

Sustainability Report



The Road to **SUSTAINABILITY**
ANNUAL REPORT **2011**

Banco Popular



Chapter VI

We Create **value**



We Create Value

■ We create value because we trust people and they believe in us. We firmly consider that the distribution of benefits is the most specific way of making progress in unison with those who have helped us grow.

A Sound Patrimony for Social Welfare

In the year 2011, a historic milestone was reached by Banco Popular when it was awarded first place in net profits among the entire Costa Rican financial system. The total accrued profit of 77.1 million dollars represented an increase of 50.9% as compared to the year 2010. On the other hand, total assets for the year 2011 reached 3,127 million dollars.

The firm Fitch Ratings, which evaluates and reports on the solvency and capacity of banking institutions to comply with their obligations, granted Banco Popular and its long-term issues an AA rating, while its short-term issues were rated F1+, which incidentally represent the highest possible ratings. In both cases, this was applicable to the Costa Rican market.

Consequently, our high ratings (AA and F1+, according to Fitch Ratings) were accompanied by an effort to provide financial solutions to our groups of interest, which data are reflected in the figures of our banking portfolios for development, personal credit and housing.

The economic stability also allowed us to adhere to our institutional practice of paying a fair wage to all our employees throughout the country (3,233 persons).

The Figures Back Us Up

The composition and evolution of the Bank's most significant accounting entries, based on the financial information as of December 31, 2011, show that our institution is one of the most solid in the country.

Assets: Backing for the Present and Future

Banco Popular's main asset is the credit placements that contribute to the progress and wellbeing of thousands of citizens.

Banco Popular closed 2011 with \$3,188 million in total assets. This figure represents a 14.06% growth as compared to the previous year. The main component of the assets portfolio is the total credit portfolio, representing 69.85% of the assets. This figure shows the Bank's interest in focusing on the loan services to Costa Ricans, given that it is above the average parameter in the Costa Rican Financing System, which stands at 66.4%, according to the General Superintendence of Financial Entities (SUGEF, by its Spanish acronym).

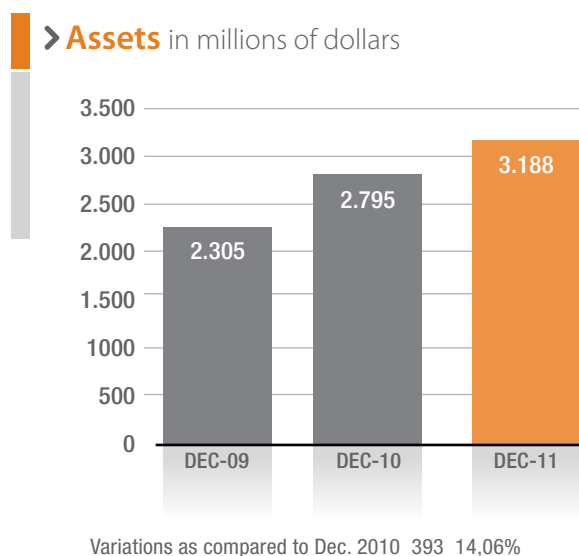
A Sound Solidarity Credit

The total credit portfolio amounts to \$2,226,600 at an exchange rate of 505.35 colones per dollar. Its growth, as compared to the previous year, stood at 9%, and its exposure to foreign currency is relatively low, since 90.26% of this portfolio has been placed in colones, while only 9.74% is in dollars. Banco Popular maintains a cautious management of this variable (exposure to foreign currency), considering that greater

part of its customers' income is in local currency. The average value of this parameter in the Costa Rican Financial System amounts to 39.0%, pursuant to SUGEF's report dated December 31, 2011.

The institution's credit portfolio by the end of the year 2011 is considered to be in good standing. The default rate, measured as the portion of the portfolio with more than 90 days' in arrears divided by the total portfolio, represented 2.65%. This figure is slightly higher than last year's, but

lower to the figure experienced by the Bank back in 2009, during the brunt of the world economic crisis. In Costa Rica, SUGEF establishes as acceptable any default rate below 3%. The increased delay in payment has become a generalized phenomenon in the country (especially for the state banking system), as a result of the difficult economic situation and unemployment rate, which rose from 4.6% in 2008 to 7.7% in the year 2011. Nonetheless, the average default rate of the Costa Rican Financial System is still within the margins established by SUGEF.



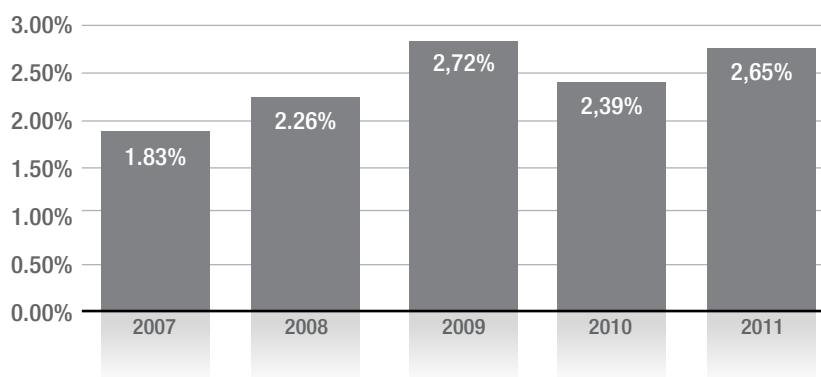
Banco Popular is fully aware of the fact that, since its main customer base is the Costa Rican working class, any increase in the unemployment rate would have an impact on its credit default—more so than in any other bank. Consequently, since the beginning of the world economic crisis in September 2008, the Bank maintains a policy whereby debtors have easy access to making special payment arrangements, allowing them to avoid defaulting on their debt, under this new economic reality.

Responsibility over the Liabilities

Banco Popular evidences its responsibility in the administration or safeguarding of its customer's money, people's savings, the working class' efforts. At the end of the year 2011, the institution had total liabilities of \$2,538 million, calculated at a foreign exchange rate of 505.35 colones per dollar — 13.27% higher than the previous year. Term deposits account for 50.5% of the liabilities and sight deposits amount to 16.7%. The remaining 32.8% is made up of other liabilities, in particular mandatory savings and checking accounts.

Consistent with the assets' composition, the Bank boasts a low exposure to foreign currency, given the fact that 88.17% of its liabilities are in domestic currency. The prudence with which Banco Popular had handled its exposure to foreign currency is clearly evidenced, considering the dollarization rate for liabilities in the Costa Rican Financial System, which at the close of 2011 stood at 42.5%, while that of Banco Popular was only 11.83%.

> Default of + 90 días



A Cautious Institution with a Strong Support

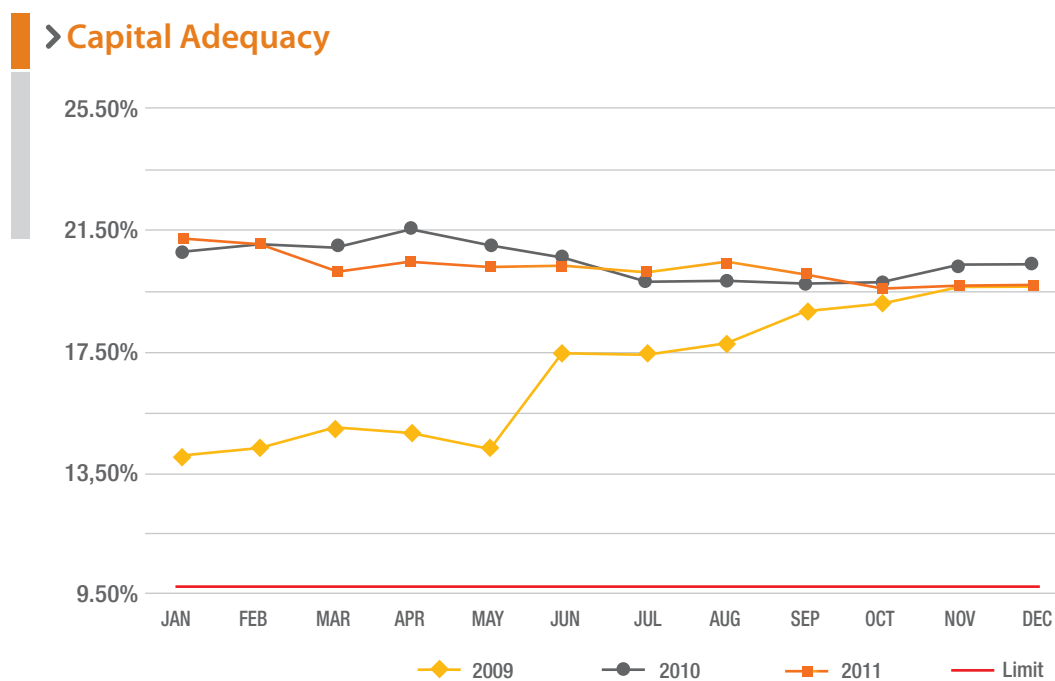
A rigorous and cautious management allows Banco Popular to have solid capitalization levels, in case of any eventual risks.

As of December 31, 2011, the institution boasted a net worth of \$649 million—a 14.93% increase as compared to the previous year. The Bank's net worth represents

20.36% of the total assets, revealing a very solid equity position, since the average in the Costa Rica Financial System is 15.05% of the total assets.

On the other hand, the Bank's capital adequacy—understood as the level of capital that allows an entity to deal with the risk of losses in the course of developing

its operations—reached a value of 19.36% in December 2011. This value is considered very positive, since according to SUGEF's classification, the Bank stands at the first level of capital adequacy (a level granted to banks with a capital adequacy of over 14%). In Costa Rica, SUGEF does not tolerate a capital adequacy under 10%.



