



PRINCIPLES FOR
RESPONSIBLE
BANKING

Reporting and Self-Assessment Template

The following table sets out the reporting and self-assessment requirements for Signatories of the Principles for Responsible Banking. Signatory banks need to report on their implementation of the Principles the first time within latest 18 months after signing and annually thereafter (in line with their annual reporting cycle).

How to use this template?

This template does NOT require your bank to produce an additional report. Rather, this template is designed for your bank to provide references/links to where in your existing reporting/public domains the required information can be found. The aim is to keep additional reporting burden to a minimum while ensuring transparency and accountability as set out in Principle 6.

Within this reporting template, there are six areas for self-assessment that are key to showing that your bank is fulfilling its commitments as a signatory of the Principles for Responsible Banking. They are **highlighted**.

1. Impact Analysis
2. Target Setting
3. Plans for Target Implementation and Monitoring
4. Progress on Implementing Targets
5. Governance Structure for Implementation of the Principles
6. Progress on Implementing the Principles for Responsible Banking

Only for these six **highlighted** items, it is required that:

- a) An assurer provides limited assurance of your self-assessment. You can do this by including it in your existing assured reporting. Where third-party assurance is not feasible, an independent review may be conducted.
- b) You provide your bank's conclusion/statement if it has fulfilled the respective requirements.

Accommodating different starting points:

Banks have different starting points and operate in different contexts. Your bank may not be able to provide all information required in this template the first time you report. That is fine. Your bank has up to four years from signing to bring its reporting fully in line with the requirements. Feedback, support and peer learning are available to all signatory banks to help them progress with both implementation and reporting.

Reporting and Self-Assessment Requirements	High-level summary of bank's response (limited assurance required for responses to highlighted items)	Reference(s)/ Link(s) to bank's full response/ relevant information
<p>Principle 1: Alignment We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.</p>		
<p>1.1 <i>Describe</i> (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities, and where relevant the technologies financed across the main geographies in which your bank has operations or provides products and services.</p>	<p>Vision To be a leading financial group in the region, recognized for its solidity, quality and prestige; solidary with the community and that adds value to its customers and shareholders.</p> <p>Mission To offer a complete range of financial services in an efficient manner, with ethical and moral principles, innovating to exceed customer expectations; developing our commitment to the community through social and environmental responsibility practices; and maximizing the value of the group with the best talent and organizational climate.</p> <p>Values We maintain 8 values as fundamental pillars that define who we are and guide our actions:</p> <ul style="list-style-type: none"> • Integrity • Innovation • Transparency • Solidarity • Respect • Responsibility • Fairness • Commitment to Excellence <p>Multibank is a universal bank that offers a wide range of financial solutions and has a significant share in the small and medium-sized business segment in Panama. It is the sixth largest bank in the Panamanian Banking System in terms of assets and loans. Relevant market share as a loan provider in the construction, automobile, and agricultural sectors.</p>	<p>https://www2.multibank.com.pa/en/about-multibank/nuestra-cultura-corporativa.htm</p>
<p>1.2 <i>Describe</i> how your bank has aligned and/or is planning to align its strategy to be consistent</p>	<p>Our bank has incorporated some practices to create a sustainable strategy.</p> <ul style="list-style-type: none"> - Incorporation in the structure of the organization the area of management of environmental and social risks - Members of the United Nations Global Compact and its local chapter SUMARSE. - Sustainability Commission -ABP, - Sustainable Finance Protocol - International Financial Summit. 	

<p>with and contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<p>- In Environmental Management, we remain committed to promoting the growth of financial products with a positive impact on the environment and on Society.</p>	
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Principle 2: Impact and Target Setting
We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1 Impact

Analysis:

Show that your bank has identified the areas in which it has its most significant (potential) positive and negative impact through an impact analysis that fulfills the following elements:

- a) **Scope:** The bank's core business areas, products/services across the main geographies that the bank operates in have been as described under 1.1. have been considered in the scope of the analysis.
- b) **Scale of Exposure:** In identifying its areas of most significant impact the bank has considered where its core business/its major activities lie in terms of industries, technologies and geographies.
- c) **Context & Relevance:** Your bank has taken into account the most relevant challenges

ESRM

The environmental and social risk analysis system is part of the performance of the Environmental and Social Risk Management Department, which consists of carrying out an analysis, verification and monitoring of the credit facilities presented by the Bank's business areas. This management is carried out through specialized forms and complementary information that allow the complete analysis of the client from an environmental and social risk approach, based on our internal policies and procedures of Environmental and Social Risk Management, International Standards (IFC), Principles Ecuador, national and international environmental regulations.

