



2021 SUSTAINABILITY REPORT

United Nations Global Compact: Communication on Progress





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MESSAGE FROM THE CHAIRMAN OF THE BOARD AND THE CEO

Latin America has been one of the regions most severely impacted by the pandemic. The crisis primarily affected women, children and the elderly, resulting in rising inequality and poverty.

Against this background, through our Crece Latinoamérica Gonzalo Menéndez Duque Foundation, we continue to support projects and programs aimed at providing educational opportunities for children and young people from the most vulnerable sectors, as well as supporting those affected by the pandemic.

Beyond the actions of our social investment arm, the Board of Directors has made sustainability a top priority as an area of action for all business initiatives, thus ratifying our decision to join the United Nations Global Compact in 2011.

In this regard, the Board has considered raising the monitoring of ESG related matters, incorporated into all our endeavors, to a Board committee level, recognizing that our vision of promoting foreign trade and regional integration in Latin America is more important than ever, along with taking more concrete actions aimed at reducing poverty and inequality in the Region.

This will enable us to further strengthen sound governance, environmental stewardship and social responsibility as vital aspects of building long-term business success, incorporating ESG parameters and indicators into the management of our operations.

We continue to move towards sustainable and responsible business management, channeling our strategic social investment from Fundación Crece Latinoamérica, to expand opportunities for economic, social and environmental development in the markets where we operate, with the conviction that this is also part of our role and essence, in our ongoing effort to support the progress and integration of all of Latin America.

Miguel Heras Castro
Chairman of the Board

Jorge Salas
CEO



ABOUT THIS REPORT

This report contains information related to Bladex's social responsibility processes and programs, its achievements during 2021 and our continued commitment to the ten Principles of the United Nation's Global Compact. Moreover, it highlights our contribution based on the Sustainable Development Goals.

After a decade of reporting on our social responsibility as part of our Communication on Progress towards the Global Compact, in 2021 we evolved towards a Sustainability Report the contents and structure of which is based on the environmental, social and governance (ESG) criteria of our management.

SCOPE

- Este informe cubre resultados y avances desarrollados del 1° de enero al 31 de diciembre de 2021.
- El Informe de Sostenibilidad 2021 constituye nuestra Comunicación de Progreso al Pacto Global y presenta nuestra gestión responsable del negocio a partir de su contribución a los Objetivos de Desarrollo Sostenible (ODS).
- Este documento se complementa con la Memoria Anual y Estados Financieros Consolidados 2021, así como con nuestro Código de Ética, y el Manual de Gobierno Corporativo, que se encuentran disponibles en www.bladex.com

GLOBAL COMPACT PRINCIPLES

As signatories of the Global Compact, we adopt as our own its ten principles in its four areas:

Human Rights

- Principle 1: We support and respect the protection of fundamental, internationally recognized Human Rights.
- Principle 2: We ensure that we are not complicit in Human Rights abuses.

Work

- Principle 3: We support freedom of association and the effective recognition of the right to collective bargaining.
- Principle 4: We support the elimination of all forms of forced or compulsory labor.
- Principle 5: We support the eradication of child labor.
- Principle 6: We support the abolition of discriminatory practices in employment and occupation.

Environment

- Principle 7: We maintain a preventive approach that favors the environment.
- Principle 8: We foster initiatives that promote greater environmental responsibility.
- Principle 9: We foster the development and dissemination of environmentally friendly technologies.

Anti-Corruption

- Principle 10: We work against corruption in all its forms, including extortion and bribery.



KEY FACTS AND FIGURES

We contribute to the sustainable development of Latin America by boosting foreign trade and regional integration.

US\$312.9 billion

Disbursed credits in 42 years of operations

US\$1.4 billion

de activos líquidos

100%, approximately

Collection of Loan Maturities

US\$3.0 billion

Deposits

US\$62.7 million

Net Income

19.1% Basel III

Solid Capitalization

US\$1

6.2% Annual Dividend Yield



Our main contribution is aligned with the UN Sustainable Development Goal 8

Goal 8.10:
“Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all.”

Goal 8.a:
“Increase aid for trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries.”

Accumulated Disbursed Credits by Region (1979 - 2021)

US\$312.9 billion disbursed credits



(1) Includes Bolivia, Colombia, Ecuador, Peru, and Venezuela.
(2) Includes Argentina, Chile, Paraguay, and Uruguay.
(3) Risk in counties outside of Latin America related to transactions carried out in the Region.

Geographic Segmentation
Financial Intermediation Business

% in Foreign Trade

	2020	2021
Brazil	51%	47%
Mexico	39%	49%
CAC	42%	45%
Andean	44%	44%
Southern Cone	26%	38%

% of Commercial Portfolio

	2020	2021
Brazil	18%	17%
Mexico	11%	11%
CAC	23%	24%
Andean	24%	24%
Southern Cone	15%	15%

2021 MILESTONES



ORGANIZATION PROFILE AND BUSINESS MODEL

Banco Latinoamericano de Comercio Exterior S.A. (Bladex) provides integrated financial solutions across Latin America’s foreign trade value chain and supports the Region’s economic integration.

In 1992

FIRST LATIN AMERICAN BANK

- Listed on the NYSE under the ticker symbol “BLX”.
- To obtain an investment grade rating.



Class “A” Shareholders

CENTRAL BANKS AND STATE-OWNED BANKS AND ENTITIES

23 Latin American countries provide substantial support and represent a direct link between the Bank and the governments of Latin America.



Multinational Bank

THE BANK’S DNA

- Regional presence
- Ownership structure
- Business model
- Management
- Organizational culture



Business Value Proposition

- In-depth knowledge of Latin America
- Core competency in trade finance
- Support for investments and regional integration
- World-class standards in Corporate Governance

Clients

- Financial Institutions
- Corporations

Services

Financial Intermediation

- Foreign Trade: Foreign trade products – short and medium-term instruments that help drive cross-border activity of corporations.
- Working Capital: Structured credit and lending facilities for short and medium-term financing of supply Chain, materials and equipment, and inventories across a wide range of activity sectors.