More Earnings to Multiply the Benefits

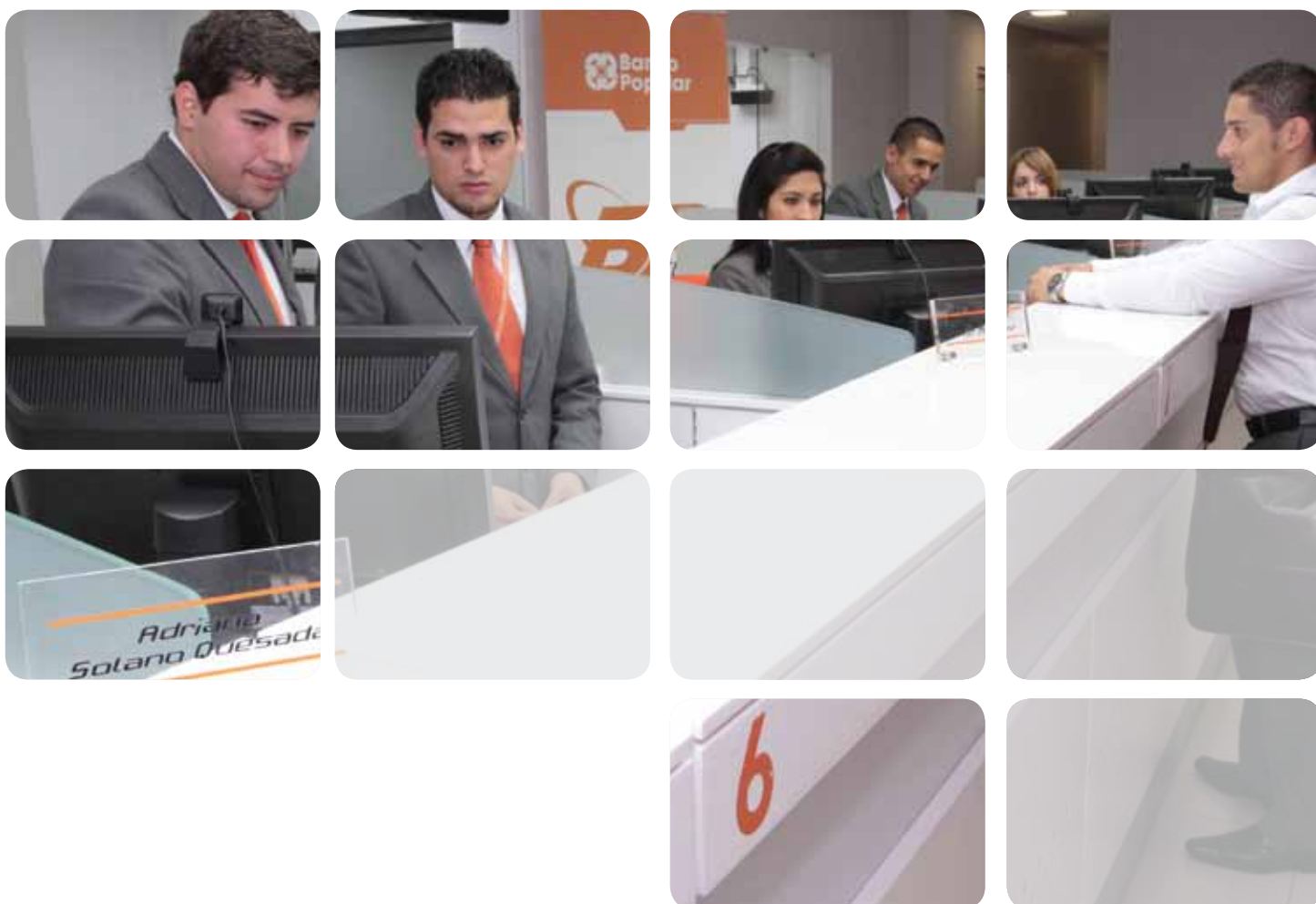
In the year 2011, Banco Popular's net profits attained a value of \$77.1 million dollars at the exchange rate of 505.35 colones per dollar. This profit level represented a growth of 50.9% as compared to the year 2010, and constitutes a much higher result than the average profits reported by the Costa Rican Banking System, whose joint profits grew by 41.9% in 2011. It also locates Banco Popular in the very first place of the profits ranking within the Costa Rican Financial System.

For Banco Popular, the importance of generating profits lies in the possibility of being able to grant more credits to the Costa Rican people; by the same token, it strengthens special funds that support limited-income workers who are marginalized from traditional banking, to whom the Bank destines 15% of its profits.

> Net Profits - National Banking System 2011 in millions of dollars

	Position	Total
Banco Popular	1	77.1
Banco BAC San José S.A.	2	53.0
Banco de Costa Rica	3	50.9
Banco Nacional de Costa Rica	4	50.4
Banco Crédito Agrícola de Cartago	5	12.9
Banco Promérica S.A.	6	9.3
Banco Scotiabank de Costa Rica S.A.	7	8.8
Banco HSBC Costa Rica S.A.	8	5.1
Banco CMB de Costa Rica S.A.	9	4.0
Banco BCT S.A.	10	3.9
Banco Lafise S.A.	11	2.5
Banco Improsa S.A.	12	2.0
Banco de Soluciones Bansol de Costa Rica S.A.	13	1.1
Banco General de Costa Rica S.A.	14	0.8
Banco Cathay de Costa Rica S.A.	15	0.5
Banco Citibank de Costa Rica S.A.	16	-0.4
Total		281.6

Source: SUGEF Costa Rica's web page



Chapter VII

Our Services make us excel, **our Products differentiate us from the rest**

Our Services make us excel, **our Products differentiate us from the rest**

Security in our Service

The inclusion of the digital signature in our electronic banking services is an effort that began in the year 2007. During 2011, not a single digital fraud was committed among our customers thanks to its proper implementation.

At Banco Popular we have the strong conviction that excellency is built one day at a time. It is a process that is renewed according to the needs of the persons whom we serve.

Committed to Service

In the search to provide timely and accessible information, in the year 2011 any external communications campaign was previously screened by an internal communications campaign. This was implemented with campaigns related to savings, loans, and wire transfers. External communications were aimed at guaranteeing that the Bank's clientele was well informed about the products, its benefits, and the terms and conditions, and were circulated through the various information channels, from mass and specialized media channels to social networks.

Banco Popular through the Eyes of its Customers

In compliance with Banco Popular's Customer Service & Attention Standards Manual, we carried out an evaluation of the services for 100% of its agencies. This evaluation had a four-prong approach in its components:

Component I: Survey among its Customers

We undertook a survey to find out the customers' perception, with a representative sample of 3,200 persons from various areas of the country, which was structured with several variables such as:

- Accessibility to services
- Perceptible image of the agencies
- Appropriate human relations
- Timely availability of information
- Personnel capacity for customer service
- Trustworthiness and credibility of the institution
- Capacity to respond to inquiries and concerns
- Quality of telephone customer service
- Quality of digital banking service

According to this survey, its customers gave it a grade of 88 in a 1-100 scale, which is considered normal.

Following are some of the results obtained general, according to customers.

The variables with the highest grade were: trustworthiness and credibility, with a 97; timely availability of information, with a 92; appropriate human relations, with a 96; and adequate perceptible image of the agencies, with a 96.



One of the customer service mechanisms for clients' inquiries and requests is the suggestion box located in each of the business centers.

Component II: Verification of Performance *in situ*

The employees were also evaluated in their service role, by means of direct observation by the evaluators.

The personnel evaluation was undertaken with a 367-employee sample, selected randomly at the services platform (credit and banking services) and priority tellers.

At national level, the personnel obtained an average grade of 89 points out of 100.

The variables that obtained the best grades for personnel were: sales techniques, with a 95; knowledge of the products, with a 92; attitude, with a 96; personal image, with a 99; communication skills, with a 90; and knowledge of service standards, with a 98.





Component III: Evaluation of Knowledge

The personnel evaluation focused on their general knowledge on the banking products and services.

Component IV: Analysis of Infrastructure

A study was conducted on the conditions of the agency infrastructure, taking into account aspects such as the appropriate signage, cleanliness, order and décor, as well as the compliance of accessibility parameters for persons with special needs, such as ramps, wide entrances and free transit areas.



An adequate accessibility in the infrastructure guarantees access to services to persons with disabilities.



Artisan Fair by Disabled Persons held at the facilities of the Banco Popular Metropolitan building in November, 2011.

Responsibility of the Information Offered

Principle of inclusion in the support provided to customer information

In 2011, Bank personnel received an e-learning training course aimed at the effective application of the Law on Equal Opportunities for Disabled Persons (7600) and the Comprehensive Law for the Elderly (7935). In observance of Law 7600, every information or advertising campaign included the preparation of materials for disabled persons. These materials included videos prepared with LESCO sign language, as well as audio files addressed to people with visual impairments, to name a few.

Additional Efforts for Customer Satisfaction

Evaluación de la oficina

In the evaluation of the offices, the aspects under consideration were those directly related to customer services and attention that have a bearing on providing quality services. At national level, the offices obtained an average grade of 86, which is considered within normal parameters.

Following are the variables that received best grades in the offices: security officers, with a 95; Back Office, with a 98; ongoing recommendations, with a 90; teamwork, with a 93; and office image, with a 96.

Among the variables evaluated at the offices, those that had the lower grades were: telephone service, with a 41; and handling of the suggestion box, with an 82.