Scope: The ESRM applies to all operations of Multibank Inc. and its Subsidiaries, which are granted in the following areas:

- Commercial Bank
- Corporate banking
- Agricultural Banking
- International Banking
- Construction Banking
- Correspondent
- Colon free zone
- Factoring
- Financial Leasing

In consumer credit banking, products have been developed such as sustainable personal loans (financing of solar panels) and car loans (hybrids and electric), credit cards with special benefits for the financing of Inverter products, which meet the criteria of environmental and social sustainability, allowing to influence the implementation of new sustainable practices that provide Multibank with a positive impact.

Scale of Exposure:

Risk classification by category

Low Risk	Medium Risk	High Risk
<ul style="list-style-type: none"> • Retail trade • Wholesale trade • Hotels and restaurants • Real estate activities • Public administration and defense • Teaching • Social and Health Services • Transportation, storage and communications • Financial institutions • Training activities 	<ul style="list-style-type: none"> ▪ Farming ▪ Cattle raising ▪ Pig farming ▪ Poultry farming ▪ Fishing ▪ Building ▪ Oil palm ▪ Resort ▪ Sale of agrochemicals <p style="color: red; font-size: small;">} According to the amount</p>	<ul style="list-style-type: none"> ▪ Mining ▪ Manufacturing industries ▪ Electricity, gas and water supply ▪ Hydroelectric ▪ Oil and byproducts ▪ Wood extraction ▪ Forest

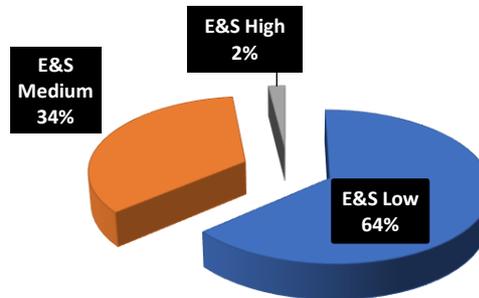
and priorities related to sustainable development in the countries/regions in which it operates.

- d) Scale and intensity/saliency of impact: In identifying its areas of most significant impact, the bank has considered the scale and intensity/saliency of the (potential) social, economic and environmental impacts resulting from the bank's activities and provision of products and services. (your bank should have engaged with relevant stakeholders to help inform your analysis under elements c) and d))

Show that building on this analysis, the bank has

- Identified and disclosed its areas of most significant (potential) positive and negative impact
- Identified strategic business opportunities in relation to the increase of positive impacts / reduction of negative impacts

OPERATIONS WITH ENVIRONMENTAL AND SOCIAL RISK 2020



Context and relevance:

Main challenges of venturing into sustainable development:

1. Minimize the risk that our clients incur in breach of environmental and social standards, laws and regulations of the different countries, protect our image and reputation in Environmental and Social Management issues.
2. Good acceptance by multilaterals for our efficient management in E&S management.
3. Opportunity to offer customers green products focused on improving their productivity.
4. Clients identify us as an environmentally responsible bank.

Scale and intensity:

- The implementation of sustainable products is being developed.
- Annual training for clients for best practices within the activities carried out by each industry.
- Opportunity to enter as a sustainable bank for the agricultural sector within the Panamanian Banking.
- Commitments acquired with the Multilaterals, in relation to the delivery of annual reports where progress and actions on environmental, social and sustainability issues must be reported.
- Multibank is a Signatory of the Sustainable Finance Protocol of Panama at the International Financial Summit held in 2018.
- Multibank is a Member of the Sustainability Commission, organized by the Banking Association of Panama.

Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.

ESM: Determines the parameters, principles and guidelines necessary for the application of environmental and social risk management and the assignment of responsibility of the Multibank, in order to agree with the planning and requirements in environmental matters, demanded by the multilateral financial institutions and with the environmental laws of the country.

Sustainable Financing: These green products are a management instrument to produce creative solutions, which on the one hand are committed to the sustainable development of society and the environment and on the other hand they become marketing strategies, which generates a competitive advantage for Multibank, Inc. ; with the aim of having a position as a green or sustainable bank.

