity and inclusion

(GRI 2-20, 3-3, 401-3, 405-2, 406-1)

BancoSol has always been committed to equal treatment, safeguarding its employees, promoting an inclusive and respectful culture, in accordance with its vision and purpose.

As part of the new Strategic Plan, the Integral Gender Equality Program was implemented, which focuses on female employees, but also on banking opportunities for female clients.

In order to close economic gaps and promote sustainable development, **BancoSol's gender strategy** aims to support the inclusion and expansion of businesses run by Bolivian

As part of the progress made, the Diversity, Equality and Inclusion Committee was created in 2022 and was made up of Bank executives. Eight sessions were held during the year.

The participation of women is evident in executive positions, presented in the previous section.

31% of the STEM (Science, Technology, Engineering, and Mathematics) related positions at BancoSol are held by women.

BancoSol's Gender Program has had an important boost thanks to external alliances with different organizations:

- PISTA8: Partnership to develop an educational program to empower women as entrepreneurs.
- Hábitat para la Humanidad Bolivia: It seeks to empower women in vulnerable situations between 18 and 45 years of age, through certified technical training in areas traditionally occupied by men in housing construction.
- Participation in the Gender Accelerator (Target Gender Equality) of the Global Compact.
- Fundación Iguales: With the participation of 7 female executives and middle managers from BancoSol, the program seeks to promote the personal and professional growth of female employees and contribute to closing the gender gap in the business ecosystem.

Additionally, 400 female employees of BancoSol received training in leadership and the use of data for business decisions with a gender perspective through the Training and Skills Development Program. They also participated in the "Women who inspire" talks.

BancoSol's female executives have also shown the institution's leadership and commitment at major business-related events:

- Women Economic Forum – Bolivia 2022
- International Forum "Women in Business Development"
- 1st Forum: Together for Women's Business Empowerment, organized by Pacto Global Red Bolivia, UN Women and UNDP

In 2022, BancoSol voluntarily adhered to the Women's Empowerment Principles (WEPs) of UN

Women and the Financial Alliance for Women, and received technical (WEPs, assistance from the International Finance Corporation (IFC) and the Inter-American Development Bank (IDB).

Equality was also promoted through work-family life balance measures, including the right to exercise parental leave. 100% of male and female employees exercised their rights in 2022 and all of them returned to work afterwards. However, of the total number of reincorporations, at the end of the year, 5% of the female employees who returned to work no longer work at the Bank.

Parental leave by year						
Number of employees:	Year 2020		Year 2021		Year 2022	
	Male	Female	Male	Female	Male	Female
Entitled to parental leave	21	89	11	78	24	82
Took parental leave	21	89	11	78	24	82
Returned to work afterwards	21	89	11	78	24	82
Still work at the bank at the close of 2022	21	87	11	75	24	78

Prevention of discrimination and harassment

To prevent workplace harassment within the Bank, BancoSol was recognized for implementing for the second consecutive year the ELSA tool, developed by the Gender Lab of the Inter-American Development Bank (IDB). This tool uses Big Data and Artificial Intelligence to measure and prevent situations of sexual harassment within organizations and their work spaces.

The Bank also provided training to prevent sexual harassment.

BancoSol will continue with the commitment adopted, in collaboration with Gender Lab of IDB, scheduling activities and training workshops within its divisions in 2023.

Currently, the Expresate tool is used as a means of reporting, where 15 cases of discriminatory practices have been received and all of them have been adequately dealt with.

Remuneration policy

BancoSol's salary policy is based on principles of equity, uniformity and proportionality, encouraging individual progress and rewarding good performance.

Salaries for BancoSol personnel are governed by a scale divided into categories and levels, detailed in the Bank's salary policy and in accordance with the responsibility and hierarchy of each employee, according to the internal structure.

- **Complaints of racism and discrimination**
In 2022, 15 cases of discriminatory practices were recorded and all of them were duly addressed.
- **Disability**
We have 11 employees with disabilities and/or first-degree relatives with disabilities.
- **Senior citizen initiatives**
BancoSol has awareness programs based on the regulations for preferential treatment of senior citizens.
- **Employees trained in preferential service** – Training on Quality and Warmth Service to Financial Consumers.

8.3 Training and development of employees

(GRI 3-3, 201-3, 404-1, 404-2, 404-3)

Due to the fact that 2022 was a year of many changes and challenges, the GeneraciónSol Meeting was held to transmit the organizational philosophy and align employees with the defined strategy. Sixteen face-to-face workshops were held in five cities for 3,017 employees nationwide.

Similarly, the FormaSol leadership program was implemented to develop and strengthen competencies, positively influencing the leadership exercised by leaders within their teams. A total of 302 leaders participated in the program nationwide.

The Bank continues to implement the internally designed training curriculum, which includes specific programs by job profile, with emphasis on on-demand professional development and digital transformation. USD 181,347.00 was invested in training during the year.

Training 2020			
Trained employees	Number of participants	Number of hours	Number of hours/ participant
Executive officers	17	329,50	19,38
Middle management	649	32.253,40	49,70
Operational staff	2.690	123.800,80	46,02
TOTAL	3.356	156.383,70	46,59

Training 2021			
Trained employees	Number of participants	Number of hours	Number of hours/ participant
Executive officers	17	371,00	21,82
Middle management	648	36.385,50	56,15
Operational staff	2.841	155.586,50	54,76
TOTAL	3.506	192.343	54,86

Training 2022			
Trained employees	Number of participants	Number of hours	Number of hours/ participant
Executive officers	20	1.805,50	90,28
Middle management	745	36.775,50	49,36
Operational staff	3.315	93.506,00	28,21
TOTAL	4.080	132.087	32,37

Between January and March 2022, the process was carried out due to the importance of evaluating employee performance and providing timely feedback. The ClicSol platform was used to evaluate 2.751 employees nationwide.

	Performance evaluation		
	Professional category	Type of evaluation	Details (what it is about)
2020	Executive officers, middle management and operational staff	90°	Immediate superior evaluation
2021	Executive officers, middle management and operational staff	180°	Self-evaluation and immediate superior evaluation
2022	Executive officers, middle management and operational staff	180°	Self-evaluation and immediate superior evaluation

Evaluations performed by professional category – 2020			
Professional category	% of employees assessed 2020	Gender	
		Male	Female
Executive	0%*	0%	0%
Mandos medios	84%	52%	48%
Operational	91%	49%	5%
TOTAL	89%	50%	50%

* No women in executive positions.

Evaluations performed by professional category – 2021			
Professional category	% of employees assessed 2021	Gender	
		Male	Female
Executive officers	93%	93%	7%
Middle management	94%	53%	47%
Operational staff	93%	49%	51%
TOTAL	93%	50%	50%

Evaluations performed by professional category – 2022			
Professional category	% of employees assessed 2022	Gender (% assessed)	
		Male	Female
Executive officers	79%	73%	27%
Middle management	88%	52%	48%
Operational staff	80%	47%	53%
TOTAL	81%	48%	52%

To fill management vacancies, BancoSol has a Succession Plan that takes into account the best talent and experience of its employees, including those in the regional offices.



8.4 Welfare

(GRI 3-3, 201-3, 401-2, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10)

In accordance with its institutional principles and values, BancoSol is committed to the welfare of its employees and has a series of benefits for all of them.

List of benefits for employees 2022	
Category	Benefit
Appropriation of culture and values	Through workshops, new employees learned about the Bank's mission, vision and values.
Discounts	Variety of discounts from different companies and stores for all employees.
Entertainment	Activities during the Qatar 2022 World Cup
Family	Internships for employees' children
	Recognition was given to employees' children who perform well in school.
	The employees' children received an Easter combo of chocolates.
Christmas	The children of employees, cleaning staff and police officers received coupons to exchange for Christmas gifts.
Other	A gift for all female employees for Bolivian women's day
Recognition	Recognition plaques were given to employees who completed 5, 10, 15, 20, 25 and 30 years of seniority.
	Souvenirs or gift cards were given to employees who obtained an academic achievement.
Health	Health Campaign coordinated with the CSBP Health Management Entity.
	Workplace Fitness Program "Muévete": workplace fitness videos shared with all employees.
Sustainability	Awareness-raising and cooperation activities to support society, targeting employees in need.
Time	A Saturday to enjoy: 2 Saturday off per month (a benefit for Regional/Agency collaborator).
	Golden Chek: One day off per semester for the employee.
	Fathers are given three days off for the birth of their.
Trivia	Birthday: One day off and a card for the employee on his or her birthday.
	Virtual trivia game on gender equity for Women's Day, aimed at all employees. Prizes were awarded to the first places.
	Virtual games for all the Bank's mothers and parents. Prizes were awarded to the first places
Institutional uniforms	Uniforms were provided to all employees

Health and occupational safety

In order to ensure the health and safety of our employees, BancoSol complies with all Occupational Health and Safety regulations; the main ones are as follows:

- 1) Periodic inspections of facilities and infrastructure, equipment and work material.
- 2) Maintenance of the workplaces so that they are in adequate conditions for the effective work of the employees' activities. Cleaning materials and equipment are provided for the proper upkeep of the facilities.
- 3) Provision of first aid material and adequate safety signage (escape doors, fire extinguishers, danger signs), according to the requirements of the Occupational Health and Safety Programs – PSST.
- 4) Each year a Joint Occupational Health and Safety Committee is formed, represented by 6 to 8 employees from different agencies and regions of the country.
- 5) Volunteer employees, called brigadistas, are trained at the Bank and actively participate in drills.
- 6) The Bank identifies and assesses risks once a year through the IPER Matrix. This evaluation is carried out by the Regional Office. Since these are administrative activities, there is only exposure to ergonomic risks. This assessment also includes occupational monitoring (lighting, ventilation, noise, thermal stress), fire load in facilities and management of occupational accidents.

BancoSol is certified by the Ministry of Labor for 90% of its agencies and offices. This certification recognizes the implementation of Occupational Health and Safety Programs – PSST. The Bank is working for the certification of the remaining 10%.

Part of the main efforts are awareness-raising and training for prevention. All personnel were trained in office safety, active breaks, hazard identification, first aid, fire prevention, and fire extinguisher use. In coordination with the health management entity CSBP, health campaigns were carried out, as well as the “Muévete” occupational gymnastics program.

According to the studies conducted, the injury frequency rate increased by 3% in 2022 compared to 2021, but the absenteeism rate decreased by 75%. There were no fatalities.

Health and safety indicators			
Detail	2020	2021	2022
Deaths (number)	0	0	0
Accidents (number)	22	34	38
Reported absent days	385	629	479
Lost Time Injury Frequency Rate	3,33	5,15	5,34
Absenteeism rate	1,38	2,27	1,72

8.5 Work climate

In order to listen to the needs and requirements of its employees, BancoSol conducts an annual work climate survey. In 2022, the survey was conducted among 2.555 employees, representing 77% of the total.

Employee perception of BancoSol is 83% positive, which supports the work being done by the Bank.

In addition, practically all regional offices (10 out of 11) improved their satisfaction with respect to 2021, and all of them are above 80%. All the national management offices are also above 80% satisfaction.

Results of work climate by gender



9. Cultura y conciencia financiera

9. Financial awareness and culture

(GRI 3-3, FS16) (SASB FN-CB-240a.4)

BancoSol has been involved for more than 10 years in Financial Literacy Programs because it believes it is a priority.

The Bank's program is divided into:

- Financial Literacy Sub Program
- Financial Information Sub Program

Financial Literacy Sub Program

With the goal of improving consumers' financial health, BancoSol exceeded the 2022 target by 42%, reaching 91,776 beneficiaries through the following specific initiatives:

1. Customers and/or financial users were trained in the use of debit and credit cards, savings products, etc.
2. New customers receive welcome kits. In addition to the information received about the financial product, the employee explains the benefits, obligations and responsibilities when obtaining a loan from the financial system.
3. PonteON. While BancoSol customers wait for their savings account to be opened, they are given a tablet so they can watch and listen to video tutorials on the Bank's services and channels.
4. CapacitaRSE. A BancoSol project that began in 2017 to provide a space for entrepreneurs to exchange knowledge and experiences in order to gain competitiveness in the national and international markets.
5. The Bank provides training to senior citizens in accordance with national regulations.
6. Training for people with disabilities in accordance with national regulations.
7. DESCUBRE – Bolivia's first digital and interactive financial literacy platform, which was funded in collaboration with other banks affiliated with the Association of Banks (ASOBAN). It seeks to promote content primarily for children and adolescents.
8. Webinars ASOFIN



Financial literacy programs 2022				
N°	Project name	Activity	Actual beneficiaries	
			Qualitative	Quantitative (number of beneficiaries)
1	Training to customers and/or financial users	Training sessions	Customers /Users	16.988
2	Welcome folders	The welcome folders were delivered to BancoSol customers physically or digitally.	Customers	24.666
3	Ponte ON	Training sessions at agencies	Customers / Users	24.576
4	CapacitaRSE	Technical and business training workshops (on-site and/or on-line	Customers/User	2.601
5	Training for Senior citizens	On-line or on-site educational workshops	Customers/User	655
6	Training for disabled people	On-line or on-site educational workshops	Customers/User	207
7	DESCUBRE ASOBAN	On-line training	Customers/User	18.970
8	ASOFIN Webinars	On-line training	Customers/User	3.113
TOTAL EJECUTADO				91.776



Financial Information Sub Program:

In 2022, the overall goal was 993.500 informed users and clients. This goal was surpassed since 5.209.212 users viewed financial data through the following channels:

1. Online trainings for employees on the rights and obligations of Financial Consumers.
2. BancoSol Finanzas para Todos, a series of podcasts developed by the Bank to inform about savings, financial intelligence, family economy management, etc.
3. Educational videos that are shown in bank branches and on social media.
4. Financial information on security measures, products, among others, is disseminated through the website and social networks.
5. GanaSol is a game that allows to learn about the main characteristics of financial intermediation services, rights and obligations, among others.
6. ASOBAN – This association publishes magazines and organizes financial fairs.