Evaluation of Telephone Service

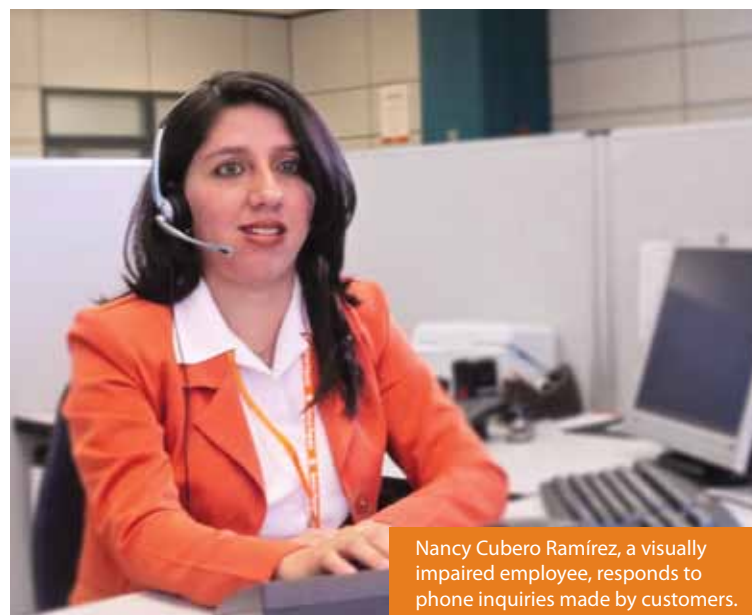
Simultaneous to the evaluation by components, we also undertook an evaluation of the telephone customer service. During this evaluation, we verified the quality of the service based on the following indicators:

- Number of telephone rings before the call is answered
- Knowledge by staff of the products and services offered by the Bank
- Response capacity to handle customer inquiries

One Step Ahead in the Service Chain

As part of the consolidation of a top-quality service, in the year 2011 we evaluated customer service beyond the staff whose role implied dealing directly with clients.

In this sense, Banco Popular evaluated the support that organizational areas provide to employees working in the service platform: departments like marketing, with regard to the supply of information materials; human development, when it comes to providing staff with adequate training; as well as information technology, in terms of a timely IT support during technical difficulties. The above were some of the areas considered in this effort, ultimately aimed at offering a superior customer service.



Nancy Cubero Ramírez, a visually impaired employee, responds to phone inquiries made by customers.

Ongoing Improvements

Aware of the importance of a timely response to customer complaints, mechanisms were set in place to effectively take care of the requirements of users. These improvements reported benefits such as:

- A reduction from 7 to 5 business days in the response time on complaints. In cases of higher complexity where an extension would be required, the response time was reduced from two months to one.
- The response to complaints was decentralized in order to take care of inquiries in a timely and expedite manner from the office where the complaint originated.

BP Total: An Innovative Model in Financial Services

Banco Popular was able to develop a modern financial services model—unique in Central America—called BP Total. It introduced a new service system that takes advantage of all the technological tools in the market in order to make transactions in a comfortable environment, where tellers give remote attention to customers, with permanent orientation guides, and where customers can make their inquiries on bank procedures by means of advanced audio/video system with executives of Banca Fácil. In addition, customers have access to data on touchscreens, digital signs, and wireless Internet service.

BP Total also unifies all the products of the Banco Popular Financial Conglomerate by offering services for the subscription of pension funds, investment funds, stock exchange, and insurance. In addition, it has three different types of lounges for the population's leisure: an exhibition space open to artists, another for its commercial partners to showcase their work, as well as a children's play area.

Customers have access to the services within an ample timetable: from 7:15 a.m. to 9:30 p.m., in a functional building suitably located on Paseo Colón, San José.





BP Total offers an innovative state-of-the-art service, with access to all sectors of the population.

**Balance of the
FODEMIPYME Credit
Fund:**

- 622 operations amounting to \$15.33 million
- 78% placed in micro-businesses
- 99% allotted to innovation and technological
- 42% placed in micro-businesses women

In Approaching Development Banking

Throughout 2011, The Social and Business Development Banking expanded both in scope and detail all the actions it had begun years ago. This represented a greater specialization in the attention to the needs of micro-, small- and medium-scale businesses, social economy organizations, and other productive populations at its service.

Special efforts focused on the micro-, small- and medium-scale businesses (PYMES, by its Spanish acronym), taking into account their difficulties in obtaining funds from the national savings. In order to accomplish this goal, financial resources were arranged and special funds were created by law, such as the Fund for Medium- and Small-Scale Businesses (FODEMIPYME) and the Development Banking system fund.

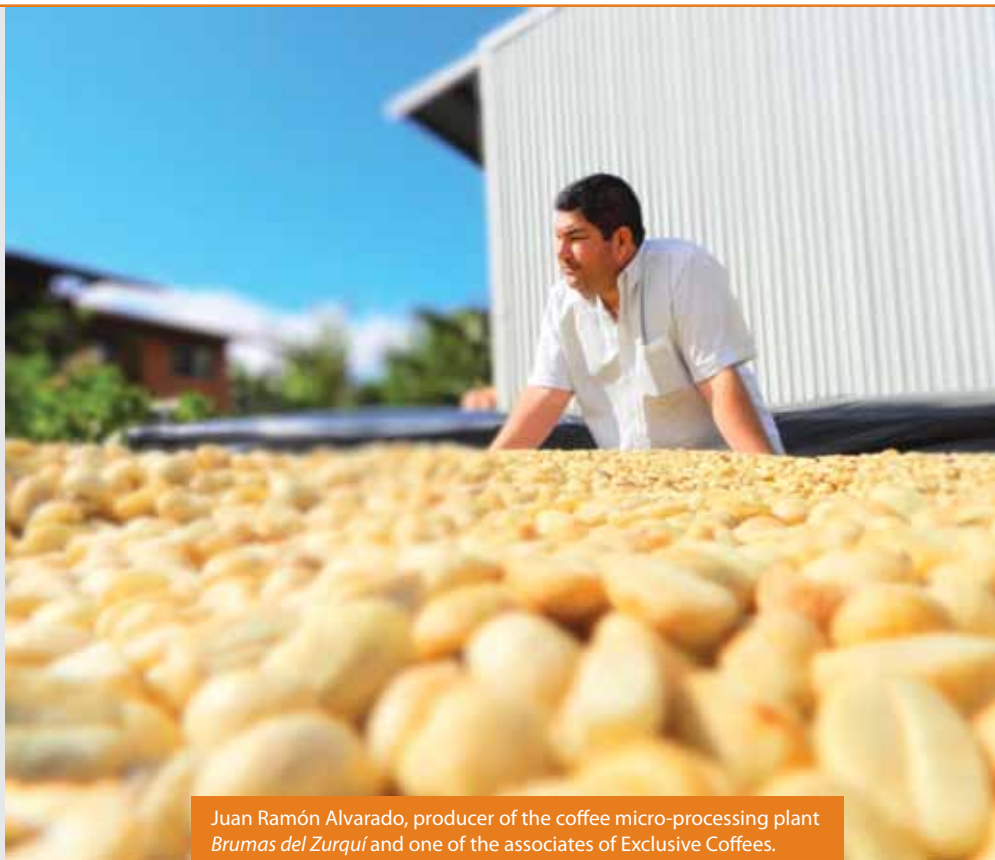
From the total Development Banking portfolio, 20% has been granted to women. This financial service supports, from a business and social perspective, sectors like the small- and medium-scale business sector, solidarity associations, cooperatives, public institutions, and private companies.



Banco Popular promotes development and competitiveness of Costa Rican small-and medium-scale businesses.

Support to the small- and medium-scale producer: The case of Exclusive Coffees

Small coffee producers have devoted efforts to improve the quality of their crop, thus aiming to increase their bottom line. With these efforts, they have managed to obtain better prices in the international market. In this procedure, the Bank not only allowed to process their financing in dollars, considering the currency in which they receive their income, but also opened a line of credit for working capital of up to \$100,000 during harvest time. These financial conditions have been made possible as a result of an agreement signed with the firm Exclusive Coffees S.A, which groups over 80 small coffee producers in the country.



Juan Ramón Alvarado, producer of the coffee micro-processing plant *Brumas del Zurquí* and one of the associates of Exclusive Coffees.

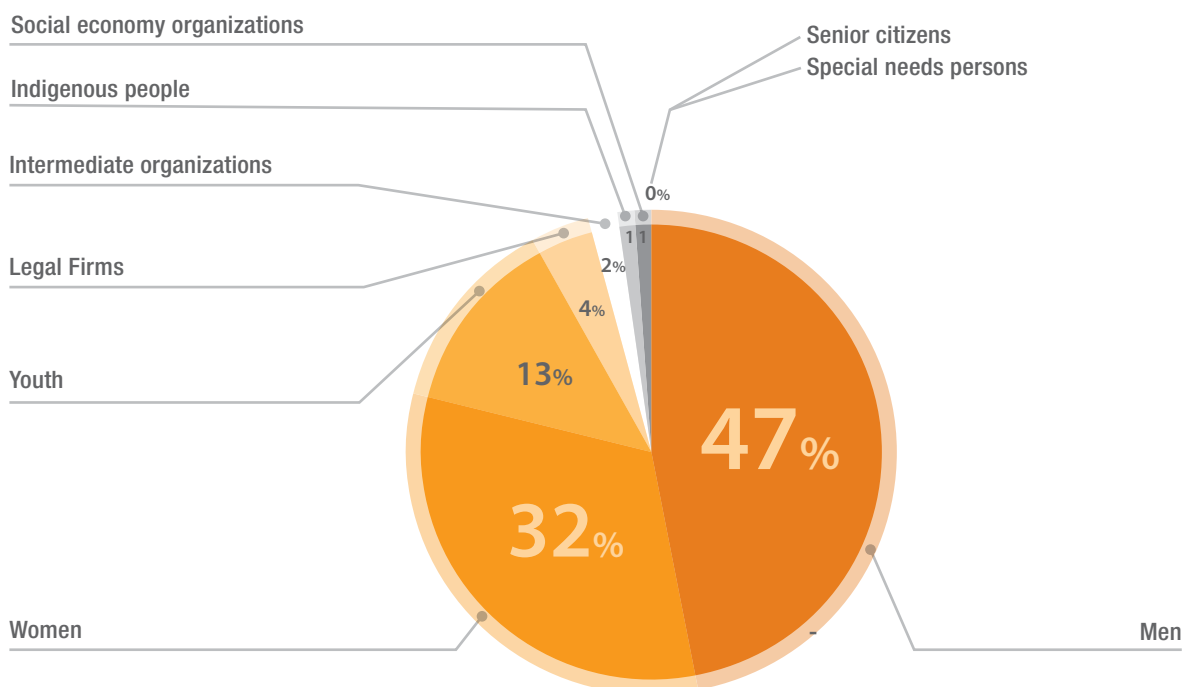


“The financing agreement signed with Banco Popular has contributed to and benefited a great many producers of fine coffees in our country, substantially facilitating the development of boutique-type coffees, processed in tiny lots totally by hand, and positioning them in market niches throughout the world, while rescuing the producer’s identity.”

