



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><b>Principle 1: Alignment</b> 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 or 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><b>View</b> To be a leading financial group in the region, recognized for its solidity, quality and prestige; with the community that adds value to its customers and shareholders.</p> <p><b>Mission</b> Offer a full range of financial services efficiently, with ethical and moral principles, innovating to exceed customer expectations; developing our commitment to the community through practices of social and environmental responsibility; and maximizing the value of the group with the best talent and organizational climate.</p> <p><b>Values</b> We maintain 8 values as fundamental pillars that define who we are and guide our actions: integrity, innovation, transparency, solidarity, respect, responsibility, fairness, commitment to excellence.</p> <p>Multibank is a universal bank that offers a wide range of financial solutions and has a significant share in the small and medium business segment in Panama.</p> <p>We are the sixth largest bank in terms of assets and loans. At the same time, we maintain a significant market share in terms of financing for the construction, automobile and agricultural sectors.</p>	<p><a href="https://www2.mu.ltibank.com.pa/en/about-multibank/nuestra-cultura-corporativa.htm">https://www2.mu.ltibank.com.pa/en/about-multibank/nuestra-cultura-corporativa.htm</a></p>
<p>1.2 <i>Describe</i> how your bank has aligned and/or is planning to align its strategy to be consistent with and</p>	<p>Our bank has incorporated practices to create a sustainable strategy:</p> <ul style="list-style-type: none"> <li>- We have incorporated the environmental and social risk management area into the structure of the organization.</li> <li>- We are members of the UN Global Pact and its local chapter, SUMARSE.</li> </ul>	

<p>contribute to society's goals, as expressed in the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.</p>	<ul style="list-style-type: none"> <li>- We are members of the Board of Directors of the Sustainability Commission of the Banking Association of Panama.</li> <li>- We have signed the Sustainable Finance Protocol of the Banking Association of Panama.</li> <li>- Regarding environmental management, we remain committed to promoting the development of financial products that have a positive impact on the environment and society.</li> </ul>	
<p><b>Principle 2: Impact and Target Setting</b> We will increase our positive impact, reducing the negative impact, hand in hand with the management of the risks associated with people and the environment that may result from our activities, products and services. So far, we have set and published targets where we can have the most significant impact.</p>		

<p>2.1 Impact Analysis: <i>Show</i> 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:</p> <p>a) <u>Scope</u>: 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.</p> <p>b) <u>Scale of Exposure</u>: 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.</p> <p>c) <u>Context &amp; Relevance</u>: Your bank has taken into account the most relevant challenges</p>	<p><b>ESMS</b> The Social and Environmental Risk Analysis System is part of the performance of the Environmental and Social Risk Management Department, which consists of carrying out analysis, verification and monitoring of the credit facilities presented by the business areas.</p> <p>Risk management is carried out through forms and complementary information that allow a complete analysis of the client from the socio-environmental perspective, based on the policies and procedures of environmental and social risk management, IFC international standards, Equator Principles as well as national and international regulations.</p> <p><b>Scope</b>: The ESMS applies to all operations of Multibank and Subsidiaries, which are granted in the following areas:</p> <ul style="list-style-type: none"> <li>• Commercial Bank</li> <li>• Corporate banking</li> <li>• Agricultural Banking</li> <li>• International Banking</li> <li>• Construction Banking</li> <li>• Correspondent Banking</li> <li>• Colon free zone</li> <li>• Factoring</li> <li>• Leasing</li> </ul> <p>In consumer credit banking, the product has developed sustainable personal loans (solar panel financing), car loans (hybrid and electric), credit cards with special benefits for financing energy-efficient products, such as inverters, that meet the criteria to be classified as sustainable, allowing the implementation of sustainable practices with a positive impact.</p>	
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and priorities related to sustainable development in the countries/regions in which it operates.

d) Scale and intensity/salience of impact: In identifying its areas of most significant impact, the bank has considered the scale and intensity/salience 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))