Financial literacy sub-program 2022		
N°	Project name	Actual beneficiaries
1	On-line training	3.409
2	BancoSol Finanzas para Todos	550
3	Ordenadores de Fila (Videos)	98.872
4	Website/Social media	4.973.612
5	GanaSol	52.799
6	ASOBAN (Financiar Express and visitors to financial literacy fairs)	79.970
TOTAL		5.209.212

10. Inclusión financiera y digital

10. Financial and digital inclusion

10.1 Experience

(GRI 3-3, 416-1, 417-1, FS13)

BancoSol, committed to financial users, constantly seeks to meet the needs of its customers through its financial offerings, optimizing processes, developing and implementing products and services according to their needs for a better overall experience.

Technological advancements are critical for society's easy access to banking because they enable a greater geographical reach, as well as greater efficiency and security. The pandemic increased the use of digital channels, accelerating the transformation that BancoSol had already begun.

The Bank also enjoys the trust of its customers and stakeholders. The **Bank's strengths** are as follows:

1. **Financial soundness**
2. **Responsible use of resources**
3. **Innovation**
4. **Focus on customer experience**
5. **Socially responsible business model**
6. **Sustainability progress from business model**
7. **Constant communication with stakeholders**

As mentioned above, BancoSol is committed to **financial inclusion** through microcredit, the development of accessible service models and

channels, and the availability of insurance and deposit products to protect families' savings.

The Bank also seeks to have a positive impact on the product, avoiding over-indebtedness. The **Credit Risk Assessment Model** is applied to correctly understand the client's situation. This model consists of the following:

1. Assess the customer's willingness to pay
2. Assess the customer's payment capacity
3. Assess the customer's assets
4. Assess collateral as alternative sources of payment
5. Assess the customer's general conditions and environment that may affect her ability and willingness to pay

Before granting a loan, BancoSol's credit policy stipulates specific limits to avoid over-indebtedness of its customers.

BancoSol regularly measures **customer satisfaction** through Net Promoter Score (NPS) surveys. The ratio between consumers who recommend BancoSol and those who do not is -11, associated with the current scenario of distrust in banking. For decision-making and continuous improvement purposes, the satisfaction study



can be disaggregated by region, gender and socioeconomic level, among others..

10.2 Digitalization

(GRI 3-3, 203-1)

BancoSol seeks financial inclusion through digitalization, constantly promoting the use of digital channels among financial clients. Financial literacy programs facilitate the use of these channels.

BancoSol was the first microfinance institution in the Bolivian financial system to enable internet

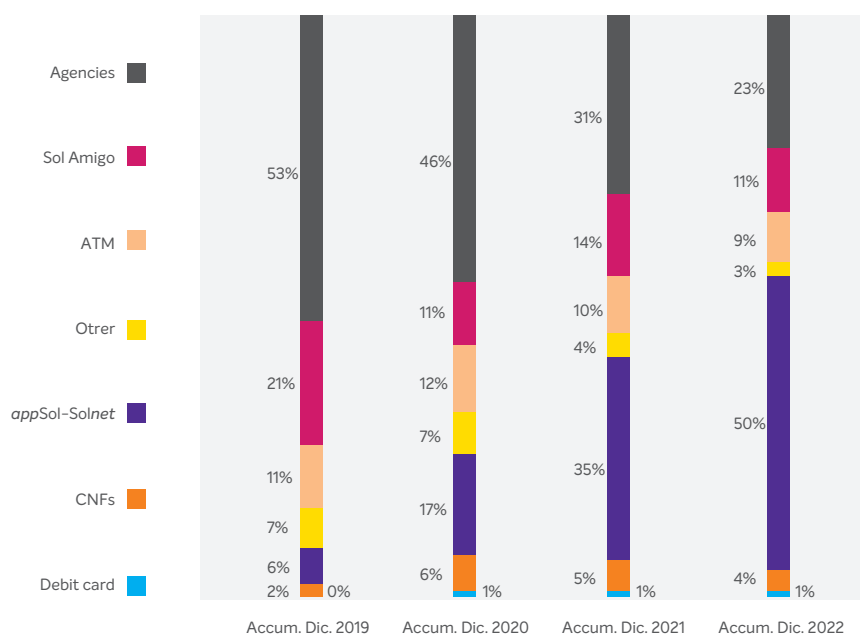
banking for its clients. Considering the enormous importance for its clients to continue banking digitally, it reinforced its digital platforms:

- Solnet (e-banking)
- appSol (Mobile banking)
- Digital assistant (bot)

The evolution of users doubled in three years and the increase in the use of online banking from 17% to 50% between 2020 and 2022 is a sign of the impact of the digitalization projects that the bank has faced in these years.

Dimensions <i>appSol</i> and					
2020		2021		2022	
Number of users	% Banking transactions	Number of users	% Banking transactions	Number of users	% Banking transactions
62.822	17%	92.814	35%	151.483	50%

The use of digital channels accounted for 8.6% of total operations in 2020.



The increased use of digital channels is due to the Bank's significant investment in technology, which has improved their usability and experience, as well as their value proposition. BancoSol allocated over 17 million bolivianos in 2022, more than 10 million bolivianos over the previous year.

Year		
2020	2021	2022
Total amount (Bs)	Total amount (Bs)	Total amount (Bs)
12.528.000,00	6.960.000,00	17.400.000,00

According to the Bank's new strategy, which emphasizes digital transformation, BancoSol employees are continuously being trained in digital tools such as the framework for data governance and analytics projects, among others.

BancoSol has developed specific programs for financial literacy. In 2022 BancoSol trained more than 46,000 financial consumers in digital banking and security channels.

Actions to drive consumers to use digital channels					
2020		2021		2022	
Number of clients and users trained in digital topics	Percentage of customers and users that received digital training compared to the total number trained per year (%)	Number of clients and users trained in digital topics	Percentage of customers and users that received digital training compared to the total number trained per year (%)	Number of clients and users trained in digital topics	Percentage of customers and users that received digital training compared to the total number trained per year (%)
48.546	65%	46.527	51%	46.659	50%

The objective of the new corporate strategy is to transform the institution into a more digital, agile and innovative bank that identifies opportunities to improve its financial and non-financial offerings. which convened experts to develop the first digital solution, was successfully implemented in 2022. In addition, BancoSol supported and participated in the Pista 8 program for the acceleration and incubation of women-led ventures.

It is a place for employees to consult, which fosters innovation within the Bank and develops projects related to processes and channels through ad hoc work teams.

An example of this is the new version of GanaSol, launched in 2022, which is a loyalty program for

the use of the appSol. Similarly, the data strategy for advanced analytics and the new process improvement methodology "One Day Challenge" were developed, which brings together participants from different areas related to the process to be changed and implements an agile methodology.

The Innovation Hub also serves as a platform to connect with national and international innovation ecosystems. The first open innovation program, which convened experts to develop the first digital solution, was successfully implemented in 2022. In addition, BancoSol supported and participated in the Pista 8 program for the acceleration and incubation of women-led ventures.

10.3 Financial inclusion

Accessibility

(FS13, FS14)

The Bank has a presence in rural and intermediate areas of Bolivia:

BancoSol has a national network of 1,054 points of service: 101 fixed agencies, 5 mobile agencies, 23 collection windows, 10 regional branches, 1,596 non-financial correspondents, 122 Sol Amigo service points and 196 ATMs.

- 42% fixed agencies
- 50% mobile agencies
- 36% non-financial correspondents
- 39% Sol Amigo service points

Financial service points				
Detail	Total	Rural area (%)	Intermediate area (%)	Urban area (%)
Fixed agency	101	19,80%	21,80%	58,40%
Mobile agency	5	100%		
Non-financial correspondent	596	12,70%	23,60%	63,60%
Sol Amigo Point	122	10,60%	28,70%	60,60%
ATM	196	9,20%	18,90%	71,90%
REC / REM	1			100%
Collection windows	23			100%
Regional	10			100%

Financial service points										
Detalle	La Paz (#)	Cochabamba (#)	El Alto (#)	Oruro (#)	Santa Cruz (#)	Chuquisaca (#)	Tarija (#)	Potosí (#)	Beni (#)	Pando (#)
Fixed agency	18	22	20	4	21	5	5	2	3	1
Mobile agency		2	2		1					
Non-financial correspondent	133	122	143	49	102	26	23	5	0	0
Sol Amigo Point	20	20	35	3	25	11	6	2	0	0
ATM	49	41	32	7	43	10	8	2	2	1
REC / REM		1								
Collection windows	7	6	2	1	4	2	1			
Regional	2	1	1	1	1	1	1	1	1	0
TOTAL	222	214	235	65	199	55	44	12	6	2

Inclusive products

(FS1, FS7) (SASB FN-CB-240a.1, FN-CB-240a.3)

Financial inclusion is at the core of BancoSol's raison d'être. Due to their social impact, the following products are particularly noteworthy:

Deposits

Types of deposits		
Main characteristics	Description	Financial dimensions
Cuenta de Ahorro Clásica	Financial tool that encourages savings because it allows people to save money easily and safely. It helps people manage their finances better and promotes financial inclusion.	Balance of deposits at the end of 2022 USD 471.849.802 # customers at the end of 2022 – 1.219.736 (50% male; 50% female)
Mayor Savings Account	This account is for people who do not have access to traditional banking services and allows them to save and access loans to improve their financial situation. This savings account allows people to have a higher return with excellent and differentiated rates.	Deposit value at the end of 2022: USD 188.398.759 # customers at the end of: 56.108 (49% male, 51% female)
Sol Futuro Savings Account	This account helps children and teens gain financial responsibility, save from an early age, and learn to manage their finances.	Deposit value at the end of 2022: USD 6.580.286 (22% male, 78% female)
Online Savings Account	It has several benefits such as accessibility, time saving, cost reduction and security. In addition, it allows people living in rural areas to access banking services.	Deposit value at the end of 2022: USD 852.678 # customers at the end of 2022: 9.137 (59% male, 41% female)
Solida Digital Savings Account	It has several benefits such as accessibility, time saving, cost reduction and security. In addition, it allows people living in rural areas to access banking services.	Deposit value at the end of 2022: USD 1.403.786 # customers at the end of 2022 183 (59% male, 41% female)

Credit

The number of consumer credit customers increased by 11% compared to 2021. The balance at the end of the year increased by US\$ 170,267 compared to the previous year.

Financial data per year					
	Detail	2020	2021	2022	VAR
Microcredit	Number of customers	214.037	229.487	251.527	22.040
	Year-end balance (thousand USD)	1.427.532	1.549.138	1.676.801	127.663
SMEs	Number of customers	28	16	9	-7
	Year-end balance (thousand USD)	840	440	275	-165
Housing	Number of customers	23.184	23.987	25.420	1.433
	Year-end balance (thousand USD)	188.284	196.126	202.864	6.738
Consumer	Number of customers	42.607	42.882	52.237	9.355
	Year-end balance (thousand USD)	164.482	172.319	208.349	36.030



Home loans

The social interest housing loan is intended to finance a single dwelling for non-commercial purposes. This means that the property for which the loan is granted must be a house or apartment that will not be used for commercial purposes (sale, rental).