Francisco A. Mena,
Manager, Exclusive Coffees S.A.

> Distribution by Segment of the Special Fund Portfolio

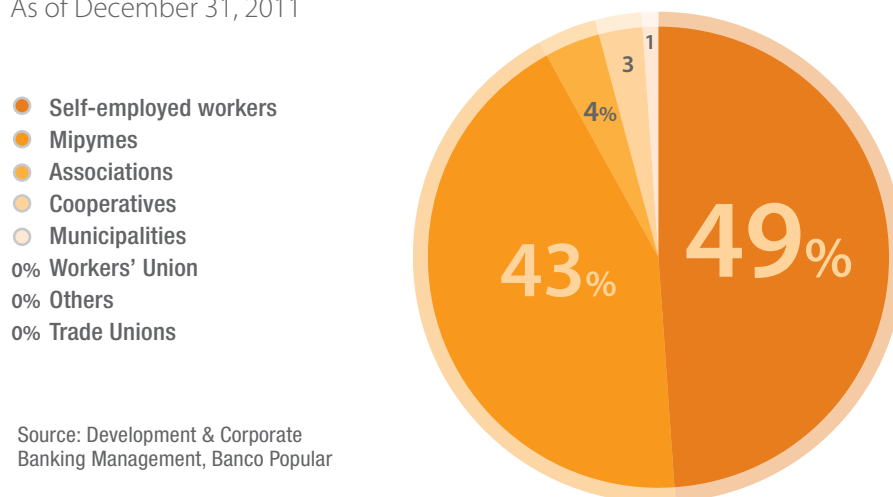
As of December 31, 2011



Source: Development & Corporate Banking Management, Banco Popular

> Classification of the Development Portfolio of Social Economy Organizations

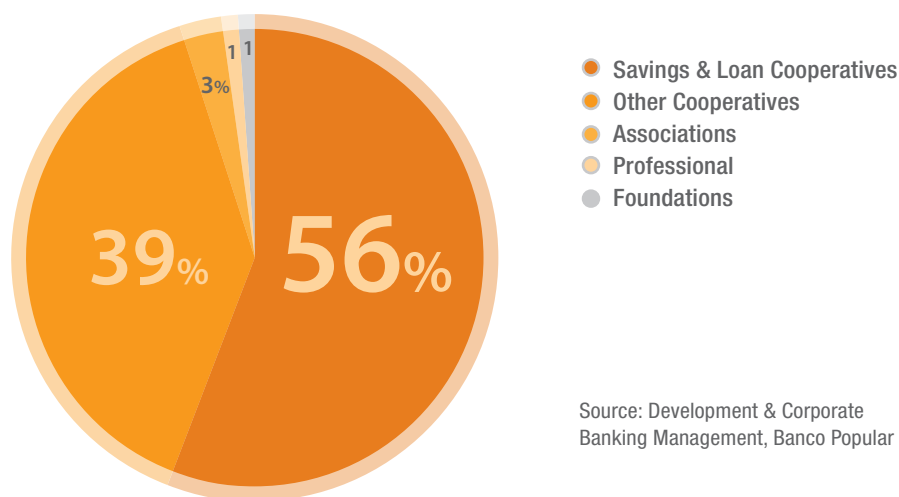
As of December 31, 2011



Source: Development & Corporate Banking Management, Banco Popular

> Classification of the Development Portfolio of Social Economy Organizations

As of December 31, 2011



Financial Solutions for Social Welfare

The main aspiration of the Social Development Banking is based on the principle of offering financial solutions to groups of interest which, due to their economic conditions, are not eligible for credit within conventional banking. The Special Housing Fund (FEVI, by its Spanish acronym) is a part of the financial support given to middle class persons. Following is a chart showing the distribution of the fund according to the country's region.

> Distribution of FEVI Allotment by Region as of December 31, 2011 in millions of dollars

Region	Amount	Balance	Placed
Central	414	9,80	10,21
Northern	139	2,25	2,40
Southern-Atlantic	32	0,48	0,46
Total	585	12,53	13,08

Source: Development & Corporate Banking Management, Banco Popular

Support Given to Housing Projects During 2011

San José Project (Aguas Zarcas, San Carlos): This project granted housing loans for amounts starting at \$28,000 to a population that depends on agriculture and cattle farming. The Bank has financed five housing solutions and is planning to expand to 26 more.

Jardines de Tobosi Project: Located in Cartago, this housing project has been promoted by a solidarity association (ASEPIPASSA) aimed at providing housing to middle-class families. A total of 35 housing solutions have been financed.

FUPROVI Agreement: After signing an agreement with Fundación Pro Vivienda—a non-profit organization aimed at providing solutions to housing needs—Banco Popular promoted the development of five housing solutions in the Veredas del Conquistador Project, in the province of Cartago.

Low-Cost Housing

With a view to providing financial solutions to highly-vulnerable segments of the population—in poverty and extreme poverty conditions—the Bank has been able to meet the demand for low-cost housing. With the support of the budget of the Banco Hipotecario de la Vivienda (BANHVI), we have placed housing bonds which have managed to satisfy 327 housing needs, 66 of which have been credit-bonds; that is, economic aid in which the free housing allowance granted by BANHVI has been complemented by the beneficiaries with loans from Banco Popular at preferential interest rates.



Delivery of a housing project to the Cabécar indigenous community.

> Credit and Bonds Placement

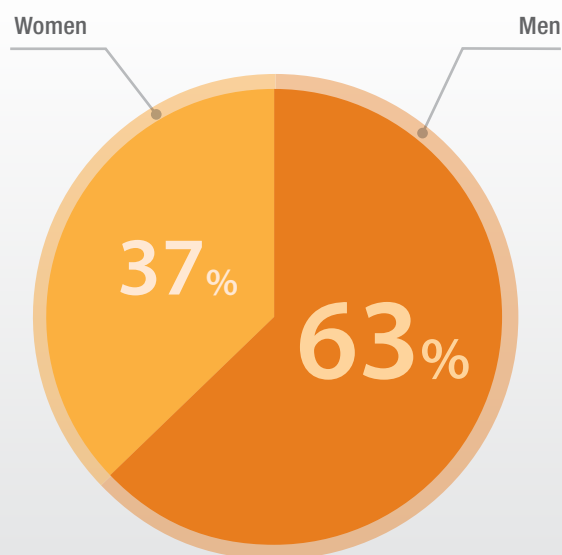
Classification by
Population Benefited as of December 31, 2011

Segment	Number of Cases	Amount
Female Heads of Household	215	\$ 3.733.911,48
Male Heads of Household	40	\$ 495.960,51
Youth	47	\$ 471.262,64
Senior Citizens	22	\$ 290.385,41
Disabled persons	3	\$ 46.496,48
Total	327	\$ 5.038.016,53

Source: Development & Corporate Development Banking

> Distribution of the FEVI Portfolio by Gender

As of December 31, 2011



Source: Development & Corporate Banking Management, Banco Popular



High school students are trained on money-management skills in the framework of the Financial Education project promoted by Banco Popular.

Banco Popular is the only financial institution — under the supervision of the Superintendence of Financial Entities (SUGEF, by its Spanish acronym)— to offer collateral loans at a 32% interest rate p.a., much lower than the interest charged for a similar service among lending institutions (60% - 120% p.a.).

Targeting Financial Education

The Financial Education project was launched in the year 2011 and it constitutes a long-range program that is intended to change people's concept and attitude towards money. This program seeks to reverse trends such as the high levels of indebtedness of Costa Ricans in consumer credit and promotes the adequate use of credits cards. During 2011 this initiative comprised a series of actions such as:

- **Financially in Shape:** A series of efforts undertaken thanks to a strategic alliance with Radio Reloj—a high-impact media in Costa Rica that is owned by Central de Radios. This initiative consisted of advice, reports and interviews revolving around financial education, through a special radio show. .
- **Forums:** The civil population participated in the four forums, which provided training to approximately 1,000 people.

Surety: A Financial Alternative for Socially Disadvantaged Persons

Granting a loan by placing jewelry as collateral is clearly a personal financial solution of a social nature. Sometimes it is the only option for a broad sector of population with no access to the formal financial system.