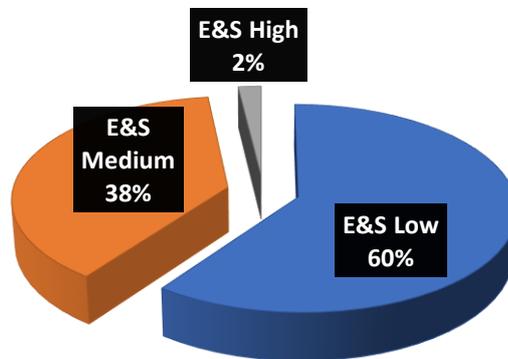
Show that building on this analysis, the bank has

- 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

**Exposure Levels:  
Classification by risk category**

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

Operations with risk qualifications E&S 2021



**Context and relevance:**

- The main challenges of venturing into sustainable development:
1. Minimize the risk that our clients may incur in non-compliance with environmental and social standards, laws, regulations in different countries, which may affect the bank's image.
  2. Good acceptance by multilateral organizations, due to our efficient management of E&S risks.
  3. The opportunity to offer customers green products, focused on improving their productivity.

	<p>4. That customers identify us as a responsible bank with the environment.</p> <p><b>Levels and intensity</b></p> <ul style="list-style-type: none"> <li>• The implementation of sustainable products is being developed.</li> <li>• Annual training activities are carried out for clients in best practices, by type of industry.</li> <li>• Opportunity to enter as a sustainable bank competitor in the agricultural sector of Panamanian banking.</li> <li>• Commitments acquired with Multilaterals, in reference to the delivery of annual reports in which progress and environmental, social and sustainability actions must be reported.</li> <li>• Multibank is a subscriber to the Sustainable Finance Protocol of Panama, since 2018.</li> <li>• Multibank is a member of the Panama Banking Association's Sustainability Commission.</li> </ul>	
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Impact Analysis.</p>		
<p>The Environmental and Social Administration System determines the parameters, principles and guidelines necessary for the application of the administration of socio-environmental risks and their management, as well as the establishment of responsibilities, with the objective that they agree with the planning and requirement in Environmental matters required. by multilateral organizations and with the regulations applicable to this matter in the country.</p> <p>Regarding sustainable financing, these green products are a management tool to produce create creative solutions, in which, on the one hand, we are committed to the sustainable development of society and the environment and, on the other hand, become marketing strategies that generate a competitive advantage for Multibank, with the aspiration of being recognized as a green bank or sustainable.</p>		

## 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 against a particular year) and have set targets against this baseline.

Show that the bank has analysed and acknowledged significant (potential) negative impacts of the set targets on

Among other actions that we have carried out, aligned with the Sustainable Development Goals, the principles of the United Nations Global Compact, we can mention the actions of Multibank in relation to the SDGs:

Objetivo de Desarrollo Sostenible	Principios del Pacto Global	Acciones Multibank
1. Fin de la pobreza	1,2,3,4,5,6	<ul style="list-style-type: none"> <li>Apoyo a comunidades vulnerables afectadas por inundaciones.</li> <li>Medidas de alivio financiero cumpliendo con la normativa nacional.</li> </ul>
2. Hambre cero	1,2,7,8,9	<ul style="list-style-type: none"> <li>Apoyo al sector agropecuario.</li> </ul>
3. Salud y bienestar	1,2,3,4,5,6,10	<ul style="list-style-type: none"> <li>Medidas de bioseguridad frente al COVID-19.</li> <li>Salud y seguridad laboral para asegurar un ambiente de trabajo seguro en nuestras operaciones.</li> <li>Beneficios a los colaboradores en temas de salud.</li> <li>Apoyo a campañas e iniciativas nacionales de prevención contra el COVID-19.</li> </ul>
4. Educación de calidad	1,2	<ul style="list-style-type: none"> <li>Formación interna.</li> </ul>
5. Igualdad de sexos	1,2,3,4,5,6	<ul style="list-style-type: none"> <li>Trato justo y equitativo.</li> <li>No discriminación por sexo.</li> </ul>
7. Energía asequible y No contaminante	1,2,7,8,9	<ul style="list-style-type: none"> <li>Promoción y asesoramiento para el uso de energía accesible y limpia.</li> </ul>
8. Trabajo decente y crecimiento económico	1,2,3,4,5,6	<ul style="list-style-type: none"> <li>Trabajo productivo.</li> <li>Salario digno.</li> <li>Beneficios socioeconómicos a colaboradores.</li> </ul>
9. Industria, innovación e infraestructura	3,4,5,6,7,8,9	<ul style="list-style-type: none"> <li>Fortalecimiento y optimización de la plataforma digital.</li> <li>Apoyo a la pequeña y mediana empresa.</li> </ul>
10. Reducción de las desigualdades	1,2,3,4,5,6,10	<ul style="list-style-type: none"> <li>Fortalecimiento de los canales digitales para asegurar la continuidad y agilidad de las operaciones con nuestros clientes.</li> <li>Reducción de las desigualdades en nuestras relaciones y con nuestros colaboradores.</li> </ul>
11. Ciudades y comunidades sostenibles	1,2,7,8,9	<ul style="list-style-type: none"> <li>Fondos solidarios para adquisición de vivienda con servicios básicos.</li> </ul>
12. Producción y consumo responsables	7,8,9	<ul style="list-style-type: none"> <li>Uso responsable de los recursos en nuestras operaciones y eficiencia energética.</li> </ul>
6. Agua Limpia y saneamiento	1,2,7,8,9	
13. Acción por el clima	7,8,9	<ul style="list-style-type: none"> <li>Criterios ambientales para financiamientos: Comité SARAS de riesgos ambientales y sociales.</li> </ul>
14. Vida submarina	7,8,9	