2.2 Target Setting

Show that the bank has set and published a minimum of two **Specific, Measurable** (can be qualitative or quantitative), **Achievable, Relevant** and **Time-bound** (SMART) targets, which address at least two of the identified "areas of most significant impact", resulting from the bank's activities and provision of products and services.

Show that these targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks. The bank should have identified a baseline (assessed

Among the actions we have undertaken, aligned with the Sustainable Development Goals and the principles of the United Nations

Global Compact the following stands out:

Sustainable Development Goal	Multibank Inc.'s Actions
 1. No poverty	<ul style="list-style-type: none"> Development of financial inclusion policies and programs. Generation of employment (direct and indirect)
 2. Zero hunger	<ul style="list-style-type: none"> Support to food programs for disadvantaged populations. Strengthening of the agricultural portfolio
 3. Good Health and well being	Health and safety at work. Benefits to employees in health matters, including health clinics and fairs. Support to national health campaigns and initiatives.
 4. Quality education	<ul style="list-style-type: none"> Support to educational projects and programs. Training for employability.
 5. Gender equality	<ul style="list-style-type: none"> Fair and equitable treatment. Non-discrimination based on gender.
 6. Clean water and sanitation	Environmental criteria for financing.
 7. Affordable and clean energy	Multibank Illuminates gives access to clean and accessible energy to vulnerable populations.
 8. Decent work and economic growth	Productive work, Fair compensation, Socioeconomic benefits.
 9. Industry, innovation and infrastructure	Boost to the Small and Medium Enterprise
 10. Reduced inequalities	<ul style="list-style-type: none"> Financial services in disadvantage areas. Reduction of inequalities in our relationships and with our employees.

Sustainable Development Goal	Multibank Inc.'s Actions
 11. Sustainable cities and communities	Solidarity funds for acquisition of homes with basic services.
 12. Responsible production and consumption	<ul style="list-style-type: none"> Efficient use of the resources in our operations and energetic efficiency. Promotion of sustainable practices.
 13. Climate action	Environmental criteria for financing.
 14. Life below water	Environmental criteria for financing.
 15. Life on land	Environmental criteria for financing.
 16. Peace, justice and strong institution	Corporate governance, implementation of controls to prevent corruption, bribery, money laundering, terrorist financing, theft and tax fraud.
 17. Partnerships for the goals	<ul style="list-style-type: none"> Financing agreements with foreign bank for environmental and social sustainability. Partnerships and associations for a sustainable development

<p>against a particular year) and have set targets against this baseline.</p> <p>Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on other dimensions of the SDG/climate change/society's goals and that it has set out relevant actions to mitigate those as far as feasible to maximize the net positive impact of the set targets.</p>		
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Target Setting.</p>		
<p>Among the actions Multibank has undertaken and aligned with the Sustainable Development Goals and the principles of the United Nations Global Compact, taking actions such as mentioned above.</p>		
<p>2.3 Plans for Target Implementation and Monitoring</p> <p>Show that your bank has defined actions and milestones to meet the set targets.</p> <p>Show that your bank has put in place the means to measure and monitor progress against the set targets. Definitions of key performance indicators, any changes in these</p>	<p>Annually Multibank report our annual Sustainability Report to the Global Compact of the United Nations and is published on our website www.multibank.com.pa</p>	

<p>definitions, and any rebasing of baselines should be transparent.</p>		
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Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.

Multibank annually publishes on its website its Sustainability Report to the Global Compact.

<p>2.4 Progress on Implementing Targets</p> <p><u>For each target separately:</u></p> <p><i>Show that your bank has implemented the actions it had previously defined to meet the set target.</i></p> <p><i>Or explain why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.</i></p>	<p>Reference in point 2.2.</p>	
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<p>Report on your bank's progress over the last 12 months (up to 18 months in your first reporting after becoming a signatory) towards achieving each of the set targets and the impact your progress resulted in. (where feasible and appropriate, banks should include quantitative disclosures)</p>		
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing Targets</p>		
<p>Among the actions Multibank has undertaken and aligned with the Sustainable Development Goals and the principles of the United Nations Global Compact, taking actions such as mentioned in section 2.2.</p>		
<p>Principle 3: Clients and Customers We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.</p>		
<p>3.1 Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote</p>	<p>The Environmental and Social Risk Management area has its own policies and procedures, accessible for all the employees. Credit Executives constantly receive training on the ESRM policies and tools, such as the E&s risk rating forms. Regarding to the creation and development of sustainable financing / green products (personal loans and car loans), they are currently based on consumer credit banking policies offering special terms and conditions; such as sustainable personal loans (financing of solar panels) and car loans (hybrids and electric), credit cards with special benefits for the financing</p>	