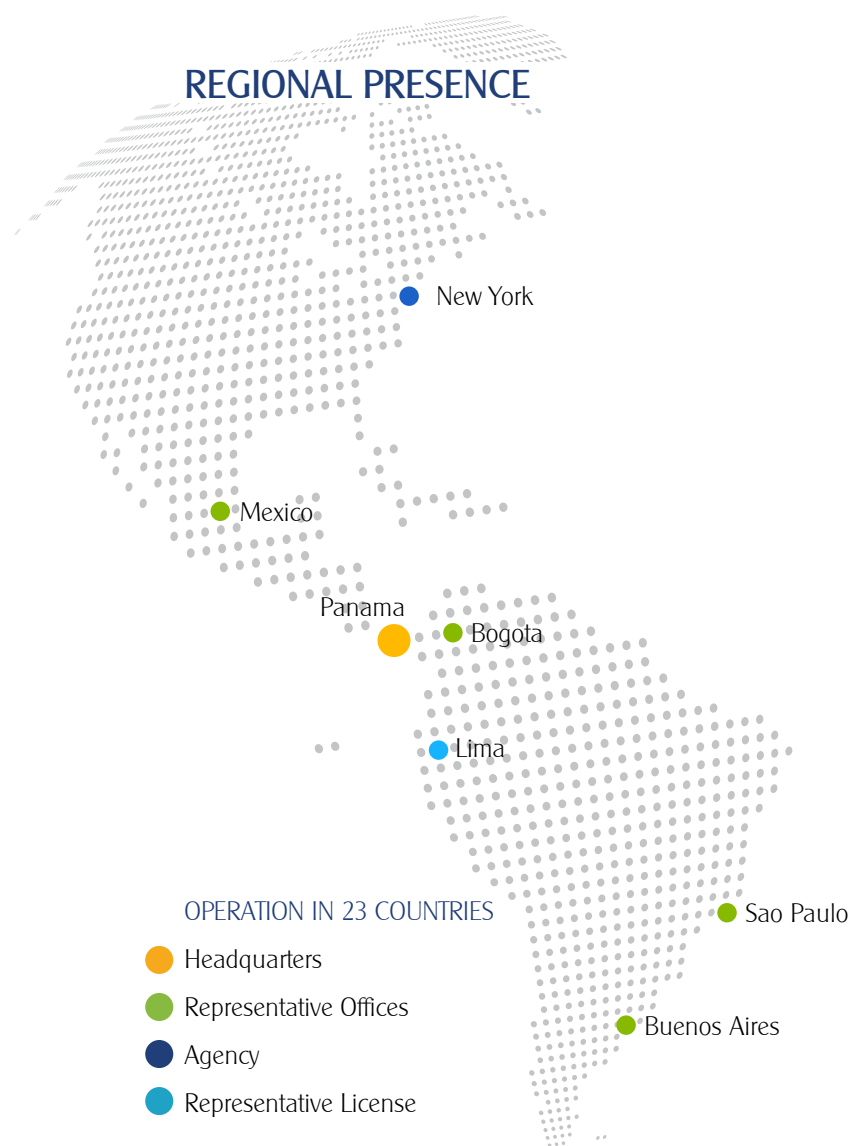
Syndication and Structuring

- Financial solutions designed to meet clients’ needs.
- Structured funding opportunities for a broad base of financial institutions and corporations in Latin America.

Treasury

- Debt capital markets and deposit products for investment and cash flow optimization.
- Treasury services

REGIONAL PRESENCE



OPERATION IN 23 COUNTRIES

- Headquarters
- Representative Offices
- Agency
- Representative License

OUR HEAD OFFICE

Operations and logistical support of the Bank's activities are centralized in the Head Office located in Panama, where business is also carried out for Central America, the Caribbean, Ecuador, and Peru.

OWNERSHIP COMPOSITION

As of December 31, 2021

CLASS "A" 17%

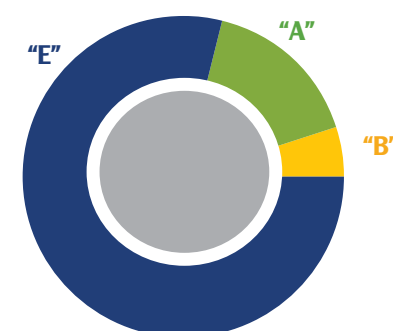
Central banks and state-owned banks and entities in 23 countries from Latin America and the Caribbean.

CLASS "B" 6%

Banks and financial institutions from Latin America and the Caribbean.

CLASS "E" 77%

Private Investors (NYSE)



Broad shareholder support.
World-class Corporate Governance.