- In reference to the key indicators in terms of environmental and social risk management, historical information has been designed and compiled to allow for the monitoring and follow-up of aspects related to environmental and social matters. This process contributes to the faithful fulfillment of contractual commitments and initiatives signed by Multibank.

KRI'S AyS 2021	
 Porcentaje de nivel de riesgo Alto de cartera	2%  Préstamos verdes colocados en el período analizado/totalidad de la cartera
 Casos aprobados por AyS con Excepción	5%  Campañas de Productos verdes
 Cartera de Alto riesgo visitada	88%  Consumo eléctrico no renovable de casa matriz
 Capacitaciones impartidas a colaboradores AyS	1  Sanciones aplicadas a Multibank en materia ambiental y social
 Porcentaje femenino del total de la fuerza laboral	61%  Financiamiento al género femenino
 Cumplimiento de los requerimientos de Multilateral en materia Ambiental y Social	100%  Campañas (comunicados) de acciones ambientales y sociales

<p>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>		
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Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Target Setting.

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>2.3 Plans for Target Implementation and Monitoring</p> <p>Show that your bank has defined actions and milestones to meet the set targets. 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 definitions, and any</p>	<p>Annually Multibank reports annually to the United Nations Global Compact, which is published on our website: <a href="http://www.multibank.com.pa">www.multibank.com.pa</a></p>	
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<p>rebasing of baselines should be transparent.</p>		
<p>Please provide your bank's conclusion/statement if it has fulfilled the requirements regarding Plans for Target Implementation and Monitoring.</p>		
<p>Multibank annually publishes on its website its Sustainability Report to the Global Compact.</p>		
<p>2.4 Progress on Implementing Targets</p> <p><u>For each target separately:</u></p> <p><i>Show</i> that your bank has implemented the actions it had previously defined to meet the set target.</p> <p><i>Or explain</i> why actions could not be implemented / needed to be changed and how your bank is adapting its plan to meet its set target.</p> <p><i>Report</i> on your bank's progress over</p>	<p>Refer to point 2.2.</p>	

<p>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><b>Principle 3: Clients and Customers</b> <b>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.</b></p>		
<p>3.1 <i>Provide an overview of the policies and practices your bank has in place and/or is planning to put in place to promote responsible relationships with its customers. This should include high-level information</i></p>	<p>The Environmental and Social Risk Management area has its own policies and procedures, accessible to all employees. Loan officers periodically receive training regarding ESMS guidelines and tools, such as the E&amp;S rating forms.</p> <p>In reference to the creation of sustainable financing development and green products (personal loans and car loans), based on the credit policies offered, with special terms and conditions for sustainable financing such as solar panels, acquisition of energy saving equipment and efficiency , purchase of hybrid and electric vehicles, with benefits that meet the criteria established to be considered green, which promotes influencing the implementation of sustainable practices that provide a positive impact.</p> <p>As part of the monitoring and follow-up of financing activities, Multibank periodically visits the financed projects/clients in order to verify compliance with best practices and applicable</p>	