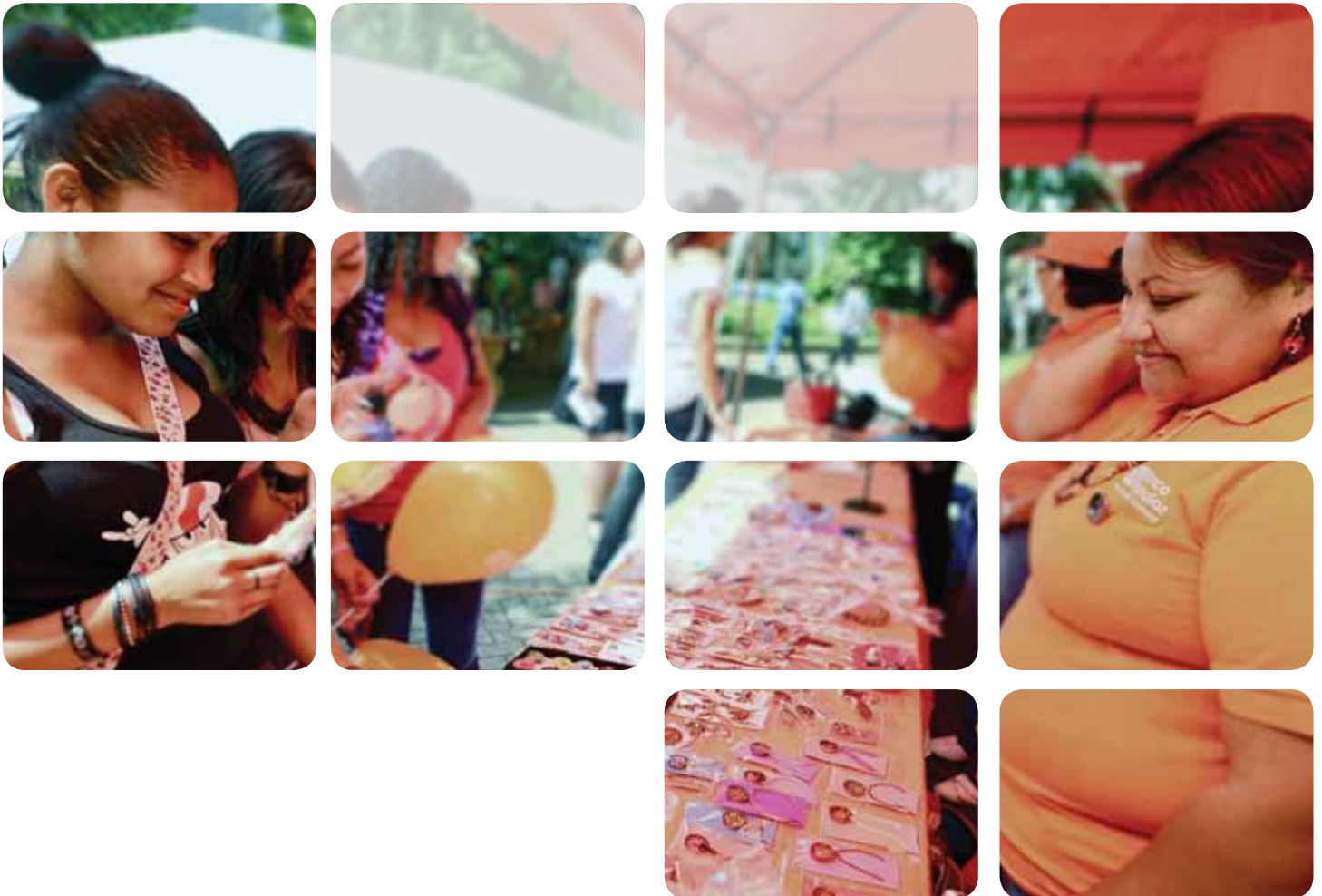
In the year 2011, 7,576 credit operations were placed, representing \$6.53 million. This implies credits granted which on average reach \$875 and in their majority (65%) are sought by women who pawn their jewelry to meet diverse needs, such as paying medical bills, purchasing school supplies for their children, and so forth.

Hanna Gabriels—the symbol of the working woman

The national boxing champ, Hanna Gabriels, sponsored by Banco Popular, has become the icon of the working woman that struggles every day to reach her goals. The support given to this athlete strengthens the furthering of positive values in Costa Rican families, such as persistence, effort, trust, and hard work. As part of the actions aimed at strengthening the savings culture and the smart use of money, Hanna participated in financial education campaigns that fall within the scope of the Bank's actions.



Costa Rican boxing champ Hanna Gabriels handed out piggy banks to visitors during the celebration of the World Savings Day.



Chapter VIII

Our Commitment to the **Community**

Our Commitment to the Community

Honesty, transparency, ethics, and respect for the rights of others are the features that serve as a framework for our daily work—a responsibility we are certain is fully consistent with the social purpose we stand by as a banking institution.

Providing an Ethical Business Environment

An ethical performance on the part of the Bank's personnel is one of the values sought after in our everyday conduct. For this reason, in an attempt to protect our capital's clarity and transparency, 100% of this institution's employees have received full training on the provisions of Law 8204*, aimed at incorporating anti-corruption policies and procedures. As such, pursuant to article 24 of the Organic Law of Banco Popular, we created a Code of Ethics, in order to set forth the standards of conduct that must be observed by the institution's management, supervisory department, legal representatives, advisors, and temporary or permanent staff.

* Law on narcotics, psychotropic substances, and unauthorized drugs, related activities, money laundering, and terrorism financing.

Contributing to the Strengthening of Public Policies

One way of having a positive bearing on the evolution and development of public policies is by means of their reinforcement and implementation. As such, we have incorporated certain actions that nurture efforts such as:

The National Climate Change Strategy: This country-wide effort seeks to reach a carbon-neutral status by the year 2021, and is supported by the Bank through actions aimed at reaching carbon neutrality by the institution as well.

National Policy for Gender Equality and Equity: This policy, which has set forth the commitments made by Costa Rica to move toward equality and equity between men and women, was created in the year 2007 with a ten-year vision, and is supported by systematic actions on the part of the Bank's administration.



Law of Equal Opportunities (7600) and Comprehensive Law for the Elderly (7935): Both laws depart from a social construction that seeks to provide equal opportunities for access and participation under identical circumstances to special needs groups. From the Bank's actions, we have pursued equal opportunities by the adaptation of our services, as well as by reinforcing the proper attitudes among our staff toward the needs of persons with some degree of vulnerability.





"Attaining gender equity and equal opportunities implies a change in attitude which is our main barrier among people, and this action takes years, investment, sensitization, and commitment to in order to have a bearing on the organizational

culture. From the incorporation of inclusive language, up to specific achievements, such as parity in the main decision-making bodies, generating a sense of self-confidence among women, and a balance in hiring men and women; the former are all actions that lead us toward a more fair and balanced society. These, among others, are efforts that make Banco Popular a most worthy recipient of a distinction in the forefront of this subject. Our institution is the only financial institution at the Central American level to obtain the SIGEG certification."

Lilliana Hall,
Advisor to Corporate Management

Capacity Building for Equity Construction

After being awarded the Certification of the Labor Management System on Gender Equality and Equity (SIGEG, by its Spanish acronym), based on the ISO Standards format, the Bank has been trained in the application of the inclusive gender language in all manner of documents, including communication campaigns to external and internal public. These provisions aim to reduce the gender gap, promote changes in attitude, as well as strengthen the investment in human and social capital in terms of equality and equity.

To obtain the SIGEG certification, granted in 2011 by the National Institute for Women (INAMU, by its Spanish acronym), Banco Popular promoted a training program for its staff on topics such as masculinity and courses addressed to empowering women on managerial skills.

Another action committed to going from theory to fact on the gender topic was the specific guideline regarding equal opportunities on employment and development of women. Hence, out of a total of 312 outsourcing contracts, 60% correspond to female staff. In the processes of internal screening due to appointments and promotions to permanent positions, out of a total 212 appointments, 55% of the persons selected were women.



Incentive Activities for the Productive Sector

"Fall in Love with your City" Program

In addition to promoting Development Banking, Banco Popular became fully involved in initiatives that contributed to the exposure,

projection and reinforcement of small undertakings. This was the case of the "Fall in Love with your City" Program, a proposal developed jointly with the Ministry of Culture and Youth seeking to rescue the public spaces of the capital city, the promotion of artistic expressions that identify Costa Rican culture, and the participation

The National Solidarity Conference promoted entrepreneurship and the reinforcement of this Social Economy sector.

of micro-businesses with their eco-friendly products, mostly headed by women.

In the framework of “Fall in Love with your City,” the micro-businesswomen supported by Banco Popular exhibited their products in an activity that summoned thousands of Costa Ricans to visit San José’s public spaces, especially urban parks. During the year 2011, Banco Popular was included among the 27 locations for this project, which took place between February 12th and August 27th and included a series of activities that gathered a total of 207,500 persons from all social sectors and age groups.

Through this endeavor, the visiting population not only had access to the products offered by the businesswomen, but the Bank also took advantage of this space to provide financial education to children, teenagers, and adults.