RISK RATING

As of December 31, 2021

MOODY'S

P-2
Short-Term

Baa2
Long-Term

Stable
Outlook

S&P Global

A-2
Short-Term

BBB
Long-Term

Stable
Outlook

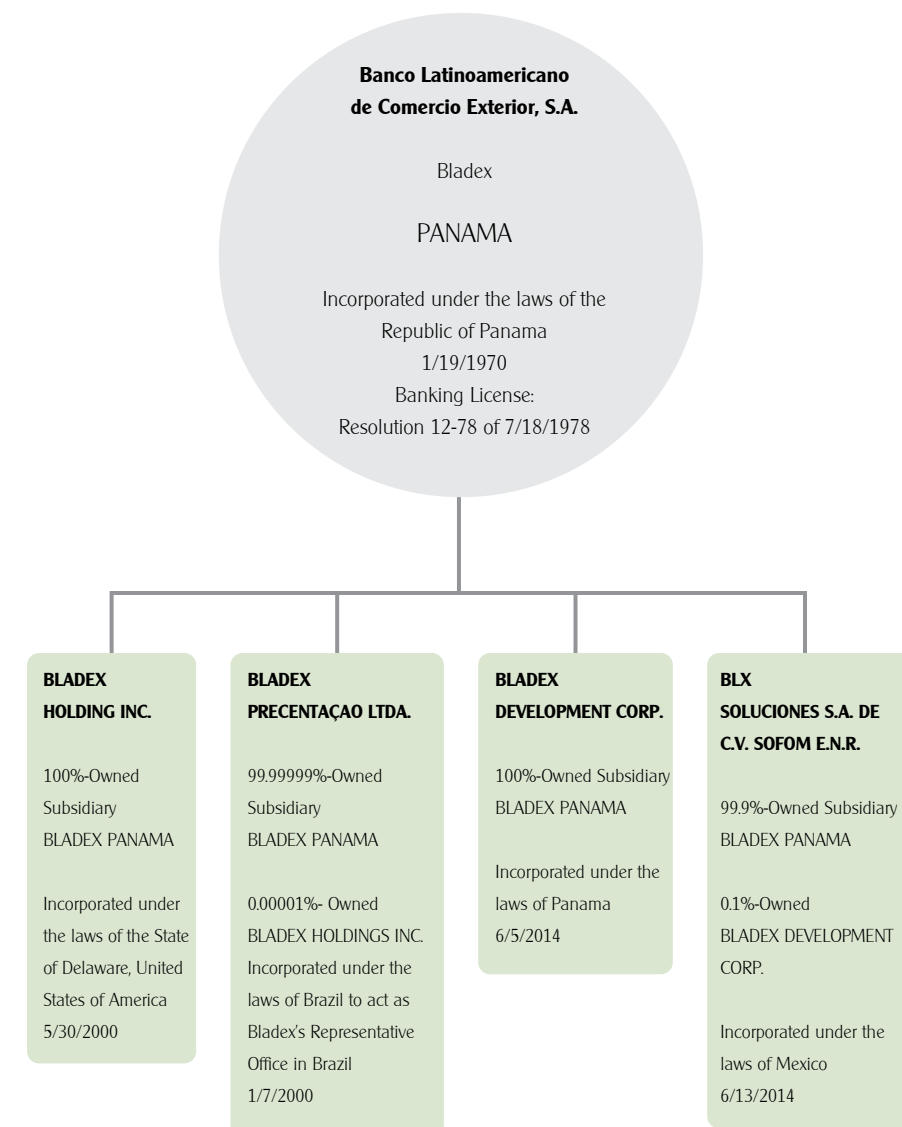
FitchRatings

F3
Short-Term

BBB
Long-Term

Stable
Outlook

LEGAL STRUCTURE





FOCUS AREAS

Environmental Dimension

Social Dimension

Governance Dimension

ENVIRONMENTAL DIMENSION

Bladex considers the impact of its operations on the environment, applying responsible consumption practices within the organization and in the market. To this end, it has established general guidelines for financing.

Therefore, the organization has instituted a list of operations that are not eligible for financing, mostly related to the environment. In this manner, it performs an ethical exclusion, by not conducting business with companies or industries that are considered unacceptable, according to ESG (Environmental, Social and Governance) criteria, thus ensuring compliance with the environmental commitments set out in Principles 7, 8 and 9 of the Global Compact, as well as contributing to Sustainable Development Goals 7, 11, 12, and 13.

Business Area

Operations with the following characteristics shall not be considered for financing due to their negative impact on the environment.

Operations Not Eligible for Financing

- Production or trade of ozone-depleting substances subject to international phase-out under the Montreal Protocol.
- Trade in wildlife or wildlife products regulated by CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora).
- Commercial logging operations, sawmills or purchases of logging equipment for use in primary tropical rainforest (prohibited by forest policy).
- Production or marketing of pesticides and herbicides subject to international restrictions or bans under the Rotterdam Convention on the prior informed consent procedure for certain hazardous chemicals and pesticides in international trade.

Risk Management Area

This Area is responsible for monitoring in its client's credit risk assessment that the Commercial Division has not failed to comply with the above.

Main internal environmental conservation activities

- Waste management protocols in offices
- Certified Technological disposal certification
- Reduction of electric power consumption
- Maintenance of LEED Certification of offices since 2013
- "Paper Less" Program and "Clean Desk" Culture



Global Compact Principles

Environment

- Principle 7: We maintain a preventive approach that favors the environment.
Principle 8: We foster initiatives that promote greater environmental responsibility.
Principle 9: We foster the development and dissemination of environmentally friendly technologies.

SOCIAL DIMENSION

The Crece Latinoamérica Gonzalo Menéndez Duque Foundation carries out Bladex’s social investment work. In response to the pandemic, we have prioritized our support at community level to ensure the continuity of the projects we have been supporting for the education and development of thousands of children and young people in vulnerable situations.

This effort, widely supported by the Bladex Volunteer Committee for the past 9 years, is framed within the United Nations Global Compact Principles, as well as the Sustainable Development Goals.

To this effect, the Foundation’s Support Plan during 2021 provided for a contribution of US\$157,920.00, earmarked for the following projects:

Social Investment

Centro Educativo Marie Poussepin (CEMP) is the community project that Fundacion Crece Latinoamerica has been supporting since its creation, which has impacted the lives of thousands of students, contributing to their educational, social and cultural development, in a vulnerable and impoverished community in Panama City.

In this regard, in 2021, maintenance of roofs in the preschool play areas, placement of signage requested by the Ministry of Health (MINSA) in classrooms, hallways and student dining room, among others, were carried out

Replacement of 20 chairs for classrooms, purchase of 8 devices to place absorbent paper next to washbasins, as requested by MINSA. They currently have air dryers.

Support for the purchase of food for breakfast and lunch provided by the school. Snacks are now prepared for the most economically affected students.

El Bale Missionary Center

The center has 50 boarding students and Bladex provides resources for the purchase of food, construction of two restrooms for the library area and weekly academic reinforcement.

Hogar de Niñas y Adolescentes La Merced shelter

The Hogar de Niñas y Adolescentes La Merced shelter is home to 25 girls and young women, all of whom are CEMP students. The Bank’s monetary support covers part of the maintenance and weekly academic reinforcement expenses.

Hogar Divina Gracia shelter

This shelter is currently home to 23 children, and the contribution is used to cover basic, intermediate and advanced computer classes taught in the facilities, as well as to replace an air conditioner in the dormitory and support general maintenance of the facilities.

Casa Esperanza

This institution carries out the home education program for students from the Aguadulce and Boquete centers (indigenous area). With Bladex’s support, a total of 50 students have access to Internet at home, virtual and in-person academic support, as well as food support.

Parent Education Program

Contribution to the Parent Education Program carried out at CEMP by the Bankers’ Wives Society, which has been implemented for more than 10 years, with an average participation of 350 parents, who receive training related to the education of their children at different stages, as well as personal growth and financial education. The program is mandatory and lasts six months.



Global Compact Principles

Human Rights

- Principle 1: We support and respect the protection of fundamental, internationally recognized Human Rights.
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Food Bank

The Bank's support is distributed through the Feed a Life Program, which benefits 400 families in the provinces of Panama, West Panama and Darien with monthly food bags for five months, as well as the Desayunos Felices (Happy Breakfasts) Program, which benefits 3,000 children living in four provinces of the country, providing daily nutritional supplements from September to December.