<p>on any programmes and actions implemented (and/or planned), their scale and, where possible, the results thereof.</p>	<p>laws. Through the visits, the bank can identify business opportunities and provide recommendations that promote sustainable practices among its clients.</p> <p>Since 2021, with the support of the technical assistance of the Sustainability Academy of the Ecobusiness Fund, Multibank has been working on the project for the design and implementation of sustainable financial products, in accordance with the bank's strategy, it is expected that the Project ends in 2022.</p>	
<p>3.2 Describe 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 towards sustainable development, we train clients and collaborators, based on updates and regulations on environmental and social matters.</p> <p>For 2021, we carry out training regarding sustainable standards and techniques as detailed below:</p> <ul style="list-style-type: none"> <li>• Training in sustainable practices aimed at the agricultural sector, specifically the livestock, pig and poultry sectors. Clients shared their experiences with other clients on lessons learned and best practices during the COVID-19 pandemic. Clients participated in the session, as well as bank collaborators from the business, risk, and credit administration areas, among others; In the training, we also had a presentation by a Specialist from the Sustainability Academy of the Ecobusiness Fund.</li> </ul>	

**Principle 4: Stakeholders**  
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 environmental and social responsibility, for the integral development of our clients and therefore to the Panamanian Society. That is why we adhere to SUMARSE, the Panamanian chapter of the United Nations Global Compact, of which we have been signatories since 2003.

As signatories to the United Nations Global Compact, Multibank is committed to complying with the 10 principles, which are based on the Universal Declaration and Conventions applied to four areas: Human Rights, environment, labor standards and anti-corruption.

Through our policies and activities, we make sure to incorporate them into the annual reports that we send to the Global Compact network, we communicate actions and progress on the proper implementation of the 10 principles.

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2. Hambre cero	1,2,7,8,9	<ul style="list-style-type: none"> <li>Apoyo al sector agropecuario.</li> </ul>
3. Salud y bienestar	1,2,3,4,5,6,10	<ul style="list-style-type: none"> <li>Medidas de bioseguridad frente al COVID-19.</li> <li>Salud y seguridad laboral para asegurar un ambiente de trabajo seguro en nuestras operaciones.</li> <li>Beneficios a los colaboradores en temas de salud.</li> <li>Apoyo a campañas e iniciativas nacionales de prevención contra el COVID-19.</li> </ul>
4. Educación de calidad	1,2	<ul style="list-style-type: none"> <li>Formación interna.</li> </ul>
5. Igualdad de sexos	1,2,3,4,5,6	<ul style="list-style-type: none"> <li>Trato justo y equitativo.</li> <li>No discriminación por sexo.</li> </ul>
7. Energía asequible y No contaminante	1,2,7,8,9	<ul style="list-style-type: none"> <li>Promoción y asesoramiento para el uso de energía accesible y limpia.</li> </ul>
8. Trabajo decente y crecimiento económico	1,2,3,4,5,6	<ul style="list-style-type: none"> <li>Trabajo productivo.</li> <li>Salario digno.</li> <li>Beneficios socioeconómicos a colaboradores.</li> </ul>
9. Industria, Innovación e Infraestructura	3,4,5,6,7,8,9	<ul style="list-style-type: none"> <li>Fortalecimiento y optimización de la plataforma digital.</li> <li>Apoyo a la pequeña y mediana empresa.</li> </ul>
10. Reducción de las desigualdades	1,2,3,4,5,6,10	<ul style="list-style-type: none"> <li>Fortalecimiento de los canales digitales para asegurar la continuidad y agilidad de las operaciones con nuestros clientes.</li> <li>Reducción de las desigualdades en nuestras relaciones y con nuestros colaboradores.</li> </ul>
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6. Agua Limpio y saneamiento	1,2,7,8,9	
13. Acción por el clima	7,8,9	<ul style="list-style-type: none"> <li>Criterios ambientales para financiamiento: Comité SARAS de riesgos ambientales y sociales.</li> </ul>
14. Vida submarina	7,8,9	