Development of the National Solidarity Conference

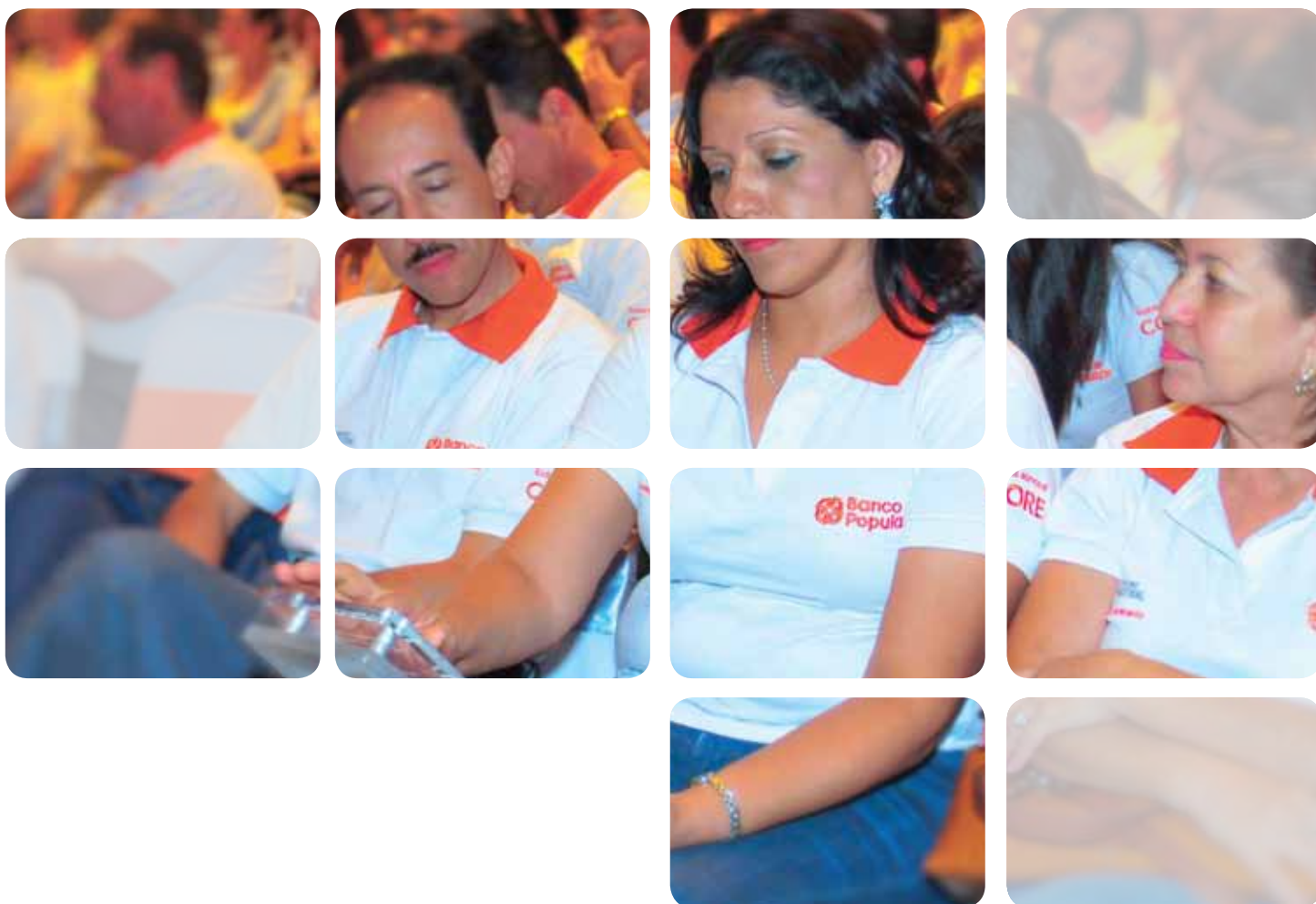
The National Solidarity Conference was an activity organized by the Bank, whose objective was to promote entrepreneurship, both within the solidarity movement

and in companies in general. The effort was a part of the institution’s activities to promote social economy by creating reciprocal relationships between collaborating businesses and strengthening strategic alliances for the reinforcement of sectoral coordination.

National Community Server Day

Banco Popular, in support of National Community Development Administration (DINADECO, by its Spanish acronym), promoted the celebration of the National Community Server Day, which took place on October 30, 2011.

This activity, which gathered the country’s major Community Development Associations, aims to promote and strengthen volunteer work carried out by the members of these associations in the country. These are community leaders who, from their local context, undertake community security actions, provide spaces for mental and physical development of its population, encourage a positive coexistence, generate and rescue public spaces, and at the same time promote productive projects aimed at community self-management.



Chapter IX

Our **Human Capital**

Our Human Capital

■ We place our trust in the men and women who on a daily basis place at the country's disposal their enthusiasm and knowledge by providing their services to our clientele. It is these people who make the organization's success possible.

Composition and Profile of Banco Popular's Personnel

The observance of the laws and rights by our personnel are the pillars of the talent management. Personnel recruitment and screening are based on technical criteria that exclude all manner of discriminatory practices. The institution's workforce is made up of 3,233 persons, 49.61% of whom are women and 50.70% are men. Of the total personnel, 63% are in the 20-40 age bracket; 27% are in the 40-50 age bracket; and the remaining 10% is over 50. Overall, 83% of the personnel have a permanent position and the remainder are temporary staff.

> Personnel Distribution

by Occupational Group and by Gender

Type of Job	Women	Men	Total
Managerial	1	4	5
Heads of Dept.	59	141	200
Professional	331	404	735
Technical	451	422	873
Operating	757	663	1 420
Total	1.599	1.634	3.233

Social Benefits

Focused on the employees' quality of working life, Banco Popular grants a series of benefits to its employees, such as:

In addition, the Bank applies a salary scale higher than the minimum wage established by law for the country, thus upholding itself as a benchmark for the 50th percentile of the market.

Additional to the job benefits listed above, Banco Popular has signed a Collective Bargaining Agreement that covers 100% of its personnel, regardless of the type of labor contract an employee may have.

Labor Representation in Security and Health Committees

As part of the institutional responsibility for maintaining a healthy business environment based on the prevention of occupational risks and health promotion, it has formed commissions both on health as well as on emergency response throughout the country's branch offices. These commissions are constantly being trained by means of an educational plan that includes topics on contingencies, evacuations, first aid, rescue techniques, and environmental management, to name a few.



Programs on Education, Training, Counseling, and Risk Control

During 2011, we began a visiting program of primary basic health care for our personnel and their families in the country's branch offices. With this initiative, we have managed to provide care for 469 persons in 42 offices, which include 21 financial service centers, branch offices, and 21 peripheral business offices.

> Average Number of Training Hours per Year by Employee Category

Category	Hours
Head of Dept.	15.89
Professional	17.18
Technical	29.19
Operating	15.40
Total	19.41

Skills Management and Ongoing Education Program

One of the cornerstones of institutional management is the application of tools and practices aimed at strengthening the top-performance culture oriented to customer service. Over \$970,000 dollars have been invested in education programs addressed at fostering conducts and knowledge of our staff, which not only contributes to their performance but also to their personal development. In the year 2011, we dedicated an average of 19 hours per person in training and refreshment courses. Out of the total persons who received training, 53% were women and 47% were men.

Performance Evaluation and Professional Development

One hundred percent of the institution's personnel undergo an annual evaluation with a quarterly follow up. Two instruments are applied in these evaluations, namely:

- The Balanced Scorecard (BSC), whose grading process is applied at the managerial, supervisory, and head of department levels.
- The Personal Development Balance (BDP, by its Spanish acronym) is focused on evaluation for non-head of department levels.



"Banco Popular is an excellent employer, not only because of the security it provides by being a very solid institution, but also

because of the ongoing training it offers us. The programs it promotes allow us to grow not only in the professional arena but in the personal one as well."

Martha Hidalgo Durán, Assistant, Human and Organizational Development Management



Capítulo X

Audited **Financial Statements**



> Audited Financial Statements

As of December 31st, 2011 and 2010



Despacho Lara Eduarte, S. C.
Member Crowe Horwath International

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Apdo 7108 – 1000 San José, Costa Rica
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Informe del contador público independiente

A la Junta Directiva Nacional del
Banco Popular y de Desarrollo Comunal
y a la Superintendencia General de Entidades Financieras

Hemos auditado los estados financieros consolidados que se acompañan del Banco Popular y de Desarrollo Comunal y subsidiarias, que comprenden el balance de situación consolidado al 31 de diciembre de 2011 y 2010 y los estados consolidados de resultados, de cambios en el patrimonio y de flujo de efectivo por los periodos de un año terminados en esas fechas, así como un resumen de políticas contables importantes y otras notas aclaratorias. Los estados financieros antes mencionados han sido preparados por el Banco Popular y de Desarrollo Comunal de acuerdo con la normativa emitida por el Consejo Nacional de Supervisión del Sistema Financiero y la Superintendencia General de Entidades Financieras.

Responsabilidad de la administración por los estados financieros

La administración del Banco y subsidiarias es responsable de la preparación y presentación razonable de estos estados financieros consolidados de acuerdo con la normativa emitida por el Consejo Nacional de Supervisión del Sistema Financiero y la Superintendencia General de Entidades Financieras. Esta responsabilidad incluye diseñar, implementar y mantener el control interno relevante en la preparación y presentación razonable de los estados financieros que estén libres de representaciones erróneas de importancia relativa debidas a fraude o error, seleccionando y aplicando políticas contables apropiadas y haciendo estimaciones contables que sean razonables en las circunstancias.

Responsabilidad de los auditores

Nuestra responsabilidad es expresar opinión sobre estos estados financieros consolidados con base en la auditoría. Realizamos la auditoría de acuerdo con normas internacionales de auditoría. Dichas normas requieren que cumplamos con requisitos éticos y que planeemos y desempeñemos la auditoría para obtener seguridad razonable sobre si los estados financieros están libres de representación errónea de importancia relativa. Una auditoría implica ejecutar procedimientos para obtener evidencia de auditoría sobre los montos y revelaciones en los estados financieros. Los procedimientos seleccionados dependen del juicio del auditor, incluyendo la evaluación de los riesgos de representación errónea de importancia relativa de los estados financieros debida a fraude o error. Al hacer esas evaluaciones de riesgo el auditor considera el control interno relevante en la preparación y presentación razonable de los estados financieros consolidados del Banco y subsidiarias para diseñar procedimientos de auditoría que sean apropiados en las circunstancias. Una auditoría también incluye evaluar la propiedad de las políticas contables usadas y lo razonable de las estimaciones contables hechas por la administración del Banco y subsidiarias, así como evaluar la presentación general de los estados financieros.