Brascri Foundation, Brazil

The Brazilian foundation with which we have worked on several projects in different periods, and where the Sao Paolo's office staff carries out their volunteer work. This year's contribution is aimed at implementing a computer program for teenage students with hearing needs, and acquiring furniture and visual equipment for the stimulation area for hearing-impaired infants that the Foundation treats at its facilities.

Ficohsa Foundation, Honduras

Contribution for the rehabilitation of three preschool centers affected by hurricanes ETA and IOTA. This amount represents 50% of the total rehabilitation costs, with the Ficohsa Foundation assuming the remaining 50%. The centers were built in different periods by both institutions.

Gonzalo Menéndez Duque Scholarships

During 2021, the higher education second year tuition fee for the first place student in 2019 and the first year tuition fee for the first place student in 2020 were covered by this grant.

Donation Details 2021

Projects	Activities
Centro Educativo Marie Poussepin Panama	a) General maintenance of facilities b) Purchase of furniture for classrooms (blackboards, chairs) c) Provision of food for the children's dining room
Centro Educativo Marie Poussepin Colon, Panama	a) Construction of perimeter wall (half a hectare)
Nuestra Señora de Guadalupe El Bale Missionary Center	a) Academic reinforcement for computer classes b) Construction of two restrooms for the library c) Contribution for food
Hogar de Niñas y Adolescentes La Merced shelter	a) Contribution for maintenance of facilities and furniture (roof repair, replacement of doors and purchase of 10 chairs (computer area)) b) Contribution for academic reinforcement
Hogar Divina Gracia shelter	a) Maintenance of facilities (change of ceiling panels, roof repair 521 mts2, waterproofing of walls 182 mts2) b) Purchase of air conditioning units for the female boarders' dormitory c) Contribution for computer classes
Hogar Casa Esperanza shelter	a) Home-based and semi-virtual education program for Aguadulce and Boquete centers
Bankers' Wives Society	a) Contribution to the Parent Education Program
Food Bank	a) Feed a Life (Alimenta una Vida) Program b) Happy Breakfasts (Desayunos Felices) Program
Brascri Foundation, Brazil	a) Acquisition of furniture and visual equipment for the pre-school stimulation area for hearing-impaired infants b) Computer program for students with hearing impairment
Ficohsa Foundation, Honduras	a) Rehabilitation of three preschool centers

Volunteer Committee

Bladex Volunteers in Action

During 2021, Bladex volunteers supported the CEMP in Curundu, Panama City. They also supported the poultry and beekeeping program at the Divina Misericordia Missionary Center in El Bale, Veraguas. In addition, activities included the installation of Internet and a turbine, improvements to the library and dining room, as well as a subsidy for food, expansion and fitting out of the dormitories for the young people of the boarding school.

On the other hand, the Bladex team of volunteers delivered personal items to the 23 girls of the Hogar Divina Gracia shelter in Arraijan.



Christmas evening with CEMP children and award of scholarships

Bladex volunteers shared a joyful Christmas evening with the CEMP pre-kindergarten and elementary school children, an activity that on this occasion celebrated 17 years of being organized by this dynamic team of employees. Bladex's sponsors also presented the honorary positions of graduating seniors and pre-middle school students with financial awards.



Human Development

During 2021, we achieved important milestones thanks to the commitment of each of our employees: we gradually returned to the offices, welcomed new members of the Bladex family, and developed important projects for the Bank through the work of interdepartmental and multifunctional teams, among others.

In Human Development, we always keep in mind our purpose of improving people's daily lives, with the certainty that none of the goals achieved would be possible without the cooperation and effort of everyone.

The talent, capacity and multiculturalism, added to the commitment and passion of our 195 employees of 15 nationalities, is the human capital that stimulates our evolution and drives the competitiveness of Latin American trade, providing answers to the demands of the financial sector and the export market in the 23 countries we serve.

In this regard, we have been upholding the work practices set forth in Principles 3, 4, 5, and 6 of the Global Compact for 9 years, respecting the legislation of the countries where we operate and the human rights of our employees, always guided by our Code of Ethics and Values: Commitment, Humility, Excellence, Respect, and Integrity.

195 Employees of 15 Nationalities



Global Compact Principles

Human Rights

Principle 1: We support and respect the protection of fundamental, internationally recognized Human Rights.
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Campaigns

Throughout the year, we sought to continue raising awareness among our teams in order to strengthen the well-being of our employees, empathetic leadership and focus on the business. To this end, we conducted 13 campaigns focused on the following:

- Launch of “New Players for a new Bladex” (Feedback Campaign)
- “Women who Inspire”, as part of International Women’s Day
- Awareness campaign on the transition from Libor to SOFR, through information capsules, videos, newsletters and training sessions.
- New Human Development Management System
- Wellness Activities
- Health Week
- Compliance Week
- Gratitude Week
- Launch of Referral Plan
- Relaunch of the Dress Code
- Accounting year-end campaign to emphasize the importance of accounting book closing.

Team Meetings

In June 2021, we began the gradual return to office. As part of this process, we held several team meetings, including a breakfast with new Bladex employees who started working remotely during the pandemic crisis and our CEO, Jorge Salas.

Benefits

We continued with the Benefits Plan, which during 2021 focused on the following activities:

- In-home flu vaccines.
- Campaign to educate employees on how to apply for Beneflex and Medical Insurance (Dental Plan) reimbursements.
- Special discounts for antigen or PCR testing for employees and family members.
- Antigen or PCR testing at our offices.

Training

In order to consolidate learning and development efforts, and strengthen integration and leadership, Bladex promotes training programs aimed at all functional areas and all hierarchical levels of the organization, an effort that included 49 training activities.

The talent development offering is based on three pillars:

- Interpersonal Skills, Leader Development and Team Coaching.
- Functional competencies.
- Regulatory issues.

In addition to the above, Human Development coordinates “Know Your Bladex” workshops, where all departments are invited to share their functions and the activities and initiatives they promote in brief instances throughout the year. These workshops facilitate continuing education on current issues in the Bank.