<p>responsible relationships with its customers. This should include high-level information on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.</p>	<p>of Inverter products, which meet the criteria of environmental and social sustainability, allowing to influence the implementation of new sustainable practices that provide Multibank with a positive impact.</p> <p>As part of the monitoring and tracking of the financing activities, Multibank periodically visit financed project/clients in order to verify the compliance of the best practices and applicable laws. Through these visits, the bank is able to identify business opportunities, and make recommendations that promote sustainable practices within its Clients</p>	
<p>3.2 <i>Describe</i> how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. This should include information on actions planned/implemented, products and services developed, and, where possible, the impacts achieved.</p>	<p>Oriented to sustainable development, we train our clients and collaborators, based on the updates of environmental and social regulations.</p> <p>Topics on which we train our clients in environmental standards and sustainable techniques are detailed as follows:</p> <ul style="list-style-type: none"> • Training on sustainability and biosecurity focused on the shrimp sector through the Sustainability Academy of the Eco Business Fund. • ESRM external training (Adaptation of Multibank's post-COVID product offer). 	
<p>Principle 4: Stakeholders</p>		

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

4.1 Describe which stakeholders (or groups/types of stakeholders) your bank has consulted, engaged, collaborated or partnered with for the purpose of implementing these Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders and what issues were addressed/results achieved.

A vital part of our vision is to contribute to Social and Environmental Responsibility for the integral development of our clients ; and therefore of the Panamanian society. That is why we joined SUMARSE, a local chapter of the United Nations Global Compact, of which we are signatories and active participants, since 2003.

As signatories of the Global Compact, Multibank is committed to complying with its ten principles, which are based on Universal Declarations and Conventions applied in four areas: Human Rights, Environment, Labor Standards and Anti-corruption. Through our policies and activities, we make sure to adhere to these and through the Annual Report that we send to the Global Compact Network, we communicate the actions and our progress in the proper implementation of the 10 principles.

Sustainable Development Goal	Multibank Inc.'s Actions	Principles of the Global Compact			
		Human rights	Labor practices	Environment	Anti-corruption
1. No poverty	<ul style="list-style-type: none"> Development of financial inclusion policies and programs. Generation of employment (direct and indirect) 	1,2	3, 4, 5, 6		
2. Zero hunger	<ul style="list-style-type: none"> Support to food programs for disadvantaged populations. Strengthening of the agricultural portfolio 	1,2		7, 8, 9	
3. Good Health and well being	Health and safety at work. Benefits to employees in health matters, including health clinics and fairs. Support to national health campaigns and initiatives.	1,2	3, 4, 5, 6		10
4. Quality education	<ul style="list-style-type: none"> Support to educational projects and programs. Training for employability. 	1,2			
5. Gender equality	<ul style="list-style-type: none"> Fair and equitable treatment. Non-discrimination based on gender. 	1,2	3, 4, 5, 6		
6. Clean water and sanitation	Environmental criteria for financing.	1,2		7, 8, 9	
7. Affordable and clean energy	Multibank Illuminates gives access to clean and accessible energy to vulnerable populations.	1,2		7, 8, 9	
8. Decent work and economic growth	Productive work, Fair compensation, Socioeconomic benefits.	1,2	3, 4, 5, 6		
9. Industry, innovation and infrastructure	Boost to the Small and Medium Enterprise		3, 4, 5, 6	7, 8, 9	
10. Reduced inequalities	<ul style="list-style-type: none"> Financial services in disadvantage areas. Reduction of inequalities in our relationships and with our employees. 	1,2	3, 4, 5, 6		10