Home loans expressed in bolivianos			
Cuenta	2020	2021	2022
First-lien home loans	204.322.003,14	145.397.403,27	129.870.028,41
Social interest home loans		132.857.883,51	115.882.337,70
Unsecured home loans		666.454.071,06	834.246.041,17
Unsecured social interest home loans		4.363.807,72	10.665.648,85
TOTAL	204.322.003,14	949.073.165,56	1.090.664.056,13

Remittances

Considering that a large number of Bolivian citizens are employed outside the country, BancoSol serves as a means to deliver remittances to families. Remittances increased by more than 262 thousand bolivianos in 2022, 2% more than in 2021.

Remittances Detail				
Detail		2020	2021	2022
Remesas	Total remittance operations	49.096	61.036	60.721
	Value of transactions received in the year (expressed in thousand dollars)	11.173.553,11	13.085.307,31	13.347.559,16

• Credit for Productive Sector:

FOGACP

The Credit Guarantee Fund for the Productive Sector was created in accordance with the enactment of Supreme Decrees No. 2136 of October 9, 2014 and No. 2614 of December 2, 2015, for Multiple Banks. On November 8, 2016, Banco Solidario S.A. and the Ministry of Economy and Public Finance signed a contract and regulations for the creation and operation of FOGACP – BSO, in accordance with the provisions of Note MEFP/VPSF/DGSF/N° 442/2016.

At the XXXIV Ordinary General Shareholders' Meeting of Banco Solidario S.A., held on February 25, 2016, it was approved the use of 6% of the profits obtained in 2015 for the constitution of FOGAVISP–BSO, which initial contribution amounts to Bs. 13.451.323. The transfer of the 6% mentioned in the previous sentence for the creation of FOGACP–BSO was subsequently approved by the XXXV Ordinary General Shareholders' Meeting of Banco Solidario S.A., which was held on June 8, 2016, of Clarification on the Constitution of the Credit Guarantee Fund for the Productive Sector.

On August 05, 2016, with Circular Letter ASFI/DNP/CC-5868/2016, ASFI forwarded Ministerial Resolution No. 634 of July 22, 2016, which approves

the second version of the Regulations of the Social Interest Housing Credit Guarantee Funds and of the Credit Guarantee Funds for the Productive Sector and renders Ministerial Resolutions No. 52 and No. 53 of February 6, 2015 null and void.

In compliance with Supreme Decree 3764 dated January 2, 2019, in accordance with the resolutions of the XXXIX Ordinary General Shareholders' Meeting of Banco Solidario S.A., held on March 1, 2019, a contribution of 3% of the results of 2018 is made in the amount of Bs.– 8.064.349.

In compliance with Supreme Decree 4131 dated January 9, 2020, in accordance with the decisions of the XL Ordinary General Shareholders' Meeting of Banco Solidario S.A., held on January 14, 2020, a contribution of 2% of the results for 2019 is made in the amount of Bs.– 6.697.262.

According to Article 4 of the aforementioned Ministerial Resolution, the Financial System Supervisory Authority (ASFI) will be responsible for supervising compliance with the aforementioned regulations.

The guarantees granted by FOGACP-BSO to BancoSol, as of December 31, 2022, for loans to the productive sector are comprised of 9,112 cases amounting to Bs. 263.500.094.

The Credit Guarantee Fund for the Productive Sector administered by BancoSol (FOGACP-BSO) has no probable contingencies of any nature at the end of 2022, except for the guarantees granted to date.

FOGAVISP

The Housing and Productive Credit Guarantee Fund (FOGAVISP – BSO) was created in accordance with the enactment of Supreme Decrees No. 2136 and No. 2137, both dated October 09, 2014, for Multiple Banks.

Based on this, at the XXXII Ordinary Shareholders' Meeting of Banco Solidario S.A., held on February 23, 2015, the constitution of FOGAVISP-BSO was approved, allocating 6% of the profits obtained in 2014, the initial amount of which is Bs.- 10.910.899.

On March 12, 2015, Banco Solidario S.A. and the Ministry of Economy and Public Finance signed a contract and regulations for the creation and operation of FOGAVISP BSO, through Ministerial Resolution No. 052.

On August 5, 2016, through ASFI Circular DNP CC 5868/2016, ASFI sent Ministerial Resolution No. 634 of July 22, 2016, which approves the second version of the Regulations of the Guarantee Funds for Social Interest Housing Loans and the Guarantee Funds for Loans to the Productive Sector and leaves without effect Ministerial Resolutions No. 052 and No. 053 of February 6, 2015.

In compliance with Supreme Decree 3036 of December 28, 2016, in accordance with the resolutions of the XXXVII Ordinary General Shareholders' Meeting of Banco Solidario S.A., held on February 21, 2017, 3% of the results for the year 2016 was allocated in the amount of Bs.- 6.744.918.

In compliance with Supreme Decree 3764 of January 2, 2019, in accordance with the resolutions of the XXXIX Ordinary General Shareholders' Meeting of Banco Solidario S.A., held on March 1, 2019, 3% of the results for the year 2018 is allocated in the amount of Bs.- 8.064.349.

In compliance with Supreme Decree 4131 of January 9, 2020, in accordance with the decisions of the XL Ordinary General Shareholders' Meeting of Banco Solidario S.A., held on January 14, 2020, 2% of the results for the year 2019 is allocated in the amount of Bs.- 6.697.262.

In compliance with Supreme Decree 4666 of February 02, 2022, MR 043 of March 03, 2022, in accordance with the determinations of the XLIII Ordinary General Shareholders' Meeting of Banco Solidario S.A., held on March 14, 2022, 1.2% of the results for the year 2021 is allocated in the amount of Bs.- 3.091.789.

According to article 4 of the aforementioned Ministerial Resolution, the Financial System Supervisory Authority (ASFI) will be responsible for enforcing compliance with the aforementioned regulations.

By means of Special Power of Attorney 290/2022 dated April 6, 2022, Mr. Luis Bejarano Martínez, National Deputy Chief Operational Control Officer and Mónica Cecilia Eyzaguirre Fanola, legally represent Banco Solidario S.A. as Administrators of the Social Interest Housing Loan Guarantee Fund (FOGAVISP-BSO).

The guarantees granted by FOGAVISP-BSO to Banco Solidario S.A., as of December 31, 2022, in Social Interest Housing Loans amount to Ninety-Six (96) cases, for a total amount of Bs.- 2.596.018.

Likewise, in compliance with the provisions of Article 13, Chapter III Guarantee Regime of the Regulations

of the Guarantee Funds for Housing Loans of Social Interest – Version II, of Ministerial Resolution No. 634, FOGAVISP- BSO is guaranteeing Housing Loans of Social Interest to Banco Mercantil Santa Cruz S. A. for Bs. 50.868.696, Banco Nacional de Bolivia S.A. for Bs. 24.185.584, Banco Ganadero S.A. for Bs. A. for Bs. 50.868.696, to Banco Nacional de Bolivia S.A. for Bs. 24.185.584, to Banco Ganadero S.A. for Bs. 6.967.430 and to Banco Unión S.A. for Bs. 18.560.541 as of December 31, 2022.

10.4 Corporate development

BancoSol not only offers deposit, credit, remittance and other products, but also promotes the economic growth of its clients through initiatives that provide them with commercial visibility and foster commercial relations through non-financial offerings.

BancoSol enables microentrepreneurs in La Paz, Cochabamba, Santa Cruz and Tarija to enhance their brands, increase their sales and promote their products in cultural spaces and in the Interactive Museum of Microfinance. They also receive training through the CapacitaRSE program, which is in line with the institutional mission.

Visitors can make purchases through a QR code.

11. Sustainable customer practices

11. Sustainable customer practices

11.1 Social and environmental risk assessment

(GRI 3-3)

Measuring the carbon footprint of its portfolio is BancoSol's objective in its 2025 sustainability strategy.

The bank has already taken the first steps to identify and assess the climate change risks of its loan portfolio. International banking is working on this issue due to the risks posed to financial institutions by the default of clients in potentially more affected sectors of economic activity.

The following are the first actions in this climate risk process:

- Analysis of reference documents:

1. At the international level, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) were reviewed to address emerging climate risks, based on the pillars of governance, strategy, risk management and metrics and objectives.

2. At the regional level, reports and surveys related to climate change risks for the financial system were analyzed, as well as environmental scenarios, climate risk stress tests, principles of responsible banking, risk assessment and climate-related financial disclosure, among others.

- In order to identify cases related to climate change, a review of the events registered in the PIRANI software as of December 2022 was carried out. Expenses related to the repair and maintenance of fixed assets that were affected by strong winds and floods were mainly recorded. These events are related to external factors that have insurance coverage to reduce the effects.

11.2. Calculation of the portfolio's carbon footprint

(GRI 305-3)

The main contribution of financial institutions to the generation of greenhouse gas (GHG) emissions

is not found in their direct activity, but in that of the clients who receive financing (industry, agriculture, livestock, etc.).

The Bank, in addition to measuring its emissions from fuel and electricity (Scope 1 and 2), began to calculate the emissions from its credit portfolio (category 15 of Scope 3, nomenclature according to the GHG Protocol).

BancoSol as a member of the Global Alliance for Banking on Values (GABV) is fully committed to the Climate Change Commitment (3C) initiative, which calls on its signatories to measure and report the Greenhouse Gas (GHG) emissions they produce through their portfolio.

The Bank uses the Partnership for Carbon Accounting Financials (PCAF) methodology to perform the calculation, in particular its Global GHG Accounting and Reporting Standard for the Financial Industry, which is based on the following principles:

- **Recognition**
Report all emissions financed in the Scope 3.
- **Measurement**
Measure and report all funded emissions for each asset class.

- **Attribution**
The financial institution's share of emissions shall be proportional to the share of its exposure relative to the total (company, project, asset) value of the borrower or investee.
- **Data quality**
Financial institutions shall use the highest quality data available for each asset class.
- **Disclosure**
Publish the results of the implementation of the methodology.

To perform this calculation, the institution defines some initial limits in the portfolio to start the analysis, which will progressively increase in scope. Data on the inputs and outputs associated with each type of asset were collected, calculating the funded issues for each type of asset using the 7 methods for financial institutions specified by PCAF. Initial results were interpreted and reported internally.

A portfolio scope equivalent to USD 1.952 MM has been analyzed at year-end.

Based on these results, BancoSol is working on strategies to reduce financed emissions.

12. Social and environmental development

12. Desarrollo del entorno ambiental y social

12.1. Social projects with the community

BancoSol is strongly committed to serving the population in Bolivia, especially its educational needs. This approach and the social actions implemented are complementary to the positive social impacts generated through the operation and business.

- 1) Social Capital School
- 2) Employee volunteering
- 3) Donation program: AcciónSol

Social Capital School

With more than 13 years of experience, it currently offers several programs: ClaveSol (La Paz, Cochabamba and Santa Cruz), robotics, app creation, writing and reading, public speaking, mathematics and English, which are available to children and young people from 6 to 17 years of age throughout the country.

More than one million Bolivianos were invested in the Social Capital School in 2022.