PDA and the Bladex Talent Compass

As part of the transformation path we are going through, in 2021 we co-created a matching model between the PDA (Personal Development Analysis) methodology and our Talent Management model, thus initiating the Bladex Talent Compass project. Using the PDA tool, we obtained the behavioral competencies of our employees and job candidates, as well as define the behavioral requirements needed for critical positions.

The tool's data analytics allows us to map the organization's talent and provide graphic information to support leaders in making strategic decisions and the selection and development of our talent.



Global Compact Principles

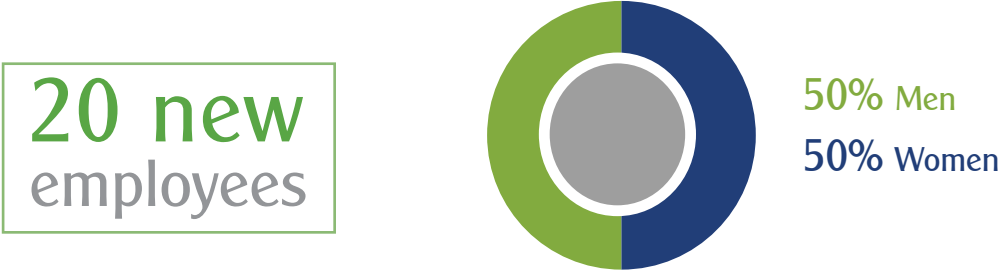
Work

- Principle 3: We support freedom of association and the effective recognition of the right to collective bargaining.
- Principle 4: We support the elimination of all forms of forced or compulsory labor.
- Principle 5: We support the eradication of child labor.
- Principle 6: We support the abolition of discriminatory practices in employment and occupation.

Talent Attraction

Attracting talent has become one of the enablers for achieving the objectives set. In this regard, Human Development plays an important role in the active search for new talent, which has even allowed us to launch a Referral Plan and promote the Development Plan at Bladex.

As a result of this initiative, 20 new employees joined the organization in 2021, with the aim of strengthening the different areas of the bank.



Wellness Activities

We are proud of the wellness activities carried out in 2021, because they were specially designed to accompany employees in the challenges generated by the pandemic:

- Mindfulness sessions
- Launch of a professional and confidential emotional support service.
- Mijael Brandwajn breathing workshop.
- Launch of the wellness platform through the BLX portal.
- Launch of the “We want to listen to you” initiative, to receive feedback on wellness activities.
- 21 virtual cafés held on different topics of interest.
- Dozens of birthdays celebrated, as well as family activities.

Recognition Program

During this period, we set out to strengthen the culture of recognition, incorporating social recognition through the internal BLX platform, where some employees were able to highlight others for living our values. As part of this initiative, 50 employees received social recognition. In addition, 9 employees were recognized for extraordinary achievements. At the end of 2021, we congratulate those who supported us by encouraging the recognition of their colleagues.

Welcoming new members of the Bladex family

We celebrated the birth of 10 of our employees’ children by sending a breakfast to their homes to celebrate the arrival of the new baby.

GOVERNANCE DIMENSION



Global Compact Principle 10
Anti-Corruption: we work against corruption in all its forms, such as extortion and bribery.

Mission

To provide financial solutions of excellence to banks, companies and investors doing business in Latin America.

Vision

To be recognized as a leading institution in supporting trade and regional integration across Latin America.

Values

- Integrity
- Commitment
- Excellence
- Respect
- Humility

Bladex maintains an ongoing commitment to the continuous strengthening and adoption of best practices in Corporate Governance, as well as in its performance in complying with regulatory requirements, as this represents the backbone of the Bank’s management.

Corporate Governance provides the framework for the achievement of Bladex’s objectives and encompasses different areas for the execution of the organization’s action plans and internal control structure.

The Board of Directors addresses all matters related to Corporate Governance, through the Compensation Committee, which is responsible for promoting improvements and verifying compliance with all applicable policies.

[Corporate Governance Manual](#)

The way decisions are formally made in the organization is detailed in our Corporate Governance Manual, a public document disclosed through our website: www.bladex.com/en/corporate-governance

[Ethics and Transparency Framework](#)

Bladex discloses all material matters, including financial statements and corporate governance issues in a timely manner. Relevant financial information is made available to the market on a quarterly and annual basis.

The Bank’s Disclosure Committee ensures the proper application of the principle of transparency by reviewing all documents containing relevant information about the Institution before they are disclosed to the public.

The Bank has adopted a Code of Ethics containing the general policies and principles that should guide the ethical-professional behavior of the Organization’s employees and directors.