Sustainable Development Goal	Multibank Inc.'s Actions	Principles of the Global Compact			
		Human rights	Labor practice	Environment	Anti-corruption
11. Sustainable cities and communities	Solidarity funds for acquisition of homes with basic services.	1,2		7, 8, 9	
12. Responsible production and consumption	<ul style="list-style-type: none"> Efficient use of the resources in our operations and energetic efficiency. Promotion of sustainable practices. 			7, 8, 9	
13. Climate action	Environmental criteria for financing.			7, 8, 9	
14. Life below water	Environmental criteria for financing.			7, 8, 9	
15. Life on land	Environmental criteria for financing.	1,2	3, 4, 5, 6	7, 8, 9	10
16. Peace, justice and strong institution	Corporate governance, implementation of controls to prevent corruption, bribery, money laundering, terrorist financing, theft and tax fraud.	1,2	3, 4, 5, 6		10
17. Partnerships for the goals	<ul style="list-style-type: none"> Financing agreements with foreign bank for environmental and social sustainability. Partnerships and associations for a sustainable development 	1,2	3, 4, 5, 6	7, 8, 9	10

The 10 principles of the Global Compact included as part of our fundamental bases of conduct:

	<p>HUMAN RIGHTS</p> <ol style="list-style-type: none"> 1. Businesses should support and respect the protection of internationally proclaimed human rights. 2. Make sure that they are not complicit in human right abuses. 	<p>LABOR STANDARDS</p> <ol style="list-style-type: none"> 3. Business should uphold the freedom of association and the effective recognition of the right to collective bargaining. 4. The elimination of all forms of forced and compulsory labour. 5. The effective abolition of child labour. 6. The elimination of discrimination in respect of employment and occupation. 	<p>ENVIRONMENT</p> <ol style="list-style-type: none"> 7. Business should support a precautionary approach to environmental challenges. 8. Undertake initiatives to promote greater environmental responsibility. 9. Encourage the development and diffusion of environmentally friendly technologies. 	<p>ANTICORRUPTION</p> <ol style="list-style-type: none"> 10. Business should work against corruption in all its forms, including extortion and bribery. 	
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Principle 5: Governance & Culture
We will implement our commitment to these Principles through effective governance and a culture of responsible banking

<p>5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support effective implementation of the Principles.</p>	<p>Our corporate governance structure is based on the principles of: right to be informed, equitable treatment, personal responsibility and corporate responsibility. We have different instruments for its operation such as the Corporate Governance Manual, the Code of Ethics and Conduct, the Regulations of the Board of Directors and the General Assembly of Shareholders, Commitment to Integrity.</p> <p>To improve and strengthen our Corporate Governance, we seek to adopt best practices and local and international standards, complemented with the experience of the members and advisers of the committees.</p> <p>In addition, the Corporate Governance, Volunteering, Social and Environmental Risk Management Policies have been implemented.</p> <p>Environmental and Social Risk Management Policy: Multibank, Inc. and Subsidiaries undertake that its portfolio of clients and investments has the minimum negative impact on the environment as well as on society, this would be based primarily on the economic activities or the sector that each of its debtors operates. The Bank in its growth will be at the forefront in the search for opportunities while maintaining a positive environmental impact on the Company.</p>	
<p>5.2 Describe the initiatives and measures your bank has implemented or is planning to implement to foster a culture of responsible banking</p>	<p>We serve with passion and enthusiasm oriented to be a more humane banking based on individuals, providing a warm, close and transparent treatment to our clients. Our mission, vision and values are our management philosophy that seals the commitments and responsibilities we have as an organization. Some of the measures that we have implemented to forge a responsible culture are:</p> <ul style="list-style-type: none"> - Recycling center - seeking to raise awareness and educate employees on reducing, reusing, and recycling. 	