Social Capital School workshops		
Project	Description	Social Impact
Social Capital School- ClaveSol La Paz	Free in-person music lessons for the following instruments: - Violin - Viola - Cello - Double bass In coordination with Bolivia Clasica Foundation, 116 training hours in 4 months were provided.	Children enrolled -50 Certified children 48 - Girls 36 - Boys 12
Social Capital School - ClaveSol Cochabamba	Free in-person music lessons for the following instruments: - Violin - Viola - Cello - Double bass In coordination with the Bravura Music Foundation, children from the San Sebastián Women's Prison and the community of the Villa Calendaría area benefited from 81 hours of training in 4 months.	Children enrolled -78 Certified children 63 - Girls 33 - Boys 30

Social Capital School workshops		
Project	Description	Social Impact
Social Capital School – ClaveSol Santa Cruz Los Lotes	Free in-person music lessons for the following instruments: – Violin – Viola – Cello – Double bass In coordination with the San Juan Bautista Church, we benefited children from Los Lotes and surrounding areas. Musical instruments were given to children who did not have them. 162 hours of training were provided in 5 months.	Children enrolled – 50 Certified children 46 – Girls 28 – Boys 18
Social Capital School – ClaveSol Buena Vista	Free in-person music lessons for the following instruments: – Violin – Viola – Cello – Double bass In coordination with the San Juan Bautista Church, we benefited children from Los Lotes and surrounding areas. Musical instruments were given to children who did not have them. 162 hours of training were provided in 5 months.	Children enrolled – 56 Certified children 50 – Girls 32 – Boys 18
Social Capital School – Santa Cruz ClaveSol Plan 3000	Free in-person music lessons for the following instruments: – Violin – Viola – Cello – Double bass – Music in colors In coordination with the Hombres Nuevos Foundation, we benefited children from Plan 3000 and surrounding areas. Musical instruments were given to children who did not have them. 108 hours of classes were provided in 4 months of training.	Children enrolled – 138 Certified children 116 – Girls 68 – Boys 48
Social Capital School – English classes	Online classes: – Reading – Writing – Speaking – Comprehension In partnership with Berlitz, the objective of the project was to strengthen the communication skills of children and adolescents and enable them to learn about new cultures.	Children enrolled – 239 Certified children 154 – Girls 91 – Boys 63
Social Capital School – Math classes	Online classes: – Reasoning – Numeracy skill – Spatial skill – Measurement skill – Problem solving – 45 hours of classes were given during the four months of training with the objective of helping our children and adolescents to improve their mathematical skills according to their age and level.	Children enrolled – 373 Certified children 184 – Girls 93 – Boys 91
Social Capital School – Reading comprehension and writing	Online classes: – Reading comprehension – Writing 48 hours of classes were given during four months with the objective of improving the written and oral expression of the children and young people.	Children enrolled – 171 Certified children 77 – Girls 51 – Boys 26
Social Capital School – Public speaking	Online classes: – Public speaking – Poetry – Drama 72 hours of classes were given in two groups over three months with the objective of fostering leadership and public speaking skills in children and young people through written language and, at the same time, improving oral expression.	Children enrolled – 299 Certified children 201 – Girls 106 – Boys 95

Social Capital School workshops		
Project	Description	Social Impact
Social Capital School – Software development	Online classes: - Use of programming platform - Design of app interface - Programming basics - Sensor use in mobile apps - App development - 40 hours of classes were given in 4 months to children and young people to learn how to develop applications.	Children enrolled – 158 Certified children 121 - Girls 63 - Boys 58
Social Capital School- Robotics	Online classes: - Use of programming platform - Identification of robot parts - Robot design - Programming basics - 40 hours of classes were given in 4 months to children and young people to learn about robotics	Children enrolled – 227 Certified children 192 - Girls 60 - Boys 132

In 2022, 1,839 children and young people were enrolled, which exceeded the target by 23%. Of these, 68% received certification in the various areas of our programs.

We can highlight that the ClaveSol music programs had the lowest attrition rate, with an average of 12%. At the end of the program, ClaveSol Bravura, Bolivia Clásica, Hombres Nuevos and Parroquia San Bautista produced the second highest number of certificates, only after our math program.

Detalle	Desarrollo de aplicaciones	Robótica	Oratoria	Lectura	Matemáticas	Inglés	ClaveSol Bravura	ClaveSol Bolivia Clásica	ClaveSol Hombres Nuevos	ClaveSol Parroquia San Juan Bautista	Total
Target number of children enrolled	150	200	200	100	200	200	50	50	100	100	1,350
Children enrolled	158	227	299	171	373	239	78	50	138	106	1,839
Number of active students as of December 30, 2022	121	192	201	77	184	174	63	48	116	96	1,272
Certificates given at the end of the course	121	192	201	77	184	154	63	48	116	96	1,252
% of certificates	77%	85%	67%	45%	49%	64%	81%	96%	84%	91%	68%

Volunteering

BancoSol's employees are a representation of the institution's vision, mission and values because they promote and transmit its commitment to the community by voluntarily participating in events organized by the bank and the strategic allies.

We have about 15 volunteers per city in La Paz, El Alto, Tarija and Cochabamba in 2022.

AcciónSol

BancoSol's strategic donations program focuses on low-income people who need financial assistance to cover their medical expenses, food and/or basic needs. More than Bs. 280.000 was invested in social assistance in 2022.

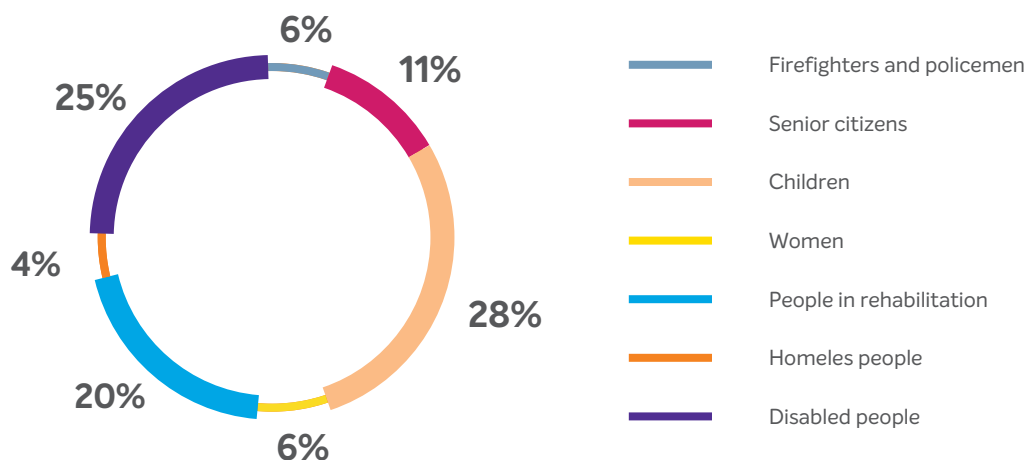
With the creation of new fields of action and joint initiatives with strategic partners, BancoSol intends

to increase its positive impact in favor of children by promoting gender equity, the sustainability of cities and communities, and entrepreneurship.

Across the country, 4,512 people benefited from AcciónSol's actions and collaborations.

Regional	Total beneficiaries
National office	1.984
La Paz	330
Cochabamba	248
Santa Cruz	1.030
El Alto	330
Beni	65
Pando	60
Oruro	114
Sucre	60
Potosí	60
Tarija	231

Group of beneficiaries



BancoSol carried out the following joint campaigns with its strategic partners in 2022:

- **Pre-School Creativity Center – San José Catholic Society.** The project benefited 83 children under 5 years of age, promoting their integral development through pedagogical support, food security and community organization.
- **Strengthening technical skills and sowing seeds for employability Hábitat para la Humanidad Bolivia.** The objective is to improve job opportunities for 50 vulnerable women within the Department of Santa Cruz by developing skills and knowledge in plumbing and home electricity, soft skills, human rights and entrepreneurship. Habitat for Humanity organized 36 training workshops to certify 43 women as Plumbing Technicians. Their practical work improved the health of 12 family homes, 4 schools (benefiting more than 2.000 students), 2 health centers and 1 church (benefiting more than 500 people).
- **Corporate Sponsorship in La Paz and Sucre – Aldeas Infantiles SOS.** Contribute to the integral development of 2 families and 17

participants in the cities of Sucre and La Paz, who are part of the SOS family in the village, to ensure their rights and stability in a protective environment.

12.2. Environmental management

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

BancoSol carries out internal and external actions to increase environmental awareness. In 2017, the Board of Directors approved the Environmental Policy in order to continue optimizing the use of resources, such as energy, and decrease Greenhouse Gas (GHG) emissions.

Energy and emissions

(GRI 302-1, 302-3, 302-4)

Within more than 80 agencies and financial service points in all Departments of Bolivia, BancoSol monitors its energy and fuel consumption in order to take action as data changes.

The following table includes fuel and electricity consumption. In terms of fuels, gasoline and diesel are considered, and from 2022 the use of natural gas by vehicles will also be considered.

Energy consumption				
Source	Measurement unit	2020	2021	2022
Fuel	GJ	Not available	15.876,02	20.970,29
	kWh		4.410.006,02	5.825.079,64
Electricity	GJ	Not available	17.223,83	14.868,88
	kWh	5.571.268	4.784.397	4.130.244,00
Total Energy	GJ		33.099,85	35.839,17
	kWh	Not applicable	9.194.403,02	9.955.323,64



Energy consumption intensity per year			
Energy consumption intensity	2020	2021	2022
kWh/employee	Not available	2.995,90	3.170,48
GJ/employee	Not available	10,79	11,41

In 2022, the Bank recorded an 8.3% increase in energy consumption due to the recovery of its activities after the pandemic; the increase in intensity was 5.8%, due in part to the hiring of new employees.

GHG Emissions

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

In 2022, BancoSol calculated its carbon footprint, including Scope 1 and 2, and part of the categories of Scope 3. BancoSol's Carbon Footprint in 2022 is 5,016.24 tCO₂e. The data was obtained for the purpose of creating a route to reduce emissions, as well as to raise awareness among internal and external stakeholders.

- Scope 1 Emissions – direct emissions due to fuel consumption and refrigerant gas leakage.
- Scope 2 Emissions – indirect emissions associated with the consumption of electricity.
- Scope 3 Emissions – other indirect emissions generated in the value chain. According to the GHG Protocol, internal reference methodology; it includes up to 15 categories.

GHG Emissions 1 and 2 (tonCO ₂ eq)	
Scope 1	2.884,63
Scope 2	1.637,01
Total (Scope 1+2)	4.521,64
Intensity (tonCO ₂ eq/employee)	0,84

GHG Emissions Scope 3 (tonCO ₂ eq)	
Categories	Value
Goods and services purchased	132,04
Waste generated in operations	0,09
Business trips	362,47

Regarding Scope 2 emissions, the implementation of the first Photovoltaic System at the National Office, with a projected installed power of 50 kW, is expected to have a positive impact in 2023.

The calculation was performed by BancoSol using the international standard ISO 14064-1 – Specification with Guidance – at the organizational level, for measuring and reporting greenhouse gas emissions and removals. However, it is presented in the form of Scopes 1, 2 and 3 to comply with the standards established by the Global Reporting Initiative (GRI).

Other environmental issues

BancoSol is firmly committed to reducing waste generation and promoting recycling through different initiatives.

The Bank organized the internal Ecotriathlon in 2022, a competition among the different agencies of the bank to reduce the amount of solid waste, the use of energy and the reuse of recyclable materials.

Categories:

- Elaboration of eco-bricks
- Reduction of paper consumption
- Reduction of electricity consumption

Results:

- A total of 1.374 m3 of solid waste was reduced.
- A total of 687 eco-bricks were built with recyclable materials to construct homes for stray dogs.
- On average, the three winning agencies reduced their paper consumption by 17,3%.
- The winning agencies reduced their energy consumption by an average of 17%.
- That the wood comes from forests managed according to the criteria of the Forest Stewardship Council;
- It includes measures for sustainable forest management in ecological, social and economic aspects;
- That products carrying the FSC certificate label go through a chain of custody from the forest to the manufacturer to the trader.

In 2022, steps were taken to purchase and use Forest Stewardship Council (FSC) certified paper as part of BancoSol's environmental sustainability strategy. This certification guarantees the following:

BancoSol's paper consumption comes from suppliers who certify that the paper comes from forests managed sustainably. Independent third-party auditors evaluate the chain of custody of companies seeking FSC certification, ensuring transparency.



13. Financial results

13. Financial results

13.1. Relevant financial data

(GRI 3-3)

BancoSol's great work as a financial institution helps Bolivia advance and progress. Providing accessible and inclusive credit demonstrates its impact on the economy. Similarly, the institution promotes financial literacy and savings among customers for responsible management.

At the same time, BancoSol is a solid and solvent entity, which enjoys the necessary solvency and liquidity levels. The main indicators are presented below:

Financial data per year				
Detail	2020	2021	2022	VAR 2022-2021
Assets (in \$ MM)	2.307	2.528	2.721	8%
Contingencies (in \$ MM)	0	0	0	0
Loan portfolio (in \$ MM)	1.781	1.918	2.088	8%
Deposits (in \$ MM)	1.375	1.554	1.687	9%
Taxes (in \$ MM)	45	29	49	68%
Net profit (in \$ MM)	12	38	47	25%
Operationa efficiency index (average operating expenses, assets and contingencies) (%)	4,54%	4,22%	4,65%	0,43
ROE (%)	0,54%	1,55%	1,79%	0,24
ROA (%)	4,82%	14,63%	16,02%	1,39
Liquidity ratio (%)	70,06%	76,22%	76,78%	0,56
Equity (in \$ MM)	244	281	312	11%
Solvency Index (Technical reserves) (%)	10,59%	11,10%	11,48%	0,39
Bad debt index (Non performing loan portforlio) (%)	0,54%	0,68%	0,74%	0,06

13.2. Product evolution

Credit

(GRI FS7) (SASB FN-CB-000.B, FN-CB-410a.1).

BancoSol's microloan portfolio balance increased by 8.8% in 2022 compared to the previous year. Due to post-pandemic circumstances, the

country's economic recovery, and BancoSol's business strategy of focusing most of its attention on microcredit, there has been a restriction in SME lending.