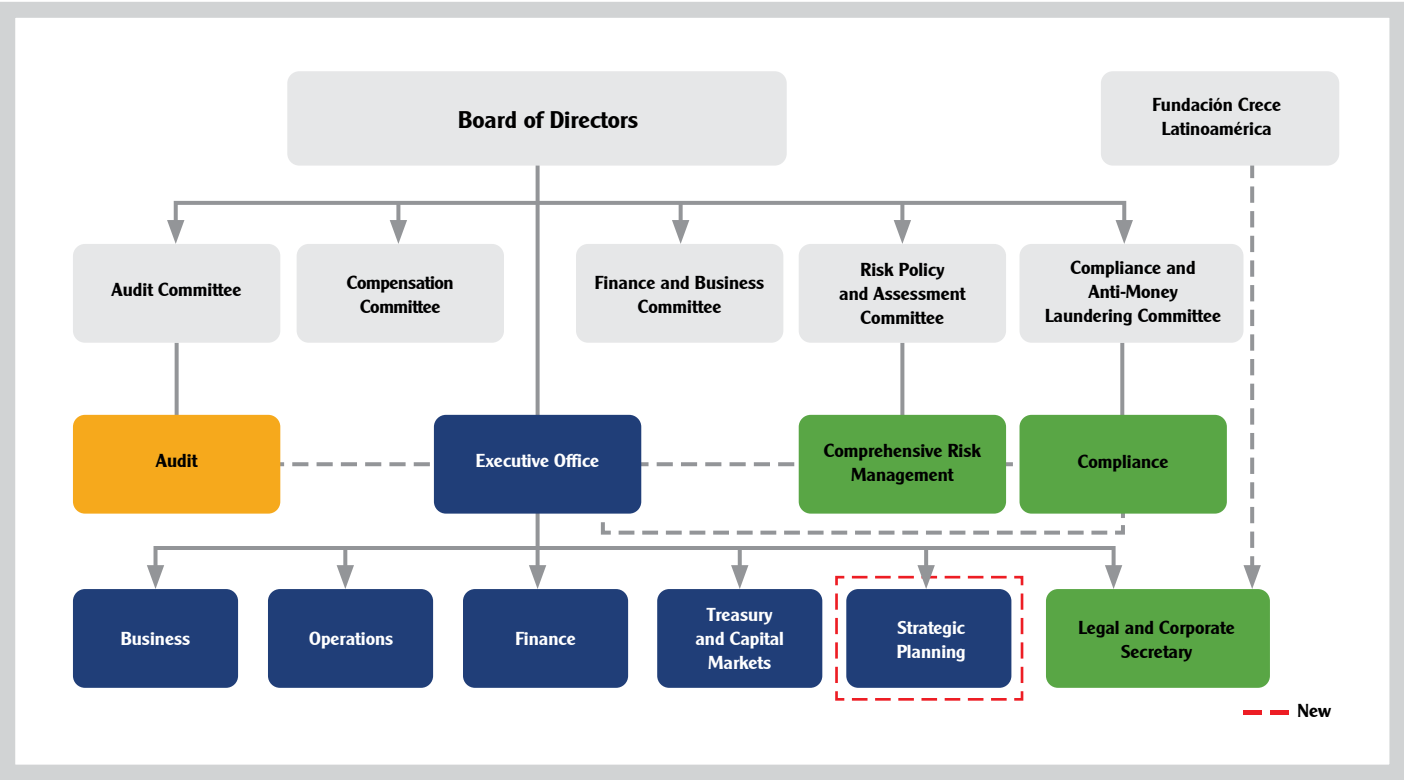
Bladex also has a Supplier’s Code of Ethics and Conduct aimed at ensuring that suppliers working with the Bank do so in accordance with the principles and values laid out by the Institution, with the expectation that they will abide by them throughout their value chains.

The whistle-blowing channel called “Bladex Ethics Line” is an alternative means of communication through which its employees, suppliers and clients may report the occurrence of any real or possible infringement of the Bank’s Code of Ethics, real or potential irregularities, as well as other irregular situations that could affect the principles of institutional integrity. Information for submitting a report is accessible in all sections of the website <http://www.bladex.com>

Relationship and Communication with Our Stakeholders

STAKEHOLDER GROUP	METHOD OF COMMUNICATION	FREQUENCY	DESCRIPTION
INTERNAL			
SHAREHOLDERS	Annual Shareholders' Meeting	Annual	The 2021 Shareholders' Meeting was held successfully virtually due to the Covid-19 pandemic, taking into account the well-being and health of our employees, their families, shareholders and Directors.
	Financial Statements, Proxy Statement and other regulatory reports (20-F)	Annual	The Audited Financial Statements are presented every year to the shareholders for their approval. Proxy Statement and other regulatory reports are issued and filed on a yearly basis.
BOARD OF DIRECTORS	In-person and virtual meetings of the Board of Directors and Board Committees, website and Annual Report	Ongoing	In 2021, we remained in constant communication with our Board of Directors through all available channels and held eight meetings in the year. In addition, meetings of the committees that support the management of the Board of Directors were held.
EMPLOYEES	E-mail, intranet, work meetings, special events	Ongoing	Monthly town hall meetings of all staff with the CEO, weekly talks with experts on various topics of interest to employees, health capsules, as well as informative and educational, online training for staff, online celebrations of holidays, promotion of health week, "mindfulness" space, recognition event for employees, weekly meetings of leaders with their teams.
RELATED			
CLIENTS	Communiqués and notifications via e-mail	Ongoing	Constant communication is maintained through press releases, e-mail and notifications, to keep them updated with all issues related to our services.
	Customer Service Desk	Ongoing	Calls for inquiries and service are channeled through one-on-one meetings, via telephone, e-mail, and website.
	In-person and virtual meetings, LinkedIn, website, e-mail, semi-annual newsletter, surveys and opinion polls, bulletins, and press releases published in digital media	Ongoing	We transmit information through our own channels of communication and points of contact with clients, such as e-mail. In 2021, we disseminated relevant news about the organization and the products and services provided.
SUPPLIERS	Contracts and agreements, website, e-mail	Ongoing	We remain in constant communication with our suppliers, which undergo a due diligence process as part of the "Know Your Supplier" policy.
EXTERNAL			
STATE ENTITIES	E-mail, phone calls, in-person or virtual meetings, messaging, website	Ongoing	We are in communication with governmental entities, both to maintain the relationship as customers, as well as to comply with the company's tax obligations.
REGULATORS	In-person or virtual meetings, reports, e-mail	Ongoing	We maintain transparent communications with regulatory entities through the appropriate channels.
COMMUNITY	Website, e-mail, meetings, visits, tours, events	Ongoing	In 2021, it was difficult to develop community relations and volunteer activities, due to biosafety risks. Customers and general public received communication from Bladex through our channels and news broadcasts.

Executive Committee



Annual Shareholders’ Meeting

Ordinary Shareholder’s meetings are called no less than 30 days prior to the meeting, thus giving shareholders more time to learn about the Bank’s reports and the proposals submitted for their consideration. The 2021 Shareholders’ Meeting was held successfully virtually due to the exceptional situation caused by the Covid-19 pandemic, taking into account the well-being and health of our employees, their families, shareholders and directors.

Composition of the Board of Directors

The Board consists of ten directors, in accordance with the Bank’s Articles of Incorporation. Three directors are elected by the Class A Shareholders, five directors are elected by the Class E Shareholders, and two directors are elected by the holders of all classes of the Bank’s common stock.

Except for Director Ricardo Manuel Arango, all current members of the Board are independent under the terms defined by applicable laws and regulations, including rules promulgated by the United States Securities and Exchange Commission (“SEC”) under the Sarbanes-Oxley Act of 2002 (“Sarbanes-Oxley Act”), Section 303A of the New York Stock Exchange Listed Company Manual, and Rule 05-2011 as amended by Rule 05-2014 of the Superintendency of Banks of Panama.

Members of the Board are elected at annual meetings of shareholders of the Bank, and each director serves a term of three years. Directors may be re-elected multiple times. For the election of directors representing a class of shares of the Bank’s common

stock, the votes of the holders of such class of shares are counted separately as a class.