**Principle 5: Governance & Culture**

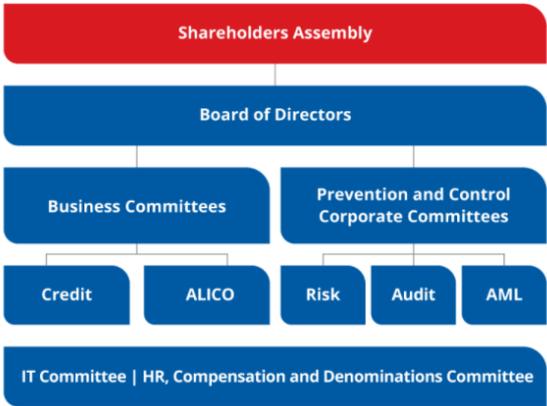
**We will implement our commitment to these Principles through effective governance and a culture of responsible banking**

5.1 Describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to

Our corporate Governance structure is based on the principles of: right to be informed, equitable treatment, personal and corporate responsibility.

We have different instruments for its operation, such as the Corporate Governance Manual, Code of Ethics and Behavior, Regulations of the Board of Directors and the General Assembly of Shareholders; as well as the Commitment to Integrity.

<p>manage significant positive and negative (potential) impacts and support effective implementation of the Principles.</p>	<p>Seeking to improve and strengthen our Corporate Governance, we focus on adopting the best practices and local and international standards, complemented by the experience of the members and advisors of the Committees.</p> <p>In addition, Corporate Governance, volunteering and Environmental and Social Risk Management policies have been implemented.</p> <p>As for the Environmental and Social Risk Management Policy, Multibank and Subsidiaries ensure that the portfolio of its clients and investments has the minimum negative impact on the environment and society, based mainly on the economic activities or sectors in which each debtor operates.</p> <p>In its growth, the Bank will place in the foreground the search for opportunities that maintain 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 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>We serve with passion and enthusiasm oriented towards a more human banking, based on individuals, where we provide a warm, close and transparent treatment to our clients. Our mission, vision and values are our administration philosophy that seals the commitments and responsibilities that we have as an organization.</p> <p>Some measures we have implemented in order to promote a responsible culture are:</p> <ul style="list-style-type: none"> <li>- Solar panels: We installed solar panels in the headquarters offices, significantly reducing consumption and expenses, through developed policies, the reduction of working hours, teleworking, a modality implemented for employees in times of confinement and the COVID pandemic- 19, as a contagion prevention measure. Solar Panels contributed 124,387.10 kWh for the 2021 period, obtaining a 9% savings on electricity bills.</li> <li>- Recycling Center, in the search to promote awareness and educate our collaborators in reducing, reusing and recycling, the recycling center was created. The center is for the use of all collaborators, in which materials such as paper, cardboard, plastic, cans, electronics and batteries can be recycled.</li> </ul>	