Despacho Lara Eduarte, s. c.

- 2 -

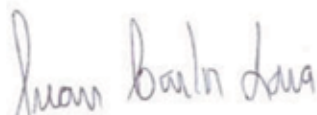
Creemos que la evidencia de auditoría que hemos obtenido es suficiente y apropiada para proporcionar una base para nuestra opinión.

Opinión

En nuestra opinión, los estados financieros consolidados adjuntos presentan razonablemente, respecto de todo lo importante, la posición financiera consolidada del Banco Popular y de Desarrollo Comunal y subsidiarias al 31 de diciembre de 2011 y 2010 y sus resultados y su flujo de efectivo consolidados en los periodos de un año terminados en esas fechas, de acuerdo con la normativa emitida por el Consejo Nacional de Supervisión del Sistema Financiero y la Superintendencia General de Entidades Financieras, como se describe en la nota 1.

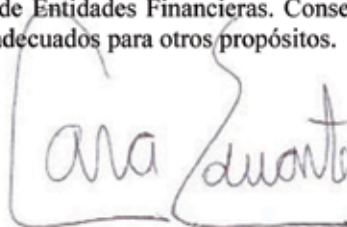
Base de contabilidad

Sin que afecte nuestra opinión, hacemos referencia a la nota 1 de los estados financieros consolidados que describe las bases de contabilización. Los estados financieros consolidados están preparados en cumplimiento de lo requerido por el Consejo Nacional de Supervisión del Sistema Financiero y la Superintendencia General de Entidades Financieras. Consecuentemente los estados financieros consolidados pueden no ser adecuados para otros propósitos.



San José, Costa Rica
15 de marzo de 2012

Dictamen firmado por
Juan Carlos Lara P. N° 2052
Pol. 0116 FIG. 3 V. 30-9-2012
Timbre Ley 6663 c/1.000
Adherido al original




Cuadro A
1 de 2

Banco Popular y de Desarrollo Comunal
y subsidiarias
Balance de situación consolidado
31 de diciembre
(en colones sin céntimos)

	Notas	2011	2010
Activo			
Disponibilidades	4	¢ 74,873,576,904	67,858,686,106
Efectivo		55,554,422,837	47,069,443,994
Banco Central		14,940,723,987	16,682,833,076
Entidades financieras del país		2,389,186,338	2,343,331,290
Entidades financieras del exterior		12,642,680	9,688,598
Otras disponibilidades		1,976,601,062	1,753,389,148
Inversiones en instrumentos financieros	5	376,876,059,016	284,781,511,419
Mantenidas para negociar		52,898,115,595	49,212,940,119
Disponibles para la venta		319,547,076,336	232,026,646,168
Productos por cobrar		4,430,867,085	3,541,925,132
Cartera de crédito	6	1,125,200,773,927	1,032,250,555,148
Créditos vigentes		976,551,548,312	885,945,236,145
Créditos vencidos		151,439,872,907	148,846,507,323
Créditos en cobro judicial		23,945,965,387	18,371,896,994
Productos por cobrar		16,694,239,169	16,973,092,190
Estimación por deterioro		(43,430,851,848)	(37,886,177,504)
Cuentas y comisiones por cobrar	7	2,583,980,076	4,658,476,951
Comisiones por cobrar		596,442,599	697,508,786
Cuentas por cobrar por servicios bursátiles		12,624,525	35,757,443
Cuentas por cobrar por operaciones con partes relacionadas		166,813,637	132,401,468
Impuesto sobre la renta diferido e impuesto sobre la renta por cobrar	15	881,184,070	1,187,751,413
Otras cuentas por cobrar		3,922,904,034	3,713,248,404
Estimación por deterioro		(2,995,988,789)	(1,108,190,563)
Bienes realizables	8	6,486,819,754	4,715,143,980
Bienes y valores adquiridos en recuperación de créditos		11,178,795,377	5,976,686,585
Estimación por deterioro y por disposición legal		(4,691,975,623)	(1,261,542,605)
Participación en el capital de otras empresas, neta		52,495,944	57,531,560
Inmuebles, mobiliario y equipo, neto	9	35,349,770,512	36,726,580,366
Otros activos		27,520,070,846	25,084,766,053
Cargos diferidos		559,825,582	743,053,307
Activos intangibles, neto	10	6,412,562,648	7,576,672,060
Otros activos		20,547,682,616	16,765,040,686
Total activo	¢	1,648,943,546,979	1,456,133,251,583

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Cuadro A
2 de 2

Banco Popular y de Desarrollo Comunal
y subsidiarias
Balance de situación consolidado
31 de diciembre
(en colones sin céntimos)

	Notas	2011	2010
Pasivo y patrimonio			
Pasivo			
Obligaciones con el público	¢	1,087,572,445,553	961,353,942,488
A la vista	11	243,460,466,797	214,022,927,658
A plazo	11	787,531,586,351	706,802,145,941
Otras obligaciones con el público		41,691,764,896	26,672,699,812
Cargos financieros por pagar		14,888,627,509	13,856,169,077
Obligaciones con entidades	12	156,200,489,718	136,943,431,539
A la vista		44,659,101,208	18,392,382,352
A plazo		105,365,840,418	112,322,103,341
Otras obligaciones con entidades		4,308,768,506	4,656,188,724
Cargos financieros por pagar		1,866,779,586	1,572,757,122
Cuentas por pagar y provisiones		73,525,794,715	67,268,184,020
Cuentas por pagar por servicios bursátiles		849,580,080	2,920,609,815
Impuesto sobre la renta diferido	15	2,948,555,823	3,066,752,546
Provisiones	14	23,170,830,970	24,564,438,911
Otras cuentas por pagar diversas	13	46,556,827,842	36,716,382,748
Otros pasivos		3,329,902,100	3,503,148,974
Ingresos diferidos		2,076,357,467	1,973,873,022
Estimación por deterioro de créditos contingentes		235,375,713	8,656,969
Otros pasivos		1,018,168,920	1,520,618,983
Total pasivo		1,320,628,632,086	1,169,068,707,021
Patrimonio			
Capital social	1.2	130,000,000,000	130,000,000,000
Capital pagado		130,000,000,000	130,000,000,000
Aportes patrimoniales no capitalizados		60,408,990,317	44,379,496,493
Ajustes del patrimonio		16,722,223,833	16,267,324,722
Superávit por revaluación de inmuebles, mobiliario y equipo	9	18,491,691,767	18,635,738,078
Ajuste por valuación de inversiones disponibles para la venta		(654,674,082)	(1,041,643,750)
Ajuste por valuación de participación en otras empresas		(1,114,793,852)	(1,326,769,606)
Reservas patrimoniales		1,149,263,661	1,007,853,122
Resultados acumulados de periodos anteriores		75,180,680,670	65,791,683,217
Resultado del periodo		38,785,936,042	25,804,129,129
Patrimonio Finade		6,067,820,370	3,814,057,879
Total patrimonio		328,314,914,893	287,064,544,562
Total pasivo y patrimonio	¢	1,648,943,546,979	1,456,133,251,583
Cuentas contingentes deudoras	18	75,177,746,296	61,041,409,509
Activos de los fideicomisos	16	38,785,936,042	10,732,711,295
Pasivos de los fideicomisos	16	38,785,936,042	4,008,023,074
Patrimonio de los fideicomisos	16	0	6,724,688,221
Otras cuentas de orden deudoras	17	6,070,754,752	2,337,302,739,804
Cuentas de orden por cuenta de terceros deudoras	17	6,070,754,752	1,052,398,484,025
Cuentas de orden por cuenta propia por actividad de custodia	17	1,648,943,546,979	220,487,566,690
Cuentas de orden por cuenta de terceros por actividad de custodia	17	0	873,777,971,653

Las notas son parte integrante de los estados financieros consolidados.

Lic. Ricardo Torres S.
Gerente General

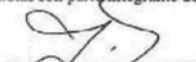
Lic. Marvin Camacho R.
Contador General

Srta. Marcela González C.
Auditor Interno


Cuadro B
Banco Popular y de Desarrollo Comunal
y subsidiarias
Estado de resultados consolidado
Períodos de un año terminados el 31 de diciembre
(en colones sin céntimos)