Executive Committee

The CEO is responsible for implementing the strategy, policies, and practices approved by the Board of Directors. The Executive Committee, comprised of seven Vice Presidents, is responsible for administering and managing the Bank’s operations. The Executive Committee consists of:

- Executive Vice President – Chief Operating Officer
- Executive Vice President – Chief Commercial Banking Officer
- Executive Vice President – Chief Risk Officer
- Executive Vice President – Chief Financial Officer
- Executive Vice President – Treasury and Capital Markets
- Executive Vice President – Chief Legal Officer and Corporate Secretary
- Executive Vice President – Chief Audit Officer
- Executive Vice President – Strategic Planning

Class A	Country of Citizenship	Position Held with the Bank	Year Term Expires
Eduardo Hecker Chairman Banco de la Nación Argentina	Argentina	Director	2023
José Alberto Garzón Legal Vice President and General Counsel Banco de Comercio Exterior de Colombia	Colombia	Director	2023
João Carlos de Nóbrega Pecego Vice President – Corporate Business Banco de Brasil	Brazil	Director	2022
Class E			
Ricardo Manuel Arango Socio Senior Arias, Fábrega y Fábrega, Panama	Panama	Director	2022
Hermínio A. Blanco President IQOM, Mexico	Mexico	Director	2022
Mario Covo Founding Partner DanaMar LLC, United States	United States	Director	2023
Miguel Heras Castro Managing Director Inversiones Bahía, Ltd, Panama	Panama	Director	2024
Roland Holst Board Member Sudameris Bank, Paraguay	Paraguay	Director	2022
All Classes			
Alexandra M. Aguirre Partner Morrison & Foerster, United States	United States	Director	2024
Isela Costantini Chief Executive Officer Grupo ST, Argentina	Argentina	Director	2024

Meetings of the Board and Committees

During the fiscal year ended December 31, 2021, the Board held eight meetings. Directors attended an average of 89% of the total number of Board meetings held during this period.

Name	Audit	Risk Policy and Assessment	Finance and Business	Compliance and Anti-Money Laundering	Compensation
Alexandra M. Aguirre	Member				Member
Ricardo Manuel Arango		Member	Member	Chair	
Herminio A. Blanco	Chair	Member			
Isela Costantini	Member				Member
Mario Covo		Member	Chair		
José Alberto Garzón	Member			Member	Member
Eduardo Hecker	Member				Member
Miguel Heras Castro		Chair	Member		
Roland Holst		Member	Member		
João Carlos de Nóbrega Pecego			Member		Chair
Number of Committee meetings held in 2021	6	5	5	7	8

Ongoing Training for Directors

The Board believes that director education is essential to the ability of the directors to provide oversight and fulfill their roles. It is important that directors receive additional information and training about issues that are relevant to exercising prudent oversight of the management of the Bank. As such, the Bank regularly provides training that covers its industry and related current business, regulatory and governance topics presented by internal and external experts.

All new directors on the Bank’s Board receive orientation on the organization and individually tailored training, taking into account the director’s experience, background, education and committee assignments. The Bank’s new director orientation program is led by members of senior management, in consultation with the Chairman of the Board and each of the Bank’s new directors, and covers

a review of the Bank’s business groups, strategic plan, financial statements and policies, risk management framework and significant risks, regulatory matters, corporate governance and key policies and practices (including the Bank’s Code of Ethics and Compliance programs), as well as the roles and responsibilities of its directors.

They also participate in sessions on the Bank’s business, services and products; and information on industry trends, regulatory developments, best practices and emerging risks in the financial services industry. Other information and reference materials on governance, regulatory, risk, and anti-money laundering and corruption are regularly included in committee and meeting materials stored in an electronic library available to directors.

Director Nomination Process

The Compensation Committee is responsible for screening and recommending the nomination of director candidates to the Board.

When identifying and evaluating potential director nominees, including current members of the Board who are eligible for re-election, the Committee seeks a balance of knowledge, experience and capacity on the Board and may consider the following:

- Ethics, integrity and adherence to our values;
- Qualities such as character, business judgment, independence, relationships, professional experience, length of service, and the like;
- Commitment to enhancing long-term stockholder value;

- Diversity of backgrounds, which is construed broadly to include differences of viewpoint, age, skill, gender, race, ethnicity, and other individual characteristics;
- Knowledge or relevant experience regarding the operations or risks inherent in banking activities;
- Demonstrated track record of integrity, competence, diligence and practical understanding of the business environment;
- Sufficiency of time to carry out their Board and committee duties; and
- Other factors, including conflicts of interest or competitive issues.

Board Evaluations

Our Board recognizes the critical role of annual evaluations in ensuring the Board is functioning effectively. To that end, the Board analyzes its own performance and the effectiveness of its members, who annually complete a Board evaluation questionnaire. The Compensation Committee reviews and discusses overall performance and recommendations for improvement submitted to the Board.

Executive Meetings of Directors

Executive meetings of directors are held during each meeting of the Board. Executive meetings throughout this year were presided by Mr. Miguel Heras Castro, as Chairman of the meetings. The Board held executive meetings eight times during 2021.

Relationship with Suppliers

Bladex values its relationship with its more than 700 suppliers in Panama, Representative Offices and New York Agency. They are a fundamental part of the efficient management of operations.

To strengthen this relationship, the organization abides by its Code of Ethics and performs a due diligence process on its suppliers, complying with the “Know Your Supplier” policy. Suppliers are required to adopt Bladex’s Supplier’s Code of Ethics.

Objective	Implemented Activities
Responsible, ethical and fair management with organizations outside the company and suppliers.	Supplier management on one platform. Automation of the requisition process up to payment, with automatic interface with the checklist application. Project management, provision, foreign office expenses, shareholder payments and other administrative requests.
To define how often supplier information is updated and the criticality of each one.	Implementation of a new supplier risk rating methodology, including FCPA (Foreign Corrupt Practices Act) regulations.



Active Management of Operational Risk and Business Continuity

Comprehensive Risk Management is carried out by the Comprehensive Risk Management and Compliance Areas. The Comprehensive Risk Management Area reports to the CEO and CPER. Its main function is to ensure comprehensive management of the Bank's operating model and technological platform, as well as financial and non-financial risks.