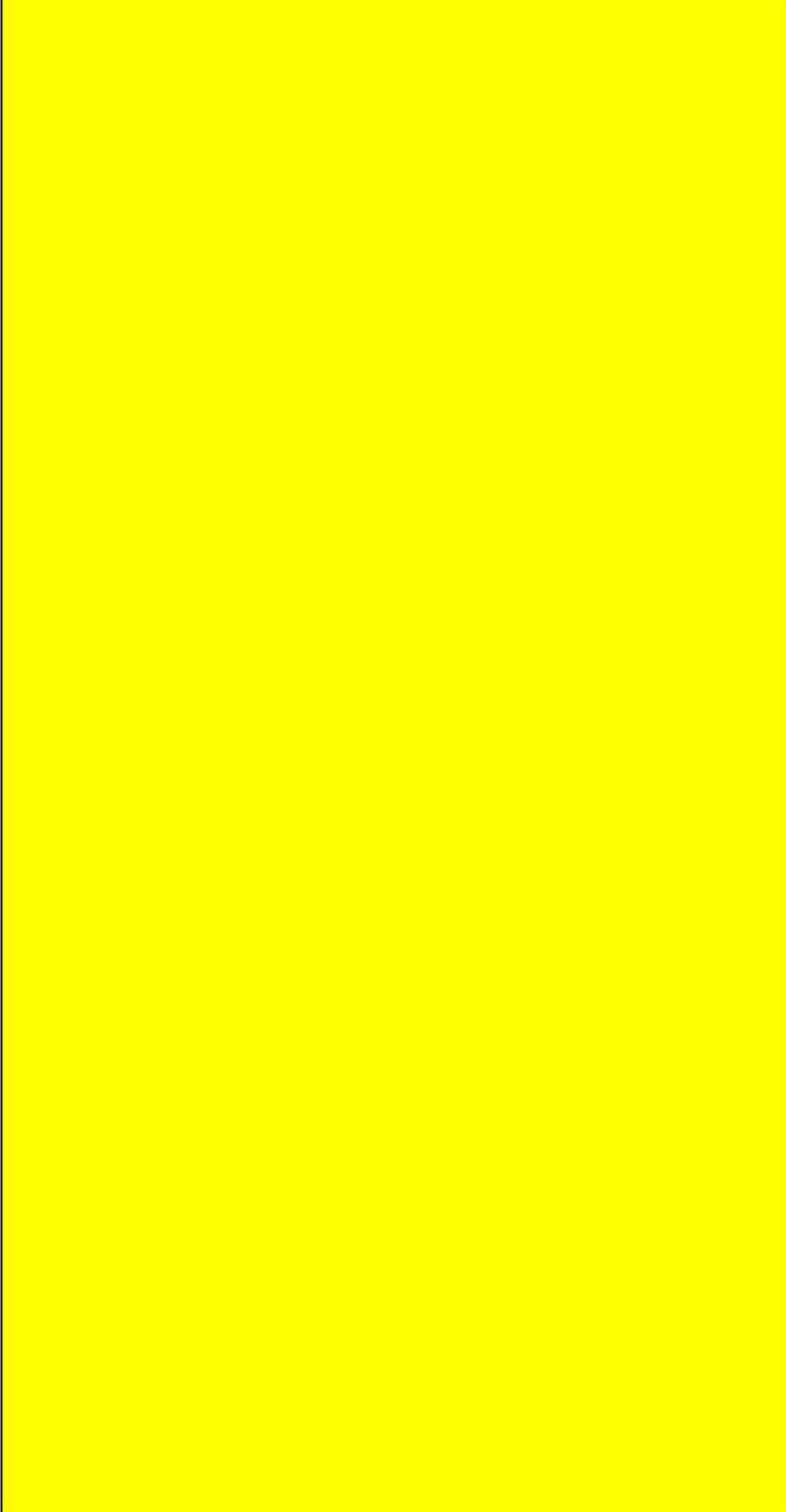
<p>among its employees. This should include a high-level overview of capacity building, inclusion in remuneration structures and performance management and leadership communication, amongst others.</p>	<p>The Recycling Center is for the use of all the employees recycling different materials such as paper, carton, plastic, cans, electronics and batteries.</p> <p>- Creation of our corporate values: Integrity, innovation, transparency, solidarity, respect, responsibility, equity and commitment to excellence.</p>	
<p>5.3 Governance Structure for Implementation of the Principles</p> <p>Show that your bank has a governance structure in place for the implementation of the PRB, including:</p> <p>a) target-setting and actions to achieve targets set</p> <p>b) remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected.</p>	<p>Multibank has a Good Corporate Governance</p> <div data-bbox="512 999 1139 1460" data-label="Diagram">  <pre> graph TD SA[Shareholders Assembly] --> BD[Board of Directors] BD --> BC[Business Committees] BD --> PCC[Prevention and Control Corporate Committees] BC --> C[Credit] BC --> ALICO[ALICO] PCC --> Risk[Risk] PCC --> Audit[Audit] PCC --> AML[AML] IT[IT Committee HR, Compensation and Denominations Committee] </pre> </div> <p>In accordance with the best Corporate Governance practices and in line with the provisions contained in the agreements of the Superintendency of Banks of Panama, the following committees have been established to support the Board of Directors:</p> <ul style="list-style-type: none"> • Business Committees: <ul style="list-style-type: none"> Credit Committee Its objective is to review and approve local, international and correspondent business credit proposals, in accordance with the established limits and reputational and compliance standards. ALICO Committee Its objective is to ensure that the liquidity levels, balance sheet structure, term-matching, interest rates and other aspects of high financial impact in the active and passive intermediation operations, are managed appropriately and efficiently by the administration. • Prevention and Control Committees: <ul style="list-style-type: none"> Risk Committee 	