Due to their social nature, the data have already been presented in the chapter on financial inclusion, but they are presented again below:

Financial date per year					
	Detail	2020	2021	2022	VAR
Microcredit	Number of customers	214.037	229.487	251.527	22.040
	Year-end balance (thousand USD)	1.427.532	1.549.138	1.676.801	127.663
SME	Number of customers	28	16	9	-7
	Year-end balance (thousand USD)	840	440	275	-165
Housing	Number of customers	23.184	23.987	25.420	1.433
	Year-end balance (thousand USD)	188.284	196.126	202.864	6.738
Consumer	Number of customers	42.607	42.882	52.237	9.355
	Year-end balance (thousand USD)	164.482	172.319	208.349	36.030



Deposits

(SASB FN-CF-000.A, FN-CF-000.B; FN-CB-000.A)

BancoSol's intention is to expand its credit offering to the savings segment, creating savings accounts aimed at both individuals and corporations. Communication with customers and the trust they

have placed in the institution have increased the number of accounts in both segments, increasing 6.39% in individuals and 21% in corporations. In the total value of deposits collected, there are also positive trends.

Savings account	Banking individuals				Banking legal entities			
	2020	2021	2022	Var 22-21	2020	2021	2022	Var 22-21
Number of accounts	1.210.711	1.262.534	1.343.268	80.734	2.357	2.863	3.473	610
Deposits (at the end of the year) (in \$ thousand)	555.235	638.064	700.512	62.448	1.096.791	1.312.855	1.350.305	37.450

Remittances

There is a large number of Bolivian citizens living abroad, who migrated at different historical moments. For this reason, the remittance product is fundamental.

	Detail	2020	2021	2022	Var 22-21
Remittances	Total remittance operations	49.096	61.036	60.721	-315
	Value of the transactions received (in the year) (expressed in thousand USD)	11.173.553,11	13.085.307,31	13.347.559,16	262.252

13.3. Economic value distributed

(GRI 201-1, 201-4)

The distribution of the economic value generated demonstrates BancoSol's commitment to generate value for all its stakeholders.

continue to grow thanks to the retained economic value, which is shown in net income.

The Bank is able to dispose of resources to maintain the stability of the institution and

In 2022, BancoSol received no financial assistance of any kind from the government.

Expressed in thousand Bs				
Account	2020	2021	2022	Var. Anual
Income	3.829.447,04	3.931.083,99	4.584.981,85	653.897,85
Financial income	3.676.614,88	3.714.985,00	4.257.848,83	542.863,83
Other operating income	73.539,90	101.832,10	159.154,89	57.322,80
Service income	56.308,11	98.026,78	146.821,80	48.795,02
Other income	22.984,15	16.240,12	21.156,33	4.916,20
Expenses	3.666.288,81	3.415.785,80	3.940.680,38	524.894,58
Financial expenses	1.629.353,75	1.544.588,83	1.521.437,02	-23.151,81
Operating expenses	28.353,23	42.262,44	28.238,91	-14.023,53
Service expenses	14.930,10	17.822,04	17.516,34	-305,70
Administrative expenses	684.527,62	700.708,89	834.389,08	133.680,19
Personnel expenses	536.275,12	541.160,79	643.216,33	102.055,54
Taxes	627.504,13	404.419,56	671.360,51	266.940,95
Other expenses	145.344,85	164.823,25	224.522,18	59.698,93
Net profit	163.158,23	515.298,19	644.301,47	129.003,28

Index | :

Detail of ESG Management

Detail of ESG Management

Relationship with stakeholders

(GRI 2-28, 2-29)

Creating value for its stakeholders is one of BancoSol's main objectives, so maintaining constant communication and paying attention to their needs and expectations is essential to the bank's strategy and operation. The institution aims to maintain a fluid conversation and continue creating value for all of them.

The Bank considers stakeholders to be all those who are affected by its activity, as well as those who have a significant influence on the achievement of the objectives that the Bank has set.

BancoSol updated its organizational culture, purpose, mission and vision during 2022 through the active involvement of its employees. Similarly, the corporate identity was updated to meet the needs of external stakeholders. To generate value and find appropriate communication channels, a selection of stakeholders were consulted as part of the process of determining material issues:

Communication channels per stakeholder		
Stakeholder	Value proposal	Channels
Employees	<ul style="list-style-type: none"> • Ensure well-being, professional development and equal opportunities • Ensure a safe work environment, free of harassment, discrimination, and provide job security • Strengthen professional skills to create competitive professionals and leaders in the labor market • Structured, transparent and inclusive constant growth 	<ul style="list-style-type: none"> • Financial Report • CSR Report • “Exprésate” (tool) • Digital channels • FonoSol • Publicity • Surveys <p>*(Extracted from the current Policy of Interaction and Cooperation between stakeholders)</p>
Shareholders	<ul style="list-style-type: none"> • Capital invested in a Bank with solid economic performance, 100% regulatory compliance and a clear growth strategy • Pioneer in integrating ESG factors into its comprehensive strategy • Promoters of sustainable finance growth in Bolivia 	<ul style="list-style-type: none"> • Ordinary Shareholders’ Meetings • Extraordinary Shareholders’ Meetings • Financial Report • CSR Report • Corporate Governance Report • Digital channels <p>*(Extracted from the current Policy of Interaction and Cooperation between stakeholders)</p>
Suppliers	<ul style="list-style-type: none"> • Transparent processes that promote competitiveness and quality • Building long-lasting relationships that allow the business to grow • Participation and voice in the development and direction of the Bank in the short, medium and long term 	<ul style="list-style-type: none"> • Financial Report • CSR Report • Digital channels • FonoSol • Publicity • In-person meetings • Surveys <p>*(Extracted from the current Policy of Interaction and Cooperation between stakeholders)</p>
Competitors	<ul style="list-style-type: none"> • Clear, fair and transparent administration that ensures fair competition and mutual collaboration for the benefit of the business, the environment and the community. 	<ul style="list-style-type: none"> • Annual Report • Joint campaigns
Customers	<ul style="list-style-type: none"> • Access to products and services developed to ensure their accessibility and reach at all levels • They benefit from programs and initiatives that seek individual financial development; a special focus is given to micro, small and medium-sized enterprises. • Support and digital communication channels are available throughout Bolivia (including rural areas). 	<ul style="list-style-type: none"> • Financial Report • CSR Report • “Tu Opinión nos Interesa” (tool) • Claim points • FonoSol • Publicity • In-person meetings • Surveys <p>*(Extracted from the current Policy of Interaction and Cooperation between stakeholders)</p>
State/Authorities / Regulatory entities	<ul style="list-style-type: none"> • Regulatory compliance as the basis of the overall value strategy, which is prioritized throughout all operations, products and services • Continuous, voluntary, transparent and quality information • Willingness and commitment from the highest levels to assist in the fight against corruption and money laundering 	<ul style="list-style-type: none"> • Financial Report • CSR Report • Corporate Governance Report • Digital channels • FonoSol • Publicity <p>*(Extracted from the current Policy of Interaction and Cooperation between stakeholders)</p>
Associations / Chambers	<ul style="list-style-type: none"> • The Bank is constantly working to create alliances, programs and projects that promote the strengthening and advancement of all financial entities in Bolivia. 	<ul style="list-style-type: none"> • Participation in ASOBAN and ASOFIN • Joint programs and projects

Communication channels per stakeholder		
Stakeholders	Value proposal	Channels
Community	<ul style="list-style-type: none"> • A visionary approach to helping the community as the roots and foundation of the organization. • The Bank creates opportunities by engaging in personal and community development. • Stable and steady growth that promotes economic and financial development at all levels of the economy and ensures social investment • High quality financial literacy throughout the country 	<ul style="list-style-type: none"> • Financial Report • CSR Report • “Tu Opinión nos Interesa” (tool) • FonoSol • Publicity • In-person meetings • Surveys <p>*(Extracted from the current Policy of Interaction and Cooperation between stakeholders)</p>
Media	<ul style="list-style-type: none"> • Alianzas para la promoción y crecimiento de un sector financiero boliviano más sensible e inclusivo. • Comunicación de desempeño del banco, sus programas de sensibilización y acciones por la comunidad 	<ul style="list-style-type: none"> • Annual Report • Participation in events • Communication campaigns

BancoSol also has a strong presence in the national financial arena, as it is a member of the Association of Private Banks of Bolivia (ASOBAN) and the Association of Financial Institutions Specializing in Microfinance (ASOFIN).

The bank has adopted the United Nations Environment Programme Finance Initiative (UNEP FI) and has pioneered the implementation of the Principles of Responsible Banking in Bolivia.

BancoSol is also part of the United Nations Global Compact, working together with the local network in Bolivia and is a founder of the Mesa de Finanzas Sostenibles (Sustainable Finance Roundtable). It is a signatory of the Women’s Empowerment Principles (WEPS) and actively participates in the Gender and Environment Roundtables.

Finally, BancoSol is part of the Global Alliance for Banking on Values (GABV); a worldwide movement of social and sustainable banking practices. It is also member of the Financial Alliance for Women.

Materiality analysis

(GRI 3-1, 3-2)

The exercise known as impact materiality was updated by BancoSol in 2022. However, it added a second perspective: economic reality. This involves identifying material issues and how they may affect the company’s financial results and access to financing. The financial market is the main target of this approach, with institutional investors, asset managers, international banks and rating agencies.

The global trend is to adopt both approaches, considering dual materiality (impact and financial), as established in European standards and in Colombia for the Americas.

Impact materiality

This shows how the company has a global impact on the economy, the environment and people; these effects can be positive or negative in terms of operation, reputation and finances.

It contributes to the implementation of the standards established by the *Global Reporting Initiative*. (GRI).

Financial materiality

It shows ESG elements that could have a reasonable impact on the company's financial position, operating performance and cash flows. This is necessary to comply with the *Accounting Standards Board's Sustainable Accounting Standards (SASB)*.

Impact materiality:**1. Review**

Analysis of the general context in which the Bank operates, considering its activities, business relationships and how it relates to its stakeholders.

2. Identification

Identification and mapping of current and potential effects in which BancoSol may be involved in order to create a list of potentially material issues, including the following:

- Sectoral reference documents proposing key issues. It includes those related to international extra-financial reporting standards (GRI, SASB), UNEP-FI and related reference initiatives.
- Trends and advances in sustainability in banking in Bolivia (ASOBAN, ASFI).
- Sectoral risks and opportunities of rating agencies (e.g. S&P).
- References of the context of operation and analysis of global risks presented annually by the World Economic Forum (WEF) and the progress of the status of the Sustainable Development Goals (SDGs) in Bolivia.

3. Prioritization

The preliminary list of potentially material issues was analyzed and evaluated under the following approaches:

- That it is a priority for the Bank according to the corporate strategy; through interviews to a selection of executives.
- Importance for prioritized stakeholders, after consulting employees, shareholders, unions, correspondents, microfinance prescribers (IDB Invest and IFC). The perspective of customers and suppliers was integrated through the Bank's internal teams.

4. Validation

As the highest body of corporate governance, BancoSol's Board of Directors was directly involved in the process of validating material issues.

Financial materiality

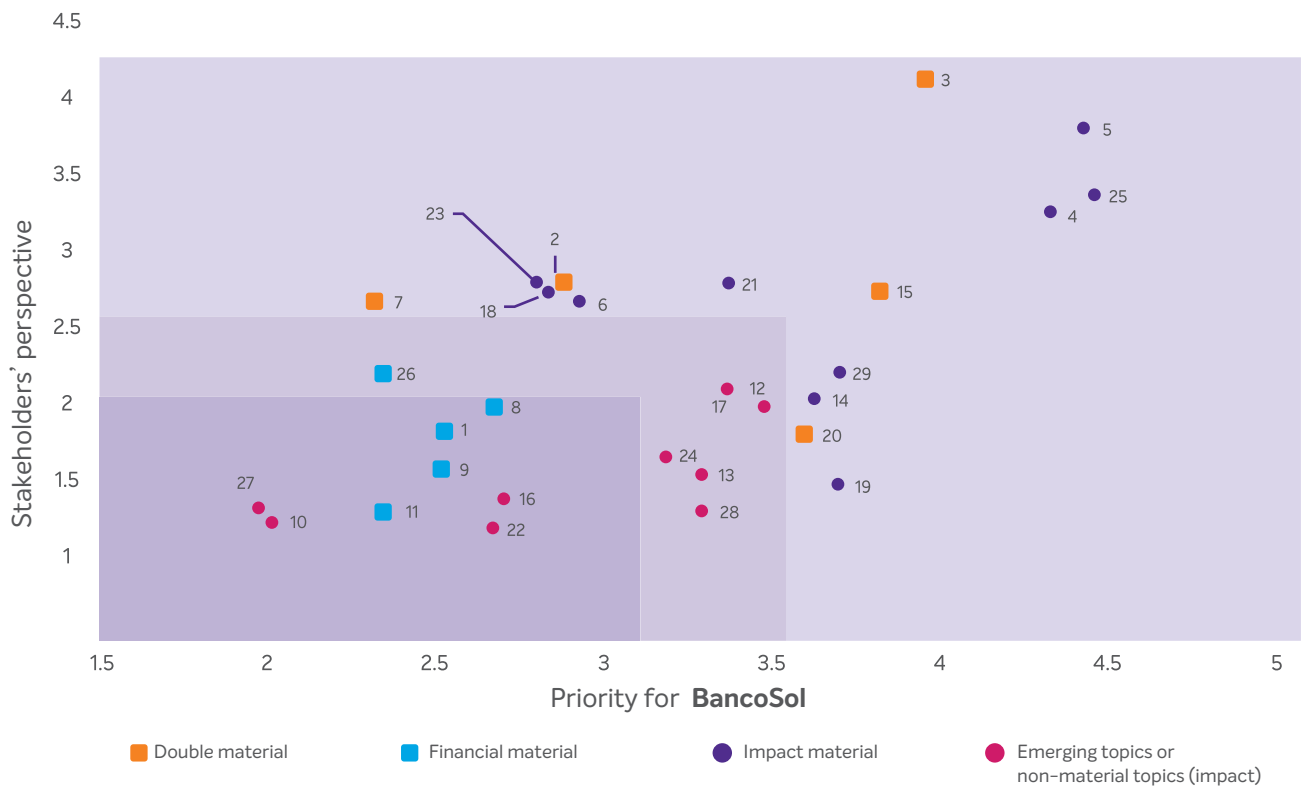
The key topics established by the Sustainability Accounting Standards Board (SASB) were used for the industries within the financial sector that apply to BancoSol: Commercial Banking and Consumer Finance. SASB has organized different economic activities into 77 industries, which are grouped into sectors.