The Compliance Area reports to the Compliance and Anti-Money Laundering Committee of the Board of Directors and is responsible for implementing and supervising the compliance function throughout the Organization. The Area's objective is to detect any suspicious activity in any form and combat money laundering, the financing of terrorism and the proliferation of weapons of mass destruction, as well as sanction programs imposed or managed by international and government agencies.

The following are the most important advances and activities for the year 2021 and the steps taken to face the Covid-19 pandemic.



Operational Risk Culture

Activities

- Information Capsules
- Specialized training for operational risk managers
- Annual Regulatory Talk
- Raising awareness of the importance of risk identification
- Implementation of the “operational risk week”

Results

- Awareness of the importance of the risk framework, considering the responsibility of employees in managing operational risks.
- Incoming and permanent staff with basic knowledge to know and keep in mind the importance of managing risks.
- Promotion of the reporting of events and incidents, providing follow-up to resolve them at their root cause.

COVID-19 Pandemic Operational Risk Management

Activities

Implementation of measures aimed at the following areas:

- Human capital management
- Information security
- Physical facilities
- Clients, suppliers and shareholders
- Regulators and rating agencies
- Social responsibility

Results

- The Comprehensive Risk Management Area led the implementation of a multidisciplinary committee to enable the Bank to actively manage the identification of risks related to pandemic-related events.
- The COVID-19 Committee continues generating synergies for the rapid definition of plans to implement office health and safety measures and the timely management of the Bank's human resources.

COVID-19 Pandemic Business Continuity Plan

Activities

Establishment of agile and effective measures, operating the business remotely and processing transactions without operational or technological disruptions.

Results

The measures taken represented a prompt and effective response, with no business disruption that could jeopardize the operation of our activities. In this regard, the teleworking plan proved to be robust, as communications and operations have been continuous and secure.

Risk Manager Program

Activities

- Specialized training and meetings for appointed managers in the different areas of the Bank.
- Definition of tasks and responsibilities of Risk Managers.
- Active communication with Operational Risk Managers on new developments and best practices.

Results

- Promotion of effective coordination among the different areas that make up the First Line of Defense and the Operational Risk Unit.
- Fulfillment of a fundamental task in the proper implementation of the Bank's Operational Risk Management Governance Framework.
- Strategic allies in processes related to Operational Risk Management.

Compliance Management

Bladex's organizational structure establishes the independence of the Compliance Area, which is responsible for ensuring strict compliance with Anti-Money Laundering regulations and policies. Therefore, the implementation of the Compliance Program is part of our organizational culture, so that all employees, directors and suppliers assume a commitment to properly implement the rules, policies and procedures related to the AML/CFT/PWMD System.

Through the following standards, the Bank has put reasonable measures in place, pursuant to the regulations issued that apply both to its Head Office as well as to its Offices and/or Dependencies in countries where it operates, to know and identify all its clients and the management of the operations carried out daily:

Activities

- Anti-Money Laundering, Counter-Terrorist Financing and the Proliferation of Weapons of Mass Destruction (AML-CFT/PWMD) Manual
- Staff Training
- Review and Monitoring
- Audits
- FCPA Controls

Results

- Continuous implementation of the Manual with established mechanisms.
- Appropriate ML/FT/FWMD risk management.
- 100% of the Bank's staff certified their knowledge of these measures through an e-learning course.
- Active participation of employees from the Compliance, Internal Audit, Legal Counsel and Risk Areas at the annual version of the 2021 Virtual Hemispheric Congress and the Annual FIBA AML Compliance Conference.
- Regular inspections by the regulator in order to validate compliance and the proper implementation of the Compliance Program.
- Internal Audit includes in its annual planning a review of the Program and issues regular reports to the Board and appropriate Committees.
- Bladex is committed to reasonably know all its clients, as well as the management of the operations carried out on a daily basis, while at the same time creating the systems structure and having the staff to enable the proper application of the institution's controls and procedures.
- 100% of the Bank's employees are informed of new policies, approved regulations, typologies and public cases, through mass communications sent on a quarterly basis.





Information Security and Cybersecurity

The strategy for managing information security and cybersecurity at Bladex is based on the risk profile and throughout the year various activities are carried out to raise awareness and train all employees, in order to keep them updated on new threats and how to prevent them.

The Bank continued to operate mainly through teleworking in 2021 and it was therefore essential to continue strengthening cybersecurity posture, recognizing that working outside the organization's structure involves an increase in the risk of falling victim to a cyberattack (malware, phishing).

Activity	Objectives	Results
Strengthening of protection schemes	<ul style="list-style-type: none">• Adopting and adapting to digital transformation and its associated processes.• Management of cyber risks• Establishment of mitigating controls• To keep all employees safe and ensure business continuity• Use of cybersecurity tools to ensure protection against attacks from major vectors, operating in cloud mode.	<p>We further strengthened risk mitigation measures against cyberattacks:</p> <ul style="list-style-type: none">• Protection Tool to prevent attacks via web browsers.• Continuous measurement of network compromises.• Measurement of the Bank's security posture using CyberScores.• Laptop Protection: Next-generation antivirus, with automatic incident detection and response modules and a threat hunting service running 24X7X365.• Daily vulnerability monitoring.• Continuous monitoring by Information Security, Technology and outsourced SOC (Security Operation Center).
Raising awareness on teleworking-related security	<ul style="list-style-type: none">• To strengthen safety awareness when teleworking.• To raise awareness and train all employees, making them as users one of the strongest information security controls.	<ul style="list-style-type: none">• Annual training given by expert provider, focused on prevention of security threats in our homes.• Induction of new employees: updating them on the new cyberattack environment and recommendations.• Training through video conferences, with the participation of all Bank staff, on new threats and recommendations.
Strengthening of the Information Security and Cybersecurity strategic model	<ul style="list-style-type: none">• Adapting information security and cybersecurity strategies, according to external reviews by suitable suppliers in the area.	<ul style="list-style-type: none">• External review of the security strategy established based on standards and best practices. The result was total alignment and compliance with practices such as NIST and FFIEC.
Participation of the Information Security Area in an international conference	<ul style="list-style-type: none">• To showcase Bladex's best practices at a Latin American international event	<ul style="list-style-type: none">• Presentation on best practices in the implementation of endpoint protection platforms.• Participation in a successful case in the implementation of advanced security tools for endpoints through CrowdStrike.



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