	<p>Its objective is to define control policies and procedures. In addition, to ensure that all areas of the group correctly execute the risk management strategies approved by the Board of Directors; guaranteeing compliance with what is established in the agreements and regulations in force.</p> <p>Compliance / Prevention Committee Its objective is to support the Board of Directors in preventing bank transactions from being used for money laundering, terrorist financing and financing for the proliferation of weapons of mass destruction, in the group's operations and transactions.</p> <p>Audit Committee It consists of supporting the Board of Directors in the fulfillment of its responsibilities with respect to the management of financial and accounting information. To this end, the committee must ensure the effectiveness of the group's systems, controls and procedures.</p> <p>Other Committees: Technology Committee Its objective is to propose policies, strategic plans and procedures, as well as the allocation of necessary resources for IT management, ensuring the efficiency and effectiveness of processes and the appropriate technology for the proper functioning of the organization's operational platform, as well as giving monitoring of the management of technology upgrade and modernization projects.</p> <p>Human Resources / Remuneration / Denominations Committee Its purpose is to establish the framework of action for the appointment of the members of the Board of Directors, the corporate governance committees, the senior management and the control bodies, ensuring compliance with the qualities of the candidates. He is also responsible for overseeing the design and operation of the remuneration system.</p> <p>Committee on Hygiene and Safety. Executive Decree No. 78 Its purpose is to prevent and ensure hygiene and health in the workplace for the prevention and care of Covid-19.</p>	
<p>Please provide your bank's conclusion/ statement if it has fulfilled the requirements regarding Governance Structure for Implementation of the Principles.</p>		
<p>In accordance with the best Corporate Governance practices Multibank has established Committees to support the Board of Directors.</p>		
<p>Principle 6: Transparency & Accountability We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.</p>		
<p>6.1 Progress on Implementing the Principles for Responsible Banking</p>	<p>Annually Multibank report our annual Sustainability Report to the Global Compact of the United Nations and is published on our website www.multibank.com.pa</p>	

Show that your bank has progressed on implementing the six Principles over the last 12 months (up to 18 months in your first reporting after becoming a signatory) in addition to the setting and implementation of targets in minimum two areas (see 2.1-2.4).

Show that your bank has considered existing and emerging international/regional good practices relevant for the implementation of the six Principles for Responsible Banking. Based on this, it has defined priorities and ambitions to align with good practice.

Show that your bank has implemented/is working on implementing changes in existing practices to reflect and be in line with existing and emerging international/regional good practices and has made progress on its implementation of these Principles.



Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Progress on Implementing the Principles for Responsible Banking

According to this reporting and self assessment template Multibank, has fulfilled the requirements in order to inform the progress of the Bank on the implementation of the Principles for Responsibles Banking. We are

compromised to keep working on the implementation and reporting, of the principles in order to fully accomplish the report within the expected period.

Annex: Definitions

- a. **Impact:** An impact is commonly understood as being a change in outcome for a stakeholder. In the context of these Principles this means (aligned with GRI definition) the effect a bank has on people/the society, the economy and the environment and with that on sustainable development. Impacts may be positive or negative, direct or indirect, actual or potential, intended or unintended, short-term or long-term.
- b. **Significant Impact:** Impact that in terms of scale and/or intensity/salience results in a particularly strong/relevant change in outcome for a stakeholder. In the context of these Principles, the concept of *significant* impact is used to ensure banks focus where their actions/business (can) matter most for people, economy and environment and to provide a reasonable and practical threshold for what issues need to be considered/included, similar to the concept of “materiality”.