For financially material issues, SASB set up working groups with international financial market participation.

The result is shown below:

Material topics		
Type	No.	Topic
Impact	5	Digitalization
Both	3	Financial inclusion
Impact	25	Regulatory compliance
Impact	4	Customer service
Both	15	Diversity, equity and inclusion
Impact	21	Corporate governance
Impact	29	Portfolio social and environmental impact
Impact	14	Training for employees
Both	2	Sustainable financing
Impact	23	Relationship with authorities
Impact	6	Innovation in products and services
Impact	18	Financial literacy and culture of insurance
Both	20	Ethics and transparency
Impact	19	Recruitment and attraction of human talent
Ambas	7	Economic performance
Financiera	8	Cyber-security
Financiera	1	Sustainable investment
Financiera	9	Privacy and responsible use of customer information
Financiera	11	Sales practices
Financiera	26	Climate Change Risk Management

Double materiality matrix



Impact materiality

X	Y	
>3.59	>2.52	Material topics
>3.12	>2.19	Emerging topics
< 3.12	< 2.19	Non-proactive management topics

Financial materiality



Index II:

Global Compact and SDGs

Global Compact and SDGs

Global Compact Index

BancoSol is a member of the United Nations Global Compact, the main global initiative of companies to contribute to social development, environmental protection, and sound and ethical governance. It is therefore committed to adopting the 10 Principles (detailed below) advocated by the initiative.

Principle		Commitment	Performance (presented in the Integrated Report)
1	Businesses should support and respect the protection of internationally proclaimed human rights.	Code of ethics Code of conduct Internal Work Regulations Compliance Policy Complaint System and Resolution Process Sustainability Policy	Profile and strategy
2	Businesses should make sure that they are not complicit in human rights abuses.		Culture of ethics and compliance
3	Business should uphold the freedom of association and the effective recognition of the right to collective bargaining..	Code of Ethics Code of Conduct Internal Work Regulations	Team commitment
4	The elimination of all forms of forced and compulsory labour.	Code of Ethics Internal Work Regulations	Culture of ethics and compliance
5	The effective abolition of child labour.		
6	The elimination of discrimination in respect of employment and occupation.	Internal Work Regulations Code of Conduct – Equity Principle Gender strategy Progress: Commission of diversity, equity and inclusion	Team commitment
7	Business should support a precautionary approach to environmental challenges.	Sustainability Policy Eco-efficiency program (including energy management) Corporate carbon footprint measurement Portfolio carbon footprint measurement	Sustainable practices with customers Social and environmental development

	Principle	Commitment	Performance (presented in the Integrated Report)
8	Undertake initiatives to promote greater environmental responsibility.	Recycling programs: Ecotriatlón Environmental awareness for employees	Social and Environmental Development
9	Encourage the development and diffusion of environmentally friendly technologies.		
10	Business should work against corruption in all its forms, including extortion and bribery.	Code of Ethics Code of conduct Internal Working Regulations Sustainability Policy Compliance Policy Fraud and corruption prevention policy General principles for fraud and corruption risk management Whistle-blower hotline	Culture of ethics and compliance

Sustainable Development Goals Index

The Sustainable Development Goals (SDGs) are a roadmap for achieving a resilient, inclusive and sustainable future for generations to come. They include the goals set by the UN in the 2030 Agenda.

Companies have the opportunity to contribute, particularly through their business models and portfolio of goods and services.

In the financial sector, this is achieved through financial inclusion and education, sustainable credit

customer practices, human capital management, supplier relations and other aspects of corporate governance.

Based on the material issues of impact, BancoSol determined the priority SDGs with which it will work and set its goals.

BancoSol's contribution, which is also presented throughout this report, is noteworthy.

SDG	Goals	Initiatives	Key indicators
1. No poverty	1.4	<ul style="list-style-type: none"> - Business model focused on microcredit - Complementary services for a comprehensive value proposition: deposits, savings, remittances, insurances. - Extensive network of Financial Service Points distributed in rural and urban areas in all departments of Bolivia. - Non-financial correspondent model - Development of mobile banking - E-banking 	<ul style="list-style-type: none"> - Microcredit portfolio growth of 8.8%. - 251.527 microcredit customers - 1.054 financial service points - 596 Sol Amigo Express points (non-financial correspondents) - 63.2% growth in Solnet and AppSol users - Digital channels account for more than 60% of operations
4. Quality education	4.2, 4.3, 4.4	<ul style="list-style-type: none"> - Training plans and financial information for senior citizens and people with disabilities. - Participation in financial literacy programs organized by BancoSol, ASOBAN and ASOFIN - Implementation of the Social Capital Schools for the education of children and young people - Implementation of the FormaSol leadership program and other training programs 	<ul style="list-style-type: none"> - Financial Literacy Sub Program: 91.776 customers trained in the year - Financial Information Sub Program: 5.209.212 customers - 1.839 students enrolled in Social Capital Schools - 33,09 average training hours per employee
5. Gender equality	5.1, 5.2, 5.5	<ul style="list-style-type: none"> - Developing a gender strategy for clients and employees - Supporting the growth of women in the bank. - Creation of the Diversity, Equality and Inclusion Committee - Partnerships for business initiatives targeting women - Implementation of the ELSA diagnostic tool to foster a culture of zero tolerance for workplace and sexual harassment 	<ul style="list-style-type: none"> - 400 employees trained in gender - 52,3% of female employees - 22,2% of women working in executive positions (from % en 2020). - 31% of women working in STEM positions - First company to use ELSA

SDG	Goals	Initiatives	Key indicators
8. Decent work and economic growth	8.2, 8.3, 8.5, 8.10	<ul style="list-style-type: none"> Financial products that promote the economic development and growth of the country's most important productive sectors. Contribution to the development of SMEs through credit products. We create spaces to promote the growth of national entrepreneurs (MIC BancoSol and CapacitaRSE initiatives). Job security and benefits for the Bank's employees 	<ul style="list-style-type: none"> USD 20.000.000 of loans for SMEs A 424% increase in sales of entrepreneurs' products in MIC space 3.406 employees 97,5% of employees with permanent contract
9. Industry, Innovation and Infrastructure	9.2, 9.3, 9.4	<ul style="list-style-type: none"> Investment in technology and systems to improve customer experience Innovation Hub operations and relationship with the entrepreneurship ecosystem 	<ul style="list-style-type: none"> 17.400.000,00 Bs invested in technology First program of open innovation
10. Reduce inequalities	10.2	<ul style="list-style-type: none"> Loan portfolio for financial inclusion Strategic donations program (AcciónSol) Social Capital Schools 	<ul style="list-style-type: none"> 4.512 people benefitted through AcciónSol
13. Climate action	13.1	<ul style="list-style-type: none"> Actions to reduce electrical energy consumption and waste Use of renewable energy Calculation of GHG emissions associated with fuel and electricity use; and eco-efficiency measures 	<ul style="list-style-type: none"> Reduction of 1.374 m3 of solid waste Photovoltaic System implemented in our national office 4.521,64 tCO2e
16. Peace, justice and strong institutions	16.5, 16.6, 16.7, 16.b	<ul style="list-style-type: none"> Self-regulation and adoption of best practices in corporate governance and ethics. Raising awareness among employees about ethics, fraud and corruption prevention Participation in the SDG16 program of Pacto Global Bolivia; signing of the Declaration of Business Leaders to Work for Transformational 	<ul style="list-style-type: none"> New Policy of Fraud and Corruption Prevention 100% employees trained in the Code of Ethics and Code of Conduct

Index **III:**

**CORPORATE SOCIAL
RESPONSIBILITY (CSR)
REPORT**

CSR Report

ASFI Policy Report

1. Incorporation of CSR in the Bank's strategic planning

BancoSol has an internal process that allows CSR policy to be present in all of the Bank's activities. In this way, its strategic planning is aligned with Corporate Social Responsibility (CSR).

All Management Departments work on the creation of indicators and initiatives to comply with the strategic objectives, which are found in the strategic map. The focus of this map is the creation of value for stakeholders, based on the Bank's mission, vision and values.

The following was carried out as part of the CSR evolution in 2022:

- 1) Identification and prioritization of its stakeholders, based on dependence and influence.
 - Dependence: How close is the relationship between the company's activity and BancoSol.
 - Influence: The degree to which financial results may affect the achievement of the company's strategic objectives and/or its reputation.
- 2) Dual materiality analysis: Impact (the most critical issues in terms of how the company influences its stakeholders) and financial (how they may affect the bank's balance and economic stability).

Index I: Relationship with stakeholders

I: Materiality analysis

A sustainability strategy with a list of prioritized initiatives, action plans, indicators and responsible persons was created as a result of this work. A sustainability scorecard with indicators and targets for 2025 was also established.

These initiatives were incorporated into the Institutional Strategic Plan 2023–2025 and approved by its Board of Directors.

The Institutional Strategic Plan is composed of 4 pillars:

- **Customers:** Create unique and memorable experiences
- **Innovation:** Create simpler, more agile and human experiences
- **Sustainability:** Promote economic progress and inclusive social development, while preserving the environment
- **Human talent:** Attract and retain the best human talent, accompanying its growth from a culture based on values.

The sustainability strategy is composed of environmental, social and governance dimensions; 7 focuses, with their lines of action, and 43 initiatives and indicators. BancoSol's Corporate Social Responsibility is integrated into this strategy.