	Notas	2011	2010
Ingresos financieros			
Por disponibilidades	¢	6,294,524	1,602,962
Por inversiones en instrumentos financieros	19	26,666,197,843	20,773,119,956
Por cartera de crédito	20	178,928,639,768	166,160,055,506
Ganancia por diferencial cambiario y UD		970,694,296	126,989,156
Ganancia en instrumentos financieros disponibles para la venta		1,520,310,420	5,324,045,368
Otros ingresos financieros		7,416,339,610	6,092,871,260
Total ingresos financieros		215,508,476,461	198,478,684,208
Gastos financieros			
Por obligaciones con el público	21	(60,891,663,437)	(58,386,442,191)
Por obligaciones financieras		(10,344,805,732)	(9,788,942,233)
Por otras cuentas por pagar diversas		(1,469,193,189)	(1,454,143,249)
Pérdidas por diferencial cambiario y UD		(33,670,799)	(1,035,270,840)
Pérdida por instrumentos financieros disponibles para la venta		(1,128,546,420)	(282,061,148)
Otros gastos financieros		(248,192,831)	(229,870,523)
Total gastos financieros		(74,116,072,408)	(71,176,730,184)
Estimación de deterioro de activos		(26,053,536,899)	(33,083,493,631)
Por recuperación de activos financieros		14,932,832,320	5,551,348,352
Resultado financiero		130,271,699,474	99,769,808,745
Otros ingresos de operación			
Comisiones por servicios		29,845,013,803	25,831,391,817
Por bienes realizables		1,257,101,731	1,294,988,979
Cambio y arbitraje de divisas		1,603,924,060	1,968,084,388
Otros ingresos operativos		10,066,537,891	11,309,041,560
Total otros ingresos de operación		42,772,577,485	40,403,506,744
Otros gastos de operación			
Comisiones por servicios		(3,844,371,229)	(3,022,953,901)
Por bienes realizables		(5,677,679,082)	(2,436,398,419)
Por bienes diversos		(178,412,354)	(68,321,399)
Provisiones		(6,634,797,478)	(7,608,637,171)
Cambio y arbitraje de divisas		(305,387,210)	(229,914,621)
Otros gastos operativos		(5,860,669,132)	(7,958,935,532)
Total otros gastos de operación		(22,501,316,485)	(21,325,161,043)
Resultado operacional bruto		150,542,960,474	118,848,154,446
Gastos administrativos			
Gastos de personal		(62,946,525,982)	(55,162,558,267)
Otros gastos de administración		(32,352,574,836)	(29,346,665,239)
Total gastos administrativos	22	(95,299,100,818)	(84,509,223,506)
Resultado operacional neto antes de impuestos y participaciones sobre la utilidad		55,243,859,656	34,338,930,940
Participaciones sobre la utilidad	13	(6,410,176,368)	(4,056,633,233)
Impuesto sobre la renta	15	(10,047,747,246)	(4,478,168,578)
Resultado del período	¢	38,785,936,042	25,804,129,129

Las notas son parte integrante de los estados financieros consolidados.


Lio. Gerardo Porras S.
Gerente General


Lio. Marvin Camacho R.
Contralor General


MBA. Manuel González C.
Auditor Interno

Banco Popular y de Desarrollo Comunal
Estado de cambios en el patrimonio consolidado
Períodos de un año terminados el 31 de diciembre
(en columnas sin cifras)

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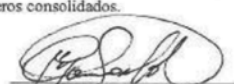
Las retas son parte integrante de los estados financieros consolidados.

Banco Popular y de Desarrollo Comunal
y subsidiarias
Estado de flujos de efectivo consolidado
Periodos de un año terminados el 31 de diciembre
(en colones sin céntimos)

	Notas	2011	2010
Actividades operacionales			
Resultado del período	¢	38,785,936,042	25,804,129,129
Partidas que no requieren efectivo:			
Pérdidas por estimación para créditos incobrables		21,367,941,926	29,703,158,074
Pérdidas por otras estimaciones		4,685,594,973	3,380,335,557
Pérdidas por estimación de bienes realizables	8	4,610,378,342	1,714,306,395
Depreciaciones y amortizaciones	9 y 10	5,422,343,190	6,262,142,634
Amortización plusvalía IBP Pensiones	10	1,026,600,000	85,550,000
Ganancias por reversión de estimación para créditos incobrables		(13,187,422,746)	(4,624,574,670)
Ganancias por reversión de otras estimaciones		(757,274,107)	(421,431,475)
Ganancias por reversión de estimación de bienes realizables		(1,018,701,718)	(1,075,318,707)
Gasto por impuesto sobre la renta	15	10,047,747,246	4,478,168,578
Pago de impuesto sobre la renta		(3,779,733,966)	(2,803,957,683)
Pérdidas (ganancias) no realizadas por diferencial cambiario		(11,023,778)	6,068,152,841
Gastos por provisión para prestaciones sociales, neto de pagos	14	3,380,883,600	934,641,277
Aportes patronales recibidos durante el año		16,029,493,824	13,763,659,185
Distribución de utilidades OPC		(593,326,369)	(656,914,109)
Gasto por participación Conape	1.y	1,091,384,110	671,863,933
Gasto por participación Finade	1.y	1,637,076,165	1,007,795,900
Gasto por participación Fodemipyme	1.y	2,043,113,006	1,360,817,348
Gasto por participación Comisión Nacional de Emergencias	1.y	1,543,217,063	917,455,896
Variaciones en los activos, (aumentos) disminuciones:			
Cuentas y productos por cobrar		(1,853,823,983)	(5,233,401,991)
Cartera de crédito		(101,188,588,847)	(168,384,076,449)
Bienes realizables		(5,363,352,398)	(3,849,160,128)
Otros activos		(3,599,414,205)	(1,600,523,912)
Variación en los pasivos, (disminuciones) aumentos:			
Obligaciones a la vista		29,531,903,219	22,294,960,695
Obligaciones a plazo		81,761,898,842	11,802,507,479
Otras obligaciones con el público		15,019,065,084	1,577,266,634
Cuentas por pagar por operaciones bursátiles		(2,071,029,735)	(401,922,159)
Otras cuentas por pagar y provisiones		(7,531,290,032)	1,158,751,104
Otros pasivos		(173,246,882)	(1,048,937,980)
Traslado de cargos por ISR		(13,426,632,277)	0
Efectivo neto provisto (usado) en actividades de operación		83,429,715,589	(57,114,556,604)
Actividades de inversión			
Inversión neta en valores y depósitos		(88,260,747,629)	27,588,832,822
Adquisición de propiedad, mobiliario y equipo	9 y 10	(4,748,694,634)	(6,641,681,485)
Venta de propiedad, mobiliario y equipo	9 y 10	592,867,637	425,790,418
Fondos provenientes compra IBP Pensiones		0	340,064,226
Compra de activos netos IBP Pensiones		0	(1,960,674,042)
Compra de la plusvalía en la fusión de IBP Pensiones	10	0	(5,133,000,000)
Participación en efectivo en el capital de otras empresas		5,035,616	0
Efectivo neto (usado) provisto en actividades de inversión		(92,411,539,010)	14,619,331,939
Actividades financieras			
Otras obligaciones financieras		19,259,037,096	59,383,273,441
Efectivo neto provisto en actividades financieras		19,259,037,096	59,383,273,441
Aumento (disminución) en efectivo y equivalentes de efectivo		10,277,213,675	16,888,048,776
Efectivo y disponibilidades al inicio del año	4	179,926,162,713	163,038,113,937
Efectivo y disponibilidades al final del año	4 ¢	190,203,376,388	179,926,162,713

Las notas son parte integrante de los estados financieros consolidados.


Lic. Gerardo Puentes S.
Gerente General


Lic. Marvin Camacho R.
Contador General


MBA. Manuel González C.
Auditor Interno

Correspondence Index of the Global Reporting Initiative (GRI)

Indicator	Description	Location
	Strategy & Analysis	
1.1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and its strategy	Page 8
	Organization's Profile	
2.1	Name of the organization	Page 1
2.2	Primary brands, products and/or services	Page 16
2.3	Operational structure of the organization	Page 25
2.4	Location of the organization's headquarters	Back cover
2.5	Number of countries where the organization operates	Page 29
2.6	Nature of ownership and legal form	Page 7
2.7	Markets served	Page 30
2.8	Scale of the reporting organization	Page 31
2.10	Awards received in the reporting period	Page 31
	Report Parameters	
	Report Profile	
3.1	Reporting period for information provided	Page 35
3.2	Date of most recent previous report (if any)	Page 35
3.3	Reporting cycle (annual, biennial, etc.)	Page 35
3.4	Contact point for questions regarding the report or its contents	Page 2

Indicator	Description	Location
	Report Scope and Boundary	
3.5	Process for defining report content	Page 35
3.6	Boundary of the report	Page 35
3.7	State any specific limitations on the scope or boundary of the report	Page 35
	GRI Content Index	
3.12	Table identifying the location of the Standard Disclosures in the report	Page 89
	Governance, Commitments and Engagement	
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight	Page 25
	Performance Indicators	
	Economic Indicators	
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	Page 52
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation	Page 48
	Environmental Indicators	
EN1	Materials used by weight and volume	Page 40
EN2	Percentage of materials used that are recycled input materials	Page 40
EN4	Indirect energy consumption by primary source	Page 40
EN5	Energy saved due to conservation and efficiency improvements	Page 40
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	Pages 42, 43
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	Pages 42, 43
EN10	Percentage and total volume of water recycled and reused	Pages 41, 42
EN18	Initiatives to reduce greenhouse gas emissions by weight	Page 41
EN26	Initiatives to mitigate environmental impacts of products and services, and extend of impact mitigation	Page 42
EN30	Total environmental protection expenditures and investments by type	Page 46

Indicator	Description	Location
	Social Performance Indicators	
	Labor Practices and Decent Work	
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LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	Page 79
LA4	Percentage of employees covered by collective bargaining agreements	Page 79
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees, established to help monitor and advise on occupational health and safety programs	Page 79
LA8	Education, training, counseling, prevention and risk-control programs in place to assist workforce members, their families or community members regarding serious diseases	Page 79
LA10	Average hours of training per year per employee by employee category	Page 80
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Page 80
LA12	Percentage of employees receiving regular performance and career development reviews	Page 80
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Page 78
	Human Rights	
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Page 74
	Society	
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	Page 72
SO5	Public policy positions and participation in public policy development and lobbying	Page 73
	Product Responsibility	
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	Page 54
PR3	Type of product and service information required by procedures, and percentage of products and services subject to such information requirements	Page 54
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Pages 55, 60
PR6	Programs for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	Page 58

Indicator	Description	Location
	Supplement on the Financial Services Sector	
	Products Portfolio	
FS6	Percentage of the portfolio for business lines by specific region, size (eg. micro/ SME/large) and by sector	Page 62
	Community	
FS14	Initiatives to improve access to financial services for disadvantaged people	Page 65
	Product and Service Labeling	
FS16	Initiatives to enhance financial literacy by type and financial literacy by type of beneficiary	Page 68

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