	<p>Multibank, Inc Year 2021 Waste Management</p> <table border="1"> <thead> <tr> <th>Details</th> <th>Weight (LBS)</th> <th>By Category</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Paper</td> <td>3,276.00</td> <td>1,489.09</td> <td>17%</td> </tr> <tr> <td>Paperboard</td> <td>2,345.00</td> <td>1,065.91</td> <td>12%</td> </tr> <tr> <td>Aluminum Cans</td> <td>238.00</td> <td>108.18</td> <td>1%</td> </tr> <tr> <td>Tetrapack</td> <td></td> <td>-</td> <td>0%</td> </tr> <tr> <td>Newspaper</td> <td>204.00</td> <td>92.73</td> <td>1%</td> </tr> <tr> <td>Electronics</td> <td>1,677.00</td> <td>762.27</td> <td>9%</td> </tr> <tr> <td>Plastic</td> <td>799.00</td> <td>363.18</td> <td>4%</td> </tr> <tr> <td><b>Total</b></td> <td><b>8,539.00</b></td> <td><b>3,881.36</b></td> <td><b>100%</b></td> </tr> </tbody> </table> <table border="1"> <tr> <td>Sub Total</td> <td>8,539.00</td> <td>Lbs</td> </tr> <tr> <td></td> <td>3,881.36</td> <td>Kg</td> </tr> <tr> <td></td> <td><b>3.87</b></td> <td><b>Tons m<sup>2</sup></b></td> </tr> </table> <p>- Creation of corporate values: integrity, innovation, transparency, solidarity, respect, responsibility, equity and commitment to excellence.</p>	Details	Weight (LBS)	By Category	%	Paper	3,276.00	1,489.09	17%	Paperboard	2,345.00	1,065.91	12%	Aluminum Cans	238.00	108.18	1%	Tetrapack		-	0%	Newspaper	204.00	92.73	1%	Electronics	1,677.00	762.27	9%	Plastic	799.00	363.18	4%	<b>Total</b>	<b>8,539.00</b>	<b>3,881.36</b>	<b>100%</b>	Sub Total	8,539.00	Lbs		3,881.36	Kg		<b>3.87</b>	<b>Tons m<sup>2</sup></b>	
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<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</p>	<p>Multibank maintains a Good Corporate Governance structure:</p> <p><u>GENERAL STRUCTURE</u></p>  <p>In accordance with the best practices of Corporate Governance in line with the guidelines contained in the Agreements of the Superintendence of Banks of Panama, the following Committees have been established, in support of the Board of Directors:</p> <p><b>Business Committees:</b></p> <p><b>Credit committee</b> Its objective is to review and approve credit proposals from local and international business banks and banking correspondents, in</p>																																														

<p>achieved or unexpected negative impacts being detected.</p>	<p>accordance with the established limits and reputational and compliance standards.</p> <p><b>ALICO Committee</b> Its objective is to monitor the levels of liquidity, the structure of the balance, terms, interest rates and other aspects of high financial impact in the active and passive operations of intermediation are managed appropriately and efficiently by the administration.</p> <p><b>Prevention and Control Committees:</b></p> <p><b>Risk Committee</b> Its objective is to define control policies and procedures. In addition, ensure that all areas of the group execute the administration and risk management strategies approved by the Board of Directors, guaranteeing compliance with the provisions of the current agreements and regulations.</p> <p>Promote and monitor compliance with policies, hold ordinary and extraordinary discussion sessions related to environmental and social risk management issues.</p> <p>Approve the environmental and social risk management policies and procedures, so that they are kept up to date and in accordance with the best market practices.</p> <p>The environmental and social risk management team reports quarterly to the Risk Committee on relevant issues according to the guidelines established in the policy. In addition, the committee is responsible for approving guidelines, procedures, methodologies and indicators associated with environmental and social risk.</p> <p><b>Prevention/Compliance Committee</b> Its objective is to support the Board of Directors in the prevention of money laundering, financing of terrorism and financing of the proliferation of weapons of mass destruction, in all the operations and transactions of the Group.</p> <p><b>Audit Committee</b> Its objective is to support the Board of Directors in fulfilling its responsibilities with respect to the management of the Group's accounting and financial information. The committee must ensure the effectiveness of the systems, controls and procedures.</p>	
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	<p><b>Other Committees</b></p> <p><b>Technology Committee</b> 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 the processes and the appropriate technology for the proper functioning of the operational platform; as well as monitoring the management of technological updating and modernization projects.</p> <p><b>Human Resources/Remunerations and Appointments Committee</b> The purpose of this committee is to establish the framework for the appointment of the members of Senior Management and those responsible for the control bodies, in order to ensure compliance with the qualities of the candidates and monitor the design and operation of the group's remuneration.</p> <p><b>Health and Hygiene Committee.</b> Its purpose is to prevent and ensure hygiene and health in the workplace, for the prevention 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><b>Principle 6: Transparency &amp; Accountability</b> <b>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.</b></p>		
<p>6.1 Progress on Implementing the Principles for Responsible Banking</p> <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</p>	<p>Every year Multibank publishes the annual Sustainability Report to the United Nations Global Compact and it is available on our website <a href="http://www.multibank.com.pa">www.multibank.com.pa</a></p>	

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 Multibank report and self-assessment template, has met the requirements to report the Bank's progress in implementing the Principles for Responsible Banking. We commit to continue working on the implementation and reporting of the principles in order to fully comply with the report within the scheduled time frame.

## 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”.