Focus of the sustainable strategy:

- 1) Gobernance
- 2) Culture of ethics and compliance
- 3) Team commitment
- 4) Financial awareness and culture
- 5) Financial and digital inclusion
- 6) Customer sustainable practices
- 7) Environmental and social development

2. Compliance with goals and CSR Policy

Achievement of goals

BancoSol's CSR Plan included the following initiatives and beneficiaries in 2022:

Stakeholders: State/Shareholders				
Project	Activities	Goal	Reach	%
Financial Literacy Program	BancoSol's nationwide financial literacy programs: - Customers and users (AulaSol) - Welcome folders - PonteOn - CapacitaRSE - Descubre - Senior citizens - People with disabilities - ASOFIN	64.600	91.776	142%
Financial Literacy Report	Annual Report	1 Document	1 Document	100%
Global Compact	Membership payment	1 Document	1 Document	100%
Social Balance	Internal elaboration	1 Document	1 Document	100%
PPI	PPI	1 Document	1 Document	100%
CSR Rating	CSR Rating	1 Document	1 Document	100%
Sustainability Report	Sustainability Report	1 Document	National	100%
CSR Report ASFI	CSR Report ASFI	1 Document	National	100%
Financial Alliance for Women	Membership payment	1 Document	1 Document	100%
Principles of Responsible Banking	Membership payment			100%

Stakeholder: Community				
Project	Activities	Goal	Reach	%
Social Capital School	Free workshops for children and youths from 5 to 17 years of age: In-person workshops: - ClaveSol La Paz - ClaveSol Cochabamba - ClaveSol Santa Cruz – Plan 3000 - ClaveSol Santa Cruz – Los Lotes - ClaveSol Santa Cruz – Buena Vista	1.500	1.839	123%
	On-line workshops - Robotics - Software development - Mathematics - Reading - English - Public speaking			
Aldeas Infantiles SOS	Sponsorship of 2 families	16	17	106%
Habitat para la humanidad Bolivia	Work with different stakeholders	50	64	128%
Fundación Católica San José	Work with different stakeholders	50	82	164%
AcciónSol (Donnes salud AcciónSol)	Donations for the health sector; support for vulnerable people; and Christmas campaign	25	4.701	18,804%

Stakeholder: Customers				
Project	Activities	Goal	Reach	%
CapacitaRSE	Technical training	2.000	2.061	103%
Gender program	Women Empowerment Principles	1 program	1 program	100%
MIC BancoSol	Cultural space for entrepreneurs	42	63	150%

Environment				
Project	Activities	Goal	Reach	%
Environment	Carbon footprint		5.016tCO2e	100%
Environment	Eco-triatlón (employees)	3.057	3.406	111%
Environment	Energy Assessment at National Office	1	1	100%

Development and execution of the CSR Policy

BancoSol's Corporate Social Responsibility (CSR) Policy was approved by the Board of Directors and aims to establish the guidelines and principles to establish a CSR culture that generates value in stakeholders, committed to a management that generates value in social, economic and environmental aspects, acting ethically and transparently with stakeholders in accordance with current laws. In addition, it has a series of policies related to the CSR policy, with the following objectives:



Policy	Goal
Environmental Policy	Set guidelines to reduce greenhouse gas emissions generated by the Bank's activities, especially those derived from energy consumption, in order to contribute to curbing climate change.
Policy of Interaction and Cooperation between stakeholders	Establish guidelines to strengthen the Bank's commitment to its stakeholders based on the generation of long-term value, guaranteeing equal rights, offering maximum information transparency and encouraging continuous dialogue through existing communication channels.
Financial Literacy Policy	Establish standards to educate financial consumers, help protect their rights, promote financial inclusion, provide them with access to appropriate financial products and services, as well as their obligations, risks and benefits; and enable our clients and users to actively participate in their finances.

3. Results of the implementation and maintenance of BancoSol's CSR management process

BancoSol's CSR management process is incorporated into its business model and its Strategic Planning, following the following stages:



a) Commitment:

BancoSol's Board of Directors defines the content and scope of its CSR commitment, embodied in the CSR 2022 work plan, which is aligned with the institutional mission and vision.

BancoSol's structure allows for the implementation of the CSR plan, which positions have defined function manuals. The objectives of each position are detailed below:

b) Identification

BancoSol has identified the CSR status through the aforementioned internal and external analysis (materiality) that considered at least the following aspects:

1. Identification of the legal requirements applicable to the financial activity and those assumed voluntarily.
2. Identification and evaluation of the interests, demands and expectations of stakeholders.
3. Diagnosis of the current CSR practices implemented, which are related to the economic, social and environmental aspects of their line of business.

- [Social Capital Analyst](#)

The objective of this position is to coordinate the execution of activities of the Corporate Social Responsibility Action Plan, in coordination with the immediate superior.

- [Responsible of Social Capital](#)

The objective of the position is to coordinate, promote, strengthen and work with all the areas involved in the activities of the Corporate Social Responsibility Action Plan, ensuring strict compliance with the CSR strategic plan.

- [CSR National Sub-Management](#)

c) Planning

BancoSol incorporated CSR into its Strategic Planning and sustainability strategy. The bank has a specific plan to implement actions according to its line of business, organizational culture, strategic lines, focus, impact, responsible areas and budget.

BancoSol's CSR area is under the leadership of a National Deputy Chief Officer, whose objective is to define strategies so that the Bank's Corporate Social Responsibility Programs can ensure a balance between economic growth, the environment and social welfare, involving all internal and external stakeholders in compliance with the SDGs.

d) Implementation

The Bank has a CSR team for the proper implementation of CSR management.

[CSR Policy Development](#)

BancoSol's CSR policy includes a statement of its intentions, principles and values in relation to its commitment to CSR, which takes into account the minimum guidelines of the current regulations.

Roles, responsibilities and people in charge of CSR management:

e) Control

During 2022 BancoSol monitored the progress of CSR initiatives and their impacts in the balanced scorecard where the progress of planned projects is reviewed on a monthly basis.

f) Review and improvement

After completing the projects, BancoSol's CSR team evaluates the impacts achieved and conducts closing surveys with the beneficiaries. In this way, improvements can be found for the development of the next year's plan.

4. How the bank has implemented CSR in its organizational structure

CSR and other measures that promote sustainability, such as sustainable finance, are strategic and cross-cutting issues in all areas for BancoSol. The Bank has its own structure that directs and monitors the actions of the institution through indicators.



5. Evaluation of the compliance of CSR guidelines

a. Accountability

BancoSol is accountable to society at large for its social, economic and environmental impacts, as well as for the actions taken to prevent the recurrence of unforeseen and unintended negative impacts. The information is disclosed through CSR reports published on its website: <https://www.bancosol.com.bo/sostenibilidad-rse/>

b. Transparency

BancoSol practices open management and communicates actions and decisions that have an impact on customers, team members, and society at large in a clear, accurate, timely, and thorough manner.

The Bank's vision, mission, principles and values can be found on the website: <https://www.bancosol.com.bo/memorias-y-historia/> and through publications in all its agencies in the country.

c. Ethical behavior

BancoSol's ethical organizational behavior is based on the following principles:

- **Solidarity:** Social sensitivity is part of our essence; we seek the common good. Associated behaviors: I show respect for people and their opinions. I genuinely and generously share knowledge and skills. I advise clients with a genuine vocation to accompany their growth.



- **Integrity:** We are consistent: we do what we say, we always act correctly and transparently. Associated behaviors: I am reliable and trustworthy; I tell the truth, above all. I provide timely, complete and reliable information.
- **Commitment:** Excellence characterizes us; we take actions to fulfill what we agree to and hold ourselves accountable. Associated behaviors: I take responsibility for my actions and the results to which I commit. I learn and improve continuously. I do not generalize or make assumptions; I base my decisions on data: “Data kills story”.
- **Service:** We are reciprocal; we always act with quality and warmth. We innovate permanently. Associated behaviors: I act in a collaborative manner. Customer experience is my priority. I listen to understand and offer solutions. I am empathetic with others.

BancoSol’s Code of Ethics is aligned with the Basic Guidelines for Corporate Governance Management, included in the Compilation of Standards for Financial Services. On the other hand, the Bank’s Code of Conduct is aligned with the Financial Services Consumer Protection Regulation. Both Codes are duly approved by the Board of Directors and are in force.

d. Respect for stakeholder interests

Stakeholders, which were prioritized by dependence and influence, were defined through interviews with executives and document analysis. On the other hand, stakeholders were consulted on the Bank’s materiality in order to know their needs and implement actions that respond to those requirements.

The Stakeholder Interaction and Cooperation Policy establishes the following groups and permanent communication mechanisms:

Communication mechanisms	
Stakeholders	Communication
Shareholders	Ordinary Shareholders' Meetings - Extraordinary Shareholders' Meetings - Financial Report - CSR Report - Corporate Governance Report Digital channels
State/Authorities	- Financial Report - CSR Report - Corporate Governance Report - Digital communication - FonoSol - Publicity
Suppliers	- Financial Report - CSR Report - Digital channels - FonoSol - Publicity - In-person meetings - Surveys
Community	- Financial Report - CSR Report - "Tu Opinión nos Interesa" (tool) - FonoSol - Publicity - In-person meetings - Surveys
Colaboradores	- Memoria Financiera - Informe de RSE - Herramienta "Exprésate" - Canales de Comunicación Digital - FonoSol - Publicidad y Propaganda - Encuestas
Customers	- Financial Report - CSR Report - "Tu Opinión nos Interesa" (tool) - Claim points - FonoSol - Publicity - In-person meetings - Survey

Index I: Relationship with stakeholders

e. Compliance with laws and regulations

BancoSol is one of the largest financial institutions in Bolivia and fully complies with all tax, labor, financial and commercial regulations in the country.

Culture of ethics and compliance: management approach

f. Respect for Human Rights

BancoSol works with a multiple approach to Human Rights: 1) Diversity and Inclusion, especially with a gender focus; 2) Employee Welfare; 3) Inclusive products (financial inclusion); 4) Accessibility to channels; 5) Financial Literacy; 6) Social projects with the community. Environmental actions are also related because environmental deterioration affects Human Rights.

Results:

- BancoSol fosters labor inclusion and gender equity by promoting the hiring of women in executive positions (22,2% of the total) and of young people under 30 years of age, who represent 25% of the staff. The percentage of employees with disabilities is 0,33%. Bank employees enjoy all the labor rights and benefits established in the General Labor Law.
- All necessary actions are taken to stop the infringement of consumers' and financial users' rights. All information requests, claims, and complaints are handled.

Team commitment: diversity, equity and inclusion

Team commitment: welfare

Financial and digital inclusion

Financial awareness and culture

Social and environmental development

BancoSol has prepared this Integrated Report in accordance with GRI Standards, SASB Parameters and ASFI regulatory aspects for the period from January 1, 2022 to December 31, 2022.

**Table of Contents of GRI
Index of SASB parameters**

**Contents of CSR Report
(ASFI)
External Assurance**

Table of contents of GRI

BancoSol has prepared this Integrated Report in accordance with the GRI Standards, applying the SASB Standards and the Regulatory Aspects set by ASFI, for the period from January 1, 2022 to December 31, 2022.

Universal standards			Page(s)	Reasons for omission
	Contents	Description		
GRI 1: Foundation 2022				
GRI 2: General contents 2022				
The organization and its reporting practices	GRI 2-1	Organizational details	30	
	GRI 2-2	Entities included in the organization’s sustainability reporting	26	
	GRI 2-3	Reporting period, frequency and contact point	26	
	GRI 2-4	Restatements of information	26	
	GRI 2-5	External assurance	26/158	
Activities and workers	GRI 2-6	Activities, value chains and other business relationships	32	
	GRI 2-7	Employees	66	
	GRI 2-8	Workers who are not employees	NA	Not applicable. The institution’s labor model is based on employees hired directly by the institution, in accordance with legal provisions.

Universal standards			Page(s)	Reasons for omission
	Contents	Description		
Governance	GRI 2-9	Governance structure and composition	40	
	GRI 2-10	Nomination and selection of the highest governance body	40	
	GRI 2-11	Chair of highest governance body	40	
	GRI 2-12	Role of the highest governance body in overseeing the management of impacts	40	
	GRI 2-13	Delegation of responsibility for managing impacts	40	
	GRI 2-14	Role of the highest governance body in sustainability reporting	NA	Not available; BancoSol's sustainability strategy consists of a governance model that includes the communication of performance through integrated annual reports. This governance model has been in operation since 2023.
	GRI 2-15	Conflicts of interest	40	
	GRI 2-16	Communication of critical concerns	NA	Confidential, due to internal guidelines of the institution.
	GRI 2-17	Collective knowledge of the highest governance body	40/62	
	GRI 2-18	Evaluation of the performance of the highest governance body	40	
	GRI 2-19	Remuneration policies	40	
	GRI 2-20	Process to determine remuneration	40	
Strategy, policies and practices	GRI 2-21	Annual total compensation ratio	NA	Confidential, due to internal guidelines of the institution.
	GRI 2-22	Statement on sustainable development strategy	9/16	
	GRI 2-23	Policy commitments	34/58	
	GRI 2-24	Embedding policy commitments	34/58	
	GRI 2-25	Processes to remediate negative impacts	58	
	GRI 2-26	Mechanisms for seeking advice and raising concerns	58	
	GRI 2-27	Compliance with laws and regulations	58	
	GRI 2-28	Membership associations	118	

Universal standards			Page(s)	Reasons for omission
	Contents	Description		
Stakeholder engagement	GRI 2-29	Approach to stakeholder engagement	118	
	GRI 2-30	Collective bargaining agreements	66	
GRI 3: Material topics 2022				
Material topics	GRI 3-1	Process to determine material topics	120	
	GRI 3-2	List of material topics	120	
	GRI 3-3	Management of material topics	62/69/86/98/112	

Correlation with GRI standards				Page(s)	Reasons for omission
Material topics	GRI Standard	GRI Contents	Description		
Digitalization	GRI 3: Material topics 2021	3-3	Management of material topics	87	
	GRI 203: Indirect economic impacts 2016	203-1	Infrastructure investments and services supported	87	
		203-2	Significant indirect economic impacts	NA	Not available; BancoSol is working to include it in the next integrated report.
Financial inclusion	GRI 3: Material topics 2021	3-3	Management of material topics	62/69/86/98/112	
	GRI Sector Supplement Financial sector	FS7	Monetary value of products and services designed to provide a specific social benefit for each line of business broken down by objective	90/113	
		FS13	Access points in sparsely populated or economically disadvantaged areas by type	30/86	
		FS14	Initiatives to improve access to financial services financial services for disadvantaged people	30/90	
Regulatory compliance	GRI 3: Material topics 2021	3-3	Management of material topics	62/69/86/98/112	

Correlation with GRI standards				Page(s)	Reasons for omission
Material topics	GRI Standard	GRI Contents	Description		
Customer service	GRI 3: Material topics 2021	3-3	Management of material topics	62/69/86/98/112	
	GRI 416: Customer health and safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	86	
		416-2	Incidents of noncompliance concerning the health and safety impacts of products and services	58	
	GRI 417: Marketing and labeling 2016	417-1	Type of information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such requirements.	86	
		417-2	Incidents of non-compliance concerning product and service information and labeling	58	
		417-3	Incidents of non-compliance concerning marketing communications	58	
	GRI 418: Customer privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data.	62	

Correlation with GRI standards				Page(s)	Reasons for omission
Material topics	GRI Standard	GRI Contents	Description		
Diversity, equity and inclusion	GRI 3: Material topics 2021	3-3	Management of material topics	69	
	GRI 405: Diversity and equal opportunity 2016	405-1	Composition of governance bodies and breakdown of employees per employee category according to gender, age, minority group membership, and other indicators of divers	66	
		405-2	Ratio of basic salary and remuneration of women to men	NA	Not available; BancoSol is working to include it in the next integrated report.
	GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	69	
Corporate governance	GRI 3: Material topics 2021	3-3	Management of material topics	40	
Social and environmental impact of portfolio	GRI 3: Material topics 2021	3-3	Management of material topics	NA	Not available; as part of the sustainability strategy, the Bank will develop a system of environmental and social credit risk analysis, which will be reported in the following integrated reports.
Employee capacity building	GRI 3: Material topics 2021	3-3	Management of material topics	71	
	GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	71	
		404-2	Programs for upgrading employee skills and transition assistance programs	71	
		404-3	Percentage of employees receiving regular performance and career development reviews	71	

Correlation with GRI standards				Page(s)	Reasons for omission
Material topics	GRI standard	GRI contents	Description		
Sustainable financing	GRI 3: Material topics 2021	3-3	Management of material topics	NA	Not available; as part of the sustainability strategy, the Bank will develop green credit products, which will be reported in the following integrated reports
Relationship with authorities	GRI 3 Material topics 2021	3-3	Management of material topics	58	
	GRI 415: Public policy 2016	415-1	Political contributions	58	
Innovation in products and services	GRI 3: Material topics 2021	3-3	Management of material topics	86	
Financial Literacy and Savings Culture	GRI 3: Material topics 2021	3-3	Management of material topics	80	
	GRI Sector Supplement Financial Sector	FS16	Initiatives to improve financial literacy by type of beneficiary	80	
Ethics and transparency	GRI 3: Material topics 2021	3-3	Management of material topics	58	
	GRI 205: Anti-corruption 2016	205-1	Number and percentage of sites assessed for risks related to corruption and significant risks identified.	58	
		205-2	Communication and training about anti-corruption policies and procedures	58	
		205-3	Confirmed incidents of corruption and actions taken	58	
	GRI 206: Anti-competitive behavior 2021	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	58	

Correlation with GRI standards				Page(s)	Reasons for omission
Material topics	GRI Standard	GRI Contents	Description		
Recruitment and attraction of human talent	GRI 3: Material topics 2021	3-3	Management of material topics	69	
	GRI 401: Employment 2016	401-1	New employee hires and employee turnover	66	
		401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	75	
		401-3	Parental leave	69	
	GRI 403: Occupational health and safety 2018	403-1	Occupational health and safety management system	75	
		403-2	Hazard identification, risk assessment, and incident investigation	75	
		403-3	Occupational health services	75	
		403-4	Worker participation, consultation, and communication on occupational health and safety	75	
		403-5	Worker training on occupational health and safety	75	
		403-6	Promotion of worker health	75	
		403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	75	
		403-8	Workers covered by an occupational health and safety management system	75	
		403-9	Work-related injuries	75	
		403-10	Work-related ill health	75	

Correlation with GRI standards				Page(s)	Reasons for omission
Material topics	GRI Standard	GRI Contents	Description		
Economic performance	GRI 3: Material topics 2021	3-3	Management of material topics	112	
	GRI 201: Economic performance 2016	201-1	Direct economic value generated and distributed	115	
		201-2	Financial implications and other risks and opportunities due to climate change	NA	Not available – as part of its sustainability strategy, BancoSol will conduct an analysis of climate change risks and opportunities, the results of which will be included in the next integrated report.
		201-3	Defined benefit plan obligations and other retirement plans	71/75	
		201-4	Financial assistance received from government	58	

The following GRI content related to energy and GHG emissions are included in addition to materiality:

302-1	Energy consumption within the organization	106
302-3	Energy intensity	106
302-4	Reduction of energy consumption	106
305-1	Direct (Scope 1) GHG emissions	106/108
305-2	Energy indirect (Scope 2) GHG emissions	106/108
305-3	Other indirect GHG (Scope 3) emissions	108
305-4	GHG emissions intensity	106/108
305-5	Reduction of GHG emissions	106/108

Index of SASB parameters

Standard	Topic	Code	Accounting or activity parameter	Page(s)	Reasons for omission
Consumer financing 2018	Customer privacy	FN-CF-220a.1	Number of account holders whose information is used for secondary purposes	NA	Confidential, due to internal guidelines of the institution.
		FN-CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy.	62	
	Data security	FN-CF-230a.1	(1) Number of information leaks (2) with percentage indicating personally identifiable information (3) number of account holders affected	62	
		FN-CF-230a.2	Card-related fraud losses (1) card-not-present fraud and (2) card-present and other frauds	62	
		FN-CF-230a.3	Description of approach to identifying and addressing data security risks	62	
	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	NA	Not available; BancoSol is working to include it in the next integrated report..
		FN-CF-270a.2	Approval rate for (1) credit and (2) pre-paid products for applicants with FICO scores above and below 660	NA	Not applicable. BancoSol is governed by Bolivian regulations regarding lending criteria.
		FN-CF-270a.3	(1) Tarifas promedio de productos complementarios, (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-pald prodcuts for customers with FICO scores above and bellow 660	WEB	In accordance with the regulations, information on the terms and conditions of the different financial products is publicly disclosed.
		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	62	
		FN-CF-270a.5	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	62	
	(Activity metrics)	FN-CF-000.A	Number of unique consumers with an active. (1) credit card account and (2) pre-paid debit card account	114	
	(Activity metrics)	FN-CF-000.B	Number of (1) credit card accounts and (2) debit accounts	114	

Standard	Topic	Code	Accounting or activity parameter	Page(s)	Reasons for omission
Commercial banking 2018	Data security	FN-CB-230a.1	(1) Number of information leaks (2) with percentage indicating personally identifiable information (3) number of account holders affected	62	1) Reported 2) y 3) Confidential, due to internal guidelines of the institution
		FN-CB-230a.2	Description of approach to identifying and addressing data security risks	62	
	Financial inclusion and capacity building	FN-CB-240a.1	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	90	
		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	NA	Confidential, due to internal guidelines of the institution
		FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	90	
		FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	80	
	Incorporation of environmental, social and corporate governance factors in credit analysis	FN-CB-410a.1	Commercial and industrial credit exposure, by industry	NA	Not available; BancoSol is working to include it in the next integrated report.
		FN-CB-410a.2	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis.	NA	Not available - BancoSol is working on ESG credit evaluation mechanisms, especially for social and/or environmental risks that may be associated with the credit provided.
	Business ethics	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	58	
		FN-CB-510a.2	Description of whistleblower policies and procedures	58	
	Systemic risk management	FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	NA	Not applicable - BancoSol is not a global systemically important bank. However, its presence is important in the country due to its market share and the profile of the majority of customers with whom it works.
		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	NA	Not applicable - BancoSol is not a global systemically important bank. However, its presence is important in the country due to its market share and the profile of the majority of customers with whom it works.
	(Activity metrics)	FN-CB-000.A	(1) Number and (2) value of checking and savings accounts by segment: (a) personal and (b) small business	114	
	(Activity metrics)	FN-CB-000.B	(1) Number and (2) value of loans by segment: (a) personal, (b) small business, and (c) corporate	113	

Index of regulatory indicators ASFI

ASFI Contents	Pages
Description of the incorporation of CSR in the Strategic Planning	132
Description of compliance with objectives and the CSR policy	134
Results of the implementation and maintenance of CSR management	137
How the Bank has implemented CSR in its organizational structure	139
Compliance assessment in relation to CSR guidelines	139





INDEPENDENT VERIFICATION REPORT

Scope

We have carried out the verification of the contents GRI 3-1 (Process for determining material issues), GRI 3-2 (List of material issues) and GRI 3-3 (Management of material issues) of the Integrated Report 2022 of Banco Solidario S.A. prepared in accordance with:

- The requirements of the Global Reporting Initiative (GRI) Standard, -New Structure 2021- and in accordance with the content of the GRI Index, page 144 and the content of page 24.

The preparation of the 2022 Integrated Report and its content is the responsibility of the National Sustainability and CSR Sub-Management, who define, adapt and maintain the management and internal control systems from which the information is obtained.

Our responsibility is to issue an independent report based on an assurance process with the respective review procedures.

Criteria

The review was carried out in accordance with:

- ISAE 3000 (Standard for assurance over non-financial information) emitida por el Internacional Auditing and Assurance Standard Boards (IAASB), con un alcance de aseguramiento de seguridad limitada.

Procedures

- Analysis of the GRI 3-1 materiality process and its implementation according to GRI 1 - Quality Principles.
- Meetings (Interviews) with key personnel of Banco Solidario S.A. to learn about the context of the organization based on voluntary initiatives, the business model, comprehensive strategic planning, policies and the main risks associated with ESG criteria.
- Analysis of the scope, relevance and integrity of the contents included in the 2022 Integrated Report based on the materiality analysis and considerations of the GRI 3-1 Material Topics content section and GRI 2-29 Approach to stakeholder engagement.
- Verification of the participation and involvement of stakeholders through dialogue sheets and evaluation methodologies and tools, which support the way in which Banco Solidario S.A. has determined its material topics and impacts.
- Review of the information related to risks, policies and management approaches GRI 3- 3 applied in relation to the list of material topics GRI 3-2 presented in the Integrated Report 2022, which reports having an integrated approach to SASB, Banking Sector (GRI G-4 version) and ASFI book 10 regulations. In the SASB context, our review is limited to the integration of SASB in GRI 3-1.



Based on the non-conformances found in the Integrated Report 2022 (delivered on 06.13.2022) during the verification process that began on 06.07.2023 and the evidence found in the interview on 06.26.2023 (16:00-17:00) with the National Sustainability and CSR Sub-Management and the external consultants, we integrated an additional process to the present verification.

The objective of the additional process was to analyze the following documents: Integrated Report 2022 (in the contents GRI 3-1 Process for determining material topics; GRI 3-2 List of material topics) as of 06.30.2023, as amendments and substantive non-conformances found during the verification process.

Independence and Quality Control

We have complied with the independence requirements and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Bolivian Auditors Association (CAUB) and the Code of Ethics issued by the International Standards Board for Accounting Professionals (IESBA). Our company applies the International Quality Control Standard 1 NICC 1 (Quality Control Standards for the verification process/procedures) and maintains a Global Quality Control System that includes documented policies and procedures related to compliance with ethical requirements, professional standards, and applicable legal and regulatory provisions.

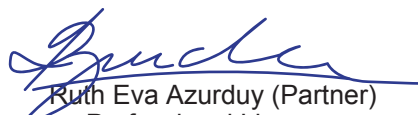
Conclusions

Based on the procedures carried out, including the additional procedure based on the non-conformances identified in GRI 3-1 and GRI 3-2 and on the evidence we have obtained, we conclude that no aspect has been identified that makes us believe that the 2022 Integrated Report has not been prepared in significant aspects, complying with the requirements of the GRI standards selected according to what is mentioned for the scope of this verification and assurance..

Our work was complemented by a detailed and rigorous compliance review and recommendations for continuous improvement..

Both the opinion and the report have been prepared exclusively in the interest of Banco Solidario S.A, in accordance with the terms of our Assignment Letter.

ICR Systems & Management SRL


Ruth Eva Azurduy (Partner)
Professional License:
CAULP 3028 CAUB 7251

La Paz, 3 June 2023



